

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

**TWENTIETH CONGRESS**  
First Regular Session

**HOUSE BILL NO. 2563**



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**Introduced by REP. RODOLFO "OMPONG" M. ORDANES**

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**AN ACT**  
**GRANTING INCOME TAX EXEMPTION TO SENIOR CITIZENS AGED SIXTY**  
**(60) AND ABOVE, AMENDING FOR THE PURPOSE THE NATIONAL**  
**INTERNAL REVENUE CODE OF 1997, AS AMENDED BY REPUBLIC ACT NO.**  
**10963, OTHERWISE KNOWN AS THE "TAX REFORM FOR ACCELERATION**  
**AND INCLUSION (TRAIN)"**

**EXPLANATORY NOTE**

The 1987 Philippine Constitution mandates the State to prioritize the needs and welfare of the elderly by establishing policies that ensure their economic and social well-being. While Republic Act No. 9994, otherwise known as the "Expanded Senior Citizens Act of 2010," has granted numerous privileges and benefits to senior citizens, including discounts on essential goods and services, and exemption from the payment of value-added tax, many of our elderly citizens who remain in the workforce continue to bear the burden of income taxation.

This proposed measure seeks to grant income tax exemption to senior citizens aged 60 and above who are still gainfully employed. It recognizes that many elderly Filipinos choose to remain economically active either out of passion or necessity. By exempting them from the payment of income tax, this bill aims to provide much-needed financial relief to our senior citizens and acknowledge their continuing contribution to society and the economy.

The bill also includes exemptions for additional income such as holiday pay, overtime pay, night shift differential, and hazard pay received by senior citizen employees. These forms of compensation are vital for working seniors who often rely on their full earnings to support their daily needs, medical expenses, and the well-being of their families.

In an aging society, empowering our senior citizens to remain productive without being unduly taxed is both a social justice measure and a sound economic policy. It affirms the principle of equity and the moral obligation of the State to reward the sacrifices of those who have spent decades in the workforce.

Given the foregoing, the immediate passage of this measure is earnestly sought.

A handwritten signature in black ink, appearing to be 'Rodolfo M. Ordanes', written over the printed name.

**RODOLFO "OMPONG" M. ORDANES**

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*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 *the “Income Tax Exemption*  
2 *for Senior Citizens Act.”*

3           SEC. 2. Section 24 of the National Internal Revenue Code of 1997, as amended  
4 by the Republic Act No. 10963, otherwise known as the “Tax Reform for Acceleration  
5 and Inclusion (TRAIN),” is hereby further amended to read as follows:

6           “Sec. 24. Income Tax Rates. –

7           (A) Rates of Income Tax on Individual Citizen and Individual Resident  
8 Aliens of the Philippines.

9           xxx

10           (2) Rates of Tax on Taxable Income of Individuals. – The tax shall be  
11 computed in accordance with and at the rates established in the  
12 following schedule:

13           (a) Tax Schedule Effective January 1, 2018, until December 31, 2022:

1                   xxx

2                   **“PROVIDED FINALLY, THAT SENIOR CITIZEN EMPLOYEES,**  
3                   **OR INDIVIDUALS AGED SIXTY (60) YEARS OLD AND**  
4                   **ABOVE WHO ARE STILL UNDER CONTINUED**  
5                   **EMPLOYMENT AND WITH AN ANNUAL INCOME OF NOT**  
6                   **OVER P800,000.00, INCLUDING THE HOLIDAY PAY,**  
7                   **OVERTIME PAY, NIGHT SHIFT DIFFERENTIAL PAY, AND**  
8                   **HAZARD PAY RECEIVED BY SUCH SENIOR CITIZEN**  
9                   **EMPLOYEES, SHALL BE EXEMPT FROM INCOME TAX.”**

10               SEC. 3. *Repealing Clause.* – All laws, executive orders, rules, and regulations,  
11 or any part thereof, inconsistent herewith are deemed repealed or modified  
12 accordingly.

13               SEC. 4. *Separability Clause.* – If any part or provision of this Act shall be  
14 declared unconstitutional and invalid, such declaration shall not invalidate other parts  
15 thereof, which shall remain in full force and effect.

16               SEC. 5. *Effectivity.* – This Act shall take effect fifteen (15) days after its complete  
17 publication in the Official Gazette or at least two (2) newspapers of general circulation,  
18 whichever comes earlier.

19               *Approved,*