

[REPUBLIC ACT NO. 9174, November 07, 2002]

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:

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

"SECTION 1. *Balikbayan Program.* - A *Balikbayan* Program is hereby instituted under the administration of the Department of Tourism to attract and encourage overseas Filipinos to come and visit their motherland. This is in recognition of their contribution to the economy of the country through the foreign exchange inflow and revenues that they generate.

The program shall include a *kabuhayan* shopping privilege allowing tax-exempt purchase of livelihood tools and providing the opportunity to avail of the necessary training to enable the *balikbayan* to become economically self-reliant members of society upon their return to the country. The program shall likewise showcase competitive and outstanding Filipino-made products."

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

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

- a. The term "*balikbayan*" shall mean a Filipino citizen who has been continuously out of the Philippines for a period of at least one (1) year, a Filipino overseas worker, or a former Filipino citizen and his or her family, as this term is defined hereunder, who had been naturalized in a foreign country and comes or returns to the Philippines;
- b. The term "family" shall mean the spouse and the children of the *balikbayan* who are not *balikbayan* in their own right traveling with the latter to the Philippines; and
- c. The term "livelihood tools" shall mean instruments used by hand or by machine necessary to a person in the practice of his or her trade, vocation or profession, such as hand tools, power tools,

precision tools, farm tools, tools for dressmaking, shoe repair, beauty parlor, barber shop and the like, as may be determined by the Overseas Workers Welfare Administration (OWWA). For purposes of this Act, a computer unit and its accessories shall likewise be considered as livelihood tools."

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

"SEC. 3. *Benefits and Privileges of the Balikbayan.* - The balikbayan and his or her family shall be entitled to the following benefits and privileges:

- a. Tax-exempt maximum purchase in the amount of One thousand five hundred United States dollars (US \$1,500.00) or its equivalent in Philippine peso and in other acceptable foreign currencies at all government-owned and -controlled/operated duty-free shops subject to the limitations contained in Section 4 hereof;
- b. All domestic carriers shall establish a special promotional/incentive program for the *balikbayan*;
- c. Visa-free entry to the Philippines for a period of one (1) year for foreign passport holders, with the exception of restricted nationals;
- d. Travel tax exemption as provided under Presidential Decree No. 1183, Executive Order No. 283, and other allied laws;
- e. Especially designated reception areas at the authorized ports of entry for the expeditious processing of documents;
- f. Accredited transportation facilities that will ensure their safe and convenient trips upon arrival. The Department of Tourism and the Department of Transportation and Communications and other concerned government agencies are hereby mandated to implement the program for this particular purpose; and
- g. *Kabuhayan* shopping privilege through an additional tax-exempt purchase in the maximum amount of Two thousand United States dollars (US\$2,000.00) or its equivalent in Philippine peso and other acceptable foreign currencies, exclusively for the purchase of livelihood tools at all government-owned and -controlled/operated duty-free shops.

The total amount of tax-exempt maximum purchase as mentioned in sub-paragraphs (a) and (g) of this Section may be used for the *kabuhayan* program, subject to the limitations contained in Section 4 hereof.

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

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

"SEC. 4. *Limitations on Tax-exempt Purchases at all Government-owned and -Controlled/Operated Duty-free Shops.* - The tax-exempt purchase