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Republic of the Philippines
Supreme Court
Manila

EN BANC

REPUBLIC OF THE PHILIPPINES, THROUGH THE OFFICE OF THE SOLICITOR GENERAL, OFFICE OF THE SENIOR CITIZENS AFFAIRS (OSCA), DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT (DSWD),

Petitioners,

- versus -

PRYCE CORPORATION, INC.,
Respondent.

G.R. No. 243133

Present:

GESMUNDO, C.J.,
LEONEN,
CAGUIOA,
HERNANDO,
LAZARO-JAVIER,
INTING,
ZALAMEDA,
GAERLAN,
ROSARIO,
LOPEZ, J.,
DIMAAMPAO,*
MARQUEZ,
KHO, JR., and
SINGH, JJ.

Promulgated:

March 8, 2023

X ----- X

DECISION

ZALAMEDA, J.:

Death may be the end of one's life. But from the perspective of those left behind, there are things that survive a person's demise. For the romantics, it is the memories and feelings that linger long after the passing of a loved one. For the pragmatics and businesspersons alike, the financial

* On leave.

aspects of funeral and burial are matters that persist even after one is laid to rest.

The Case

This resolves the Petition for Review on *Certiorari* (Petition)¹ under Rule 45 of the Rules of Court assailing the Resolutions dated 18 January 2018² and 22 October 2018³ of Branch 17, Regional Trial Court of Misamis Oriental, Cagayan de Oro City (RTC) in Civil Case No. CV-ORD-2015-215, which excluded interment services from the coverage of the statutorily mandated senior citizen discount on “funeral and burial services.”

Antecedents

Respondent Pryce Corporation, Inc. (respondent) is a domestic corporation engaged in the business of selling memorial lots and offering interment services. On 29 October 2015, respondent filed a special civil action for declaratory relief, asking the RTC to construe whether Section 4(a) of Republic Act No. (RA) 7432,⁴ as amended by RA 9257⁵ and further amended by Section 4(a)(9) of RA 9994,⁶ includes interment service as among those granted the 20% discount on funeral and burial services for the death of senior citizens. Respondent contended that interment services are not among the services entitled to the 20% discount provided under the law.⁷

Petitioners, the Republic of the Philippines, through the Office of the Solicitor General, Office of the Senior Citizens Affairs (OSCA), and the Department of Social Welfare and Development (DSWD) (collectively, petitioners), represented by the Office of the Solicitor General (OSG), moved for the dismissal of the Petition, arguing that: (1) the requisites of an action for declaratory relief are not all present; and (2) the wordings of the law are not ambiguous; hence, there is no need for any interpretation.

¹ *Rollo*, pp. 13-33.

² *Id.* at 34-37. Penned by Presiding Judge Florencia D. Sealana-Abbu.

³ *Id.* at 43. Penned by Presiding Judge Florencia D. Sealana-Abbu.

⁴ Entitled “AN ACT TO MAXIMIZE THE CONTRIBUTION OF SENIOR CITIZENS TO NATION BUILDING, GRANT BENEFITS AND SPECIAL PRIVILEGES AND FOR OTHER PURPOSES.” Approved: 23 April 1992.

⁵ Entitled “AN ACT GRANTING ADDITIONAL BENEFITS AND PRIVILEGES TO SENIOR CITIZENS AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7432, OTHERWISE KNOWN AS ‘AN ACT TO MAXIMIZE THE CONTRIBUTION OF SENIOR CITIZENS TO NATION BUILDING, GRANT BENEFITS AND SPECIAL PRIVILEGES AND FOR OTHER PURPOSES.’” OR “EXPANDED SENIOR CITIZENS ACT OF 2003.” Approved: 26 February 2004.

⁶ Entitled “AN ACT GRANTING ADDITIONAL BENEFITS AND PRIVILEGES TO SENIOR CITIZENS, FURTHER AMENDING REPUBLIC ACT NO. 7432, AS AMENDED, OTHERWISE KNOWN AS ‘AN ACT TO MAXIMIZE THE CONTRIBUTION OF SENIOR CITIZENS TO NATION BUILDING, GRANT BENEFITS AND SPECIAL PRIVILEGES AND FOR OTHER PURPOSES.’” OR “EXPANDED SENIOR CITIZENS ACT OF 2010.” Approved: 15 February 2010.

