

## **Republic Act No. 9994 of the Expanded Seniors Citizen Act of 2010**

### ***Who are considered as Senior Citizens?***

Any resident citizen of the Philippines at least sixty (60) years old;

### ***Who are considered Indigent Senior Citizens?***

*Indigent senior citizen* refers to any elderly who is frail, sickly or with disability, and without pension or permanent source of income, compensation or financial assistance from his/her relatives to support his/her basic needs, as determined by the Department of Social Welfare and Development (DSWD) in consultation with the National Coordinating and Monitoring Board

### ***What are the benefits provided by the new law?***

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

- a. on the purchase of medicines, including the purchase of influenza and pneumococcal vaccines, and such other essential medical supplies, accessories and equipment to be determined by the Department of Health (DOH).
- b. on the professional fees of attending physician/s in all private hospitals, medical facilities, outpatient clinics and home health care services;
- c. on the professional fees of licensed professional health providing home health care services as endorsed by private hospitals or employed through home health care employment agencies;
- d. on medical and dental services, diagnostic and laboratory fees in all private hospitals, medical facilities, outpatient clinics, and home health care services, in accordance with the rules and regulations to be issued by the DOH, in coordination with the Philippine Health Insurance Corporation (PhilHealth);
- e. in actual fare for land transportation travel in public utility buses (PUBs), public utility jeepneys (PUJs), taxis, Asian utility vehicles (AUVs), shuttle services and public railways, including Light Rail Transit (LRT), Mass Rail Transit (MRT), and Philippine National Railways (PNR);
- f. in actual transportation fare for domestic air transport services and sea shipping vessels and the like, based on the actual fare and advanced booking;
- g. on the utilization of services in hotels and similar lodging establishments, restaurants and recreation centers;

- h. on admission fees charged by theaters, cinema houses and concert halls, circuses, leisure and amusement; and
- i. on funeral and burial services for the death of senior citizens;
2. exemption from the payment of individual income taxes of senior citizens who are considered to be minimum wage earners in accordance with Republic Act No. 9504;
3. the grant of a minimum of **five percent (5%) 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 one hundred kilowatt hours (100 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**;
4. exemption from training fees for socioeconomic programs;
5. free medical and dental services, diagnostic and laboratory fees such as, but not limited to, x-rays, computerized tomography scans and blood tests, in all government facilities, subject to the guidelines to be issued by the DOH in coordination with the PhilHealth;
6. the DOH shall administer free vaccination against the influenza virus and pneumococcal disease for indigent senior citizen patients;
7. educational assistance to senior citizens to pursue post secondary, tertiary, post tertiary, vocational and technical education, as well as short-term courses for retooling in both public and private schools through provision of scholarships, grants, financial aids, subsidies and other incentives to qualified senior citizens, including support for books, learning materials, and uniform allowances, to the extent feasible: *Provided*, That senior citizens shall meet minimum admission requirements;
8. to the extent practicable and feasible, the continuance of the same benefits and privileges given by the Government Service Insurance System (GSIS), the Social Security System (SSS) and the PAG-IBIG, as the case may be, as are enjoyed by those in actual service;
9. retirement benefits of retirees from both the government and the private sector shall be regularly reviewed to ensure their continuing responsiveness and sustainability, and to the extent practicable and feasible, shall be upgraded to be at par with the current scale enjoyed by those in actual service;
10. to the extent possible, the government may grant special discounts in special programs for senior citizens on purchase of basic commodities, subject to the guidelines to be issued for the purpose by the Department of Trade and Industry (DTI) and the Department of Agriculture (DA);
11. provision of express lanes for senior citizens in all commercial and government establishments; in the absence thereof, priority shall be given to them; and

12. death benefit assistance of a minimum of **Two thousand pesos (Php2, 000.00)** shall be given to the nearest surviving relative of a deceased senior citizen which amount shall be subject to adjustments due to inflation in accordance with the guidelines to be issued by the DSWD.

