

# Committee Daily Bulletin

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COMMITTEE MEETING		
COMMITTEE	SUBJECT MATTER	DISCUSSIONS
Ways and Means	Briefing by the Bureau of Internal Revenue (BIR) on the implementation of the Internal Revenue Stamps Integrated System (IRSIS) for tobacco and alcohol products	<p>The Committee, chaired by Quirino Rep. Dakila Carlo Cua, listened to the briefing conducted by the BIR on the status of implementation of the revenue stamp system for tobacco and alcohol products.</p> <p>Department of Finance (DOF) Secretary Carlos Dominguez III said that the implementation of the IRSIS is part of the government's efforts to optimize its revenue collections and plug leakages in the system.</p> <p>BIR OIC-Assistant Commissioner for Large Taxpayers Service Teresita Angeles explained the main features of the IRSIS including the process flow and the security features of the stamps and the steps being undertaken by the BIR to prevent the proliferation of fake stamps.</p> <p>With regard to the revenue stamp system for tobacco products, Angeles explained that the BIR has entered into a memorandum of agreement (MOA) with APO Production Unit, Inc. (a state-run printing firm) in 2013 for the latter to be responsible for the overall operation of the IRSIS Project including the base printing of the stamps. In turn, APO contracted IRSIS Corporation (a consortium of technology providers) to design and provide the stamp's security features and IRSIS' ordering, distribution and monitoring systems.</p> <p>On the status of the revenue stamp system for alcohol products, Angeles reported that the final draft of the MOA between the APO and BIR is being finalized and routed.</p> <p>Emma Teodoro, a representative of the IRSIS Corporation, explained to the Committee how the entire IRSIS works. According to Teodoro, the system is capable of tracking the production of stamps and determining the stamps' validity and authenticity.</p> <p>Deputy Speaker Sharon Garin (Party-List, AAMBIS-OWA), Rep. Prospero Pichay Jr. (1<sup>st</sup> District, Surigao del Sur), and Rep. Lianda Bolilia (4<sup>th</sup> District, Batangas) were not convinced of the effectiveness of BIR's efforts to stop the proliferation of fake revenue stamps. Rep. Cua suggested that the Bureau explore other options to address this issue.</p> <p>Meanwhile, the Committee agreed to require the presence of BIR deputy commissioners in its next meeting. It also instructed the Committee Secretariat to coordinate with APO Production Unit Inc. arrangements for an on-site inspection of APO's stamp-printing plant.</p>
	Inquiry into the problems concerning the accreditation policy of the Bureau of Customs (BOC) and other issues affecting certain port operations	<p>The Committee, after hearing the issues raised by some House Members and by the affected sectors, agreed to hold a roundtable discussion involving the stakeholders to thresh out the problems among themselves.</p> <p>The roundtable discussion will be facilitated by Deputy Speaker Garin.</p>

Continuation... Ways and Means		<p>Earlier in the meeting, Deputy Speaker Garin informed the Committee of complaints coming from affected individuals and entities against the memorandum issued by the BOC cancelling the accreditation of 114 importers and 65 brokers. She averred that the said memorandum was arbitrary and did not observe due process.</p> <p>Rep. Prospero Pichay Jr. (1<sup>st</sup> District, Surigao del Sur) shared the views of the Deputy Speaker.</p> <p>BOC Project Manager Althea Acas disclosed that the cancellation order was already lifted and that a new BOC memorandum had already been issued granting a grace period for the parties in question to be able to explain why they should be allowed to keep their accreditation.</p> <p>Airing the plight of brokers and port truckers, Aduana Business Club Inc. (ABCI) President Mary Zapata complained of loss of profit due to alleged unclear and exorbitant fees being charged by shipping lines for its services and the use of its facilities.</p> <p>Association of International Shipping Lines (AISL) President Patrick Ronas explained that the costs of shipping services are dictated by market forces and the association does not have a regulatory power over its members. He admitted that some of AISL's members do not follow standard practices, thus he simply urged the affected parties to instead do business with more responsible shipping companies.</p> <p>The resource persons were requested to submit their position papers or proposed legislations concerning the issues raised.</p>
	<p>Update on all customs administrative orders (CAOs) issued or being prepared by the BOC in relation to the implementation of RA 10863 or the Customs Modernization and Tariff Act (CMTA).</p>	<p>The Committee listened to the report of the BOC on the status of all CAOs it issued or plans to issue in pursuit of the Customs Modernization and Tariff Act.</p> <p>Acas said that seven CAOs implementing the CMTA have already been signed and issued, while 15 are pending for review by the Department of Finance (DOF), 18 are being reviewed by the BOC's review team, and three are currently being drafted.</p>

