

Republic of the Philippines  
Congress of the Philippines  
Metro Manila

Fifth Regular Session

Begun and held in Metro Manila, on Monday, the twenty-second day of July, nineteen hundred and ninety-nine.

**[REPUBLIC ACT 7432]**

AN ACT TO MAXIMIZE THE CONTRIBUTION OF SENIOR CITIZENS TO NATION BUILDING, GRANT BENEFITS AND SPECIAL PRIVILEGES AND FOR OTHER PURPOSES

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

SECTION 1. *Declaration of Policies and Objectives.* — Pursuant to Article XV, Section 4 of the Constitution, it is the duty of the family to take care of its elderly members while the State may design programs of social security for them. In addition to this, Section 10 in the Declaration of Principles and State Policies provides: “The State shall provide social justice in all phases of national development”. Further, Article XIII, Section 11 provides: “The State shall adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. There shall be priority for the needs of the underprivileged, sick, elderly, disabled, women and children.” Consonant with these constitutional principles the following are the declared policies of this Act:

- a) to motivate and encourage the senior citizens to contribute to nation building;
- b) to encourage their families and the communities they live with to reaffirm the valued Filipino tradition of caring for the senior citizens.

In accordance with these policies, this Act aims to:

- 1) establish mechanisms whereby the contribution of the senior citizens are maximized;

2) adopt measures whereby our senior citizens are assisted and appreciated by the community as a whole;

3) establish a program beneficial to the senior citizens, their families and the rest of the community that they serve.

SEC. 2. *Definition of Terms.* — As used in this Act, the term “senior citizen” shall mean any resident citizen of the Philippines at least sixty (60) years old, including those who have retired from both government offices and private enterprises, and has an income of not more than Sixty thousand pesos (P60,000.00) per annum subject to review by the National Economic and Development Authority (NEDA) every three (3) years.

The term “benefactor” shall mean any person whether related to the senior citizens or not who takes care of him/her as a dependent.

The term “head of the family” shall mean any person so defined in the National Internal Revenue Code.

SEC. 3. *Contribution to the Community.* — Any qualified senior citizen as determined by the Office for Senior Citizen Affairs (OSCA) may render his/her services to the community which shall consist of, but not limited to, any of the following:

- a) tutorial and/or consultancy services;
- b) actual teaching and demonstration of hobbies and income generating skills;
- c) lectures on specialized fields like agriculture, health, environmental protection and the like;
- d) the transfer of new skills acquired by virtue of their training mentioned in Section 4, paragraph d);
- e) undertaking other appropriate services as determined by the Office for Senior Citizens Affairs (OSCA) such as school traffic guide, tourist aid, pre-school assistant, etc.

In consideration of the services rendered by the qualified elderly, the Office for Senior Citizens Affairs (OSCA) may award or grant benefits or privileges to the elderly, in addition to the other privileges provided for under Section 4 hereof.

SEC. 4. *Privileges for the Senior Citizens.* — The senior citizens shall be entitled to the following:

- a) the grant of twenty percent (20%) discount from all establishments relative to utilization of transportation services, hotels and similar lodging establishment, restaurants and recreation centers and purchase of medicine anywhere in the country: *Provided*, That private establishments may claim the cost as tax credit;

b) a minimum of twenty percent (20%) discount on admission fees charged by theaters, cinema houses and concert halls, circuses, carnivals and other similar places of culture, leisure, and amusement;

c) exemption from the payment of individual income taxes: *Provided*, That their annual taxable incomes does not exceed the poverty level as determined by the National Economic and Development Authority (NEDA) for that year;

d) exemption from training fees for socioeconomic programs undertaken by the OSCA as part of its work;

e) free medical and dental services in government establishment anywhere in the country, subject to guidelines to be issued by the Department of Health, the Government Service Insurance System and the Social Security System;

f) to the extent practicable and feasible, the continuance of the same benefits and privileges given by the Government Service Insurance System (GSIS), Social Security System (SSS) and PAG-IBIG, as the case may be, as are enjoyed by those in actual service.

SEC. 5. *Government Assistance.* — The Government shall provide the following assistance to those caring for and living with the senior citizen:

a) The senior citizen shall be treated as dependents provided for in the National Internal Revenue Code and as such, individual taxpayers caring for them, be they relatives or not shall be accorded the privileges granted by the Code insofar as having dependents are concerned.

b) Individuals or non-governmental institutions establishing homes, residential communities or retirement villages solely for the senior citizens shall be accorded the following:

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

2) priority in the building and/or maintenance of provincial or municipal roads leading to the aforesaid home, residential community or retirement village.

SEC. 6. *Retirement Benefits.* — To the extent practicable and feasible, retirement benefits from both the Government and the private sectors shall be upgraded to be at par with the current scale enjoyed by those in actual service.

SEC. 7. *The Office for Senior Citizens Affairs (OSCA).* — There shall be established in the Office of the Mayor an OSCA to be headed by a Councilor who shall be designated by the *Sangguniang Bayan* and assisted by the Community Development

Officer in coordination with the Department of Social Welfare and Development. The functions of this office are:

a) to plan, implement and monitor yearly work programs in pursuance of the objectives of this Act;

b) to draw up a list of available and required services which can be provided by the senior citizens;

c) to maintain and regularly update on a quarterly basis the list of senior citizens and to issue nationally uniform individual identification cards which shall be valid anywhere in the country;

d) to service as a general information and liaison center to serve the needs of the senior citizens.

SEC. 8. *Municipal Responsibility.* — It shall be the responsibility of the municipality through the mayor to ensure that the provisions of this Act are implemented to its fullest.

SEC. 9. *Penalties.* — Violation of any provision of this Act for which no penalty is specifically provided under any other law, shall be punished by imprisonment not exceeding one (1) month or a fine not exceeding One thousand pesos (P1,000.00) or both.

SEC. 10. *Implementing Rules and Regulations.* — The Secretary of Social Welfare and Development, jointly with the Department of Finance, the Department of Tourism, the Department of Health, the Department of Transportation and Communications and the Department of Interior and Local Government shall issue the necessary rules and regulations to carry out the objectives of this Act.

SEC. 11. *Appropriation.* — The necessary appropriation for the operation and maintenance of the OSCA shall be appropriated and approved by the local government units concerned. The National Government shall appropriate such amount as may be necessary to carry out the objectives of this Act.

SEC. 12. *Repealing Clause.* — All provisions of laws, orders, decrees, including rules and regulations inconsistent herewith are hereby repealed and/or modified accordingly.

SEC. 13. *Separability Clause.* — If any part or provision of this Act shall be held to be unconstitutional or invalid, other provisions hereof which are not affected thereby shall continue to be in full force and effect.

SEC. 14. *Effectivity.* — This Act shall take effect fifteen (15) days following its publication in one (1) national newspaper of general circulation.

Approved,

(Sgd.) RAMON V. MITRA  
*Speaker of the House of  
Representatives*

(Sgd.) NEPTALI A. GONZALES  
*President of the Senate*

This Act which is a consolidation of Senate Bill No. 835, 1435 and House Bill No. 35335 was finally passed by both the Senate and the House of Representatives on and February 7, 1992.

(Sgd.) CAMILO L. SABIO  
*Secretary General  
House of Representatives*

(Sgd.) ANACLETO D. BADOY, JR.  
*Secretary of the Senate*

Approved: April 23, 1992

(Sgd.) CORAZON C. AQUINO  
*President of the Philippines*