

1 **HOUSE OF REPRESENTATIVES**

2 Quezon City, Metro Manila

3 Philippines

4 **SIXTEENTH CONGRESS**

5 **FIRST REGULAR SESSION**

6 **HOUSE BILL NO. 4265**



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9
10 Introduced by CIBAC Party List Representative
11 Sherwin Tugna

12 **AN ACT PROVIDING FOR THE MAINTENANCE AND WELFARE OF SENIOR**
13 **CITIZENS, FURTHER AMENDING REPUBLIC ACT NO. 7432, AS AMENDED,**
14 **AND FOR OTHER PURPOSES**

15 *Be it enacted by the Senate and House of Representatives of the Philippines*
16 *in Congress assembled:*

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18 **EXPLANATORY NOTE**

19
20 The Constitution recognizes the need to "give highest priority to the
21 enactment of measures that protect and enhance the right of all the people to human
22 dignity, reduce social, economic, and political inequalities, and remove cultural
23 inequities by equitably diffusing wealth and political power for the common good."

24 Senior citizens comprise 6.8% of the 92.1 million household population of the
25 Philippines in 2010 as shown by the 14th census conducted. Six (6) regions had
26 proportion of senior citizens compared to their region's total population higher than
27 the national figure namely: 1) Region I (16.6 percent); 2) Region VI (7.9 percent); 3)
28 Region VIII (7.6 percent); 4) Region VII (7.5 percent); 5) Region V (7.2 percent); and
29 6) Region III (7.1 percent).¹ It is projected that senior citizens will increase to
30 approximately 7.8% by the end of the current administration.²

31 Many of the senior citizens are already retired from employment, and many of
32 them have their retirement pensions as the only regular source of income. The
33 number of GSIS pensioners who are senior citizens increased by 4.9 percent
34 between 2008 and 2009; 5.6 percent between 2009 and 2010.³ As of 31 December
35 2010, the total number of GSIS pensioners who are senior citizens is 199,579.⁴ The
36 increase in the number of GSIS pensioners amounts to almost 15%. The average
37 monthly pension of a GSIS pensioner who is a senior citizen is only PhP 7,768 in
38 2008, PhP 8,359 in 2009, and PhP 8,586 in 2010. This is slightly above the salary of
39 a minimum wage earner (working 26 days a month) for all regions, except for Region
40 IV-A, where it is short by 6 percent in 2008, and for NCR, where it is short by

¹ <http://www.census.gov.ph/content/age-and-sex-structure-philippine-population-facts-2010-census>.

² Dr. Romulo A. Virola Secretary-General, NSCB, "Senior's Moment",
http://nscb.gov.ph/headlines/StatsSpeak/2011/071111_rav.asp#tab13.

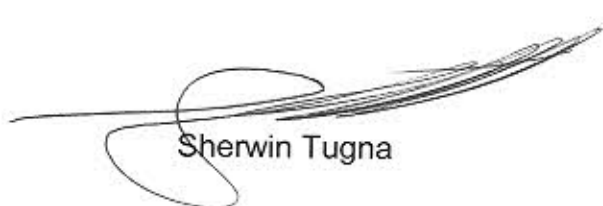
³ *Id.*

⁴ *Id.*

1 approximately 20 percent for 2008-2010.⁵ The average inflation rates for 2011, 2012
2 and 2013 are 4.6%, 3.2%, and 2.9% respectively.⁶ The high inflation rates coupled
3 the low income of senior citizens demand that basic necessities such as clothes and
4 footwear, eyeglasses and hearing aids, and similar products be discounted. Also,
5 since most of the pensions of senior citizens are disbursed through transactions in
6 banks, senior citizens must be given discounts as well.

7 Our present times have witnessed the wide-use of the internet. Many of our
8 daily transactions are facilitated through the internet, which makes it more
9 convenient to purchase services. However, many transactions facilitated online do
10 not provide the discount provided to senior citizens. This is not in consonance with
11 the provisions of the law. Therefore, it is but appropriate that all establishments,
12 individuals, corporations providing services be mandated to provide the discount
13 even in online transactions subject only to presentation of documents mentioned in
14 this law during the actual claim of services.