⁷ *Rollo*, pp. 22-23.

law are not ambiguous; hence, there is no need for any interpretation. Moreover, petitioners argued that the term “funeral and burial services” must be understood in its plain and ordinary meaning.⁸

Ruling of the RTC

In its Resolution dated 18 January 2018, the RTC found all the essential requisites for a declaratory relief petition present in this case. Citing the Implementing Rules and Regulations (IRR) of RA 9994, the RTC ruled that the term, “funeral and burial services,” does not include interment service. The RTC stated that the IRR only mentioned the following services: (1) purchase of casket or urn; (2) embalming; (3) hospital morgue; and (4) transport of the body to the intended burial site in the place of origin. Since interment was not included as one of the benefits under the IRR, the RTC concluded that the digging of land for the deceased person’s grave, concreting of the gravesite, and other services done during the actual burial are not covered in the discount provided by law. Thus, respondent cannot be compelled to give the 20% discount in interment services since it is not one of those provided by law and the IRR.⁹

Petitioners moved for reconsideration,¹⁰ which the RTC denied in its Resolution¹¹ dated 22 October 2018.

Hence, this Petition.

Issue

The sole issue for resolution, a purely legal question, is whether interment services are covered under RA 7432, as amended by RA 9257 and RA 9994, and thus, subject to a 20% discount on funeral and burial services for the death of senior citizens.¹²

Petitioners argue that the terms of the assailed statutes are not doubtful as to require judicial interpretation. Moreover, petitioners insist that although the statutes do not define the term “funeral and burial services,” such term must be understood in its plain and ordinary meaning, which comprises the

⁸ Id. at 35.

⁹ Id. at 37.

¹⁰ Id. at 38-42.

¹¹ Id. at 43.

¹² Id. at 20.

ceremony held for the deceased and the actual act of burying the remains in the ground.¹³

On the other hand, respondent insists that there is an ambiguity in the law and the IRR that needs judicial determination. Respondent maintains that interment services are not covered under RA 7432, as amended by RA 9257 and RA 9994, since there is no specific provision in RA 9994 and its IRR that allows the 20% discount for interment services.¹⁴

Ruling of the Court

We grant the Petition.

Definition, Purpose, and Concept of an Action for Declaratory Relief

Declaratory relief is a special civil action filed by any person interested under a deed, will, contract or other written instrument, or whose rights are affected by a statute, executive order or regulation, ordinance, or any other governmental regulation, before breach or violation thereof, to determine any question of construction or validity arising, and for a declaration of his rights thereunder.¹⁵

The purpose of the action for declaratory relief is for the court to interpret or determine the validity of the written instrument, statute, executive order, or any other governmental regulation and to secure from the court an authoritative statement of the parties' rights and obligations thereunder for their guidance in its enforcement or compliance,¹⁶ but not to settle issues arising from its alleged breach.¹⁷ The issue is thus limited to the question of construction or validity of the provisions in a written instrument or statute.¹⁸ In a declaratory relief action, "the [r]elief is confined to a case of actual controversy within the Court's jurisdiction, without the need of

¹³ Id. at 22-25.

¹⁴ Id. at 35 and 39-40.

¹⁵ Section 1, Rule 63 of the Rules of Court reads:

SECTION 1. *Who may file petition.* – Any person interested under a deed, will, contract or other written instrument, or whose rights are affected by a statute, executive order or regulation, ordinance, or any other governmental regulation may, before breach or violation thereof, bring an action in the appropriate Regional Trial Court to determine any question of construction or validity arising, and for a declaration of his rights or duties, thereunder.

¹⁶ *Aquino v. Municipality of Malay*, 744 Phil. 497, 509 (2014).

¹⁷ *Tambunting, Jr. v. Spouses Sumabat*, 507 Phil. 94, 98 (2005).

