

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

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 5131



Introduced by **ANG PROBINSYANO**
Party-List Representative Alfred Delos Santos

EXPLANATORY NOTE

RA 9432 provides for discounts on the water and electric consumption of senior citizens. The current law only grants them a five percent (5%) discount without exemption from value-added tax (VAT) and further imposes a one hundred kilowatt hour ceiling on their discounted consumption. These numbers have not been adjusted since the promulgation of RA 9432 in 1992. The effects of the rising costs of living due to inflation are more severely felt by this economically vulnerable sector. Senior citizens are burdened with additional costs due to their age and often degrading health. Opportunities for senior citizens to generate income were also further limited by the COVID-19 pandemic.

Thus, it becomes the legislature's duty to extend our senior citizens additional privileges to help lighten their load so that they can live the rest of their lives under more humane conditions.

Based on the foregoing, the approval of this bill is earnestly sought.


ALFRED C. DELOS SANTOS
Representative, Ang Probinsyano Party-List

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**AN ACT
INCREASING THE DISCOUNT RATE AND EXEMPTING FROM
VALUE-ADDED TAX THE MONTHLY ELECTRIC AND WATER
CONSUMPTION GRANTED TO SENIOR CITIZENS, AMENDING FOR THE
PURPOSE REPUBLIC ACT NO. 7432, AS AMENDED, 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. Short Title. - This Act shall be known as the "Utilities Discount for Senior Citizens Act."

SECTION 2. Section 4(c) of Republic Act No. 7432, as amended, is hereby further amended to read as follows:

"SEC. 4. Privileges for the Senior Citizens. - The senior citizens shall be entitled to the following:
X X X

(c) the grant of **EXEMPTION FROM VALUE ADDED TAX (VAT) and** a minimum of **TEN PERCENT (10%)** discount relative to the monthly utilization of water and electricity supplied by the public utilities: *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 **TWO HUNDRED KILOWATT HOURS (200 kWh)** of electricity and thirty cubic meters (30 m³) of water: *Provided, furthermore*, That the privilege is granted per household regardless of the number of senior citizens residing therein;"

SECTION 3. *Implementing Rules and Regulations.* - Within ninety (90) days after the effectivity of this Act, the National Commission of Senior Citizens shall, in consultation with the Energy Regulatory Commission,

Metropolitan Waterworks and Sewerage System and other concerned utility regulatory agencies, as well as national organizations of senior citizens, promulgate the necessary rules and regulations for the effective implementation of this Act.

SECTION 4. *Separability Clause.* – If any provision of this Act shall be declared unconstitutional or invalid, such declaration shall not invalidate other parts thereof which shall remain in full force and effect.

SECTION 5. *Repealing Clause.* – All laws, executive orders, presidential decrees or issuances, letters of instruction, administrative orders, rules, and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SECTION 6. *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,