## Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

## SEVENTEENTH CONGRESS First Regular Session

House Bill No. 4022



## Introduced by Representative Estrellita B. Suansing

#### **EXPLANATORY NOTE**

Section 9 Article II of the 1987 Philippine Constitution states that, "The State shall 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 for all."

Sections 10 and 11, it is further declared that the State shall provide social justice in all phases of national development and that the State values the dignity of every human person and guarantees full respect for human rights.

Republic Act No. 9994, also known as the Expanded Senior Citizens Act, recognizes the contributions of our senior citizens to nation building and that they are considered as "integral part of the Philippine society," and fulfills the right of elderly citizens to "adequate food, water, shelter, clothing and health care through the provision of income, family and community support and self-help."<sup>1</sup>

Numerous issues and complaints arising from the non-compliance of certain establishments concerning the granting of benefits provided under said law have reached the offices of concerned government agencies.

For instance, the spirit of the law in granting 5% discount to a senior citizen on the monthly utilization of water and electricity has been hampered because of Section 4 (c) of R.A. No. 9994 limits its application to those senior citizens whose consumption does not exceed 100 kilowatt hours (kWh) of electricity and 30 cubic meters (m³) of water, making those senior citizens exceeding the prescribed limitations no longer entitled to the 5% discount.

Thus, this bill seeks to amend this law and apply the 5% discount to the first 150 kWh of electricity and the first 50 m<sup>3</sup> of water. Furthermore, their utility fees shall also be exempted from Value Added Tax (VAT).

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

ESTRELLITA B. SUANSING

<sup>&</sup>lt;sup>1</sup> United Nations Principles for Older Persons. Adopted by General Assembly resolution 46/91 of 16 December 1991.

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#### AN ACT

# AMENDING SECTION 4 (C) OF REPUBLIC ACT NO. 9994, OTHERWISE KNOWN AS THE EXPANDED SENIOR CITIZENS' ACT OF 2010

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

- SECTION 1. Section 4 (c) of Republic Act No. 9994, otherwise known as the Expanded Senior Citizens' Act of 2010, is hereby amended to read as follows:
- "SEC. 4. Privileges for the Senior Citizens. The senior citizens
  shall be entitled to the following:

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"(c) the grant of a minimum of five percent (5%) discount ON THE FIRST ONE HUNDRED FIFTY KILOWATT HOURS (100 KWH) AND ON THE FIRST FIFTY CUBIC METERS (50 M³) relative to [the] THEIR monthly utilization of water and electricity supplied by public utilities, AND EXEMPTION FROM THE VALUE ADDED TAX (VAT): Provided, That the individual meters for the foregoing utilities are registered in the name of the senior citizen residing therein: [Provided, further, That the monthly consumption does not exceed one hundred kilowatt hours (100 kWh) of electricity and thirty cubic meters (30 m³) of water:] AND Provided, furthermore, That the privilege is grated per household regardless of the number of senior citizens residing therein;"

- **SECTION 2.** *Implementing Rules and Regulations.* Within thirty (30) days from its enactment, the concerned named agencies under Republic Act No. 9994 shall promulgate the implementing rules and regulations necessary for the effective implementation of this Act.
- **SECTION 3.** Separability Clause. Should any of the provisions of this Act be held unconstitutional or invalid, the remaining provisions not otherwise affected shall remain in full force and effect.

- SECTION 4. Effectivity Clause. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.
- 3 Approved,

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