

Republic of the Philippines

House of Representatives

Quezon City, Metro Manila

TWENTIETH CONGRESS

First Regular Session

HOUSE BILL NO. <u>**795**</u>



Introduced by Representative Francisco T. Matugas

EXPLANATORY NOTE

The Covid-19 pandemic drastically changed the way work is done all over the world. Work is no longer confined to office spaces or corporate towers. The digital age has given rise to a new generation of professionals—the digital nomads—who need only a laptop and a reliable internet connection to get work done.

The Philippines is one of the best places in the world for digital nomads. We offer a premier tourist destination composed of more than 7,000 islands, warm and hospitable people, low cost of living, and a culture of resilience and community. Our people are globally known for our proficiency in English and our openness to diverse cultures. We have all the ingredients—except a formal, friendly policy that welcomes these global citizens to live, work, and contribute to our economy.

Recognizing the contribution of digital nomads in the promotion of tourism, economic development, and digital innovation in the country, His Excellency President Ferdinand R. Marcos, Jr. issued Executive Order No. 86 in April 2025 to facilitate the entry of digital nomads in the country. It is time for us to follow the executive's lead and pass this law.

The proposed **Digital Nomad Visa** will allow qualified foreign nationals to legally reside in the Philippines for a period of 12 months, renewable for another 12 months, while working remotely for foreign employers. It lays down the qualifications for the grant of the visa and the conditions for the continued stay of digital nomads in the country. With the safeguards which this bill has put in place, we can ensure that our country benefits without compromising national interests.

This bill was initially filed by Hon. Francisco Jose F. Matugas II during the $19^{\rm th}$ Congress. This version was the version passed by the Committee on Justice after meticulous technical working groups and committee hearings.

This bill is more than legislation—it is an invitation. It tells the world that the **Philippines is open, safe, and ready for the future of work**. It is not just a policy measure, but a bold step toward a more connected, inclusive, and globally relevant Philippines.

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

FRANCISCO T. MATUGAS

Representative

First District, Surigao del Norte



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HOUSE BILL NO. 795

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AN ACT ESTABLISHING THE REQUIREMENTS, CONDITIONS, BENEFITS, AND INCENTIVES FOR ACQUIRING A DIGITAL NOMAD VISA, AND APPROPRIATING FUNDS THEREFOR

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

- SECTION 1. Short Title. This Act shall be known as the "Digital Nomad Visa"

 Act."
 - SEC. 2. Declaration of Policy. It is hereby declared the policy of the State to promote and develop the country as a leading destination and hub for remote workers. By encouraging the entry of highly skilled foreign nationals who engage in remote work, the State aims to boost economic growth, enrich cultural understanding, foster international cooperation, create local employment opportunities, and cultivate an environment that supports technological advancements and innovative practices.
 - SEC. 3. Definition of Terms. As used in this Act:

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11 (a) Alien or foreign national refers to an individual not a citizen of the 12 Republic of the Philippines;



1 (b) **Digital nomad** refers to a non-restricted alien who travels freely while 2 working remotely for a foreign client or employer using information and 3 communications technology; 1 (c) **Digital Nomad Visa** refers to a type of visa granted to an individual pursuant to the provisions of this Act;

- (d) **Foreign client or employer** refers to a person, corporation, organization, or any other legal entity not a citizen of the Republic of the Philippines or not registered pursuant to existing Philippine laws, that hires, employs, or otherwise engages an individual to perform work or service of any kind in exchange for a salary, wage, or other valuable consideration;
- (e) **Information and communications technology** refers to all communication technologies, including the internet, wireless networks, cellular phones, computers, software, videoconferencing, social media/social networking, and other media applications, platforms, or services, that enable users to perform work or services of any kind for a client or employer remotely; and
- (f) **Remote work** refers to a working arrangement that allows an individual to regularly perform work or services of any kind for a client or employer outside of an office or a regular place of work or business, primarily through the use of information and communications technology.
- SEC. 4. Application for Digital Nomad Visa. An alien who is gainfully employed in a country other than the Republic of the Philippines, or who otherwise performs remote work for a foreign client or employer, may apply for and be granted a digital nomad visa to stay in the Philippines for a period of twelve (12) months, renewable for another twelve (12) months, subject to the requirements and conditions provided in this Act.
- SEC. 5. *Qualifications*. Aliens or foreign nationals applying for a digital nomad visa must possess all of the following qualifications:
 - (a) At least eighteen (18) years of age;
- 27 (b) Gainfully employed in a country outside the Republic of the Philippines, or 28 engaged in remote work for a foreign client or employer as defined in this 29 Act;

Insured under an international health insurance policy with coverage in 1 (c) 2 the Philippines; and 3 (d) Derives income solely from sources outside the Philippines: *Provided*, That such income must be sufficient to support the applicant throughout the stay 4 in the Philippines. 5 6 SEC. 6. Requirements. - An alien or foreign national who wishes to apply for a 7 digital nomad visa must present or submit the following: 8 Proof of employment or contract for services, or any other document 9 evidencing that the alien is engaged in remote work for a foreign client or employer; 10 11 (b) Proof of income or ability to support the applicant for the duration of the stay in the Philippines: *Provided*, That such income or means of support is 12 derived solely from sources outside of the Philippines; 13 International health insurance policy with coverage in the Philippines and 14 (c) valid for the duration of the stay; 15 Proof that the applicant has no criminal record in the applicant's country 16 (d) of citizenship; 17 Address of residence or accommodation in the Philippines; 18 (e) 19 Written undertaking, subscribed under oath before an officer authorized to (f) administer oaths under Philippine laws, that the applicant: 20 will not engage in gainful employment for or will derive income from 21 (1) 22 a client or employer in the Philippines; and 23 (2) will not engage in illegal activities, activities detrimental to the public interest, or violate any of the laws, ordinances, rules and regulations 24 25 of the Philippines; and Such other requirements that may be imposed under the rules and 26 (g)

regulations implementing this Act.

