



Republic of the Philippines
Tourism Infrastructure and Enterprise Zone Authority
PASAY

**REVISED TIEZA RULES AND REGULATIONS IMPLEMENTING
PRESIDENTIAL DECREE NO. 1183, AS AMENDED BY P.D. 1205 AND
BATAS PAMBANSA BLG. 38, ON TRAVEL TAX**

Pursuant to Section 6 of Presidential Decree No. 1183, as amended, the following rules and regulations on travel taxes are hereby promulgated:

RULE I. COVERAGE

These rules and regulations shall govern the procedure for the imposition of travel tax under Presidential Decree 1183, as amended, the manner of collection thereof, the exemption therefrom, and the penalties for the violations of the said Presidential Decree and these Regulations.

RULE II: BASIS

Travel taxes shall be collected from all passengers leaving the country irrespective of the place of issuance of ticket and the form or place of payment – pursuant to PD 1183, as amended.

RULE III: TRAVEL TAX RATES

The rates imposed by PD 1183, as amended, are as follows (B.P. 38/ P. D. 1867 / E. O. 283)

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| 1. P 2,700.00 | For first class passage |
| 2. P 1,620.00 | For economy class passage |
| 3. P 1,350.00 | Reduced rate on first class passage |
| 4. P 810.00 | Reduced rate on economy class passage |
| 5. P 400.00 | Reduced rate on first class passage for dependents of contract workers |
| 6. P 300.00 | Reduced rate on economy class passage for dependents of contract workers |

RULE IV: PERSONS COVERED BY THE TRAVEL TAX

The following persons are subject to the travel tax:

1. Citizens of the Philippines
2. Permanent resident aliens
3. Non-resident aliens who have stayed in the Philippines for more than one (1) year

RULE V: PERSONS NOT COVERED BY THE TRAVEL TAX

Non-immigrant aliens who have not stayed in the Philippines for more than one (1) year.

RULE VI: PERSONS EXEMPTED FROM THE TRAVEL TAX (E.O. 283)

The following persons are enumerated under Section 2 of Presidential Decree No. 1183, as amended, shall be exempted from the travel tax and shall be issued a Travel Tax Exemption Certificate (TIEZA Form No. 354) upon presentation of passport and compliance with the requirements enumerated hereunder, except otherwise specified in the case of Filipino overseas contract workers (Amendment 1/1/90)

1. Foreign diplomatic and consular officials and members of their staff who are duly accredited to the Philippines, including the immediate members of their families and household domestics whose entry as such has been authorized by the Philippine Government.
2. Officials, consultants, experts and employees of the United Nations Organization and of its agencies, and those exempted under existing laws, treaties and international agreements.

For purposes of the travel tax, included herein are dependents of such officials, consultants, experts and employees whose travel is funded by the international organizations or institutions concerned.

- a. Submission of a certification from the United Nation Organization and /or of its agencies. In cases of those exempted under existing laws, treaties and international agreements, submission of certification and proof from the agency or organization concerned that the passenger belongs to the category abovementioned and that their travel is funded by the agency or organization concerned.
3. United States military personnel and other United States nationals, including their dependents in proper cases as indicated herein below, who are traveling on United States government-owned or chartered transport facilities or with fares expended out of the United States government funds, to wit:
 1. US military personnel and their dependents;
 2. Filipinos in the US military service and their dependents;
 3. Filipino employees of the US Government traveling on US Government Business
 4. US State Department visitor-grantees traveling on US Government business.

(a) Submission of Government Transportation Request (GTR) for a plane ticket or a certification from the US Embassy that the fare is paid from the US Government funds.

