

Republic of the Philippines
Congress of the Philippines
Metro Manila

Eighth Congress

Republic Act No. 6768

November 3, 1989

AN ACT INSTITUTING A BALIKBAYAN PROGRAM

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

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 that they generate.

Section 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 family, as this term is defined hereunder, who had been naturalized in a foreign country and comes or returns to the Philippines; and
- (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.

Section 3. *Benefits and Privileges of the Balikbayan.* - The balikbayan and his family shall be entitled to the following:

- (a) Tax-free maximum purchase in the amount of One thousand United States dollars (US\$1,000.00) or its equivalent in other acceptable foreign currencies at Philippine duty-free shops subject to the limitations contained in Section 4 hereof;
- (b) The national flag air carrier shall establish a special promotional/incentive program for the balikbayan;
- (c) For foreign passport holders with the exception of restricted nationals, visa-free entry to the Philippines for a period of one (1) year;
- (d) Travel tax exemption as provided under Presidential Decree No. 1183, Executive Order No. 283, and other allied laws; and
- (e) Especially designated reception areas at the authorized ports of entry for the expeditious processing of documents.

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

SECTION 4. *Limitations on Tax-Free Purchases.* - The tax-free purchases privilege shall be subject to the following limitations:

- (a) Purchases shall only be made in United States dollars or other acceptable foreign currencies;
- (b) Purchases shall be made within forty-eight (48) hours from date of arrival;

(c) The privilege is nontransferable; purchases shall be made personally by the balikbayan for himself;

(d) The privilege can be availed of by a balikbayan only once a year;

(e) Only a balikbayan of majority age under Philippine laws can enjoy the privilege: Provided, however, That minors shall continue to be entitled to purchase privileges not exceeding Two hundred fifty United States dollars (US\$250.00); and

(f) In addition to existing limitations on the number of consumables purchased, a balikbayan shall be entitled to buy only one (1) item of every product category of non-consumables whose selling price exceeds Two hundred United States dollars (US\$200.00).

Section 5. *Implementing Rules and Regulations.* - The Department of Tourism, in coordination with other government agencies concerned, shall promulgate such rules and regulations as may be necessary for the effective implementation of this Act.

Section 6. *Semiannual Reports.* - The Department of Tourism shall submit semiannual reports to the President through the Secretary of Finance and to both Houses of Congress which reports shall contain a statement of the quantities and the value of the goods, as classified in accordance with the classification categories in the Tariff and Customs Code, sold by the Philippine duty-free shops.

Section 7. *Penalty Clause.* - Any person who shall willfully derive, obtain, receive or enjoy or cause another to derive, obtain, receive or enjoy the benefits and privileges under this Act without being entitled thereto shall be punished by a fine of not less than Twenty thousand pesos (P20,000.00) but not more than Forty thousand pesos (P40,000.00) or imprisonment of not less than two (2) years or more than four (4) years, or both at the discretion of the court. Any alien found guilty under this section shall be summarily deported upon completion of service of sentence and be permanently barred from reentering the country without the special permission of the President.

Section 8. *Repealing Clause.* - All laws, decrees, orders, rules and regulations, or parts thereof which are inconsistent with any provision of this Act are hereby repealed or modified accordingly.

Section 9. *Biennial Review.* - The Balikbayan Program, as instituted in this Act, shall be subject to review by Congress two (2) years after the approval of this Act and every two (2) years thereafter.

Section 10. *Separability Clause.* - If, for any reason, any part or provision of this Act is held invalid or unconstitutional, the same shall not affect the rest of its provisions.

Section 11. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) national newspapers of general circulation, whichever comes earlier.

Approved: **November 3, 1989**