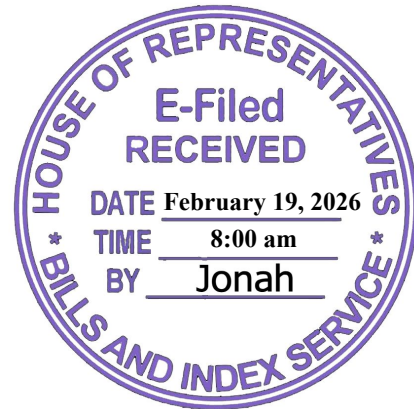




Republic of the Philippines
HOUSE OF REPRESENTATIVES
Constitution Hills, Quezon City
TWENTIETH CONGRESS
First Regular Session
HOUSE BILL No. 7900



Introduced by REPRESENTATIVE LORDAN G. SUAN

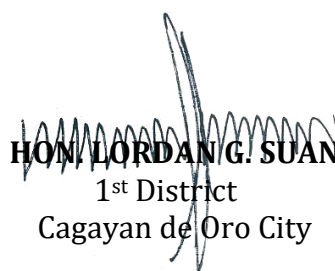
EXPLANATORY NOTE

Tourism is an indispensable element of our national economy. It has many components that create employment, increase investment and foreign exchange earnings, improve infrastructure, and contribute significantly to the country's GDP. The 2024 data from the Philippine Statistics Authority showed that tourism contributed Php2.35 trillion to our economy, equivalent to 8.9% of our GDP. In terms of employment, 13.8% of our total employment is in the tourism industry, translated to 6.75 million tourism jobs. Inbound tourism expenditure was posted at Php 699.98 billion in 2024, an increase of 0.4%. Notably, there is a 35% increase in outbound tourism expenditure, equivalent to Php 345.68 billion. This shows that more Filipinos are travelling to international destinations.

The abolition of the travel tax will be a crucial step in boosting the tourism sector. It will eliminate the additional travel cost, which impedes the mobility of people. This is the time when travelling has become affordable for ordinary Filipinos who desire to travel for leisure, business, or any other purpose. It is projected that the benefits from outbound and inbound tourism expenditures will surpass the revenues collected from travel tax.

The approval of this bill and its enactment into law will attune our tourism policy with our ASEAN agreements that facilitate the seamless movement of people within ASEAN states and reduce barriers to connectivity, mobility, and the free flow of services.

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


HON. LORDAN G. SUAN
1st District
Cagayan de Oro City



Republic of the Philippines

HOUSE OF REPRESENTATIVES

Constitution Hills, Quezon City

TWENTIETH CONGRESS

First Regular Session

HOUSE BILL No. 7900

Introduced by REPRESENTATIVE LORDAN G. SUAN

AN ACT

ABOLISHING THE TRAVEL TAX, REPEALING FOR THE PURPOSE THE PRESIDENTIAL DECREE NO. 1183, AS AMENDED, AND FOR OTHER PURPOSES

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

1 **SECTION 1. *Short Title.*** - This Act shall be known as the “Travel Tax Abolition Act of
2 2026.”

3 **SECTION 2. *Declaration of Policy.*** – The state recognizes the indispensable role of
4 tourism as a driver of economic development. Towards this end, it encourages and
5 promotes the unimpeded movement of people for business, leisure, cultural, medical, and
6 other purposes. It also fosters the growth and development of private enterprises related
7 to tourism promotion and activities.

8 In pursuit of this policy, it shall abolish the travel tax levied on all passengers
9 travelling to international destinations.

10 **SECTION 3. *Abolition of Travel Tax.*** – The travel tax levied by the state is hereby
11 abolished, and Presidential Decree No. 1183, as amended, is hereby repealed.

12 a.) Section 73 of Republic Act 9593, otherwise known as The Tourism Act of
13 2009, is hereby repealed.

14 b.) All other references related to the travel tax in any law, decree, regulation
15 or administrative issuance are hereby repealed.

16 **SECTION 4. *Refund*** – Travel taxes collected for flights on or after the effectivity of
17 this Act shall be refunded.

18 **SECTION 5. *Appropriations*** – The amount necessary to fund the programs affected
19 by the abolition of travel tax shall be included in the annual budget of the concerned agency
20 under the General Appropriations Act (GAA).

21 **SECTION 6. *Implementing Rules and Regulations*** – The Department of Budget and
22 Management and the Department of Tourism, in consultation with relevant government
23 agencies, shall formulate, within sixty (60) days from the effectivity of this Act, the
24 necessary rules and regulations for its effective implementation.

1 **SECTION 6. *Separability Clause.*** - If any provision of this Act is declared invalid or
2 unconstitutional, the provisions not hereby affected shall remain in full force and effect.

3
4 **SECTION 7. *Repealing Clause.*** - All laws, decrees, orders, rules and regulations or
5 parts thereof, inconsistent with or contrary to the provisions of this Act are repealed,
6 amended or modified accordingly.

7
8 **SECTION 8. *Effectivity.*** - This Act shall take effect fifteen (15) days from the date of
9 its publication in the Official Gazette, or a website provided for by law.

Approved,