4. Filipino overseas contract workers

1. Land-based workers, seafarers and balik-manggagawa duly processed and certified as such by the Philippine Overseas Employment Administration.
 - a. Submission to the airline concerned of the original copy of the Overseas Employment Certificate (OEC) issued by the Department of Labor and Employment (DOLE) through the POEA.
2. Workers other than those referred to in 4 (1) above such as those who are hired on site by foreign or Filipino principals, including but not limited to the following:
 - Officers and employees of multinational or foreign corporations abroad
 - Missionaries
 - Officers and employees of a branch or subsidiary of a Philippine corporation located abroad;
 - Employees of Philippine embassies abroad who were hired on site;
 - Household staff of members of the Philippine foreign service officially assigned abroad;
 - a. Submission of a certificate of work or employment issued by the Philippine embassy or consular office in the country where they work; or
 - b. Submission of a photocopy of employment contract authenticated by the Philippine embassy or consular office abroad (DOF Memo, March 29, 1990)
5. Crewmembers of airplanes plying international routes who are leaving the country to assume their positions therein or to join their airplanes.
 - a. Submission of a certificate from the Bureau of Air Transportation that the crew member is joining his aircraft and indicating further the following:
 1. Name of passenger;
 2. Position; and
 3. Location of aircraft wherein the passenger is a crew member (Amendment 01/01/90)

6. Filipino citizens who are permanent residents of foreign countries.

For purposes of the travel tax, "Filipino citizens who are permanent residents of foreign countries" refer to those who have been officially granted permanent resident status by foreign governments concerned. This includes Filipinos who have resided uninterruptedly for a period of five years without having been absent therefrom for more than six (6) months in any one year as

certified by the Filipino consulate in countries which have restrictive immigration policies.

The exemption shall not be granted if the passenger's permanent resident status has lapsed or he has stayed in the Philippines for more than (1) year whichever comes first.

- a. Submission of proof of permanent residence abroad, or as the case may be, of a Certification of Residence issued by the Philippine Embassy or consular office in the country which does not grant permanent resident status or appropriate entries in the passport;
7. Members of the Philippine Foreign Service officially assigned abroad who are leaving the country to assume their posts, including their dependents.

- a. Submission of a certification of this effect from the Department of Foreign Affairs

8. Officials and employees of the Philippine Government or any of its department, bureaus and agencies traveling on official business.

For purposes of the travel tax, the term "agencies" shall exclude government-owned and controlled corporations.

- a. Submission of a certified true copy of the travel authority or travel order from the Department Secretary concerned to the effect that such officials/employees are traveling on official business.
9. Bonafide students whose scholarships have been approved by the appropriate government agency.

For purposes of the travel tax, the term "student" is defined as a person attending formal classes in an educational institution for the purpose of taking up a course leading to a diploma, the duration of which is not less than one year.

- a. Submission of a certification to the effect from the government agency concerned.

10. Persons whose travels are provided or funded by foreign governments with which the Philippine Government maintains diplomatic relations.

- a. Submission of proof that travel is provided by said government.

11. Infants who are two (2) years old or less.

- a. Submission of a certified true copy of birth certificate or a photocopy of passport.

12. Personnel of multinational companies with regional headquarters at, but not engaged in business in the Philippines, and their dependents if joining them during the period of their assignment in the Philippines, as certified to by the Board of Investments.
 - a. Submission of a certification to this effect from the Board of Investments.
13. Those authorized by the President for reasons of national interest.
 - a. Submission of proof of authorization from the Office of the President that he should be exempt from travel tax.

“No carrier or charterer shall exempt a passenger from the payment of the travel tax unless a Certificate of Tax Exemption issued by the Tourism Infrastructure and Enterprise Zone Authority is presented upon purchase of carrier’s ticket, except as specified in the case of Filipino overseas contract workers REFERRED TO IN 4(1). Only the original copies of these certificates should be accepted by the carrier, shipping company or their agents issuing tickets or validating/confirming bookings or reservations of holders of tickets. Said certificates should be submitted to the carriers and should be made available to TIEZA Travel Tax Officers upon examination of the books and other records of the former on travel tax. Xerox, photostat or other copies of these certificates are deemed null and void. (Memo Circular No. 13). Taxes corresponding to the number of exemptions granted in violation of this procedure shall be assessed against the carrier or charterer concerned. (DOF Memo 03-29-90)

RULE VII: PERSONS ENTITLED TO THE REDUCED RATE (E. O. 283)

A. The following persons as enumerated under Section 2-A of Presidential Decree No. 1183, as amended, shall be entitled to the reduced rates of P 1,350 for first class passage and P 810 for economy class passage and shall be issued a Certificate Reduced Travel Tax (TIEZA Form No. 355) upon presentation of passport and compliance with the requirements enumerated hereunder:

1. Individuals who are twelve (12) years old or below but not lower than two (2) years of age.
 - a. Submission of a certified true copy of birth certificate or a photocopy of passport.
2. Accredited Filipino journalists whose travel is in pursuit of journalistic assignments as certified by the Office of the Press Secretary.

