

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

**EIGHTEENTH CONGRESS**

First Regular Session

House Bill No. 5718



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**Introduced by HON. FRANCISCO G. DATOL, JR.,**  
Representative, Senior Citizens Party-List

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**EXPLANATORY NOTE**

As provided in the Constitution of the Republic of the Philippines, it is the declared policy of the State to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, **a rising standard of living and an improved quality of life.**

The public has been made aware of the benefits given to senior citizens under Republic Act No. 9994 otherwise known as "Expanded Senior Citizens Act of 2010". Particularly, they are entitled to, among others, a twenty percent (20%) discount and exemption from VAT on their purchase of specified goods and services.

Looking however, at the other side of the picture, specifically in the light of the Tax Reform for Acceleration and Inclusion (TRAIN) Law and the purchasing power of our "peso" *vis-a-viz* the standard of living of our senior citizens, it is timely and imperative to evaluate the 20% discount being given to the senior citizens to offset, if not to cushion, them of the possible increase of basic commodities due to new taxes imposed on various products.

Thus, this bill seeks to give certain classes of senior citizens graduated discount which will amend specifically Section 4 of Republic Act No. 9994 otherwise known as Expanded Senior Citizens Act of 2010 on the grant of 20% senior citizen's discount.

The growing population of senior citizens becomes more vulnerable with the implementation of the tax reform. Unlike the young and employed, they won't be able to enjoy lower income tax rates and are most likely to feel

the impact of inflation. The number of people aged 60 and above in the Philippines is expected to grow this year, latest projections from the Commission on Population (POPCOM) show.

The number of elderly Filipinos or those over 60 years old is projected to increase by 0.23 percent over 2017 and will most likely be over 8 million Filipino senior citizens by the end of the year, POPCOM said. This will constitute 8.2 percent of the country's total population. Of this figure, 5 million will be aged 65 and older or 4.7 percent of the country's population.


The estimate places the Philippines closer to having an aging population, which is marked by at least 7 percent of the population aged 65 years or older. By year-end 2018 there will be 8,013,059 Filipinos over 60, constituting 8.2% of Filipinos. Of this group, 5,082,049 will be 65 and older. Significantly, it is said that 3.17 Million of the senior citizens are still working.

The 2014 study undertaken by Moody's Investors Service predicted that the percentage of elderly people (65 and above) in the Philippines will most likely grow to 4.9 percent by 2020; 5.6 percent by 2025 and 6.3 percent by 2030.

On account of all these figures affecting our senior citizens, it is but fitting that they should be respected, recognized and rewarded by giving them graduated discount. This kind of discount would not unduly affect the economic viability of business establishments as this will be deducted from their taxes as provided for in the Expanded Senior Citizens Act of 2010.

At present, all senior citizens, be they 60 years old or 80 years old or 100 years old or over - they are all given a uniform 20% discount. There is a great difference between 60 years old and 100 years old or over. For instance, the latest WHO data published in 2015 showed that **life expectancy** in **Philippines** for male is 65.3 years old, while for female, it is 72.0 years old. If we live beyond this age, certainly it is God-given bonus on our dear lives. Correspondingly, the age difference bracket as mentioned ought to have a different graduated discount, as proposed in this bill.

Immediate consideration and approval of this bill is most earnestly sought.



HON. FRANCISCO G. DATOL, JR.  
*Representative*  
Senior Citizens Party List



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**AN ACT**  
**TO AMEND REPUBLIC ACT 9994 OTHERWISE KNOWN AS THE**  
**EXPANDED SENIOR CITIZENS ACT OF 2010 AND FOR OTHER PURPOSE**

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

**SECTION 1.** Section 4 of Republic Act No. 9994 is hereby further amended to read as follows:

**Section 4** Section 4 of Republic Act No. 7432, as amended by Republic Act No. 9257, otherwise known as the "Expanded Senior Citizens Act of 2003", is hereby further amended to read as follows:

"SEC. 4. Privileges for the Senior Citizens. -

The senior citizens shall be entitled to the following:

"(a) the grant of twenty percent (20%) discount **FOR THOSE WHO ARE 60 YEARS OLD BUT NOT MORE THAN 70 YEARS OLD; THIRTY PERCENT (30%) DISCOUNT FOR THOSE WHO ARE 70 YEARS OLD BUT NOT MORE THAN 80 YEARS OLD; FORTY PERCENT (40%) DISCOUNT FOR THOSE WHO ARE 80 YEARS OLD BUT NOT MORE THAN 90 YEARS OLD; AND FIFTY PERCENT (50%) DISCOUNT FOR THOSE WHO ARE 90 YEARS OLD OR OVER;** and exemption from the value -added tax (VAT), if applicable, on the sale of the following goods and services from all establishments, for the exclusive use and enjoyment or availment of the senior citizen."

**SECTION 2.** Repealing Clause. – All laws, decrees, executive orders, issuances or regulations inconsistent with the provisions of this Act hereby revised or amended accordingly.

**SECTION 3.** Separability Clause - If any part of this Act is declared unconstitutional or invalid such parts or provisions thereof not so declared shall remain valid and subsisting.

**SECTION 4.** Effectivity Clause - This Act shall take effect fifteen (15) days after its publication in at least two (2) Newspapers of general circulation.

*Approved,*