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16 Immediate passage of the bill is therefore earnestly sought.
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Sherwin Tugna

⁵ *Id.*

⁶ Please refer to <http://census.gov.ph/content/summary-inflation-report-consumer-price-index-2006100-september-2013>, <http://www.census.gov.ph/statistics/survey/price/summary-inflation-report-consumer-price-index-2006100-october-2013>, <http://www.census.gov.ph/content/summary-inflation-report-consumer-price-index-2006100-december-2013>.

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13 CITIZENS, FURTHER AMENDING REPUBLIC ACT NO. 7432, AS AMENDED,
14 AND FOR OTHER PURPOSES

15 *Be it enacted by the Senate and House of Representatives of the Philippines*
16 *in Congress assembled:*

17 **Section 1. Title.** - This Act shall be known as the "***Maintenance and Welfare of***
18 ***Senior Citizens Act of 2014***".

19 **Section 2.** Section 2 of Republic Act No. 7432, as amended by Republic Act Nos.
20 9257 and 9944, otherwise known as the "Expanded Senior Citizens Act of 2003" and
21 "Expanded Senior Citizens Act of 2010", is hereby further amended to read as
22 follows:

23 SEC. 2. *Definition of terms.* - For purposes of this Act, these terms are
24 defined as follows:

25 "~~(a) Senior citizen or elderly refers to any resident citizen of the Philippines at~~
26 ~~least sixty (60) years old;~~

27 "~~(b) Geriatrics refer to the branch of medical science devoted to the study of~~
28 ~~the biological and physical changes and the diseases of old age;~~

29 "~~(c) Lodging establishment refers to a building, edifice, structure, apartment or~~
30 ~~house including tourist inn, apartelle, motorist hotel, and pension house~~
31 ~~engaged in catering, leasing or providing facilities to transients, tourists or~~
32 ~~travelers;~~

33 "~~(d) Medical Services refer to hospital services, professional services of~~
34 ~~physicians and other health care professionals and diagnostics and laboratory~~
35 ~~tests that the necessary for the diagnosis or treatment of an illness or injury;~~

36 "~~(e) Dental services to oral examination, cleaning, permanent and temporary~~
37 ~~filling, extractions and gum treatments, restoration, replacement or~~
38 ~~repositioning of teeth, or alteration of the alveolar or periodontium process of~~
39 ~~the maxilla and the mandible that are necessary for the diagnosis or treatment~~
40 ~~of an illness or injury;~~

1 ~~"(f) Nearest surviving relative refers to the legal spouse who survives the~~
2 ~~deceased senior citizen: Provided, That where no spouse survives the~~
3 ~~decedent, this shall be limited to relatives in the following order of degree of~~
4 ~~kinship: children, parents, siblings, grandparents, grandchildren, uncles and~~
5 ~~aunts;~~

6 ~~"(g) Home health care service refers to health or supportive care provided to~~
7 ~~the senior citizen patient at home by licensed health care professionals to~~
8 ~~include, but not limited to, physicians, nurses, midwives, physical therapist~~
9 ~~and caregivers; and~~

10 ~~"(h) Indigent senior citizen, refers to any elderly who is frail, sickly or with~~
11 ~~disability, and without pension or permanent source of income, compensation~~
12 ~~or financial assistance from his/her relatives to support his/her basic needs,~~
13 ~~as determined by the Department of Social Welfare and development~~
14 ~~(DSWD) in consultation with the National Coordinating and Monitoring Board."~~