¹⁸ *Commission on Audit v. Pampilo, Jr.*, G.R. Nos. 188760, 189060 & 189333, 30 June 2020.

injunction, execution, or other relief beyond the adjudication of the legal rights which are the subject of controversy between the parties.”¹⁹

In *Aquino v. Municipality of Malay*,²⁰ the Court explained the concept of declaratory relief, viz.:

An action for declaratory relief presupposes that there has been no actual breach of the instruments involved or of the rights arising thereunder. **Since the purpose of an action for declaratory relief is to secure an authoritative statement of the rights and obligations of the parties under a statute, deed, or contract for their guidance in the enforcement thereof, or compliance therewith, and not to settle issues arising from an alleged breach thereof, it may be entertained before the breach or violation of the statute, deed or contract to which it refers. A petition for declaratory relief gives a practical remedy for ending controversies that have not reached the state where another relief is immediately available; and supplies the need for a form of action that will set controversies at rest before they lead to a repudiation of obligations, an invasion of rights, and a commission of wrongs.**²¹ (Emphases and underscoring supplied.)

Thus, a court can no longer assume jurisdiction over an action for declaratory relief if its subject, *i.e.*, statute, deed, or contract, has already been contravened prior to the filing of the action.²² Where the statute, deed, or contract has already been breached or violated, the remedy of the aggrieved party is to file the appropriate ordinary civil action in court.²³ In *Tambunting, Jr. v. Spouses Sumabat*,²⁴ the Court stressed that an action for declaratory relief, filed after an infraction of the mortgage terms, did not interrupt the running of the ten-year prescriptive period to enforce petitioners’ right under the mortgage since the lower court lacked jurisdiction over such action and all proceedings therein were without legal effect.

Requisites for an Action for Declaratory Relief

The requisites of an action for declaratory relief are: (1) the subject matter of the controversy must be a deed, will, contract or other written instrument, statute, executive order or regulation, or ordinance; (2) the terms of said documents and the validity thereof are doubtful and require judicial

¹⁹ *Commissioner of Customs v. Cloribel*, 168 Phil. 109, 116 (1977), citing Manuel Moran, Comments on the Rules of Court 146 (1970).

²⁰ 744 Phil. 497 (2014).

²¹ Id. at 509-510.

²² *Malana v. Tappa*, 616 Phil. 177, 189 (2009).

²³ *Commission on Audit v. Pampilo, Jr.*, supra note 16.

²⁴ Supra, note 17 at 99.

construction; (3) there must have been no breach of the documents in question; (4) there must be an actual justiciable controversy or the "ripening seeds" of one between persons whose interests are adverse; (5) the issue must be ripe for judicial determination; and (6) adequate relief is not available through other means or other forms of action or proceeding.²⁵

Actual Case or Controversy Requirement

A petition for declaratory relief is not exempt from the actual case or controversy requirement. Jurisprudence reveals a common ground in applying the actual case or controversy requirement – there must be sufficient facts to enable the Court to intelligently adjudicate the issues, such that the questions raised may be resolved without relying on speculations or hypothetical scenarios.

The determination of sufficient facts is more nuanced in petitions for declaratory relief. Applying the third and fourth requisites for a declaratory relief action, We must locate the fine point where there exists an actual case or controversy, yet there is no breach of the documents in question. On this note, former Chief Justice Moran opined that accomplished physical wrong need not be alleged in a petition for declaratory relief.²⁶

This is best explained in the case of *Republic v. Roque*,²⁷ where a petition for declaratory relief was filed by private respondents to assail the constitutionality of RA 9372, or the Human Security Act of 2007. We explained that a justiciable controversy refers to an existing case or controversy that is appropriate or ripe for judicial determination, not one that is conjectural or merely anticipatory. The term ‘ripening seeds’ means “not that sufficient accrued facts may be dispensed with, but that a dispute may be tried at its inception before it has accumulated the asperity, distemper, animosity, passion, and violence of a full-blown battle that looms ahead.” The concept describes “**a state of facts indicating imminent and inevitable litigation provided that the issue is not settled and stabilized by tranquilizing declaration.**”²⁸

Following the disquisition in *Roque*, in a petition for declaratory relief, there are “sufficient facts” when there is a showing of an imminent

²⁵ *Bureau of Internal Revenue v. First E-Bank Tower Condominium Corp.*, G.R. Nos. 215801 & 218924, 15 January 2020; *Dupasquier v. Ascendas (Philippines) Corporation*, G.R. No. 211044, 24 July 2019.

²⁶ *Republic v. Roque*, 718 Phil. 294 (2013).

