

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



EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5483

**Introduced by Representatives Ria Christina G. Fariñas
and Rudys Caesar G. Fariñas**

EXPLANATORY NOTE

The contribution of Overseas Filipino Workers (OFWs) to the country's revenue raising effort and economic standing, in general, is undeniably significant, with their total yearly remittances amounting to billions of pesos. Indeed, as they have always been acknowledged, the OFWs are Philippine society's modern day heroes. And, rightfully so, government has as much as possible conferred upon them privileges and protection in various matters.

This notwithstanding, there is still some void to fill as the so-called solo parent OFWs face some sort of inequity in the field of taxation. Specifically, children of these single parents modern day heroes are currently denied exemption from travel tax, an incentive to which broods of their married counterparts are entitled as provided for under Republic Act No. 6768, as amended, otherwise known as "AN ACT INSTITUTING A BALIKBAYAN PROGRAM", which incidentally considers OFWs as "balikbayans". Considering that solo parent OFWs are as equally worthy of government recognition as those married Filipino migrant workers, the single valid criterion being their honest and hard toil in foreign lands, this unfortunate circumstance must be remedied. There should be undivided and impartial recognition of the laudable and selfless hard work of all OFWs.


It is worth noting, however, that Republic Act No. 8042, as amended, otherwise known as the "MIGRANT WORKERS AND OVERSEAS FILIPINOS ACT OF 1995" grants travel tax exemption solely to OFWs and not to their dependents, which is contrary to the provisions of RA No. 6768.

This legislative proposal seeks to address the abovementioned disproportion in tax treatment and apparent inconsistency between the laws involved by categorically providing travel tax exemption to children of both married and solo parent OFWs, amending Republic Act No. 8042, as amended.

Accordingly, passage of the measure is earnestly sought.



RIA CHRISTINA G. FARIÑAS



RUDYS CAESAR G. FARIÑAS I

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AN ACT

**GRANTING TRAVEL TAX EXEMPTION TO DEPENDENTS OF MARRIED OR SOLO
PARENT OVERSEAS FILIPINO WORKERS, AMENDING FOR THE PURPOSE SECTIONS 3
AND 35 OF REPUBLIC ACT NO. 8042, OTHERWISE KNOWN AS THE "MIGRANT
WORKERS AND OVERSEAS FILIPINOS ACT OF 1995", AS AMENDED BY REPUBLIC
ACT NO. 10022**

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

SECTION 1. Section 3 of Republic Act No. 8042, as amended, is hereby
further amended to read as follows:

"Section 3. Definitions. – For purposes of this Act:

(a) Xxx;

(b) 'SOLO PARENT' AS DEFINED UNDER SECTION 3 (A) OF REPUBLIC ACT
NO. 8972, OTHERWISE KNOWN AS THE "SOLO PARENT'S WELFARE ACT
OF 2000";

(c) 'DEPENDENTS' REFERS TO THE FOLLOWING:

(1) SPOUSE AND CHILDREN OF THE MARRIED OVERSEAS FILIPINO
WORKER; AND

(2) CHILDREN OF THE SOLO PARENT OVERSEAS FILIPINO WORKER.

[(b)] (D) xxx

[(c)] (E) xxx"

SEC. 2. Section 35 of Republic Act No. 8042, as amended, is hereby further amended to read as follows:

"SEC. 35. Exemption from Travel Tax, Documentary Stamp Tax and Airport Fee. – All laws to the contrary notwithstanding, the migrant worker AND HIS OR HER DEPENDENTS shall be exempt from the payment of travel tax and airport fee upon proper showing of entitlement by the POEA.

The remittances of all overseas Filipino workers, upon showing of the same proof of entitlement by the overseas Filipino worker's beneficiary or recipient, shall be exempt from the payment of documentary stamp tax."

SEC 3. Implementing Rules and Regulations. – Within six (6) months from the effectivity of this Act, the Secretary of Finance shall, upon the recommendation of the Commission of Internal Revenue, promulgate the necessary rules and regulations for its effective implementation.

SEC 4. Separability Clause. – If any provision of this Act is subsequently declared invalid or unconstitutional, the other provision hereof which are not affected thereby shall remain in full force and effect.

SEC 5. Repealing Clause. – Republic act No. 6768, as amended, otherwise known as "AN ACT INSTITUTING A BALIKBAYAN PROGRAM" is hereby amended or modified accordingly.

All other laws, acts, presidential decrees, executive orders, issuances, presidential proclamations, rules and regulations or parts thereof, which are contrary to or inconsistent with any provision of this Act are hereby repealed, amended or modified accordingly.

SEC 6. Effectivity Clause. – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,