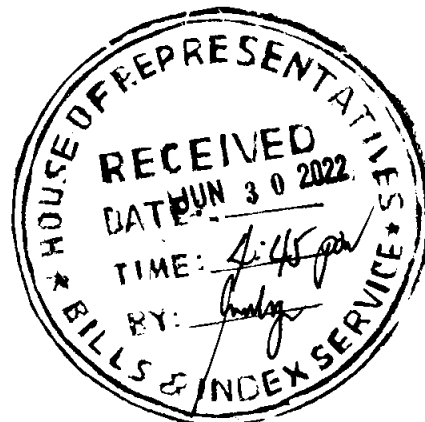


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

NINETEENTH CONGRESS

First Regular Session

House Bill No. **362**



INTRODUCED BY REPRESENTATIVE MARISSA "DEL MAR" P. MAGSINO

AN ACT

EXPANDING THE GRANT OF TWENTY PERCENT (20%) DISCOUNT AND EXEMPTION FROM THE VALUE ADDED TAX (VAT) TO SENIOR CITIZENS TO INCLUDE MEDICINES, SUPPLEMENTS, VITAMINS, HERBAL PRODUCTS AND FORMULATED MILK MEDICALLY DULY PRESCRIBED OR RECOMMENDED BY PHYSICIANS

EXPLANATORY NOTE

Senior Citizens are important members of the society. In their years of youth and vigor, it was their invaluable contribution to society that helped strengthen our economy and fuel our government programs.

However, in the twilight of their lives, many of them are left to fend for themselves with their life savings and little pension. The monthly pension they receive have to be strictly budgeted in order to pay for their personal expenses and medical needs. Despite their role in shaping our nation, at a time of their lives when they are in need of help, assistance is most often little, if not at all futile.

The Constitution itself upholds social justice. This means that the marginalized sectors of society must always be prioritized and given refuge to. Senior Citizens are undoubtedly members of these sectors to whom government assistance must always be made available. Under Article XV, Section 4 thereof, it is the shared duty between the family and the State to care for the elderly. We should not thus leave them behind after we have gained much from them when they were much stronger.

Now in the chapter of their lives when they are most vulnerable, the elderly must be given love and attention. Hence, this humble representation has sought for ways and means to alleviate their sufferings. One of such social security programs which the government could offer, is exactly what this bill proposes.

Under this proposed measure, Republic Act No. 9257, otherwise known as the Expanded Senior Citizens Act of 2003", is sought to be amended to widen the benefits already granted to the elderly. After all, Republic Act No. 7642, otherwise known as

“An Act to Maximize the Contribution of Senior Citizens to Nation Building, Grant Benefits and Special Privileges and for Other Purposes”, or The Senior Citizens Act, stressed the duty of the State to look after the elderly, and to motivate and encourage them to contribute to nation building by ensuring that mechanisms are established that would maximize the contribution of senior citizens and establish programs beneficial to them.

Under the current setup, it is mandatory for business establishments to grant the twenty percent (20%) discount on certain goods and services to senior citizens, and an additional twelve (12%) value-added tax exemption. However, since Republic Act No. 9994, otherwise known as the “Expanded Senior Citizens Act of 2010”, opened the floodgates to the abuse of the law by defining and granting discount on essential medical supplies, accessories and equipment, and failing to define the term “medicines.” This allowed many business establishments to refuse to fully or adequately honor the privileges which the elderly should receive under the law.

Here now comes this proposed measure which recognizes the increased demand among the elderly population, as recommended by their physicians to consume and follow their required nutritional levels through medicines, supplements, vitamins, herbal products and formulate milk.

When the COVID-19 pandemic hit the world, we realized just how important these are in fortifying the line of defense of senior citizens whose age and comorbidities make them even more vulnerable to diseases and even death. For instance, certain vitamins have proven to reduce morbidity in senior citizens, such as the daily intake of Vitamin D supplementation which several studies have shown to have safely reduced the risk of respiration infections.

Herbal medicine such as *lagundi* and extra virgin coconut oil have also gained popularity among the elderly and the sick, due to their overwhelming positive help in reducing and fighting illnesses.

Formulated milk has helped many of the elderly to consume their daily needed energy and high-quality protein, especially among those whose age and illnesses have made eating solid food difficult. Studies have shown that a full cup serving of these formula milks is equivalent to a full meal which many of the elderly have struggled to finish and even enjoy.

We now come to the aid of the elderly who, in their younger years, have helped raised us, embraced us, and contributed much to our nation’s growth. We should never allow any ambiguity in the law, not even fiscal challenges, to leave them behind.

We should repay them by ensuring that their rights are always upheld. A nation that gives back to those we owe debt of gratitude to after they have served in their yesteryears, is a nation that has a bright future ahead it.

