

INFORMATION SHEET  
ON  
COMMITTEE REPORT NO. 38  
RE 2101  
Short Title Amendments to the Balikbayan Program  
Filed on 26 APR 2002

02 APR 26 11:03

- RECEIVED BY: pea
- a) COMMITTEE(s) which reported out the bill(s)/resolution(s)/other matters:  
TOURISM (primary)  
WAYS AND MEANS (secondary)
- b) BILL(s) and/or RESOLUTION(s)/OTHER MATTER(s) reported out and taken into consideration:
- | Bill/Resolution/others | Referred to the Ctte(s) on: | Author(s)            |
|------------------------|-----------------------------|----------------------|
| 1. S.B. No. 640        | Tourism; Ways & Means       | Sen. Legarda-Leviste |
| 2. S.B. No. 1007       | Tourism; Ways & Means       | Sen. Villar          |
| 3. S.B. No. 1156       | Tourism; Ways & Means       | Sen. Magsaysay, Jr.  |

-Other bill(s)/resolution(s)/other matters of similar subject matter not included in this report:  
None Reason(s): \_\_\_\_\_

c) ACTION TAKEN by the Committee(s):

<u>Primary Committee</u>	<u>Secondary Committee</u> (If this is not a joint report)
<input checked="" type="checkbox"/> Recommending Approval <input type="checkbox"/>	
<input type="checkbox"/> with amendments <input type="checkbox"/>	
<input type="checkbox"/> without amendments <input type="checkbox"/>	
<input checked="" type="checkbox"/> in substitution of S. Nos. 640, 1007 and 1156	
<input type="checkbox"/> in consolidation with <input type="checkbox"/>	
<input type="checkbox"/> Laid on the Table/Archived <input type="checkbox"/>	
	<input type="checkbox"/> Pending in the Committee on _____

d) COMMITTEE MEETINGS/PUBLIC HEARINGS/TWG/OTHERS CONDUCTED:  
Date: 10/23/01 Venue: Sen. Pecson Date: 01/16/02 Venue: Sen. Tanada  
\_\_\_\_\_  
\_\_\_\_\_

e) Does this Bill/Resolution contain any REVENUE or APPROPRIATION Provision? \_\_\_\_\_  
If Yes, has it been referred to the Finance or Ways and Means Committee and what were its recommendations? Secondarily referred to the Committee on Ways & Means  
\_\_\_\_\_

f) RELATED/COUNTERPART MEASURE from the HOUSE OF REPRESENTATIVES:

Bill/Resolution No.(s)	Status in the House	Status in the Senate
_____	_____	_____
_____	_____	_____

g) MEMBER(s) without signature in the report; and reason(s):  
Senators Barbers, Revilla and Aquino-Oreta: out of the country  
\_\_\_\_\_

h) Additional remarks: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Submitted by: Jovita Mildred L. Sabarre  
Legislative Committee Secretary  
Date submitted: April 26, 2002

TWELFTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

02 APR 26 A11:03

SENATE

RECEIVED BY: *pea*

COMMITTEE REPORT NO. 38

Submitted jointly by the Committees on Tourism and on Ways and Means on 26 APR 2002

Re: S. No. 2101, prepared by the Committees

Recommending its approval in substitution of S. Nos. 640, 1007 and 1156

Sponsors: Senators de Castro and Recto

Mr. President:

The Committees on Tourism and on Ways and Means to which were referred Senate Bill No. 640, introduced by Senator Legarda-Leviste, entitled:

**AN ACT**  
**AMENDING REPUBLIC ACT NUMBERED 6768, ENTITLED "AN ACT**  
**INSTITUTING A *BALIKBAYAN* PROGRAM," BY PROVIDING**  
**ADDITIONAL BENEFITS AND PRIVILEGES TO *BALIKBAYAN* AND**  
**FOR OTHER PURPOSES"**

Senate Bill No. 1007, introduced by Senator Villar, entitled:

**AN ACT**  
**AMENDING REPUBLIC ACT NUMBERED 6768, ENTITLED, "AN ACT**  
**INSTITUTING A *BALIKBAYAN* PROGRAM"**

and Senate Bill No. 1156, introduced by Senator Magsaysay, Jr., entitled:

