

NINETEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session

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Senate
Office of the Secretary

'22 JUL 11 P4:25

SENATE

S. No. 262

RECEIVED BY: _____

Introduced by SENATOR RAMON BONG REVILLA, JR.

**AN ACT
EXPANDING THE GRANT OF 20% DISCOUNT AND EXEMPTION FROM THE
VALUE ADDED TAX (VAT) TO SENIOR CITIZENS TO INCLUDE MEDICINES,
SUPPLEMENTS, VITAMINS, HERBAL PRODUCTS AND FORMULATED MILK
MEDICALLY DULY PRESCRIBED OR RECOMMENDED BY PHYSICIANS**

EXPLANATORY NOTE

One of the most important members of our society are our dear Senior Citizens. The lines on their faces carry the stories of their lives. Sit beside one of them and the conversation would surely be filled with life lessons that not even books could ever impart.

In their younger years they have contributed immensely to our country with their skills and knowledge. It was the hard work and dedication to their chosen craft that helped build the Philippines of today. Back when their bones are not as brittle and their hair is not as gray as today, it was them who helped fuel our economy and enrich our national coffers. Without them, governments that came and went would not have had the necessary support in strengthening our economy and fueling programs.

Despite the significant role that they have played in their youthful years, senior citizens are often consigned to the sidelines – left to waste away the remaining years of their time on earth with little to no support. Many think that their pension and savings guarantee a comfortable life for them. We know, however, that is simply not the case. While some receive their pensions in hefty amounts, many still struggle to make ends

meet with monthly pensions just enough for food on the table. Worse even, there are many elderly who have no pension at all to rely on.

With the rising prices of the most basic goods and services, the elderly have become even more vulnerable. Their life savings are now in a dire situation with their life savings quickly being depleted. They are left to choose between which is most essential, foregoing the others even when also necessary.

This is the situation we seek to offer refuge to. Guided by the Constitution which has in its heart the trappings of social justice, this proposed measure aims to strengthen existing laws to ensure that the welfare of the senior citizens are always upheld. No less than the Constitution under Article XV, Section 4 mandates a shared duty between the family and the State to care for the elderly. The love and care that families provide, should be complemented by an active support from the State in institutionalizing programs that give protection and assistance to senior citizens.

The salient feature of this bill aims to amend Republic Act No. 9257, otherwise known as the "Expanded Senior Citizens Act of 2003", with the goal of widening the benefits granted to Senior Citizens. It simply echoes Republic Act No. 7642, otherwise known as "An Act to Maximize the Contribution of Senior Citizens to Nation Building, Grant Benefits and Special Privileges and for Other Purposes", or The Senior Citizens Act, which laid down the duty of the State to look after the elderly, and to motivate and encourage them to contribute to nation building by ensuring that mechanisms are established that would maximize the contribution of senior citizens and establish programs beneficial to them.

The proposed amendment would cure what the law currently provides which has paved the way to excluding some necessities from the list of the goods which senior citizens are entitled to a discount in purchasing. At present, business establishments are mandated to grant a 20% discount on certain goods and services to senior citizens, and an additional 12% value-added tax exemption.

When Republic Act No. 9994, otherwise known as the “Expanded Senior Citizens Act of 2010” limited the definition of discount on essential medical supplies, accessories and equipment, it failed to define the term “medicines.” This allowed many business establishments to refuse to fully or adequately honor the privileges which the elderly are to receive under the law.¹

What is currently being excluded, this proposed measure seeks to cover in order to be more responsive not only to the needs of the elderly, but to the changing times. The COVID-19 pandemic after all taught us just how important it is to fortify the immune system of our senior citizens. Since they are exposed to more threats to health, senior citizens are ordinarily prescribed more medicines, supplements, vitamins, and even herbal products and formulated milk. These help them meet their required nutritional levels that will, in turn, ensure that they are given protection from health risks.

We must recognize that senior citizens due to their age and comorbidities are exposed to more risks, and should thus be given additional protection. But many of these products are too costly for them to continuously afford. The State must therefore give them the much needed aid so that they may be able to afford these products which would help them strengthen their line of defense. The pandemic has taught us that there are many medicines and supplements that boost the senior citizens’ immune system. One such product is Vitamin D in supplement form, which was proven to reduce morbidity in senior citizens with daily intake.² Even herbal products such as *lagundi* and extra virgin coconut oil have gained popularity with overwhelming evidence of aid in reducing and fighting off different diseases.³ While formulated milk has already been shown to help the

¹ Samson, Oliver. (2014) “Exclusion of ‘vital’ items from discountable grocery list focus of Quezon City seniors’ ire.” Retrieved 21 June 2022, from <https://businessmirror.com.ph/2014/11/16/exclusion-of-vital-items-from-discountable-grocery-list-focus-of-quezon-city-seniors-ire/>

² Annweiler, Gaëlle; Corvaisier, Mathieu; Gautier, Jennifer; Dubée, Vincent; Legrand, Erick; Sacco, Guillaume; Annweiler, Cédric. (2020) “Vitamin D Supplementation Associated to Better Survival in Hospitalized Frail Elderly COVID-19 Patients: The GERIA-COVID Quasi-Experimental Study.” Retrieved 21 June 2022, from <https://search.bvsalud.org/global-literature-on-novel-coronavirus-2019-ncov/resource/en/covidwho-921214>

³ Department of Science and Technology. (2021) “Lagundi and VCO Studies show encouraging results against COVID.” Retrieved 21 June 2022, from <https://www.dost.gov.ph/knowledge-resources/news/72-2021-news/2573-lagundi-and-vco-studies-show-encouraging-results-against-covid.html>

elderly in complying with their daily required protein intake – even prescribed to senior citizens who struggle with the required body weight, and those who find it difficult to eat solid food.

