

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

26 FEB 23 P5:55

SENATE
S. NO. 1896

RECEIVED BY: 

Introduced by **SEN. WIN GATCHALIAN**

AN ACT
ABOLISHING THE TRAVEL TAX

EXPLANATORY NOTE

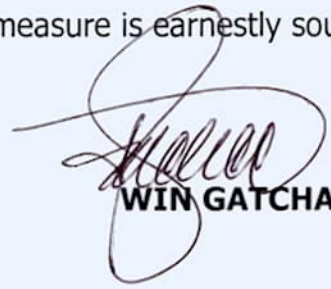
The imposition of travel tax was initially introduced in 1956 through Republic Act No. 1478 wherein travel tax was imposed on all passengers leaving the country as well as those returning or coming in. Today, pursuant to Presidential Decree No. 1183 enacted in 1977, travel tax is levied on individuals who are leaving the country irrespective of the place where the air ticket is issued and the form or place of payment.

The imposition of travel tax has spanned 7 decades or 70 years. Thus, the primordial consideration for its imposition 70 years ago must be revisited noting that the circumstances has greatly changed through the years.

As we adapt in the rapid course of globalization where borders open and connectivity grow, we must dismantle barriers that may, in any way, restrict movement, discourage tourism, and limit business opportunities specially for micro and small enterprises. Thus, travel taxes must be removed to help promote greater mobility, stimulate the economy, and encourage regional and global cooperation and development among nations.

Further, the abolition of travel tax aligns our national policy with our international commitments, particularly the Article II (3) of the ASEAN Tourism Agreement which mandates member states to phase out travel levies and travel taxes on nationals of ASEAN Members States travelling to other ASEAN Member States.

In view of the foregoing, the passage of this measure is earnestly sought.



WIN GATCHALIAN

26 FEB 23 P5:55

RECEIVED BY: _____

[Handwritten signature]

SENATE

Senate Bill No. 1896

Introduced by Senator Win Gatchalian

**AN ACT
ABOLISHING THE TRAVEL TAX**

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

1 **SECTION 1. Short Title.** -This Act shall be known as the "Travel Tax
2 Abolition Act of 2026."

3 **SEC. 2. Repealing Clause.** - Presidential Decree No. 1183 entitled
4 "Amending and Consolidating the Provisions on Travel Tax of Republic Act No. 1478
5 as amended and Republic Act No. 6141, Prescribing the Manner of Collection thereof,
6 Providing Penalties for Violations thereof, and for Other Purposes", as amended, is
7 hereby repealed. All laws, decrees and regulations inconsistent with the provisions of
8 this Act are hereby repealed or modified accordingly.

9 **SEC. 3. Prohibition on Collection of Travel Tax.** – Upon effectivity of this Act,
10 the Tourism Infrastructure and Enterprise Zone Authority ("TIEZA"), airline carriers
11 and their agents, and all other agencies of the government collecting travel tax
12 imposed under P.D. No. 1183, as amended, shall be barred from imposing and
13 collecting travel taxes for flights scheduled from the date of the effectivity of this Act.

14 **SEC. 4. Refund of Travel Tax Previously Collected by TIEZA and Airline Carriers**
15 *or their Agents.* – Passengers who have paid travel taxes in advance for flights
16 scheduled on or after the date of effectivity of this Act may file a request for travel tax

1 refund with TIEZA; *Provided*, that the filing of request for refund may be done
2 physically at TIEZA offices or online using TIEZA's website; *Provided further*, that
3 travel taxes paid by passengers to airline carriers or their agents which has not yet
4 been remitted to the TIEZA shall be refunded by the airline carriers or their agents to
5 the passengers.

6 TIEZA and airline carriers or their agents shall act on the request for refund
7 within thirty (30) days from the filing of application for refund, *provided*, that approved
8 claims shall be paid within the same period of time.

9 No fees or charges shall be imposed by the TIEZA for the processing of the
10 request for travel tax refund.

11 **SEC. 4. Appropriations.** – The amount necessary for the operation and
12 maintenance of TIEZA shall be included in the annual General Appropriations Act.

13 **SEC. 5. Implementing Rules and Regulations.** - Within sixty (60) days from the
14 approval of this Act, the TIEZA, in coordination with the Department of Budget and
15 Management (DBM), shall promulgate the rules and regulations necessary for the
16 efficient implementation of the tax refund.

17 **SEC. 6. Separability Clause.** - If any provision of this Act is declared invalid or
18 unconstitutional, the remaining provisions shall remain in full force and effect.

19 **SEC. 7. Effectivity.** - This Act shall take effect fifteen (15) days following its
20 publication in the Official Gazette or in a newspaper of general circulation.

21 *Approved,*