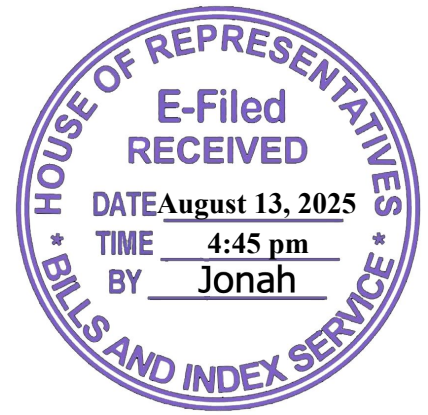


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session
House Bill No. **3711**



Introduced by: Congressman **BIENVENIDO M. ABANTE, JR.**

AN ACT
GRANTING VALUE-ADDED TAX (VAT) EXEMPTION ON FUEL TO SENIOR
CITIZENS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7432, AS
AMENDED BY REPUBLIC ACT NO. 9994, OTHERWISE KNOWN AS THE
EXPANDED SENIOR CITIZENS ACT OF 2010

EXPLANATORY NOTE

"Now also when I am old and grey headed, O God, forsake me not; until I have shewed thy strength unto this generation, and thy power to every one that is to come."

Psalms 71:18 (KJV)

Even King David, one of the greatest rulers in history, a man known for his courage and strength, eventually grew weak. Like a once-sharp sword worn down by time, his vigor faded. In his old age, with hair turned grey, he prayed not to be forgotten. His story reminds us that no matter how strong or powerful one may be, no one escapes the frailty that comes with age. If even a king needs care, how much more should we look after our senior citizens?

This proposed bill seeks to amend Section 4 of Republic Act No. 7432, as amended by Republic Act No. 9994 (Expanded Senior Citizens Act of 2010), to grant senior citizens exemption from value-added tax (VAT) on fuel purchases for vehicles they use, whether they are behind the wheel or simply passengers. The aim is simple: to give meaningful financial relief to those who have, in their own time, played a vital role in building and shaping our nation.

No less than the 1987 Philippine Constitution underscores this responsibility. It calls on the State to promote social justice, uphold human dignity, and prioritize vulnerable sectors, including the elderly. Article XIII, Section 11 directs that essential goods, health services, and social support be made accessible and affordable, with special attention to the elderly, the underprivileged, the disabled, women, and children. Article XV, Section 4 recognizes the family's duty to care for its elders and tasks the State with creating social security and welfare programs to help them.

Moreover, the Supreme Court, in the case of *Canlapan v. Balayo* A.C. No. 10605 (2016), highlighted the duty of the family, community, and government to care for the elderly and to recognize their rights and contributions.

For many of our senior citizens, a fixed or reduced income means every peso counts. It is undeniable that rising fuel prices have made it harder for them to travel, whether for medical appointments, daily needs, or visits to loved ones. Exempting them from VAT on fuel purchases would be a practical extension of the privileges they already enjoy on medicines, transportation, utilities, and other essentials under existing laws.

In light of the foregoing considerations, the passage of this Bill is hereby respectfully pleaded.



BIENVENIDO M. ABANTE, JR.

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session
House Bill No. **3711**

Introduced by: Congressman **BIENVENIDO M. ABANTE, JR.**

AN ACT
GRANTING VALUE-ADDED TAX (VAT) EXEMPTION ON FUEL TO SENIOR
CITIZENS, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7432, AS
AMENDED BY REPUBLIC ACT NO. 9994, OTHERWISE KNOWN AS THE
EXPANDED SENIOR CITIZENS ACT OF 2010

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 “**Senior Citizens Fuel VAT Exemption Act.**”

SEC. 2. Section 4 of Republic Act No. 9994, as amended, is hereby further amended to read as follows:

Sec. 4 Privileges for the Senior Citizens. -

The senior citizens shall be entitled to the following:

- (a) the grant of twenty percent (20%) discount and exemption from the value -added tax (VAT), if applicable, on the sale of the following goods and services from all establishments, for the exclusive use and enjoyment or availment of the senior citizen
- (1) on the purchase of medicines, including the purchase of influenza and pnemococcal vaccines, and such other essential medical supplies, accessories, and equipment to be determined by the Department of Health (DOH).

The DOH shall establish guidelines and mechanism of compulsory rebates in the sharing of the burden of discounts among retailers, manufacturers, and distributors, taking into consideration their respective margins;

- (2) on the professional fees of attending physician/s in all private hospitals, medical facilities, outpatient clinics, and home health care services;
- (3) on the professional fees of licensed professional health providing home health care services as endorsed by private hospitals or employed through home health care employment agencies;
- (4) on medical and dental services, diagnostic and laboratory fees in all private hospitals, medical facilities, outpatient clinics, and home health care services, in accordance with the rules and regulations to be issued by the DOH, in coordination with the Philippine Health Insurance Corporation (PhilHealth);
- (5) in actual fare for land transportation travel in public utility buses (PUBs), public utility jeepneys (PUJs), taxis, Asian utility vehicles (AUVs), shuttle services, and public railways, including Light Rail Transit (LRT), Mass Rail Transit (MRT), and Philippine National Railways (PNR);
- (6) in actual transportation fare for domestic air transport services and sea shipping vessels, and the like, based on the actual fare and advanced booking;
- (7) on the utilization of services in hotels and similar lodging establishments, restaurants, and recreation centers;
- (8) on admission fees charged by theaters, cinema houses and concert halls, circuses, leisure and amusement; and
- (9) on funeral and burial services for the death of senior citizens, and
- (10) ON THE PURCHASE OF FUEL FOR VEHICLES OWNED AND USED BY SENIOR CITIZENS, WHETHER AS DRIVER OR PASSENGER.**

SEC. 3. *Implementing Rules and Regulations.* - Within sixty (60) days from the effectivity of this Act, the Secretary of the DSWD and the Chairperson of National Commission of Senior Citizen (NCSC) shall formulate and adopt amendments to the existing rules and regulations implementing Republic Act No. 9994, as amended, to carry out the objectives of this Act, in consultation with the Department of Finance (DOF), Bureau of Internal Revenue (BIR), Department of Energy (DOE), Department of Trade and Industry (DTI), Local Government Units (LGUs) and the Office for Senior Citizens Affairs (OSCA), and five (5) NGOs or POs for the senior citizens duly accredited by the DSWD. The guidelines pursuant to Section 4(a)(i) shall be established by the DOH within sixty (60) days upon the effectivity of this Act.

SEC. 4. *Repealing Clause.* - All law, executive orders, rules, and regulations or any part hereof inconsistent herewith are deemed repealed or modified accordingly.

SEC. 5. *Separability Clause.* - If any part or provision of this Act shall be declared unconstitutional and invalid, such declaration shall not invalidate other parts thereof, which shall remain in full force and effect.

SEC. 6 *Effectivity.* - This Act shall take effect fifteen (15) days its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation, whichever comes earlier.

Approved,