

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

17th Congress
First Regular Session

HOUSE BILL NO. 5157



Introduced by: HON. JOSE ANTONIO R. SY ALVARADO

EXPLANATORY NOTE

The Department of Trade and Industry identifies gift checks, certificates and gift cards as an instrument issued by a supplier to an individual, partnership or a juridical entity for monetary consideration evidencing a promise by the issuer that consumer goods or services will be exchanged in favor of the bearer upon presentation of said gift certificate/ check/ card to the value, credit, specific good, service or event shown in the instrument.

These gift checks, certificates and gift cards are purchased with money and money having no expiry date follows that the former must bear no expiry date at all.

Gift certificates bought from stores or retailers should not have expiration dates. Though not legal tender like real money, gift certificates are "good as cash" therefore these gift certificates, gift checks, or gift cards shall be redeemable until availed of or used up by the bearer. Moreover, gift certificates should be available for use with discounts.

While the DTI has already come out with an administrative order to this effect, banning gift certificate with expiry date, it is still within the area of the Legislature as the proper lawmaking body to initiate the corresponding piece of legislation.

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

JOSE ANTONIO R. SY-ALVARADO

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AN ACT PROHIBITING THE IMPOSITION OF EXPIRY DATES ON GIFT CHECKS, GIFT CERTIFICATES AND GIFT CARDS BY COMMERCIAL ESTABLISHMENTS AND FOR OTHER PURPOSES

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

SECTION 1. This Act shall be known as "Stored-Value Items Act of 2016"

SECTION 2. A gift certificate, check or card with no expiry date shall be redeemable until used up by the bearer thereby prohibiting the imposition of expiry dates on the same except in the following cases:

- a. when the gift certificate, check or card is issued for FREE by the supplier, provided that it is clearly indicated on the face of such gift certificate, check or card issued.
- b. when the gift certificate, check or card is distributed by the issuer to a consumer without charge under an awards, loyalty or promotional program.

SECTION 3. The Department of Trade and Industry shall issue rules, regulations, promulgations in order to effectively carry out the provisions of this Act.

SECTION 4. All commercial establishments shall devise measures to pin down the tampering of gift checks in order not to defeat the intent of this Act and end users shall likewise be responsible that a gift certificate, check or card is purchased from a reputable source.

SECTION 5. This Act shall take effect upon its approval.

Approved.