15 (A) DENTAL SERVICES REFERS TO ORAL EXAMINATION,
16 CLEANING, PERMANENT AND TEMPORARY FILLING,
17 EXTRACTIONS AND GUM TREATMENTS, RESTORATION,
18 REPLACEMENT OR REPOSITIONING OF TEETH, OR ALTERATION
19 OF THE ALVEOLAR OR PERIODONTIUM PROCESS OF THE
20 MAXILLA AND THE MANDIBLE THAT ARE NECESSARY FOR THE
21 DIAGNOSIS OR TREATMENT OF AN ILLNESS OR INJURY;

22 (B) GERIATRICS REFERS TO THE BRANCH OF MEDICAL SCIENCE
23 DEVOTED TO THE STUDY OF THE BIOLOGICAL AND PHYSICAL
24 CHANGES AND THE DISEASES OF OLD AGE;

25 (C) HOME HEALTH CARE SERVICE REFERS TO HEALTH OR
26 SUPPORTIVE CARE PROVIDED TO THE SENIOR CITIZEN
27 PATIENT AT HOME BY LICENSED HEALTH CARE
28 PROFESSIONALS TO INCLUDE, BUT NOT LIMITED TO,
29 PHYSICIANS, NURSES, MIDWIVES, PHYSICAL THERAPIST AND
30 CAREGIVERS; AND

31 (D) INDIGENT SENIOR CITIZEN, REFERS TO ANY ELDERLY WHO
32 IS FRAIL, SICKLY OR WITH DISABILITY, AND WITHOUT PENSION
33 OR PERMANENT SOURCE OF INCOME, COMPENSATION OR
34 FINANCIAL ASSISTANCE FROM HIS/HER RELATIVES TO
35 SUPPORT HIS/HER BASIC NEEDS, AS DETERMINED BY THE
36 DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT
37 (DSWD) IN CONSULTATION WITH THE NATIONAL COORDINATING
38 AND MONITORING BOARD.

39 (E) LODGING ESTABLISHMENT REFERS TO A BUILDING, EDIFICE,
40 STRUCTURE, APARTMENT OR HOUSE INCLUDING TOURIST INN,
41 APARTELLE, MOTORIST HOTEL, AND PENSION HOUSE
42 ENGAGED IN CATERING, LEASING OR PROVIDING FACILITIES TO
43 TRANSIENTS, TOURISTS OR TRAVELLERS;

1 (F) *MEDICAL SERVICES* REFER TO HOSPITAL SERVICES,
2 PROFESSIONAL SERVICES OF PHYSICIANS AND OTHER HEALTH
3 CARE PROFESSIONALS AND DIAGNOSTICS AND LABORATORY
4 TESTS THAT THE NECESSARY FOR THE DIAGNOSIS OR
5 TREATMENT OF AN ILLNESS OR INJURY;

6 (G) *SENIOR CITIZEN* REFERS TO ANY RESIDENT CITIZEN OF THE
7 PHILIPPINES AT LEAST SIXTY (60) YEARS OLD.

8 **Section 3.** Section 4 of Republic Act No. 7432, as amended by Republic Act Nos.
9 9257 and 9994, otherwise known as the "Expanded Senior Citizens Act of 2003" and
10 "Expanded Senior Citizens Act of 2010", is hereby further amended to read as
11 follows:

12 SEC. 4. Privileges for the Senior Citizens. -

13 The senior citizens shall be entitled to the following:

14 (a) the grant of twenty percent (20%) discount and exemption from the
15 value-added tax (VAT), if applicable, on the sale of the following goods
16 and services from all establishments, for the exclusive use and
17 enjoyment or availment of the senior citizen:

18 (1) on the purchase of medicines, including the purchase
19 of influenza and pneumococcal vaccines, and such other
20 essential medical supplies, accessories and equipment to
21 be determined by the Department of Health (DOH).