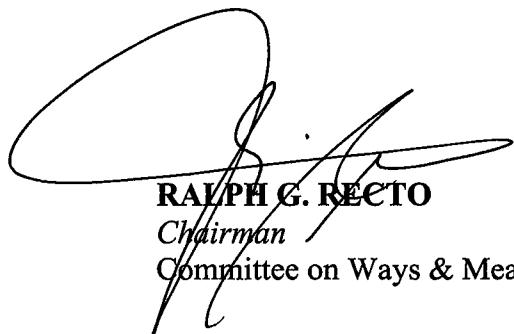
**AN ACT**  
**AMENDING REPUBLIC ACT NUMBER 6768, ENTITLED "AN ACT**  
**INSTITUTING A *BALIKBAYAN* PROGRAM," BY PROVIDING**  
**ADDITIONAL BENEFITS AND PRIVILEGES TO *BALIKBAYAN* AND**  
**FOR OTHER PURPOSES**

have considered the same and have the honor to report them back to the Senate with the recommendation that the attached bill, S. No. 2101 prepared by the Committees, entitled:

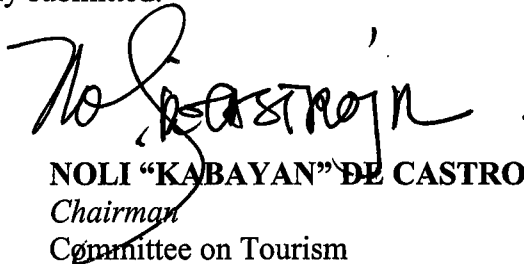
**AN ACT**  
**AMENDING REPUBLIC ACT NUMBERED 6768, ENTITLED "AN ACT**  
**INSTITUTING A *BALIKBAYAN* PROGRAM," BY PROVIDING**  
**ADDITIONAL BENEFITS AND PRIVILEGES TO *BALIKBAYAN* AND**  
**FOR OTHER PURPOSES"**

be approved in substitution of S. Nos. 640, 1007 and 1156 with Senators Legarda-Leviste, Villar, Magsaysay, Jr., and de Castro as authors thereof.

Respectfully submitted:

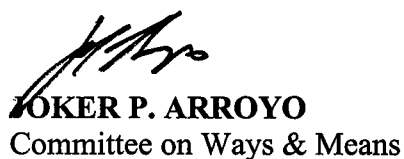


**RALPH G. RECTO**  
Chairman  
Committee on Ways & Means

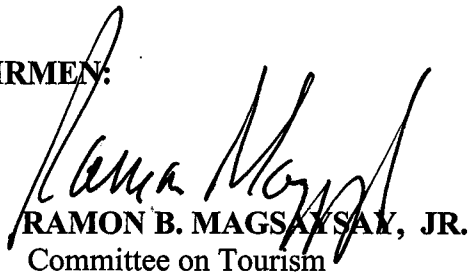


**NOLI "KABAYAN" DE CASTRO**  
Chairman  
Committee on Tourism

**VICE-CHAIRMEN:**



**JOKER P. ARROYO**  
Committee on Ways & Means



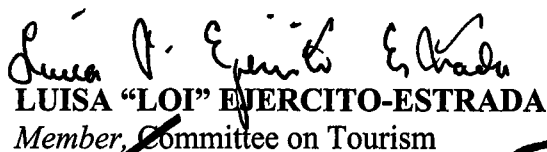
**RAMON B. MAGSAYSAY, JR.**  
Committee on Tourism

**MEMBERS:**

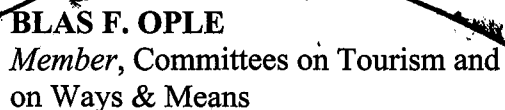
**ROBERT Z. BARBERS**  
Member, Committee on Tourism

**RAMON B. REVILLA**  
Member, Committees on Tourism and on  
Ways and Means

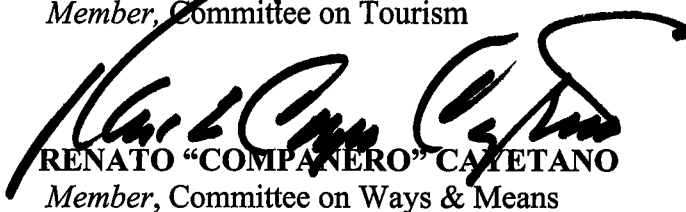
**TERESA AQUINO-ORETA**  
Member, Committee on Tourism



