

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

TWENTIETH CONGRESS
First Regular Session



HOUSE BILL NO. 7845

Introduced by Honorable Representatives
SARAH JANE I. ELAGO (Gabriela Women's Party)
RENEE LOUISE M. CO (Kabataan Partylist)
ANTONIO L. TINIO (ACT Teachers Partylist)

AN ACT ABOLISHING THE COLLECTION OF TRAVEL TAX

EXPLANATORY NOTE

The Travel Tax, first imposed during the administration of former President Ferdinand Marcos Sr. through Presidential Decree No. 1183, is a tax that hits ordinary Filipino families the hardest.

Filipinos flying economy class pay Php 1,620, while those in first class pay Php 2,700¹. For ordinary citizens, students, and families of OFWs who are not exempted, this cost is very high. With inflation rising, wages staying low, and basic goods becoming more expensive, the government should be helping people and not charging them extra fees at every step.

Although OFWs are supposed to be exempt, the process to get this exemption is often long and difficult. On top of that, their family members still have to pay the tax. For OFWs, tax adds to the many costs they already shoulder, such as high placement fees, required insurance, and other expenses before leaving the country. For an ordinary Filipino family that saves every centavo just to afford a trip, the travel tax takes a big cut from their already limited budget.

Studies and economic analyses show that removing this tax would benefit the economy overall. While the government collects about Php 7 billion a year from the travel tax, abolishing it could generate up to Php 22 billion².

¹ <https://tieza.gov.ph/travel-tax/>

² <https://newsinfo.inquirer.net/2182616/lawmaker-govt-to-gain-p22b-from-travel-tax-abolition>

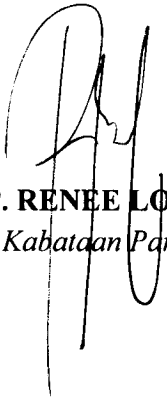
This bill seeks to repeal Presidential Decree No. 1183 and all related issuances imposing the travel tax, thereby easing the burden on OFWs and ordinary Filipinos who are already weighed down by multiple regressive taxes on top of systemic corruption and misuse of public funds.

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



REP. SARAH JANE I. ELAGO

Gabriela Women's Party



REP. RENEE LOUISE M. CO

Kabataan Partylist



REP. ANTONIO L. TINIO

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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 "Travel Tax Abolition Act."

SECTION 2. Abolition of Travel Tax. - The imposition and collection of the travel tax as provided under Presidential Decree No. 1183, as amended, and Section 73 of Republic Act No. 9593, or the "Tourism Act of 2009," and all other pertinent laws, executive orders, regulations, and other related issuances are hereby abolished.

SECTION 3. Non-Diminution of Benefits. - Nothing in this Act shall be construed as a justification for the reduction of existing benefits, subsidies, or exemptions granted to Overseas Filipino Workers (OFWs) and other marginalized sectors under existing laws.

SECTION 4. Implementing Rules and Regulations. – All concerned agencies and relevant civil society organizations shall promulgate the necessary rules and regulations for the effective implementation of this Act within thirty (30) days from its effectivity.

SECTION 5. Separability Clause. - If any provision or part of this Act is held invalid or unconstitutional, the remaining provisions not affected thereby shall remain in full force and effect.

SECTION 6. Repealing Clause. - All laws, decrees, executive orders, rules and regulations, or parts thereof, which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SECTION 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,