²⁷ *Id.*

²⁸ Herrera, Oscar M., Remedial Law, Volume III, Special Civil Actions Rule 57-71, p. 193 (1999), citing *Tolentino v. Board of Accountancy*, 90 Phil. 83 (1951) and *In re: Pablo Y. Sen. v. Republic of the Philippines*, 96 Phil. 987 (1955).

and inevitable litigation if the issue is not judicially settled. The same rule was declared in *CJH Development v. BIR*²⁹ where We ruled **that ripeness in declaratory relief cases means that litigation is inevitable or there is no adequate relief available in any other form or proceeding.**³⁰ To require more than this standard will already negate the requirement that declaratory relief cases should be filed before any breach.

Admittedly, the standard of imminent and inevitable litigation in declaratory relief petitions is easier to overcome than the general standard on ripeness that petitioner must have suffered injury or been held liable under an assailed governmental act. However, this should not be construed to mean that declaratory relief cases are exceptions to the restrictive application of judicial restraint. It must be remembered that the Supreme Court does not have original jurisdiction over declaratory relief cases. Moreover, the last requisite of declaratory relief is that there must be a showing that adequate relief is not available through other means. Section 5, Rule 63 of the Rules of Court also states that “the court, *motu proprio* or upon motion, may refuse to exercise the power to declare rights and to construe instruments in any case where a decision would not terminate the uncertainty or controversy which gave rise to the action, or in any case where the declaration or construction is not necessary and proper under the circumstances.” All of these suggest a restrictive interpretation in taking cognizance of declaratory relief cases.

Thus, in the recent cases of *Universal Robina Corporation v. Department of Trade and Industry*³¹ and *Executive Secretary v. Pilipinas Shell*,³² We emphasized that the standard rules of justiciability apply in a petition for declaratory relief, which assails the constitutionality of a statute. The petitioner in a declaratory petition must establish that there is a legally demandable and enforceable right under the Constitution and that the resolution of the statute’s constitutionality is necessary to protect such right.³³ Nevertheless, We clarified that the exercise of judicial review may not always require actual facts resulting from the assailed law, as applied, since a clear and convincing demonstration of a contrariety of rights may suffice.³⁴

*An Action for Declaratory Relief
is proper in this case*

²⁹ 595 Phil. 1051 (2008).

³⁰ Id. at 1058-1059.

³¹ G.R. No. 203352, 14 February 2023.

³² G.R. No. 209216, 21 February 2023.

³³ Id.

³⁴ *Universal Robina Corporation v. Department of Trade and Industry*, G.R. No. 203352, 14 February 2023; *Executive Secretary v. Pilipinas Shell*, G.R. No. 209216, 21 February 2023.

At the outset, the Court finds that all the elements of declaratory relief are present in this case. Section 1, Rule 63 of the Rules of Court provides that a petition for declaratory relief may be filed before the RTC by any person whose rights are affected by a statute, executive order or regulation, ordinance, or any other governmental regulation, before breach or violation thereof, to determine any question of construction or validity arising, and for a declaration of his rights or duties thereunder.

Contrary to petitioners' assertion, the terms of the assailed statutes, especially in relation to the pertinent IRR, have created doubts on the proper application of the 20% discount on funeral and burial services. Respondent, a corporation engaged in selling memorial lots and providing interment services, is directly affected by the assailed statutes and the IRR. As held by the RTC, there is justiciable controversy on whether respondent may be compelled to grant a 20% discount on their interment services.

In this case, respondent filed the petition for declaratory relief to avoid being compelled to grant the 20% discount on interment services for senior citizens. It should be stressed that respondent, in filing the action for declaratory relief before the RTC, is not assailing the constitutionality of the law/s and the IRR. Respondent is merely seeking a definitive construction of the terms of the law – that is, whether Section 4(a) of RA 7432, as amended by RA 9257 and RA 9994, includes interment services as among those granted the twenty percent (20%) discount on the funeral and burial services for the death of senior citizens. Respondent precisely filed the action for declaratory relief, alleging that there is ambiguity in the law and its IRR. Respondent maintains that since “interment services” were not among the services mentioned in the law and the IRR, it should not be compelled to grant the 20% discount. On the other hand, petitioners insist that the wordings of the law are unambiguous and that the term “funeral and burial services” must be understood in its plain and ordinary meaning, which includes the ceremony held for a dead person and the actual act of putting a dead body in the ground. The contrariety of the parties' interests is apparent. Moreover, the case is ripe for judicial determination considering that respondent, a corporation selling memorial lots and providing interment services, would inevitably be asked to grant the 20% discount on interment services for senior citizens, to which it insists, is not required to grant under the provisions of the law and the IRR.