**LUISA "LOI" EJERCITO-ESTRADA**  
Member, Committee on Tourism



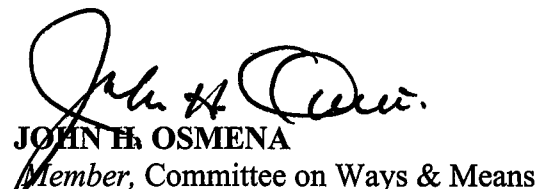
**BLAS F. OPLE**  
Member, Committees on Tourism and  
on Ways & Means



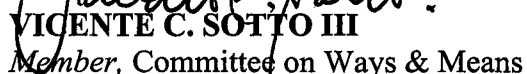
**RENATO "COMPANERO" CAYETANO**  
Member, Committee on Ways & Means



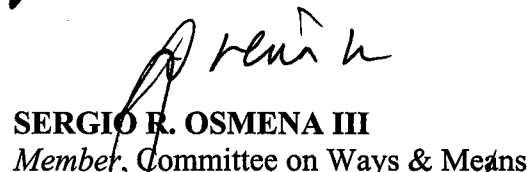
**FRANCIS N. RANGILINAN**  
Member, Committee on Ways & Means



**JOHN H. OSMENA**  
Member, Committee on Ways & Means



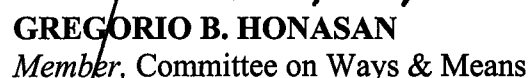
**VICENTE C. SOTTO III**  
Member, Committee on Ways & Means



**SERGIO R. OSMENA III**  
Member, Committee on Ways & Means




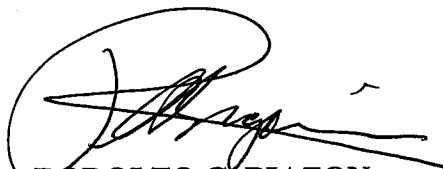
**PANFILO M. LACSON**  
Member, Committee on Ways & Means

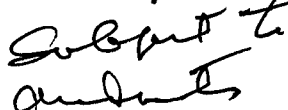



**GREGORIO B. HONASAN**  
Member, Committee on Ways & Means

Committee Report on the  
Balikbayan Program

  
**EDGARDO J. ANGARA**  
Member, Committee on Ways & Means

  
**RODOLFO G. BIAZON**  
Member, Committee on Ways & Means

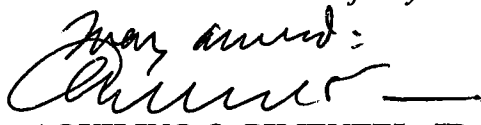


  
**JUAN M. FLAVIER**  
Member, Committee on Ways & Means

**EX-OFFICIO MEMBERS:**

  
**MANUEL B. VILLAR, JR.**  
President Pro-Tempore

  
**LOREN LEGARDA-LEVISTE**  
Majority Leader

  
**AQUILINO Q. PIMENTEL, JR.**  
Minority Leader

**HON. FRANKLIN M. DRILON**  
Senate President  
Senate of the Philippines  
Pasay City

TWELFTH CONGRESS OF THE REPUBLIC )  
OF THE PHILIPPINES )  
First Regular Session )

SENATE  
OFFICE OF THE SECRETARY

02 APR 26 11:04

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SENATE

S. No. 2101

(In substitution of S. Nos. 640, 1007 and 1156)

Introduced by Senators Legarda-Leviste, Villar, Magsaysay, Jr., and de Castro as authors thereof

AN ACT

AMENDING REPUBLIC ACT NUMBERED 6768, ENTITLED "AN ACT INSTITUTING  
A *BALIKBAYAN* PROGRAM," BY PROVIDING ADDITIONAL BENEFITS AND  
PRIVILEGES TO *BALIKBAYAN* AND FOR OTHER PURPOSES

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

1 SECTION 1. Section 1 of Republic Act Numbered 6768 is hereby amended to read as  
2 follows:

3 "SEC 1. *Balikbayan Program*.— A *Balikbayan* Program is hereby instituted under  
4 the administration of the Department of Tourism to attract and encourage overseas  
5 Filipinos to come and visit their motherland. This is in recognition of their contribution to  
6 the economy of the country through the foreign exchange inflow AND REVENUES that  
7 they generate.

8 THE PROGRAM SHALL INCLUDE A *KABUHAYAN* SHOPPING  
9 PRIVILEGE ALLOWING TAX-FREE PURCHASE OF LIVELIHOOD TOOLS  
10 AND PROVIDING THE OPPORTUNITY TO AVAIL OF THE NECESSARY  
11 TRAINING TO ENABLE THE *BALIKBAYAN* TO BECOME ECONOMICALLY  
12 SELF-RELIANT MEMBERS OF SOCIETY UPON THEIR RETURN TO THE  
13 COUNTRY.

