

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5212



Introduced by Representative Joseph Gilbert F. Violago

EXPLANATORY NOTE

This commendable bill had been filed in the past Congress and the present proponent is acknowledging the wisdom and hard work of his predecessors.

This bill seeks to increase the senior citizen discount rate and exempt them from payment of the Valued Added Tax (VAT) on their monthly electric and water consumption, amending for the purpose Republic Act No. 7432, as amended, otherwise Known as the "Expanded Senior Citizens Act of 2010".

Based on the 2020 Census on Population and Housing conducted by the Philippine Statistics Authority, senior citizens comprise 11.31 % of the country's population. In this regard, it is a misconception that senior citizens, as retirees and pensioners, get to fully enjoy the fruits of their hard-earned benefits. Not every senior citizen has enough funds to support themselves because of their medical expenses and their continued role in supporting their family's needs.

It is the policy of the State to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life.

This measure aims to increase the discount rate of senior citizens and exempting them from the Valued Added Tax on their monthly electric and water consumption, to alleviate their financial situation.

In view of the foregoing, the urgent passage of this measure is sought.


JOSEPH GILBERT F. VIOLAGO

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AN ACT
INCREASING THE DISCOUNT RATE AND EXEMPTING FROM THE VALUE
ADDED TAX THE MONTHLY ELECTRIC AND WATER CONSUMPTION
GRANTED TO SENIOR CITIZENS, AMENDING FOR THE PURPOSE
REPUBLIC ACT NO. 7432, AS AMENDED, OTHERWISE KNOWN AS THE
“EXPANDED SENIOR CITIZENS ACT OF 2010”

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

Section 1. Section 4 (c) of Republic Act No. 9994 is hereby amended to read as follows:

“SEC 4. Privileges for the Senior Citizen. –

(c) The grant of a [minimum of five percent (5%)] **TEN PERCENT (10%)** discount relative to the monthly utilization of water and electricity by the public utilities **AND EXEMPTION FROM THE VALUE ADDED TAX (VAT):** *Provided*, That the individual meters for the foregoing utilities are registered in the name of the senior citizen residing therein: *Provided, further*, That the monthly consumption does not exceed [one hundred kilowatt hours (100 kWh)] **ONE HUNDRED FIFTY KILOWATT HOURS (150 kWh)** of electricity and [thirty cubic meters (30 m³)] **FIFTY CUBIC METERS (50 m³)** of water: *Provided, furthermore*, That the privilege is granted per household regardless of the number of senior citizen residing therein **AND THE REGISTERED SENIOR CITIZEN CONTINUES TO LIVE WITHIN THE HOUSEHOLD ADDRESS;**

SEC. 2. Implementing Rules and Regulations. – Within thirty (30) days after the effectivity of this Act, the National Commission of Senior Citizens shall, in consultation with the Energy Regulatory Commission, Metropolitan Waterworks and Sewerage System and other concerned utility regulatory agencies, as well as national organizations of senior citizens, promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 3. Separability Clause. – If any provision of this Act is declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall remain in full force and effect.

SEC. 4. *Repealing Clause.* – All laws, orders, decrees, rules and regulations, and other parts thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified accordingly.

SEC. 5. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,