

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

SIXTEENTH CONGRESS

Second Regular Session

House Bill No. **4697**

Introduced by Rep. EVELIO R. LEONARDIA

EXPLANATORY NOTE

This bill seeks to exempt senior citizens from payment of passenger terminal fees for air travel and sea transport.

Section 4 Article XV of the 1987 Constitution states that the family has the duty to care for its elderly members but the State may also do so through just programs of social security.

To abide with this policy, R.A. No. 7432 otherwise known as "The Senior Citizen Act", R.A. No. 9257 otherwise known as "Expanded Senior Citizens Act of 2003", and R.A. No. 9994, otherwise known as the "Expanded Senior Citizens Act of 2010", were enacted to grant special privileges and benefits to senior citizens. Under the latest amendatory law, senior citizens are granted a 20% discount on actual and advanced booking transportation fare for domestic air transport services and sea shipping vessels and the like. Passenger terminal fees however, are not included. Most if not all domestic airports do not give a 20% discount on passenger terminal fees for senior citizens. In fact, in a strict interpretation of the amended law, the Office of Government Corporate Counsel (OGCC) Opinion 86, series of 2011 even declared that the 20% discount accorded to senior citizens under the Expanded Senior Citizens Act of 2010 is not applicable to passenger terminal fees.

This bill seeks to include passenger terminal fees from the list of discounted fees for the elderly, a benefit which they deserve. Moreover, its inclusion in the said list can help bolster tourism all over the country by promoting discounted local travel to senior citizens.

In view of the foregoing, the immediate passage of this bill is earnestly sought.


REP. EVELIO R. LEONARDIA
Lone District, Bacolod City

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AN ACT
PROVIDING FOR A TWENTY PERCENT (20%) DISCOUNT ON ALL TERMINAL
FEES IN AIRPORTS, SEAPORTS AND BUS OR VEHICLE TERMINALS FOR
SENIOR CITIZENS FURTHER AMENDING FOR THE PURPOSE SECTION 4 (a)
OF REPUBLIC ACT NO. 7432, AS AMENDED BY REPUBLIC ACT NO. 9994,
OTHERWISE KNOWN AS THE "EXPANDED SENIOR CITIZENS ACT OF 2010"

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

SECTION 1. Section 4 of Republic Act No. 7432, as amended by Republic Act No. 9994, otherwise known as the "Expanded Senior Citizens Act of 2010", is hereby further amended to read as follows:

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

The senior citizens shall be entitled to the following:

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

"(1) xxxx

xxxx

(10) on the terminal fees for all domestic and international air transport services, and sea transport vessels, bus and vehicular transport services, and the like."

SECTION 2. All laws, executive orders, rules and regulations, or any part thereof inconsistent herewith are deemed repealed or modified accordingly.

SECTION 3. Should any section or provision of this Act be held unconstitutional or invalid, the other section or provision not otherwise affected shall remain valid.

SECTION 4. This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,