It is high time we offer aid to the elderly, whose hands and sacrifices have helped shaped our country. In the twilight of their lives, what better way to repay them for their contribution to society, than to ensure that they remain protected and that their welfare will always be prioritized.

The exclusion of many vital products from discountable goods under the law prevents our dear elderly from being able to afford what could be an additional line of defense so they can be protected and their lives be prolonged. This is exactly the loophole in the law which has long made purchasing them very burdensome for the elderly, which we now seek to cure.

This bill was originally filed by Sen. Leila M. de Lima in the 18th Congress.

In view of the foregoing expeditious consideration and approval of this measure is earnestly sought.


RAMON BONG REVILLA, JR.

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

1 Section 1. *Short Title.* – This act shall be known as “Abot-Kayang Gamot,
2 Bitamina at Gatas Para sa Malusog na Senior Citizen Act”.

3 Sec. 2. *Declaration of Policy.* – It is the declared policy of the State to protect
4 and uphold the rights and welfare of senior citizens and promote their good health
5 and well-being. Towards this end, the State shall ensure that medicines, supplements,
6 vitamins, herbal products and formulated milk medically prescribed by physicians that
7 provide necessary and required nutrition to senior citizens shall be granted a twenty
8 percent (20%) discount shall likewise be exempt from Value Added Tax (VAT) so that
9 the senior citizens can avail thereof at reasonable prices.

10 Sec. 3. Section 2 of Republic Act no. 7432, as amended by Republic Act No.
11 9257 otherwise known as the “Expanded Senior Citizens Act of 2003”, and further
12 amended by Republic Act No. 9994, otherwise known as the “Expanded Senior Citizens
13 Act of 2010”, is hereby further amended to read as follows:

14 Sec. 2. *Definition of terms.* – For purposes of this Act, these terms are defined
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(D) *MEDICINES* REFER TO PRESCRIPTION AND NON-PRESCRIPTION/OVER-THE COUNTER DRUGS, BOTH GENERIC AND BRANDED, DULY PRESCRIBED BY PHYSICIANS, AND APPROVED BY THE DEPARTMENT OF HEALTH (DOH) AND THE FOOD AND DRUG ADMINISTRATION (FDA), WHICH ARE INTENDED FOR USE IN THE DIAGNOSIS, CURE, MITIGATION, TREATMENT OR PREVENTION OF HUMAN DISEASE OR SICKNESS;

(E) *SUPPLEMENTS* REFER TO PRESCRIPTION AND NON-PRESCRIPTION/OVER-THE-COUNTER MEDICAL AND DIETARY SUPPLEMENTS, BOTH GENERIC AND BRANDED, INCLUDING VITAMINS, HERBAL PRODUCTS AND FORMULATED MILK, DULY PRESCRIBED OR RECOMMENDED BY PHYSICIANS, AND APPROVED BY THE DEPARTMENT OF HEALTH (DOH) AND THE FOOD AND DRUG ADMINISTRATION (FDA), WHICH ARE INTENDED FOR USE IN THE DIAGNOSIS, CURE, MITIGATION, TREATMENT OR PREVENTION OF HUMAN DISEASE OR SICKNESS;

(F) [(d)] *Medical Services* refer to hospital services, professional services, physicians and other health care professional and diagnostics and laboratory tests that the necessary for the diagnosis or treatment of an illness or injury;

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Sec.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", and further amended by Republic Act No. 9994, otherwise known as the "Expanded Senior Citizens Act of 2010", is hereby further amended to read as follows:

"Sec.4. Privileges for the Senior Citizens. – The senior citizens shall be entitled to the following:

1 (a) the grant of twenty percent (20%) discount and exemption
2 from the value-added tax (VAT), if applicable, on the sale of the
3 following goods and services from all establishments, for the
4 exclusive use and enjoyment or availment of the senior citizen

5 (1) on the purchase of medicines **AS DEFINED IN**
6 **THIS ACT**, including the purchase of influenza and
7 pneumococcal vaccines, and such other essential
8 medical supplies, accessories and equipment to be
9 determined by the Department of Health (DOH);

10 **(2) ON THE PURCHASE OF SUPPLEMENTS AS**
11 **DEFINED IN THIS ACT;**

12 **(3) [(2)]** on the professional fees of attending
13 physician/s in all private hospitals, medical facilities,
14 outpatient clinics and home health care services;

15 **(10) [(9)]** on funeral and burial services for the
16 death of senior citizens;"

17 *Sec.5. Repealing Clause.* — All laws, decrees, letters of instruction, resolutions,
18 orders or parts thereof which are inconsistent with the provisions of this Act are hereby
19 repealed, modified or amended accordingly.

20 *Sec.6. Effectivity Clause.* — This act shall take effect fifteen (15) days after its
21 publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,