



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila



Seventeenth Congress
Second Regular Session
HOUSE BILL NO. **6493**

Introduced by Representative "Kuya" Jose Antonio R. Sy-Alvarado

EXPLANATORY NOTE

This bill seeks to provide a twenty percent (20%) discount privilege on the sale of goods and services for the active members of the Armed Forces of the Philippines (AFP) and the Philippine National Police (PNP).

The Constitution provides that the Armed Forces of the Philippines is the protector of the people and of the State. It likewise provides for the establishment of a police force responsible for the maintenance of peace and order and public safety.

Our men and women in uniform exemplify remarkable dedication, commitment and loyalty for our country. Despite modest salary, they repel threats and aggression and suffer untold hardships during military or police operations. Indeed, for all the many sacrifices of our valiant men and women in uniform, they should not only be commended but should be granted additional benefits.

Thus, providing for a twenty (20%) percent discount privilege on the sale of goods and services for the consumption of the active members of the AFP and PNP is our little way of recognizing their sacrifices in protecting and maintaining our national security, territorial integrity and the preservation and maintenance of peace, public order and public safety.

In view of the foregoing, approval of this bill is highly and earnestly recommended.

"KUYA" JOSE ANTONIO R. SY-ALVARADO

1 applicable, on the following sale of goods and services for their exclusive use
2 and enjoyment or availment:

3 (a) Fare on domestic air and sea travel based on the actual fare,
4 advanced booking and other similar discounted fare;

5 (b) Actual fare for land transportation travel in public utility buses,
6 jeepneys, taxis, shuttle services and public railways, light rail transit, mass rail
7 transit, and any transportation fare for domestic transport of passengers by air or
8 sea vessels;

9 (c) Utilization of services in hotels and similar lodging establishments,
10 restaurants and recreation centers;

11 (d) Admission fees charged by theaters, cinema houses and concert
12 halls, circuses, carnivals and other similar places of culture, leisure and
13 amusement; and

14 (e) Purchase of medicines in all drugstores.

15 The discount privileges may not be claimed if the member of the AFP or
16 PNP claims a higher discount as may be granted by the establishment or under
17 other existing laws or in combination with other discount programs.

18 SEC. 4. *Qualified Beneficiary*. – Only members of the AFP and PNP
19 who are in active service, are entitled to the benefits under this Act. Military
20 and police reservists are not eligible to enjoy the benefits provided under this
21 Act unless the reservists are called upon to serve in active duty.

1 SEC. 5. *Availment.* – Members of the AFP and PNP may avail of the
2 twenty percent (20%) discount upon presentation of a valid identification
3 card, AFP or PNP booklets and other supporting documents duly issued by the
4 Department of National Defense or Philippine National Police.

5 SEC. 6. *Tax Deduction.* – The companies and establishments that
6 extend the discount privilege under this Act to the members of the AFP and
7 PNP shall be allowed to claim the discounts granted as tax deductions based on
8 the net cost of the goods sold or services rendered: *Provided,* That the cost of
9 the discount shall be allowed as deduction for the gross income for the same
10 taxable year that the discount is granted: *Provided, further,* That the total
11 amount of the claimed tax deduction net of value-added tax, if applicable, shall
12 be included in their gross sales receipts for tax purposes subject to proper
13 documentation and to the provisions of the National Internal Revenue Code, as
14 amended.

15 SEC. 7. *Penalties.* – Any person who refuses to grant the twenty percent
16 (20%) discount privilege mentioned under this Act shall be punished with the
17 following penalties:

18 (a) Imprisonment of not less than two (2) years but not more than six
19 (6) years and a fine of not less than Fifty thousand pesos (P50,000.00) but not
20 more than One hundred thousand pesos (P100,000.00) for the first violation;

21 (b) For any subsequent violation, imprisonment of not less than two
22 (2) years but not more than six (6) years and a fine of not less than One hundred

1 thousand pesos (P100,000.00) but not more than Two hundred thousand pesos
2 (P200,000.00).

3 Any member of the AFP and PNP who abuses the privileges granted
4 under this Act shall be punished with imprisonment of not less than six (6)
5 months and a fine of not less than Fifty thousand pesos (P50,000.00) but not
6 more than One hundred thousand pesos (P100,000.00).

7 If the offender is a corporation, partnership, organization or any similar
8 entity, the officials thereof directly involved such as the president, general
9 manager, managing partner, or such other officers charged with the
10 management of the business affairs shall be liable therefor. If the offender is an
11 alien or a foreigner, the offender shall be deported immediately after service of
12 sentence.

13 Upon filing of an appropriate complaint, and after due notice and hearing,
14 the proper authorities may also cause the cancellation or revocation of the
15 business permit, permit to operate, franchise and other similar privileges
16 granted to any person, establishment or business entity that fails to abide by the
17 provisions of this Act.

18 SEC. 8. ***Implementing Rules and Regulations.*** – Within sixty (60) days
19 from the approval of this Act, the Secretary of National Defense and the
20 Secretary of the Interior and Local Government shall promulgate the pertinent
21 rules and regulations for the effective implementation of this Act.

1 SEC. 9. ***Repealing Clause.*** – All laws, presidential decrees, executive
2 orders, and rules and regulations or part thereof, contrary to or inconsistent
3 with the provisions of this Act, are hereby repealed or modified accordingly.

4 SEC. 10. ***Effectivity.*** – This Act shall take effect fifteen (15) days after
5 its publication in the *Official Gazette* or in a newspaper of general circulation.

6 Approved,