***What if the establishment already offers a discount, will the senior citizen be entitled to it on top of the 20% discount provided by the law?***

In the purchase of goods and services which are on promotional discount, the senior citizen can avail of the promotional discount or the discount provided by the new law, whichever is higher.

***How will the establishments granting the discount treat such discounts for tax purposes?***

The establishment may claim the discounts granted as tax deduction based on the cost of the goods sold or services rendered: Provided, That the cost of the discount shall be allowed as deduction from gross income for the same taxable year that the discount is granted: Provided, further, That the total amount of the claimed tax deduction net of VAT, if applicable, shall be included in their gross sales receipts for tax purposes and shall be subject to proper documentation and to the provisions of the National Internal Revenue Code (NIRC), as amended.

***What are the other benefits granted by law?***

1) Private entities that will employ senior citizens as employees, upon the effectivity of the Act, shall be entitled to an additional deduction from their gross income, equivalent to fifteen percent (15%) of the total amount paid as salaries and wages to senior citizens, subject to the provision of Section 34 of the NIRC, as amended: Provided, however, That such employment shall continue for a period of at least six (6) months: Provided, further, That the annual income of the senior citizen does not exceed the latest poverty threshold as determined by the National Statistical Coordination Board (NSCB) of the National Economic and Development Authority (NEDA) for that year.

2) The Department of Education (DepED), the Technical Education and Skills Development Authority (TESDA) and the Commission on Higher Education (CHED), in consultation with nongovernmental organizations (NGOs) and people's organizations (POs) for senior citizens, shall institute programs that will ensure access to formal and nonformal education.

3) The DOH, in coordination with local government units (LGUs), NGOs and POs for senior citizens, shall institute a national health program and shall provide an integrated health service for senior citizens. It shall train community-based health workers among senior citizens and health personnel to specialize in the geriatric care and health problems of senior citizens. Throughout the country, there shall be established a "senior citizens' ward" in every government hospital. This geriatric ward shall be for the exclusive use of senior citizens who are in need of hospital confinement by reason of their health conditions. However, when urgency of public necessity purposes so require, such geriatric ward may be used for emergency purposes, after which, such "senior citizens' ward" shall be reverted to its nature as geriatric ward.

4) **At least fifty percent (50%) discount** shall be granted on the consumption of electricity, water, and telephone **by the senior citizens center and residential care/group homes** that are government-run or non-stock, non-profit domestic corporation organized and operated primarily for the purpose of promoting the well-being of abandoned, neglected, unattached, or homeless senior citizens, subject to the guidelines formulated by the DSWD.

5) The national government shall include in its national shelter program the special housing needs of senior citizens, such as establishment of housing units for the elderly.

6) The Department of Transportation and Communications (DOTC) shall develop a program to assist senior citizens to fully gain access to public transport facilities.

7) The government shall provide incentives to individuals or nongovernmental institution caring for or establishing homes, residential communities or retirement villages solely for, senior citizens, as follows:

"(1) realty **tax holiday for the first five (5) years** starting from the first year of operation; and

"(2) **priority in the construction or maintenance of provincial or municipal roads** leading to the aforesaid home, residential community or retirement village.

8) Additional Government Assistance

(1) Social Pension

"Indigent senior citizens shall be entitled to a monthly stipend amounting to Five hundred pesos (Php500.00) to augment the daily subsistence and other medical needs of senior citizens, subject to a review every two (2) years by Congress, in consultation with the DSWD.

(2) Mandatory PhilHealth Coverage

All indigent senior citizens shall be covered by the national health insurance program of PhilHealth. The LGUs where the indigent senior citizens resides shall allocate the necessary funds to ensure the enrollment of their indigent senior citizens in accordance with the pertinent laws and regulations.

(3) Social Safety Nets. Social safety assistance intended to cushion the effects of economic shocks, disasters and calamities shall be available for senior citizens. The social safety assistance which shall include, but not limited to, food, medicines, and financial assistance for domicile repair, shall be sourced from the disaster/calamity funds of LGUs where the senior citizens reside, subject to the guidelines to be issued by the DSWD.