22 The DOH shall establish guidelines and mechanism of
23 compulsory rebates in the sharing of burden of discounts
24 among retailers, manufacturers and distributors, taking
25 into consideration their respective margins;

26 (2) on the professional fees of attending physician/s in all
27 private hospitals, medical facilities, outpatient clinics and
28 home health care services;

29 (3) on the professional fees of licensed professional
30 health providing home health care services as endorsed
31 by private hospitals or employed through home health
32 care employment agencies;

33 (4) on medical and dental services, diagnostic and
34 laboratory fees in all private hospitals, medical facilities,
35 outpatient clinics, and home health care services, in
36 accordance with the rules and regulations to be issued by
37 the DOH, in coordination with the Philippine Health
38 Insurance Corporation (PhilHealth);

(5) in actual fare for land transportation travel in public utility buses (PUBs), public utility jeepneys (PUJs), taxis, Asian utility vehicles (AUVs), shuttle services and public railways, including Light Rail Transit (LRT), Mass Rail Transit (MRT), and Philippine National Railways (PNR);

(6) in actual transportation fare for domestic AND INTERNATIONAL air AND WATER transport services OF COMPANIES REGISTERED IN ACCORDANCE WITH THE LAWS OF THE PHILIPPINES OR OF COMPANIES DOING BUSINESS IN THE PHILIPPINES and ~~sea shipping vessels and the like~~, based on the actual fare and advanced booking;

(7) on the utilization of services in hotels and similar lodging establishments, restaurants and recreation centers;

(8) ON BANK TRANSACTION FEES WHICH INCLUDE BUT NOT LIMITED TO THE FOLLOWING:

- I) ISSUE OF DUPLICATE PASSBOOK/STATEMENT OF ACCOUNT;
- II) ISSUE OF CHEQUE BOOKS;
- III) NOTING OF STANDING INSTRUCTIONS;
- IV) STOP PAYMENT INSTRUCTIONS;
- V) ISSUE OF BALANCE CERTIFICATE;
- VI) SIGNATURE VERIFICATION; AND
- VII) LEDGER FOLIO CHARGES.

(89) on admission fees charged by theaters, cinema houses and concert halls, circuses, leisure and amusement; ~~and~~

(910) on funeral and burial services for the death of senior citizens;

(11) ON CLOTHES, FOOTWEAR AND OTHER CLOTHING APPAREL FOR THE USE ONLY OF SENIOR CITIZENS; AND

(12) ON PURCHASE OF EYEGLASSES, HEARING AIDS, AND OTHER PRODUCTS AVAILED OF BY SENIOR CITIZENS DUE TO THE EFFECTS OF INCREASING AGE.

(b) exemption from the payment of individual income taxes of senior citizens who are considered to be minimum wage earners in accordance with Republic Act No. 9504;

1 (c) the grant of a minimum of five percent (5%) discount relative to the
2 monthly utilization of water and electricity supplied by the public
3 utilities: *Provided*, That the individual meters for the foregoing utilities are
4 registered in the name of the senior citizen residing therein: *Provided*,
5 *further*, That the monthly consumption does not exceed one hundred kilowatt
6 hours (100 kWh) of electricity and thirty cubic meters (30 m³) of
7 water: *Provided, furthermore*, That the privilege is granted per household
8 regardless of the number of senior citizens residing therein;

9 (d) exemption from training fees for socioeconomic programs;

10 (e) free medical and dental services, diagnostic and laboratory fees such as,
11 but not limited to, x-rays, computerized tomography scans and blood tests, in
12 all government facilities, subject to the guidelines to be issued by the DOH in
13 coordination with the PhilHealth;

14 (f) the DOH shall administer free vaccination against the influenza virus and
15 pneumococcal disease for indigent senior citizen patients;

16 (g) educational assistance to senior citizens to pursue post-secondary,
17 tertiary, post tertiary, vocational and technical education, as well as short-term
18 courses for retooling in both public and private schools through provision of
19 scholarships, grants, financial aids, subsidies and other incentives to qualified
20 senior citizens, including support for books, learning materials, and uniform
21 allowances, to the extent feasible: *Provided*, That senior citizens shall meet
22 minimum admission requirements;