Our senior citizens are heroes who deserve our love and care. For this reason, expeditious consideration and approval of this measure is earnestly sought.


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AN ACT

**EXPANDING THE GRANT OF TWENTY PERCENT (20%) DISCOUNT AND
EXEMPTION FROM THE VALUE ADDED TAX (VAT) TO SENIOR CITIZENS TO
INCLUDE MEDICINES, SUPPLEMENTS, VITAMINS, HERBAL PRODUCTS AND
FORMULATED MILK MEDICALLY DULY PRESCRIBED OR RECOMMENDED BY
PHYSICIANS**

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

1 Section 1. *Short Title.*—This act shall be known as “Abot-Kayang Gamot, Bitamina at
2 Gatas Para sa Malusogna Senior Citizen Act”.

3 Sec.2. *Declaration of Policy.*— It is the declared policy of the State to protect and uphold
4 the rights and welfare of senior citizen and promote their good health and well-being. Towards
5 this end, the State shall ensure that medicines, supplements, vitamins, herbal products and
6 formulated milk medically prescribed by physicians that provide necessary and required
7 nutrition to Senior Citizens shall be granted a twenty percent (20%) discount shall likewise be
8 exempt from Value Added Tax (VAT) so that the senior citizens can avail thereof at reasonable
9 prices.

10 Sec.3. Section 2 of Republic Act no. 7432, as amended by Republic Act No. 9257
11 otherwise known as the “Expanded Senior Citizens Act of 2003”, and further amended by
12 Republic Act No. 9994, otherwise known as the “Expanded Senior Citizens Act of 2010”, is
13 hereby further amended to read as follows:

14 Sec. 2. *Definition of terms.*— For purposes of this Act, these terms are defined as follows:

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16 **(D) MEDICINES REFER TO PRESCRIPTION AND NON-**
17 **PRESCRIPTION/OVER-THE COUNTER DRUGS, BOTH GENERIC**
18 **AND BRANDED, DULY PRESCRIBED BY PHYSICIANS, AND**
19 **APPROVED BY THE DEPARTMENT OF HEALTH (DOH) AND THE**
20 **FOOD AND DRUG ADMINISTRATION (FDA), WHICH ARE**
21 **INTENDED FOR USE IN THE DIAGNOSIS, CURE, MITIGATION,**
22 **TREATMENT OR PREVENTION OF HUMAN DISEASE OR SICKNESS;**

1 (E) **SUPPLEMENTS REFERTOPRESCRIPTION AND NON-**
2 **PRESCRIPTION/OVER-THE-COUNTERMEDICAL AND DIETARY**
3 **SUPPLEMENTS, BOTH GENERIC AND BRANDED, INCLUDING**
4 **VITAMINS, HERBAL PRODUCTS AND FORMULATED MILK, DULY**
5 **PRESCRIBED OR RECOMMENDED BY PHYSICIANS, AND**
6 **APPROVED BYDOH AND FDA, WHICH ARE INTENDED FOR USE IN**
7 **THE DIAGNOSIS, CURE, MITIGATION, TREATMENT OR**
8 **PREVENTION OF HUMAN DISEASE OR SICKNESS;**

9 (F) [(d)] *MedicalServices* refer to hospital services, professional services,
10 physicians and other health care professional and diagnostics and laboratory tests
11 that the necessary for the diagnosis or treatment of an illness or injury;

12 xxx”

13 Sec.4. Section 4 of Republic Act No. 7432, as amended by Republic Act No. 9257,
14 otherwise known as the “Expanded Senior Citizens Act of 2003”, and further amended by
15 Republic Act No. 9994, otherwise known as the “Expanded Senior Act of 2010”, is hereby
16 further amended to read as follows:

17 “Sec.4. Privileges for the Senior Citizens. – The senior citizens shall be entitled to
18 the following:

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

23 (1) on the purchase of medicines **ASDEFINED IN THIS**
24 **ACT**, including the purchase of influenza and
25 pneumococcal vaccines, and such other essential medical
26 supplies, accessories and equipment to be determined by
27 the Department of Health (DOH);

28 **(2) ON THE PURCHASE OF SUPPLEMENTS AS**
29 **DEFINED IN THIS ACT;**

30 **(3) [(2)]** on the professional fees of attending physician/s
31 in all private hospitals, medical facilities, outpatient clinics
32 and home health care services;

33 **(10) [(9)]** on funeral and burial services for the death of
34 senior citizens;”

35 Sec.5. *Repealing Clause.* – All laws, decrees, letters of instruction, resolutions orders or
36 parts thereof which are inconsistent with the provisions of this Act are hereby repealed,
37 modified or amended accordingly.

1 *Sec.6.Effectivity Clause.* – This act shall take effect fifteen (15) days after its publication
2 in the Official Gazette or in two (2) newspapers of general circulation.

Approved,