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SEC. 7. Conditions for Continued Stay under a Digital Nomad Visa. - As condition for the continued stay in the Philippines under a digital nomad visa, an alien or foreign national shall:

- (a) not engage in gainful employment for or derive income from a client or employer in the Philippines: *Provided*, That a digital nomad who wishes to derive income from any source in the Philippines shall apply for the applicable visa and permits under existing laws, rules, and regulations, and shall be liable for the applicable taxes on such income sourced within the Philippines in accordance with the National Internal Revenue Code of 1997, as amended, and its implementing rules and regulations;
- (b) not engage in any illegal activity or activities detrimental to the public interest, or violate any of the laws, ordinances, rules, and regulations of the Philippines;
 - (c) maintain adequate health insurance coverage for the duration of the stay in the Philippines as a digital nomad; and
 - (d) comply with the annual reporting requirement of the Bureau of Immigration (BI).

SEC. 8. Conversion of Visa. - Pursuant to existing immigration laws, rules and regulations, a foreign national who is a holder of a valid temporary visitor's visa may apply with the BI for the conversion of the temporary visitor's visa into a digital nomad visa: *Provided*, That such foreign national must possess all of the qualifications and must submit all the requirements provided in this Act.

Foreign nationals who have been successfully granted a conversion of visa must comply with all the conditions set forth in this Act. Any violation of such conditions shall be ground for the cancellation of the visa and shall subject the foreign national to fines and penalties provided in this Act and under existing laws, rules and regulations.

SEC. 9. *Re-entry*. - An alien or foreign national who has been granted a digital nomad visa shall be allowed to exit and re-enter the Philippines without need to secure additional permits for the duration of the digital nomad visa.

SEC. 10. *Income from Sources Outside the Country*. - An alien or foreign national who has been granted a digital nomad visa shall not be deemed a resident of the Philippines for taxation purposes, and the income they receive while in the country from their client or employer outside the Philippines shall not be considered as income from sources within the Philippines, in accordance with existing laws and international tax treaties.

- SEC. 11. Cancellation of Digital Nomad Visa. The digital nomad visa of a foreign national shall be cancelled if such foreign national:
 - (a) has failed to comply with any of the conditions set forth in this Act;
 - (b) no longer possesses any of the qualifications set forth in this Act;
 - (c) has been found to have submitted fraudulent documentary requirements or false information during the initial application for or conversion to a digital nomad visa; or
 - (d) is found to possess or to have committed any of the grounds for exclusion or deportation.

A foreign national whose digital nomad visa has been cancelled shall no longer be allowed to apply for another digital nomad visa.

SEC. 12. *Reciprocity*. - A foreign national applying for a digital nomad visa must be a citizen of a country, state, or territory that grants to citizens of the Republic of the Philippines the same rights and privileges granted to foreign nationals under this Act. For this purpose, the Department of Foreign Affairs (DFA) shall maintain, regularly update, and share with the Department of Tourism (DOT) and the BI, a database of countries, states, and territories that allow Filipinos to acquire digital nomad visas or any other similar visa with the same rights and privileges provided in this Act.

- 1 SEC. 13. Digital Nomad Visa Register. A register of all aliens or foreign
- 2 nationals issued digital nomad visas shall be maintained and regularly updated by
- 3 the BI, in coordination with the DFA, the Department of Information and
- 4 Communications Technology (DICT), and the DOT.
- 5 SEC. 14. Appropriations. The amount necessary for the initial
- 6 implementation of this Act shall be charged against the current year's appropriations
- 7 of the Departments and agencies concerned. Thereafter, such so amount shall be
- 8 included in the annual General Appropriations Act.
- 9 SEC. 15. Implementing Rules and Regulations. Within ninety (90) days from
- 10 the effectivity of this Act, the DFA, the Department of Justice, the DICT, and the
- 11 DOT, shall, in consultation with the BI, promulgate the necessary rules and
- regulations for the implementation of this Act.
- SEC. 16. Separability Clause. Should any provision of this Act be declared
- invalid, the remaining provisions shall continue to be in force and effect.
- SEC. 17. Repealing Clause. Nothing in this Act shall be deemed to amend,
- repeal, or modify existing laws, decrees, orders, rules, regulations, or parts thereof,
- except insofar as the provisions of this Act apply to foreign nationals who apply for
- and have been granted digital nomad visas pursuant to this Act and its implementing
- 19 rules and regulations.
- SEC. 18. Effectivity. This Act shall take effect fifteen (15) days after its
- 21 publication in the Official Gazette or in a newspaper of general circulation.
- 22 Approved,