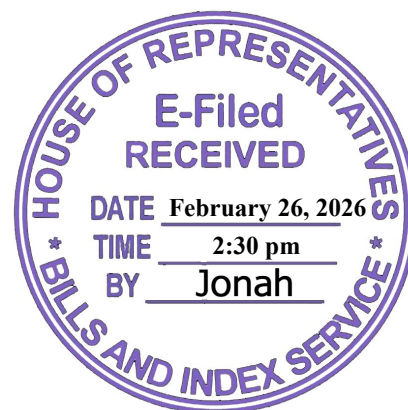


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 8132



Introduced by **REPRESENTATIVE FLORABEL C. YATCO**

EXPLANATORY NOTE

Traveling should never be a privilege that only a few can afford. Yet, for many ordinary Filipino families and everyday travelers, the travel tax imposed under current legislation makes even domestic and regional travel unnecessarily expensive. This financial burden limits Filipinos' ability to visit loved ones, pursue education and employment opportunities, and engage in cultural exchange, despite constitutional guarantees of the right to travel.

Tourism is a proven driver of inclusive economic growth, and employment. In 2024, the tourism sector contributed approximately 8.9 % of the Philippines' gross domestic product (GDP), equivalent to a direct gross value added of ₱2.35 trillion, and supported an estimated 6.75 million jobs, or about 13.8 percent of total employment in the country. Domestic tourism expenditure also grew significantly, totaling over ₱3.16 trillion, reflecting strong internal demand and the sector's potential to sustain broad-based economic activity across regions.¹

While the travel tax generates revenue, its abolition must be viewed in light of the broader economic gains from increased tourism activity, consumption, and job creation.

Every extra cost added to travel makes fewer people able to afford it, especially ordinary Filipino families who carefully budget their expenses. When travel becomes even slightly cheaper, more people are encouraged to take trips, visit provinces, and explore new places. Removing the travel tax can lead to more passengers, more visitors to local destinations, and more income for hotels, restaurants, transport services, and small businesses that depend on tourism.

¹ <https://psa.gov.ph/content/tourism-contributes-89-percent-philippine-economy-2024>

Recognizing these challenges, the proposed “Abolition of the Travel Tax Act” seeks to repeal the travel tax, making travel more accessible, equitable, and inclusive. This legislation will help dismantle systemic barriers to mobility and advance broader socio-economic inclusion. By lowering the cost of travel, families can allocate resources toward education, health, and livelihood, while ordinary citizens can participate fully in social, cultural, and economic life.

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

Para sa kinabukasan kung saan ang paglalakbay ay hindi pribilehiyo ng iilan, kundi karapatan at pagkakataon ng lahat.


FLORABEL C. YATCO

Representative

Nanay Party-list

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HOUSE BILL NO. 8132

Introduced by **REPRESENTATIVE FLORABEL C. YATCO**

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,