23 (h) to the extent practicable and feasible, the continuance of the same
24 benefits and privileges given by the Government Service Insurance System
25 (GSIS), the Social Security System (SSS) and the PAG-IBIG, as the case
26 may be, as are enjoyed by those in actual service;

27 (i) retirement benefits of retirees from both the government and the private
28 sector shall be regularly reviewed to ensure their continuing responsiveness
29 and sustainability, and to the extent practicable and feasible, shall be
30 upgraded to be at par with the current scale enjoyed by those in actual
31 service;

32 (j) to the extent possible, the government may grant special discounts in
33 special programs for senior citizens on purchase of basic commodities,
34 subject to the guidelines to be issued for the purpose by the Department of
35 Trade and Industry (DTI) and the Department of Agriculture (DA);

36 (k) provision of express lanes for senior citizens in all commercial and
37 government establishments; in the absence thereof, priority shall be given to
38 them; and

39 (l) death benefit assistance of a minimum of five thousand pesos
40 (Php5,000.00) shall be given to the nearest surviving relative of a deceased

senior citizen which amount shall be subject to adjustments due to inflation in accordance with the guidelines to be issued by the DSWD.

In the availment of the privileges mentioned above, the senior citizen, or his/her duly authorized representative, may submit as proof of his/her entitled thereto any of the following:

(1) an identification card issued by the Office of the Senior Citizen Affairs (OSCA) of the place where the senior citizen resides: Provided, That the identification card issued by the particular OSCA shall be honored nationwide; or

(2) the passport of the senior citizen concerned; and-OR

(3) other documents that establish that the senior citizen is a citizen of the Republic and is at least sixty (60) years of age as further provided in the implementing rules and regulations;

IN CASE THE AVAILMENT OF THE SERVICES IN SECTION 4(A)(5), (6), (7), AND (9) IS DONE THROUGH ONLINE TRANSACTIONS, ALL ESTABLISHMENTS MANDATED TO PROVIDE THE DISCOUNTS SHALL ESTABLISH A MECHANISM THAT WILL APPLY THE SAME DISCOUNTS TO ONLINE TRANSACTIONS, SUBJECT TO THE PRESENTATION OF ANY OF THE DOCUMENTS ENUMERATED ABOVE UPON AVAILMENT OF SERVICES. THE DISCOUNTS SHALL BE APPLIED AUTOMATICALLY UPON AVAILMENT OF THE SERVICES ONLINE AND THE AMOUNT OF THE DISCOUNT SHALL BE SUBJECT TO PAYMENT UPON FAILURE OF THE SENIOR CITIZENS TO PRESENT ANY OF THE DOCUMENTS ENUMERATED IN SECTION 4(L) TO PROVE THEY ARE QUALIFIED TO SUCH DISCOUNTS. IN CASE THE SENIOR CITIZEN DOES NOT WANT TO PAY THE AMOUNT OF THE DISCOUNT UPON HIS/HER FAILURE TO SHOW ANY OF THE DOCUMENTS MENTIONED IN SECTION 4(L), HE/SHE IS ENTITLED TO THE REFUND OF THE AMOUNT HE/SHE PAID BUT SHALL NOT BE ALLOWED TO AVAIL OF THE SERVICES.

In the purchase of goods and services which are on promotional discount, the senior citizen can avail of the promotional discount or the discount provided herein, whichever is higher.

The establishment may claim the discounts granted under subsections (a), and (c) of this section as tax deduction based on the cost of the 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 VAT, 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 (NIRC), as amended."