14 SEC. 2. Section 2 (a) of the same Republic Act is hereby amended to read as follows:

15 "SEC. 2. *Definition of Terms*.— For purposes of this Act:

16 (a) The term "*balikbayan*" shall mean a Filipino citizen who has been  
17 continuously out of the Philippines for a period of at least one (1) year, [a Filipino  
18 overseas worker] AN OVERSEAS FILIPINO WORKER, or a former Filipino citizen  
19 and his family, as this term is defined hereunder, who had been naturalized in a foreign  
20 country and comes or returns to the Philippines; and

1 (b) The term "family" shall mean the spouse and the children of the *balikbayan*  
2 who are not *balikbayan* in their own right traveling with the latter to the Philippines."

3 SEC. 3. Section 3 of the same Republic Act is hereby amended to read as follows:

4 "SEC. 3. *Benefits and Privileges of the Balikbayan.*- The *balikbayan* and his  
5 family shall be entitled to the following:

6 (a) Tax-free maximum purchase in the amount of One thousand United States  
7 dollars (US \$1,000.00) or its equivalent **IN PHILIPPINE PESO AND** in other  
8 acceptable foreign currencies at [Philippine duty free shops] **THE GOVERNMENT-**  
9 **OWNED AND CONTROLLED DUTY-FREE SHOPS** subject to the limitations  
10 contained in Section 4 hereof;

11 (b) The national carrier shall establish a special promotional/incentive program  
12 for the *balikbayan*;

13 (c) For foreign passport holders with the exception of restricted nationals, visa  
14 free entry to the Philippines for a period of one (1) year;

15 (d) Travel tax exemptions provided under Presidential Decree No. 1183,  
16 Executive Order No. 283, and other allied laws; [and]

17 (e) Especially designated reception areas at the authorized port of entry for the  
18 expeditious processing of documents; **AND**

19 **(F) KABUHAYAN SHOPPING PRIVILEGE THROUGH AN ADDITIONAL**  
20 **TAX-FREE PURCHASE IN THE MAXIMUM AMOUNT OF ONE THOUSAND**  
21 **UNITED STATES DOLLARS (US\$1,000.00) OR ITS EQUIVALENT IN**  
22 **PHILIPPINE PESO AND OTHER ACCEPTABLE FOREIGN CURRENCIES**  
23 **FOR THE PURCHASE OF LIVELIHOOD TOOLS AT THE GOVERNMENT-**  
24 **OWNED AND CONTROLLED DUTY-FREE SHOPS.**

25 **THE TOTAL AMOUNT OF TAX-FREE MAXIMUM PURCHASE AS**  
26 **MENTIONED IN SUB-PARAGRAPHS (A) AND (F) OF THIS SECTION MAY BE**  
27 **USED FOR THE KABUHAYAN PROGRAM, SUBJECT TO THE LIMITATIONS**  
28 **CONTAINED IN SEC. 4 HEREOF.**

29 The privileges granted under this Act shall be in addition to the benefits enjoyed  
30 by the *balikbayan* under existing laws, rules and regulations."

31 SEC. 4. Section 4 of the same Republic Act is hereby amended to read as follows:

32 SEC. 4. *Limitations on Tax-Free Purchases AT THE GOVERNMENT- OWNED*  
33 *AND CONTROLLED DUTY-FREE SHOPS.*- The tax-free purchase privilege shall be  
34 subject to the following limitations:

35 (a) Purchase shall [only] be made in United States dollars or **IN PHILIPPINE**  
36 **PESO AND IN** other acceptable foreign currencies;

37 (b) Purchases shall be made within [forty-eight (48) hours] **SEVEN (7)**  
38 **CALENDAR DAYS** from date of arrival, **EXCEPT DURING**

CHRISTMAS SEASON, RECKONED FROM NOVEMBER 15 TO JANUARY 15, THE PRIVILEGE IS EXTENDED TO FIFTEEN (15) CALENDAR DAYS: *PROVIDED*, THAT SAID PRIVILEGE SHALL BE AVAILED OF ON A ONE-TIME SHOPPING BASIS;