For purposes of the travel tax, the term “Filipino journalists” shall include writers and editors of the press, reporters and announcers for radio and television:

- a. Submission of certification that the individual is an accredited journalist from the passenger’s editor or station manager;

- b. Submission of a certification from the Office of the Press Secretary that the travel is in pursuit of journalistic assignment.
 3. Those authorized by the President of the Philippines for reasons of national interest.
 - a. Submission of authority from the Office of the President expressly entitling the passenger to the reduced rate.
- B. Pursuant to Section 2-B of P.D. 1183, as amended, the following shall be entitled to the reduced rates of P400 for first class passenger and P 300 for economy class passage and shall be issued a Certificate of Reduced Travel Tax (TIEZA Form No. 355) upon presentation of passport and compliance with the requirements enumerated hereunder:
 1. Legitimate spouse of a contract worker
 - a. Submission of a certified true copy of the contract worker's Travel Exit Permit or Certification of Accreditation/Registration, and
 - b. Submission of a certified true copy of marriage contract.
 2. Legitimate and unmarried children of a contract worker, 21 years of age or lower.
 - a. Submission of certified true copy of birth certificate.

The Certificates of Reduced Travel Tax shall be submitted by the passenger to the carrier, charterer, or travel agency upon purchase of ticket. No carrier, charterer, or travel agency shall grant the reduced rate to any passenger without the above certificate issued by TIEZA. **Only the original copies of these certificates should be accepted by the carrier, shipping company or their agents issuing tickets or validating/confirming bookings or reservations of holders of tickets. Said certificates should be submitted to the carriers and should be made available to TIEZA Travel Tax Officers upon examination of the books and other records of the former on travel tax. Xerox, photostat or other copies of these certificates are deemed null and void.** (Memo Circular No. 13). The full tax rates, (not the reduced rates) shall be assessed against the carrier, charterer, or travel agency concerned in cases of violation of this procedure.

RULE VIII: PROCESSING

Request for availment of the privileges granted hereunder and the processing and issuance of the appropriate certificates shall be filed with and processed at the offices of the Tourism Infrastructure and Enterprise Zone Authority, **except in the case of Filipino overseas contract workers REFERRED TO IN 4(1) who may avail of the privileges granted hereunder on the basis of the Overseas Employment Certificate issued by the POEA.** However, for monitoring and verification purposes, the Tourism Infrastructure and Enterprise Zone Authority shall require the POEA to submit on a monthly basis, the list of duly processed contract workers, their corresponding OEC numbers and the duplicate copies of the Overseas Employment Certificate issued them. (DOF Memo 03/29/90)

RULE IX: AGENCIES AUTHORIZED TO COLLECT TRAVEL TAXES

All carriers or their agents issuing international passenger tickets shall collect the travel taxes thereon except as provided in the Rule X. This shall include carriers which engage in the transport of passengers thru chartered flights or shipping agreements although no tickets are issued in connection therewith.

In cases of travel involving non-commercial carriers, the charterer, or the owner of the private aircraft or vessel shall be responsible for the collection of the travel taxes due.

