

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



Thirteenth Congress

First Regular Session

HOUSE BILL NO. 3257

Introduced by Honorable **MONICO O. PUENTEVELLA**

EXPLANATORY NOTE

The reason behind the conception of RA 9257, otherwise known as the "Expanded Senior Citizens Act of 2003", may be traced from the provision of the 1987 Constitution giving the State the prerogative to adopt programs and measures for the benefit of the elderly members of our society. In doing so, the State is nevertheless bound to consider and see to it that subsequent laws and legislations are in harmony with the Constitution's basic policies which includes the recognition of the indispensable role of private sector and enterprise in nation building.

Sad to say, however, that until now the intent of the legislature has not been achieved due to the flaws of the provisions of the existing law. For instance, RA 9257 covers all senior citizens regardless of their income. While it is true that the discount privilege has provided some favorable results, it somehow did not embrace the characteristics of the law which requires a valid classification. Apparently, the Act under consideration did not provide a substantial distinction when it is made applicable to subjects belonging to different classes. To include senior citizens who are capable of supporting themselves within their means would be contrary to the wisdom and object of the law. In the same sense, providing additional penalty of imprisonment for the violations of the provisions of R.A. 9257 contradicts the principles of fundamental law and public policy for being excessive and unreasonable.

RA 9257, in short, requires some amendment in order to effectively carry out its purpose and essence. We need a new enactment which, while maintaining the socio-economic balance, comprehensively responds to the plight of the senior citizens, especially those who have no sufficient income.

It is, therefore, earnestly requested that this proposed measure be approved.


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AN ACT
AMENDING R.A. 9257 OTHERWISE KNOWN AS THE EXPANDED
SENIOR CITIZENS ACT OF 2003.

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled.

SECTION 1. Title -This Act shall be known as the "REVISED SENIOR CITIZENS ACT OF 2004."

SECTION 2. The following provisions of R.A. 9257 shall be amended as follows:

"SEC. 4. Privileges for Senior Citizens – Senior citizens shall be entitled to the following:

(a) the grant of twenty per cent (20%) discount from all establishments relative to the utilization of services in hotels and similar lodging establishments, restaurants **and other food serving/selling establishments**, recreation centers, and purchase of medicines **of all kinds, whether prescribed or over-the-counter**, in all establishments for the exclusive use or enjoyment of senior citizens, including funeral and burial services for the death of senior citizens; **Provided, however, that the discount privilege provided under this Act may only be availed of by senior citizens receiving an annual income not exceeding One Hundred Thousand Pesos (P100,000.00).**"

Paragraph (m), Subparagraph (c) 2nd paragraph shall be read as:

"The establishment may claim the discounts granted under (a), (f), (g) and (h) as tax deduction [based on the net cost of the goods sold or services rendered] **equivalent to Thirty-Two per cent (32%) of the discount given for goods sold or services rendered**; Provided, That the cost of the discount shall be allowed as deduction from gross income for the same taxable year that the

discount is granted; Provided, further, that the total amount of the claimed tax deduction net of value added tax, if applicable, shall be included in their gross sales receipts for tax purposes and shall be subject to proper documentation and to the provisions of the National Internal Revenue Code, as amended."

"SEC. 10. Penalties – Any person who violates any provision of this Act shall suffer the following penalties:

- (1) For the first violation, a fine of not less than Fifty thousand pesos (P50,000.00) but not exceeding One hundred thousand pesos (P100,000.00); *[and imprisonment for not less than six (6) months but not more than two (2) years]* and
- (2) For subsequent violation, a fine not less than One hundred thousand pesos (P100,000.00) but not exceeding Two hundred thousand pesos (200,000.00) *[and imprisonment for not less than two (2) years but not more than six (6) years]*.

Any person who abuses the privileges granted herein shall be punished with a fine of not less than Five thousand pesos (5,000.00) but not more than Fifty thousand pesos (50,000.00) *[and imprisonment of not less than six (6) months]*.

If the offender is a corporation, organization or any similar entity, the officials thereof directly involved shall be liable therefore.

If the offender is an alien or a foreigner, he shall be deported immediately after service of sentence without further deportation proceedings.

Upon filing of an appropriate complaint, and after due notice and hearing, the proper authorities may also cause the cancellation or revocation of the business permit, permit to operate, franchise and other similar privileges granted to any business entity that fails to abide by the provision of this Act."

SECTION 3. Separability Clause – If any provision of this Act or the application thereof to any person or circumstances is held invalid, the other provisions of this Act and the application of such provisions to other persons or circumstances shall not be affected thereby.

SECTION 4. Repealing Clause – All laws, decrees, executive orders, rules and regulations or parts thereof contrary to, or inconsistent with this act are hereby modified or repealed accordingly.

SECTION 5. Effectivity – This Act shall take effect fifteen (15) days following the completion of its publication in the Official Gazette or in two (2) national newspapers of general circulation.

Approved,