

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4921



Introduced by **REP. PROSPERO A. PICHAY, JR.**

Explanatory Note

Presidential Decree No. 189 gave birth to the Department of Tourism (DOT) and the Philippine Tourism Authority (PTA) as its implementing arm for infrastructure development.

The enactment of Republic Act No. 9593, otherwise known as the Tourism Act of 2009, on May 12, 2009 reorganized the Philippine Tourism Authority (PTA) as the Tourism Infrastructure and Enterprise Zone Authority (TIEZA), mandating the latter to designate, regulate and supervise the Tourism Enterprise Zones (TEZs) established under RA 9593, as well as develop, manage and supervise tourism infrastructure projects in the country.

TIEZA is also tasked to be the principal agency responsible for the timely collection of travel taxes. However, only fifty percent (50%) proceeds from the travel tax collections accrue to the TIEZA to fund its operations. Forty percent (40%) of the proceeds is allotted to the Higher Education Development Fund for tourism-related educational programs and courses. Ten percent (10%) is for the National Commission for Culture and Arts (NCCA).

Philippines is gifted with so many tourist destinations but we cannot promote them because there are no facilities and infrastructures in place. We need to tap these tourist destinations so we can attract more tourists. This will mean more revenues, more employment and more investments, which will redound to more taxes.

TIEZA having the mandate of the PTA to unify and integrate related activities and services concerning tourism development should retain the whole proceeds from its travel tax collection to fund its operations and other tourism infrastructure projects in the country. In fact, TIEZA should get more subsidy from the National Government to fast track the development of these tourist destinations.

Hence, this bill seeks to discontinue the allotment coming from the travel tax collection to the Higher Education Development Fund and the NCCA, and such revenue shall be utilized solely for tourism infrastructure projects alone.

In view of the foregoing, the immediate consideration and approval of this bill is earnestly sought.



PROSPERO A. PICHAY, JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4921

Introduced by **REP. PROSPERO A. PICHAY, JR.**

AN ACT
AMENDING CERTAIN PROVISION OF REPUBLIC ACT 9593, OTHERWISE KNOWN
AS THE TOURISM ACT OF 2009, AND APPROPRIATING FUNDS THEREFOR

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

SECTION 1. *Short Title* – This Act shall be known as the Revised Tourism Act of 2017

SECTION 2. *Amendatory Provision.*

a) Section 72 of Republic Act 9593 is hereby amended to read as follows:

"Section 72 - *Funding* – The TIEZA shall obtain the funds for its operations from the following:

- a. Proceeds from travel tax collections;
- b. Subsidy from the National Government;
- c. A reasonable share from the collections of the Office of Resource Generation, to be determined by the Department;
- d. Income from projects managed by TIEZA; and
- e. Subsidies or grants from local and foreign sources that may be received by the TIEZA."

b) Section 73 of the same Act is hereby amended to read as follows:

"Section 73 – *Collection and Allocation of Travel Taxes* – For purposes of this Act, the TIEZA shall be the principal agency responsible for the timely collection of travel taxes.

Amounts to be collected by the TIEZA shall be utilized for its operations and other tourism infrastructure projects in the country.

SEC. 26. Separability Clause. – If any provisions of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 27. Repealing Clause. – All laws, executive orders or issuances, or any parts thereof, which are inconsistent herewith are hereby repealed and amended accordingly.

SEC. 28. Effectivity Clause. – This Act shall take effect upon its publication in at least one (1) newspaper of general circulation.

Approved,

Approved,