RULE X: FOREIGN ISSUED TICKETS

Tickets issued and/or purchased abroad are taxable under PD 1183, as amended, if the holders are subject to the travel tax as provided under Rule IV of the Rules and Regulations. In this case, the travel tax shall be paid directly to the Tourism Infrastructure and Enterprise Zone Authority prior to departure from the Philippines and shall not be collected abroad by the carriers or their agents. **Carriers or their duly authorized representatives shall not validate the bookings or reservations of the holders of these tickets unless a Certificate of Travel Tax Payment (TIEZA Form 357), Travel Tax Exemption Certificate (TIEZA Form 354), or reduced Rate Certificate (TIEZA Form 355), as the case may be, from the TIEZA, is submitted.**

RULE XI: REMITTANCE OF TRAVEL TAX COLLECTIONS AND SUBMISSION OF REPORTS

Travel Tax collection shall be remitted by the carriers to the Tourism Infrastructure and Enterprise Zone Authority in the following manner

1. Collections for the first 15 days of the month shall be remitted **not later than the 15th day of the succeeding month;**
2. Collections for the period from the 16th to the end of the month shall be remitted **not later than the 30th day of the succeeding month.** (Memo Circular No. 11-81)

Travel taxes collected by charterers or owners of non-commercial carriers shall be remitted to the TIEZA **not later than fifteen (15) days after completion of the flight or shipping arrangement.**

The Tourism Infrastructure and Enterprise Zone Authority shall remit to the National Treasury on a quarterly basis all the proceeds realized from the additional taxes accruing to the General Fund of the National Government pursuant to Batas Pambansa Blg. 38

RULE XII: SUPPORTING PAPERS TO BE SUBMITTED BY CARRIERS/CHARTERERS

Remittance of travel tax collections shall be accompanied by the following supporting papers:

1. Summary of Travel Tax Collections (Revised TIEZA Form 350)
2. Sales Report;
3. Statement of Refunds (Revised TIEZA Form 352); and
4. Summary of Reports of Tickets issued to persons not covered by the travel tax law (TIEZA Form 356)

Within thirty (30) days after the end of each quarter, the following documents/ statements shall be submitted to the TIEZA:

1. Certified Inventory of Unused Tickets (TIEZA Form 351); and
2. Such other documents as may be necessary to support a claim or statement.

RULE XIII: REFUNDS

All travel tax refunds found in order shall be paid by check to the person in whose name the travel ticket was issued (TIEZA Cir. 2-86). However, refund checks may be made in the name of a corporation provided that the following conditions are met, to wit:

1. That the refund is due to a corporation holding a corporate account in an existing travel agency.
2. That the travel agency is registered with the Department of Tourism for the current year.

3. That the travel agency advanced the payment of the travel tax in accordance with the corporation's request;
4. That the corporation, thru a responsible officer thereof so certifies to the foregoing, hence, requests that the refund be given to the travel agency. (Circular No. 3-86)

If the travel tax sought to be refunded has not yet been remitted to the Tourism Infrastructure and Enterprise Zone Authority, the carriers or their agents may grant the refund to the passenger; provided, however, that the requirements are duly complied with and a Travel Tax Refund Certificate issued by the TIEZA is submitted. Refunds granted by carriers or their agents in violation of these procedures shall be assessed against the carrier/agent concerned without prejudice to the fines and penalties imposable under existing laws. (Memorandum Circular No. 12/Memorandum dated February 14, 1984)

Claims for refund made after two (2) years from date of payment shall not be allowed.

RULE XIV: STANDARD FORMS

1. Summary of Travel Tax Collections - In submitting their Summary of Travel Tax Collections, the carriers are required to include the following information:
 - a. The name and address of the carrier or agency;
 - b. The title of the report and the period covered;
 - c. Total travel tax collections;
 - d. Adjustments for the period such as additional collections pertaining to previous period, erroneous tax deductions, tax on foreign tickets, refunds granted by carrier, erroneous payments and the like.
2. Sales Reports – the carrier may devise their own Sales Reports which shall include the following information:
 - a. The name and address of the carrier
 - b. The title of the report and the period covered;
 - c. Date of ticket issued;
 - d. Name of the passenger;
 - e. Form and number of the ticket issued;
 - f. Route taken by the passenger, amount of fare and class of fare;
 - g. The amount of travel tax collected;
 - h. The Certificate of Travel Tax Exemption number;
 - i. The Reduced Rate Certificate number;
 - j. The remarks column to explain any entry in the report not fully described in any of the columns provided
3. Certified Inventory of Unused Ticket - the carriers are required to submit a certified inventory of unused tickets on hand containing the following information;
 - a. The name and address of the carrier;

