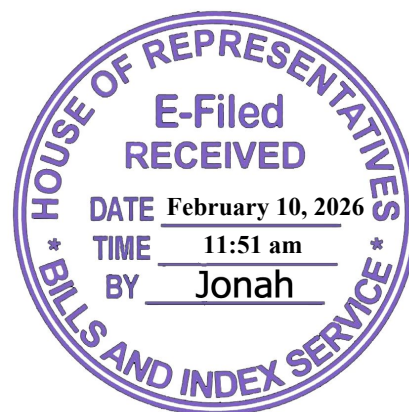


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 7703



Introduced by **Representative ERIC G. YAP**

EXPLANATORY NOTE

This bill seeks to abolish the travel tax imposed on Filipino citizens and departing travelers mandated by Republic Act (RA) No. 1478, as amended, and RA No. 9593, otherwise known as the “*Tourism Act of 2009*”. It simplifies the travel experience by removing a bureaucratic layer that often requires long queues and complex exemption applications.

For decades, budget airlines have made regional and international travel more accessible, but the imposition of travel taxes has become a regressive entry fee to the world. It burdens Filipinos for the simple act of traveling overseas, whether for leisure or professional development. Currently, economy class passengers are charged One Thousand Six Hundred Twenty Pesos (P1,620.00), while first-class passengers pay Two Thousand Seven Hundred Pesos (P2,700.00) for travel tax. For a typical family of four (4), this is an immediate Six Thousand Four Hundred Eighty Pesos (P6,480.00) burden added to travel expenses, excluding airfare and terminal fees.

In 2024, the Tourism Infrastructure and Enterprise Zone Authority (TIEZA) reported total travel tax collections of approximately P7.8 Billion¹. While this revenue is currently earmarked for TIEZA Infrastructure Projects, Higher Education Development Fund (HEDF), and the National Commission for Culture and the Arts (NCCA) cultural heritage programs, the total collection represents less than one percent (1%) of the country’s 2024 total revenue of P4.42 Trillion². This reflects that the travel tax is an inefficient revenue source relative to the burden it places on travelers. The funding transition for these mandates to the General Appropriations Act (GAA) also modernizes our fiscal policy while ensuring that essential programs are sustained through transparent and centralized budgeting rather than a direct taxation on travelers.

The Philippines remains an outlier in Southeast Asia. Neighboring countries such as Singapore, Malaysia, Thailand, and Vietnam have steered away from such mandatory charges to encourage regional integration and tourism. As a party to the 2002 ASEAN Tourism

¹ Tourism Infrastructure and Enterprise Zone Authority (TIEZA) (30 June 2025). *From Crisis to Comeback: TIEZA Rebounds with P7.8B Revenue, Nationwide Projects*. <https://tieza.gov.ph/from-crisis-to-comeback-tieza-rebounds-with-%E2%82%B17-8b-revenue-nationwide-projects/#:~:text=By%20the%20end%20of%202024,230%20tourism%20infrastructure%20projects%20nationwide>.

² Bureau of the Treasury (27 February 2025). *Full-Year 2024 Total Revenues Surpassed Target at P4.419 Trillion, Bringing Revenue Effort to 16.72% – The Highest in the Last 27 Years*. <https://www.treasury.gov.ph/wp-content/uploads/2025/02/COR-Press-Release-FY-2024.pdf>

Agreement³, the country is committed under Article 2(3) to facilitate travel by phasing out travel taxes on nationals of ASEAN Member States. Maintaining travel taxes more than two (2) decades later places the country at a competitive disadvantage and contradicts our long-standing commitment to foster seamless travel and people-to-people exchange.

This proposed measure returns hard-earned money to the pockets of Filipino families, allowing them to use those funds for actual travel experiences or basic needs. To truly champion the “Global Filipino”, the State should stop taxing the aspirations of its citizens to see the world, but instead empower travelers to pursue opportunities overseas with greater ease, to further foster a culture of openness and mobility for all Filipinos.

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



HON. ERIC G. YAP

³ Association of Southeast Asian Nations (04 November 2002). *ASEAN TOURISM AGREEMENT*.
<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/36/10022>

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TWENTIETH CONGRESS
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HOUSE BILL NO. 7703

Introduced by **Representative ERIC G. YAP**

AN ACT
ABOLISHING THE TRAVEL TAX

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 “*Abolition of the Travel Tax Act*”.

SEC. 2. *Repeal.* – Provisions of laws relating to the authority to collect or receive funding from the collection of Travel Tax, including but not limited to, Republic Act (RA) No. 1478, entitled “*An Act to Create a Board of Travel and Tourist Industry, Defining its Powers, Duties and Responsibilities, and for Other Purposes*”, as amended; RA No. 7722, otherwise known as the “*Higher Education Act of 1994*”; and RA No. 9593, otherwise known as “*The Tourism Act of 2009*”, are hereby repealed.

SEC. 3. *Effect of Repeal.* – The collection of travel taxes will be prohibited after the effectivity of this Act. For flights that are scheduled on or after the effectivity of this Act, the travel taxes paid shall be refunded immediately.

SEC. 4. *Appropriations.* – The amount necessary for the programs funded by the travel tax collections and for the implementation of this Act shall be charged to the respective appropriations under the current General Appropriations Act (GAA) of the Department of Tourism for the Tourism Infrastructure and Enterprise Zone Authority (TIEZA), the Commission on Higher Education (CHED) for the Higher Education Development Fund, and the National Commission for Culture and the Arts (NCCA) for the National Endowment Fund for Culture and the Arts. Thereafter, such sums as may be necessary shall be included in the annual GAA.

SEC. 5. *Implementing Rules and Regulations.* – Within sixty (60) days from the approval of this Act, the TIEZA shall formulate the implementing rules and regulations in connection with the immediate refund provided in Section 3 hereof.

SEC. 6. *Separability Clause.* – If any portion or provision of this Act is subsequently declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall remain in full force and effect.

SEC. 7. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,