Section 4. A new section 5 is added which shall read:

1 THE GOVERNMENT SHALL ENSURE THAT –

2 (A) THE GOVERNMENT HOSPITALS OR HOSPITALS FUNDED
3 FULLY OR PARTIALLY BY THE GOVERNMENT SHALL PROVIDE
4 BEDS FOR ALL SENIOR CITIZENS AS FAR AS POSSIBLE;

5 (B) SEPARATE QUEUES BE ARRANGED FOR SENIOR
6 CITIZENS;

7 (C) FACILITY FOR TREATMENT OF CHRONIC, TERMINAL AND
8 DEGENERATIVE DISEASES IS EXPANDED FOR SENIOR
9 CITIZENS;

10 (D) RESEARCH ACTIVITIES FOR CHRONIC ELDERLY DISEASE
11 AND AGEING ARE EXPANDED;

12 (E) THERE ARE EARMARKED FACILITIES FOR GERIATRIC
13 PATIENTS IN EVERY DISTRICT HOSPITAL DULY HEADED BY A
14 MEDICAL OFFICER WITH EXPERIENCE IN GERIATRIC CARE.

15 **Section 5.** Section 5, 6, 7, 8, 9, and 11 shall be renumbered as Sections 6, 7, 8, 9,
16 10, and 12.

17 **Section 6.** Section 10 shall be renumbered as Section 11 and amended to read as
18 follows:

19 "SEC. 11. Penalties. – (a) Any person who refuses to honor the senior
20 citizen card issued by this the government or violates any provision of
21 this Act shall suffer the following penalties:

22 "(i) For the first violation, imprisonment of not less than two (2) years
23 but not more than six (6) years and a fine of not less than Fifty
24 thousand pesos (Php50,000.00) but not exceeding One hundred
25 thousand pesos (Php100,000.00);

26 "(ii) For any subsequent violation, imprisonment of not less than two (2)
27 years but not more than six (6) years and a fine of not less than One
28 Hundred thousand pesos (Php100,000.00) but not exceeding Two
29 hundred thousand pesos (Php200,000.00); and

30 "(iii) Any person who abuses the privileges granted herein shall be
31 punished with imprisonment of not less than six (6) months and a fine
32 of not less than Fifty thousand pesos (Php50,000.00) but not more than
33 One hundred thousand pesos (Php100,000.00).

34 "If the offender is a corporation, partnership, organization or any similar
35 entity, the officials thereof directly involved such as the president,
36 general manager, managing partner, or such other officer charged with
37 the management of the business affairs shall be liable therefor.

38 "If the offender is an alien or a foreigner, he/she shall be deported
39 immediately after service of sentence.

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

6 (B) WHOEVER, HAVING THE CARE AND PROTECTION OF A
7 SENIOR CITIZEN LEAVES SUCH SENIOR CITIZEN IN ANY PLACE
8 WITH THE INTENTION OF WHOLLY ABANDONING SUCH SENIOR
9 CITIZEN, WITHOUT THE CONSENT OF THE SENIOR CITIZEN WHO
10 STILL HAS CONTROL OF HIS/HER MENTAL FACULTIES, SHALL BE
11 PUNISHED BY THE SAME PENALTY IMPOSED UNDER
12 PARAGRAPH (A) OF THIS SECTION 10 OF THIS ACT. THIS
13 PARAGRAPH SHALL NOT APPLY WHEN CUSTODY OF A SENIOR
14 CITIZEN IS MADE TO A PUBLIC INSTITUTION SPECIFICALLY
15 AUTHORIZED UNDER THE LAW TO TAKE CUSTODY OF HIM/HER
16 AND THE PERSON HAVING HIS/HER CARE AND PROTECTION
17 WILL NOT BE ABLE TO FULLY TAKE CARE OF HIM/HER.

18 **Section 7. Repealing Clause.** - All law, executive orders, rules and regulations or
19 any part hereof inconsistent herewith are deemed repealed or modified accordingly.

20 **Section 8. Separability Clause.** - If any part or provision of this Act shall be declared
21 unconstitutional and invalid, such declaration shall not invalidate other parts thereof
22 which shall remain in full force and effect.

23 **Section 9. Effectivity.** - This Act shall take effect fifteen (15) days its complete
24 publication in the Official Gazette or in at least two (2) newspapers of general
25 circulation, whichever comes earlier.

26 Approved,

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.