- b. The title of the report, period covered and the date the report was made;
 - c. Unused ticket form number, serial number and the quantity as to number of pieces or pads (if unused tickets are distributed to more than one agency or ticketing office, the ticket inventory should be grouped accordingly);
 - d. Additional tickets printed during the month indicating the inclusive serial numbers and quantity, and to what ticket office or agency they are to be assigned.
4. Statement of Refunds - the carriers shall submit a Summary of Refunds indicating the following:
- a. Name and address of the carrier;
 - b. Title of the report and the period covered;
 - c. Date refunded, name of the passenger, ticketing office which issued the original ticket form and ticket number, and the Sales Report reference number where the original tax was reported.
 - d. Date the ticket was issued;
 - e. Amount of the original travel tax collected and the tax refunded, the refunding carrier's cash voucher number, the travel tax exemption certificate and the reason for the refund;
 - f. Refund of carriers or their representatives as well as their travel agencies indicated separately;
 - g. Total amount of refunds.

RULE XV: DOCUMENTS TO BE SUBMITTED BY CARRIERS IN CASE OF PERSONS WHO ARE NOT COVERED BY THE TRAVEL TAX

The carrier and/or ticketing agency shall prepare a two-week summary report (TIEZA Form 356) of all tickets issued to non-immigrant aliens who have stayed in the Philippines for not more than one (1) year. The summary report duly certified by the General Manager or a responsible officer of the carrier shall indicate the following information.

- a. Name of passenger;
- b. Passport number;
- c. Signature of the passenger;
- d. Philippine immigration status
- e. Nationality
- f. Ticket number
- g. Last date of entry in the Philippines
- h. Proposed date of departure from the Philippines;
- i. Additional information as to whether it is a side trip or an in-conjunction ticket.

The above summary shall be submitted together with the Sales Report and other required documents within the period prescribed by these regulations.

Submission of said summary beyond said period shall not be allowed.

All tickets appearing in the Sales Report as having been issued to passengers not covered by the travel tax law and on which no taxes have been collected shall be supported by the individual entries in the above summary report. Otherwise, corresponding taxes shall be assessed against the carrier concerned.

RULE XVI: AUTHORITY TO EXAMINE RECORDS

The Chief Operating Officer of the TIEZA or his duly authorized representatives may verify and examine records of the carriers, charterers, and travel agencies or their representatives in connection with the travel tax collections in order to determine the accuracy of statements and other reports submitted.

RULE XVII: IMPLEMENTING CIRCULARS

The TIEZA thru the Chief Operating Officer, may issue circulars implementing these Rules and Regulations on travel tax collections, remittance, and exemption.

RULE XVIII: PENAL PROVISIONS

Without prejudice to the penalties provided in Section 7 of PD 1183, as amended;

1. Remittance of travel tax collections not made within the periods specified in Rule XI of these Regulations shall be subject to surcharge of 1/30 of 1% of the unremitted amount for every day of delay.
2. Reports and supporting documents not submitted within the period specified under Rule XII of these Regulations shall subject the offending person/firm to a penalty of P 100.00 for each day of delay per report.
3. The submission of false or fraudulent reports on travel tax collections with the intention to defraud the Tourism Infrastructure and Enterprise Zone Authority, as well as repeated delay in the remittance of travel tax collections or submission of reports and other supporting documents shall be cause for the disqualification of the carrier and/or their agents concerned to collect travel taxes and subject the offending officials or firm to the penalties provided in Section 7 of PD 1183, as amended, and surcharge of 25% per annum on the unreported amount of taxes.

RULE XIV: REPEALING CLAUSE

All other rules and regulations and/or circulars which are inconsistent with the provisions of these rules and regulations are hereby repealed or modified accordingly.

RULE XX: EFFECTIVITY

These Rules and Regulations shall take effect on September 7, 1979
the date of the effectivity of Batas Pambansa Blg. 38.

(original signed)
Secretary of Tourism