TECHNICAL WORKING GROUP MEETING				
COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Transportation (Technical Working Group)	HBs 153, 843, 1507, 3178, 3451 & 3667	Reps. Aglipay-Villar, Villarica, Alejano, Escudero, Castelo, and Tambunting	Providing for the protection of the rights of airline passengers and penalizing acts in violation thereof	<p>The technical working group (TWG), chaired by Rep. Edgar Sarmiento (1st District, Samar), will deliberate further on the 15 measures in its next meeting.</p> <p>The TWG focused its discussion on the bills' provisions pertaining to the rights of airline passengers, particularly the grant of mandatory fare discount. Rep. Sarmiento mentioned that most of these provisions can be found in Joint Administrative Order (JAO) 1, series of 2012 issued by the then Department of Transportation and Communications (DOTC) and the Department of Trade and Industry (DTI), which provides for the Air Passenger Bill of Rights.</p> <p>Several Members of the Committee who attended the TWG meeting raised the issue of not granting the mandatory 20% discount on plane tickets purchased online by senior citizens and persons with disability (PWDs) due to the alleged inability of the airlines'</p>
	HB 756	Rep. Aglipay-Villar	Establishing the passenger protection office in all major airports in the Philippines	
	HB 1523	Rep. Macapagal-Arroyo	Requiring all carriers to provide training for flight attendants and gate attendants regarding serving alcohol, recognizing intoxicated passengers and dealing with disruptive passengers	
	HBs 2042 & 2611	Rep. Sarmiento (C.)	Providing for a Bill of Rights of Air Passengers and penalizing violations thereof	

Continuation... Transportation (Technical Working Group)	HB 2782	Rep. Zarate	Providing for the Magna Carta of Airline Passengers, imposing obligations on air carriers, and penalizing acts in violation thereof	system to process such transactions. They said that this system limitation should be disclosed to passengers purchasing tickets online.
	HB 3270	Rep. Roque (H.)	Establishing a national policy of basic consumer fair treatment for airline passengers	Rep. Romeo Acop (2nd District, Antipolo City) cited the complaint of senior citizens, who are members of Philippine Military Academy (PMA) Class of 1965, against Cebu Pacific for not granting the 20 percent discount on their fare going to Cebu just because the tickets were bought online.
	HR 67	Rep. Zarate	Investigation into the incident involving the Cebu Pacific, where more than 300 stranded passengers in Mumbai, India were not properly attended to and were left to fend for themselves for three days, and thereby review these incessant and unceasing malpractices by airline companies, ensuring that legislative measures aimed at protecting the rights of air passengers be immediately passed	Cebu Pacific Vice President for Corporate Affairs Paterno Mantaring said that Cebu Pacific grants 20% discount on tickets bought by senior citizens personally and not online. He explained that Cebu Pacific's online booking system is not capable of checking the identity of the person buying the ticket and the veracity of the claims for fare discount.
	HR 267	Rep. Biron	Inquiry into the prohibitive, unconscionable, deceptive, unfair and opportunistic pricing of domestic air carriers specifically on the purchase of tickets that would fly on the same day	Philippine Airlines (PAL) Vice President for Legal Affairs Ma. Clara de Castro said the same thing for PAL. However, De Castro said that PAL's website contains notices on how the senior citizen discount can be availed of.
	HR 723	Rep. Veloso	Inquiry into the excessive airfares being collected by Philippine Airlines (PAL) and Cebu Pacific Air for their Manila-Tacloban/Tacloban-Manila routes during peak seasons	Civil Aviation Board (CAB) Chief Legal Officer WyrLou Samodia said that CAB is currently crafting a resolution requiring the grant of 20 percent discount on plane tickets bought online by senior citizens and PWDs which shall be validated upon check-in at the airport based on the passenger's proof of identification. Samodia said that CAB will meet with the airline companies on the matter.  National Council on Disability Affairs Executive Director Carmen Zubiaga welcomed this initiative by the CAB, saying that it will address the discrimination being experienced by PWDs in this aspect.  The resource persons from the government and the airline industry present in the meeting were requested to submit their position papers on the bills including their comments relative to other issues affecting the rights of airline passengers, such as the airlines' policies/practices on overbooking, denying certain passengers from boarding the aircraft, and flight cancellations and delays.