

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

TWENTIETH (20<sup>TH</sup>) CONGRESS  
First Regular Session

**HOUSE BILL NO. 9893**



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**Introduced by HON. PHILIP CONRAD "DOK BONG" M. ACOP**

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**AN ACT**  
**ENHANCING THE DISCOUNT ON THE PURCHASE OF GOODS AND**  
**SERVICES OF SENIOR CITIZENS AND PERSONS WITH DISABILITIES**

**EXPLANATORY NOTE**

Every morning across the Philippines, a quiet, repetitive friction plays out at convenience store counters, pharmacy registers, and supermarket aisles. An elderly grandmother or a person visually impaired presents their statutory ID, hoping to shave a few crucial pesos off their purchases, only to be met with a polite but firm refusal: *"Sorry po, under promo na kasi, bawal na ipatong ang discount."*

The proposed bill seeks to eliminate a long-standing loophole in retail commerce. Currently, businesses routinely deny statutory discounts to senior citizens and Persons with Disabilities (PWDs) during commercial sales by citing "no double discounting" policies. This legislation mandates that statutory welfare discounts be stacked directly on top of commercial promotions, ensuring that legislated benefits are protected rather than absorbed by corporate fine print.

For seniors managing chronic illnesses and PWDs navigating financial barriers, these discounts are not leisure perks; they are vital economic lifelines for medicine and basic necessities. By allowing discounts to stack, the bill prevents inflation from eroding the fixed incomes of vulnerable sectors who are disproportionately affected by rising healthcare and living costs. Consequently, this initiative directly aligns with the United Nations Sustainable Development Goals (SDGs). Specifically, this bill is a direct response to SDG 1 (No Poverty), as it strengthens social protection systems to shield vulnerable populations from inflation, as well as SDG 10 (Reduced Inequalities), as it promotes economic and social inclusion by guaranteeing statutory privileges regardless of store sales.

The proposed act mandates that the standard 20% discount and Value-Added Tax (VAT) exemption, alongside special discounts on basic necessities

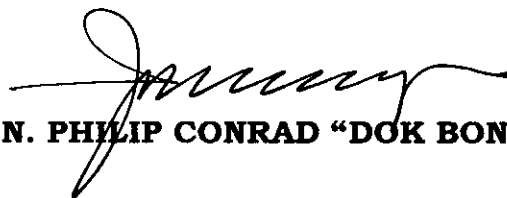
and prime commodities, must be applied *in addition to* any prevailing promotional offers extended by commercial establishments. The text explicitly bars businesses from using a public sale as an excuse to deny an individual's senior or PWD discount.

To prevent this proposal from putting an unfair burden on the private sector, the bill provides a clear tax mechanism: establishments can claim the total net cost of these granted discounts as a legitimate deductible expense from their gross income within the same taxable year.

Ultimately, a country's development cannot be measured solely by gross domestic product or the rising skylines of its financial districts. The true benchmark of a civilized society is how safely and cleanly it catches those who are most vulnerable to slipping through the cracks.

By ensuring that the rights of our senior citizens and PWDs are absolute, uncompromised by commercial promos or retail loopholes, this bill moves us closer to the fair and compassionate society promised by our constitution. It is time to pass this measure, clear the confusion at the checkout counters, and restore the full value of dignity to those who need it most.

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

A handwritten signature in black ink, appearing to read 'Philip Conrad', with a stylized, flowing script.

**HON. PHILIP CONRAD "DOK BONG" M. ACOP**

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

**SECTION 1. Declaration of Policy.** - The State shall promote a just and dynamic social order that shall ensure the nation's prosperity and independence as well as free its people from poverty. The State shall provide social justice in all phases of national development, and value the dignity of every human person, and guarantee full respect for human rights.

The State shall adopt an integrated approach to health development which shall endeavor to make essential goods, health, and other social services available to all at affordable cost. There shall be priority for the needs of the underprivileged, sick, elderly, and persons with disabilities.

To this end, the State shall preserve the preferential treatment accorded to senior citizens and persons with disabilities, and proportionately distribute its costs between the government and the people.

**SEC. 2. Applicability of Discounts of Senior Citizens and Persons with Disabilities to Goods and Services on Promotional Offer.** - The discount granted to senior citizens and persons with disabilities, including the twenty percent (20%) discount and exemption from the value-added tax (VAT) on goods and services, or the special discount on purchase of basic necessities and prime commodities, as provided under Section 4 of Republic Act No. 7432, otherwise known as "Senior Citizens Act," as amended, and Section 32 of RA 7277, otherwise known as "Magna Carta for Persons with Disability," as amended, shall be applied in addition to any prevailing promotional offers or discounts extended by business establishments, if any, has been provided.

In no case shall a promotion or discount offered by a business establishment to the general public be considered in compliance with Section 4 of RA 7432, as amended, and Section 32 of RA 7277, as amended.

**SEC. 3. Tax Treatment of Discounts.** - The twenty percent (20%) discount for senior citizens or persons with disabilities applied on certain goods and services, the input tax attributable to the VAT-exempt sale to senior citizens and persons with disabilities, and the special discount on basic necessities and prime commodities, shall be treated as part of deductible expense pursuant to Section 34 of the National Internal Revenue Code of 1997, as amended.

The establishments may claim the discounts granted under subsections (a), (c), and (j) of Section 4 of RA 7432, as amended, and subsection (a), paragraphs (1), (2), (3), (5), (6), (7) and (8) and subsection (d) of Section 32 of RA 7277, as amended, as deduction based on the net cost of goods sold or services rendered: *Provided*, That the cost of the discount shall be allowed as deduction from gross income for the same taxable year that the discount is granted: *Provided, further*, That the total amount of the claimed tax deduction net of VAT, if applicable, shall be included in their gross sales receipts for tax purposes and shall be subject to proper documentation and to the provisions of the National Internal Revenue Code, as amended.

**SEC. 4. Implementing Rules and Regulations.** - The National Commission of Senior Citizens and the National Council on Disability Affairs, in consultation with the Department of the Interior and Local Government, Department of Trade and Industry, Department of Information and Communications Technology, Department of Health, Department of Finance, Bureau of Internal Revenue, and other relevant agencies and stakeholders, shall promulgate the necessary rules and regulations for the effective implementation of the provisions of this Act.

**SEC. 5. Separability Clause.** - If any provision of this Act is declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall remain in full force and effect.

**SEC. 6. Repealing Clause.** - The pertinent provisions of the following laws are hereby repealed, amended, or modified accordingly:

- (a) Section 4 of RA 7432, as amended by RA 9994, otherwise known as the "Expanded Senior Citizens Act of 2010," insofar as purchase of goods and services which are on promotional discount is concerned; and
- (b) Section 32 of RA 7277, as amended by RA 10754, insofar as higher discount granted by the commercial establishment, other existing laws or in combination with other discount programs is concerned; All other laws, rules and regulations, and other issuances or parts thereof, which are inconsistent with the provisions of this Act, are hereby repealed, amended, or modified accordingly.

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

*Approved,*