

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. **3890**



Introduced by **HON. JORGE DANIEL S. BOCOBO**

EXPLANATORY NOTE

And he said to them, "Go into all the world and proclaim the gospel to the whole creation."

- Mark 16:15

The travel tax was first imposed under Republic Act No. 1478 in 1956 and later amended through Presidential Decree No. 1183, issued by then-President Ferdinand E. Marcos in 1977. Unfortunately, it is outdated and no longer aligned with current economic and regional goals. Under the ASEAN Tourism Agreement of 2002, member states shall facilitate travel within and into ASEAN by, among others, phasing out travel levies and travel taxes on nationals of ASEAN Member States traveling to other ASEAN Member States.

This proposed bill aims to enhance the realization of freedom of movement that our fundamental law envisions for every citizen while fulfilling the Philippines' commitment to ASEAN to support regional cooperation. The removal of the travel tax is long overdue since it discourages tourism and regional mobility. The Philippines remains the only ASEAN country that still imposes this outdated tax on outbound travelers.

Currently, although Overseas Filipino Workers (OFWs), Filipino permanent residents abroad who stayed less than a year in the Philippines, and children aged two years and below are exempt from paying the travel tax, the existing travel tax disproportionately affects ordinary residents, particularly those flying economy.

By making travel more affordable, it will encourage more people to travel and spend more. Tourism infrastructure projects have been driven by increased travel and the temporary migration of the OFWs. Interestingly, since fuel and movement of goods are also taxed, it only shows that there are ways by which the revenue loss can be offset. Clearly, the benefits of abolishing travel tax outweigh the temporary loss that the government would have to bear.

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


JORGE DANIEL S. BOCOBO

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AN ACT
ABOLISHING THE TRAVEL TAX ON FILIPINOS AND ON NATIONALS OF
ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN) MEMBER STATES
TRAVELLING TO OTHER ASEAN MEMBER STATES

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

SECTION 1. *Abolishing the Travel Tax.* - Travel tax shall no longer be imposed on the following individuals:

- a) Filipinos leaving the Philippines; and
- b) Nationals of the other Association of Southeast Asian Nations (ASEAN) Member States leaving the Philippines and travelling to other ASEAN member states.

SEC. 2. *Repeal.* - Presidential Decree No. 1183, as amended, laws, executive orders or parts thereof inconsistent with this Act are hereby repealed, modified, or amended accordingly.

SEC. 3. *Separability Clause.* - Should any provision or part of this Act be declared unconstitutional or invalid, the other provisions and parts hereof, insofar as they are separable from the invalid ones, shall remain in full force and effect.

SEC. 4. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,