- (c) The privilege is non-transferable; purchases shall be made personally by the *balikbayan* for himself; **EXCEPT, THAT AN OVERSEAS FILIPINO WORKER (OFW), DULY CERTIFIED AS SUCH BY THE PHILIPPINE OVERSEAS EMPLOYMENT ADMINISTRATION (POEA), OVERSEAS WORKERS WELFARE ADMINISTRATION (OWWA), PHILIPPINE OVERSEAS LABOR OFFICER OR BY THE EMBASSY/CONSULATE OF THE PHILIPPINES, TAKING INTO CONSIDERATION THE EVIDENCE OF REMITTANCE, MAY OPT TO ENDORSE IN WRITING THE *KABUHAYAN* SHOPPING PRIVILEGE TO HIS IMMEDIATE FAMILY MEMBERS RESIDING IN THE PHILIPPINES: *PROVIDED*, THAT THE ENDORSEMENT OF THE PRIVILEGE SHALL BE AVAILED OF ONLY ONCE WITHIN TWO (2) YEARS FROM THE DATE OF EFFECTIVITY OF HIS CONTRACT AND ONLY DURING THE DURATION OF THE SAME.**

**FOR PURPOSES OF THIS PROVISION, THE IMMEDIATE FAMILY SHALL INCLUDE THOSE RELATED BY CONSANGUINITY OR AFFINITY UP TO THE SECOND DEGREE.**

- (d) The privilege can be availed of by the *balikbayan* only once a year;
- (e) Only a *balikbayan* of majority age under Philippine laws can enjoy the privilege: *Provided, however*, That minors shall continue to be entitled to purchase privilege not exceeding Two hundred fifty US dollars (US\$250.00); and
- (f) In addition to existing limitations on the number of consumables purchased, a *balikbayan* shall be entitled to buy only one (1) item of every product category of non-consumables whose selling price exceeds Two hundred United States dollars (US\$200.00).

SEC. 5. A new section is hereby added after Section 4 of the same Republic Act to be denominated as Section 5 to read as follows:

**SEC. 5. TRAINING PROGRAMS.— THE DEPARTMENT OF LABOR AND EMPLOYMENT (DOLE), THROUGH THE OWWA, IN COORDINATION WITH THE TECHNOLOGY AND LIVELIHOOD RESOURCE CENTER (TLRC), TECHNICAL EDUCATION AND SKILLS DEVELOPMENT AUTHORITY (TESDA), LIVELIHOOD CORPORATION AND OTHER CONCERNED GOVERNMENT AGENCIES, MAY PROVIDE THE NECESSARY**

1        **ENTREPRENEURIAL TRAININGS AND LIVELIHOOD SKILLS PROGRAMS**  
2        **AND MARKETING ASSISTANCE TO *BALIKBAYAN* WHO WILL AVAIL OF**  
3        **THE *KABUHAYAN* PROGRAM IN ACCORDANCE WITH THE EXISTING**  
4        **RULES ON THE GOVERNMENT’S REINTEGRATION PROGRAM.**

5        **IN THE CASE OF NON-OFW *BALIKBAYAN*, THE DEPARTMENT OF**  
6        **TOURISM SHALL MAKE THE NECESSARY ARRANGEMENTS WITH THE**  
7        **TLRC AND OTHER TRAINING INSTITUTIONS FOR POSSIBLE**  
8        **LIVELIHOOD TRAINING.**

9        SEC. 6. Section 5 of the same Republic Act and the succeeding sections are hereby  
10       renumbered accordingly.

11       SEC. 7. The Department of Tourism, in coordination with other government agencies  
12       concerned, shall promulgate the necessary rules and regulations for the effective implementation  
13       of this Act.

14       SEC. 8. All laws, executive orders, presidential decrees, rules and regulations and other  
15       issuances pertinent thereto inconsistent with the provisions of this Act are hereby amended,  
16       repealed, or modified accordingly.

17       SEC. 9. This Act shall take effect fifteen (15) days after publication in the Official  
18       Gazette or in two newspapers of general circulation.

