

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 7066



Introduced by: **REP. SALVADOR A. PLEYTO, SR.**

EXPLANATORY NOTE

The 1987 Philippine Constitution mandates the State to prioritize the needs of the underprivileged, sick, elderly, and disabled. In line with this, Republic Act No. 7432 (as amended) and Republic Act No. 7277 (as amended) were enacted to grant a 20% discount and VAT exemption on essential goods and services to Senior Citizens and PWDs.

However, a recurring issue has emerged in the implementation of these laws. Many business establishments invoke the "No Double Discount" rule, forcing our seniors and PWDs to choose between their statutory 20% discount and a store's promotional sale. This interpretation undermines the intent of the law, which is to provide a distinct social safety net. Statutory discounts are a right granted by law to provide relief to specific sectors, whereas promotional discounts are marketing tools used by businesses to drive profit.

This measure clarifies that statutory discounts shall be applied in addition to any promotional offers. The 20% discount and VAT exemption should be computed based on the promotional price, ensuring that the beneficiary receives the full intent of the law's protection.

Further, the "Booklet Requirement" is an outdated barrier. Currently, many establishments refuse to grant discounts on basic necessities and prime commodities (BNPC) unless a physical "Purchase Booklet" is presented and signed. This requirement is burdensome, often leading to the denial of benefits when a booklet is lost or full.

By simplifying the process and removing the booklet requirement—relying instead on the presentation of a valid Government-issued ID—we make the law more accessible and responsive to the needs of the people.

Through this bill, we uphold the dignity of our Senior Citizens and PWDs by ensuring their benefits are not merely "optional" but are consistently and easily enjoyed.

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



SALVADOR A. PLEYTO, SR.

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HOUSE BILL NO. 7066

Introduced by: **REP. SALVADOR A. PLEYTO, SR.**

AN ACT REINFORCING THE STATUTORY DISCOUNTS AND PRIVILEGES GRANTED TO SENIOR CITIZENS AND PERSONS WITH DISABILITIES (PWDs), ENSURING THEIR APPLICATION ON TOP OF PROMOTIONAL OFFERS, AND ELIMINATING THE REQUIREMENT OF PURCHASE BOOKLETS

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

SECTION 1. *Short Title.* – This Act shall be known as the "Senior Citizen and PWD Discount Fairness Act."

SEC. 2. *Declaration of Policy.* – It is the policy of the State to prioritize the needs of the elderly and persons with disabilities. To this end, the State shall ensure that the benefits provided by law are not diminished by commercial marketing strategies and that the process of availing these benefits is free from unnecessary administrative burdens.

SEC. 3. *Applicability of Discounts on Top of Promotional Offers.* – The statutory discounts granted to senior citizens and persons with disabilities, specifically:

1. The twenty percent (20%) discount and VAT exemption under Republic Act No. 9994 and Republic Act No. 10754; and
2. The special discount on basic necessities and prime commodities (BNPC) under Section 4 of RA No. 7432 and Section 32 of RA No. 7277;

shall be applied in addition to any existing promotional offers or discounts extended by business establishments to the general public.

In the event of a promotional sale, the statutory discount and VAT exemption shall be deducted from the *promotional price* rather than the original suggested retail price (SRP). In no case shall a business establishment require the beneficiary to choose between the statutory discount and the promotional offer.

SEC. 4. *Elimination of Purchase Booklets.* – The presentation of a Purchase Booklet shall no longer be a mandatory requirement for the purchase of goods, including medicines and basic necessities.

- Establishments shall grant the discount and VAT exemption upon the sole presentation of a valid Senior Citizen or PWD Identification Card or a Philippine Passport.
- For medicines requiring a prescription, the discount shall be granted upon presentation of the ID and a valid prescription, with the establishment recording the transaction in their own internal digital or physical ledger rather than the beneficiary's booklet.

SEC. 5. *Tax Treatment of Discounts.* – The cost of the additional discounts granted under this Act shall be allowed as a tax deduction from the gross income of the business establishment for the same taxable year that the discount is granted, consistent with the provisions of the National Internal Revenue Code.

SEC. 6. *Penalties.* – Any business establishment found in violation of Section 3 or Section 4 of this Act shall be subject to the following:

- First Offense: A fine of not less than Fifty Thousand Pesos (₱50,000.00).
- Second Offense: A fine of not less than One Hundred Thousand Pesos (₱100,000.00) and temporary suspension of business permit for thirty (30) days.
- Succeeding Offenses: Permanent cancellation of business permit.

SEC. 7. *Implementing Rules and Regulations (IRR).* – Within sixty (60) days from the effectivity of this Act, the Department of Trade and Industry (DTI), Department of Health (DOH), and the Department of Finance (DOF) shall promulgate the necessary rules and regulations for its effective implementation.

SEC. 8. *Separability Clause.* – If any provision of this Act is declared invalid or unconstitutional, the remaining provisions shall remain in full force and effect.

SEC. 9. *Repealing Clause.* - All laws, decrees, orders, rules, and regulations, or parts thereof, inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 10. *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,