19       Approved,



SENATE OF THE PHILIPPINES  
BILLS AND INDEX DIVISION

LEGISLATIVE HISTORY

SBN 2101, entitled:

"AN ACT AMENDING REPUBLIC ACT NUMBERED 6768, ENTITLED, " AN ACT  
INSTITUTING A BALIKBAYAN PROGRAM," BY PROVIDING ADDITIONAL  
BENEFITS AND PRIVILEGES TO BALIKBAYAN AND FOR OTHER PURPOSES"

S T A T U S

[ First Regular Session, 12th Congress ]

[ 2001 ]

Oct. 23 - Conducted committee meetings/hearings;

[ 2002 ]

Jan. 16 - Conducted committee meetings/hearings;

- Apr. 26 - Prepared and submitted jointly by the Committee(s)  
on TOURISM; and WAYS AND MEANS with Senators LOREN  
LEGARDA LEVISTE, VILLAR, JR., MAGSAYSAY, JR., and  
NOLI 'KABAYAN' DE CASTRO as authors per Committee  
Report No. 38, recommending its approval in substi-  
tution of SBNos. 640, 1007, and 1156.
- 29 - Committee Report Calendared for Ordinary Business;  
- Sponsors: Senators Noli 'Kabayan' De Castro and Recto;  
- Assigned for consideration by Special Order;  
- Sponsorship speech of Senator Noli 'Kabayan' De Castro;
- May 6 - Interpellation of Senator Luisa 'Loi' P. Ejercito  
Estrada;  
9 - Interpellation of Senator Aquino-Oreta;  
15 - Interpellation of Senators Angara and Aquino-Oreta;  
28 - Interpellation of Senators Arroyo and Villar, Jr.;  
- Remarks of Senator Sotto III;

[ Second Regular Session, 12th Congress ]

- Aug. 7 - Interpellation of Senators Pimentel, Jr. and Robert S.  
'Jawo' Jaworski;  
- Period of interpellation closed;
- 12 - Certified by the President of the Philippines for its  
immediate enactment on August 9, 2002;  
- Period of committee amendments;  
- Inquiry of Senator Pimentel, Jr.;  
- Reconsideration of the approval of the committee  
amendments;  
- Period of committee amendments closed;  
- Period of individual amendments;
- 19 - Period of individual amendments;  
- Period of individual amendments closed;  
- Approved on Second Reading with amendments;
- 20 - Printed copies were distributed to the Senators  
- Approved on Third Reading;  
- In favor : (21) Angara, Arroyo, Barbers, Biazon, Renato  
L. 'Compañero' Cayetano, Noli 'Kabayan' De Castro,  
Luisa 'Loi' P. Ejercito Estrada, Flavio, Monasan,  
Robert S. 'Jawo' Jaworski, Lacson, Loren Legarda  
Leviste, Magsaysay, Jr., Osmeña (J.), Osmeña III,  
Pangilinan, Pimentel, Jr., Recto, Revilla, Sotto III,  
and Senate President Drilon;  
- Against : N o n e;  
- Abstention: N o n e;
- 26 - Senate requested the House of Representatives for a  
conference on the disagreeing provisions of SBN-2101  
and HBN-4534, designating Senators Noli 'Kabayan' De  
Castro, Robert S. 'Jawo' Jaworski, Magsaysay, Jr.,  
Pimentel, Jr., and Luisa 'Loi' P. Ejercito Estrada  
as its conferees;
- 27 - Senator Sotto III was designated as conferee vice  
Senator Pimentel, Jr.;  
- House of Representatives agreed to a conference on the  
disagreeing provisions of both bills, and designated

Representatives Lagman-Luistro, Barinaga, Domogan, Chatto, Chungalao, Villar, and Calizo as its conferees (See O.B. dated September 5, 2002);

- Sep. 2 - Conference Committee Report submitted to the Senate, recommending that SBN-2101 in consolidation with HBN-4534, be approved as reconciled;
- Sponsorship speech of Senator Noli 'Kabayan' De Castro on the conference committee report;
  - Conference Committee Report approved by the Senate;
- 4 - Enrolled copies of the consolidated version of SBN-2101 and HBN-4534 already signed by Senate President Drilon and Senate Secretary Yabes, sent to the House of Representatives for the signature of its Speaker and the Secretary General;
- 5 - Conference Committee Report approved by the House of Representatives on September 2, 2002;
- Oct. 8 - Enrolled copies of the consolidated version of SBN-2101 and HBN-4534 sent back to the Senate which were signed by the Speaker and the Secretary General of the House of Representatives;
- 11 - Enrolled copies of the consolidated version of SBN-2101 and HBN-4534 transmitted to Malacanang thru PLLD for President Gloria Macapagal-Arroyo's approval;
- Nov. 7 - Approved and signed into law, in consolidation with HBN-4534, by the President of the Philippines, Her Excellency Gloria Macapagal-Arroyo and became
- REPUBLIC ACT NO. 9174.
- =====
- =====