Similarly, in *Office of the Solicitor General v. Ayala Land, Inc.*,³⁵ the trial court found proper the petitions for declaratory relief filed by the shopping mall operators that were threatened with prohibition from collecting parking fees for the use of their mall parking facilities. Respondents therein filed their respective petitions for declaratory relief

³⁵ 616 Phil. 587 (2009).

against DPWH and local building officers of Manila, Quezon City, and Las Piñas pertaining to Senate Committee Report No. 225, recommending the OSG to file an action to enjoin the collection of parking fees in shopping malls and to enforce the penal provisions of the National Building Code. The OSG also filed a petition for declaratory relief against respondents, alleging that the practice of respondents in charging parking fees from their customers is violative of the National Building Code and its IRR and is therefore invalid. Finding that the requisites for an action of declaratory relief were present, the trial court then ruled that the Building Code and the IRR did not impose that parking spaces shall be provided by the mall owners free of charge. The Court of Appeals (CA) affirmed the trial court's ruling. On appeal, this Court affirmed the CA, ruling that the total prohibition against the collection by respondents of parking fees from persons who use the mall parking facilities has no basis in the National Building Code or its IRR.³⁶

The present case is unlike *Delumen v. Republic*³⁷ where We ruled that the issue is not ripe for determination. Petitioners therein filed a petition for declaratory relief seeking judicial declaration of their Filipino citizenship. We pointed out that "there is nothing in the petition which even intimates that the alleged status of the appellees as Filipino citizens had in any instance been questioned or denied by any specific person or authority."³⁸ We explained that an action for declaratory relief cannot be used to allay their fears, nor invoked solely to determine or try issues or to determine a moot, abstract or theoretical question, or to decide claims which are uncertain or hypothetical.³⁹

It bears stressing that this case does not involve a theoretical issue, which calls for an advisory opinion. Indeed, one cannot file an action for declaratory relief based on theoretical or hypothetical questions because our courts are not advisory courts. In this case, respondent has shown that there is an actual controversy. Respondent is seeking the correct interpretation of the law and the IRR to determine its rights. To repeat, respondent is in the business of selling memorial lots and providing interment services. Thus, while it insists it is not required to grant a 20% discount on interment services of senior citizens as provided under the law, it is inevitable that its clients or customers would demand the said discount. Unlike *Delumen*, the inevitability of the conflict of rights in this case is real and not uncertain or hypothetical.

The issue of whether interment services for senior citizens are entitled to a 20% discount needs to be settled once and for all. Otherwise, respondent

³⁶ Id. at 598-601.

³⁷ 94 Phil. 287 (1954).

³⁸ Id. at 289.

³⁹ Id.

and those in the business of selling memorial lots and providing interment services could unjustly refuse to grant the 20% discount by claiming that it is not explicitly mentioned in the law and IRR as among those entitled to the 20% discount. An official declaration of the correct interpretation of the law and the IRR will hopefully prevent further litigation.

We now resolve the main issue and hold that interment services are covered under RA 7432, as amended by RA 9257 and RA 9994, granting a 20% discount on the funeral and burial services for the death of senior citizens.

The Senior Citizens Act and its amendments

Love and respect for the elderly are deeply entrenched in our culture and form part of the very fabric of our society. So much so that the duty to care for the elderly is enshrined in no less than our Constitution.⁴⁰

The passage of RA 7432, the Senior Citizens Act, on 23 April 1992 was thus a welcome development. The law is a piece of social legislation aimed to grant a bundle of benefits in favor of senior citizens⁴¹ or those at least 60 years old, giving flesh to the declared policy of motivating senior citizens to contribute to nation building and encouraging their families and communities to reaffirm the valued Filipino tradition of caring for the senior citizens.⁴² The benefits include discount privileges in the availment of services necessary for a decent and enjoyable life, such as transportation services; hotels and lodging establishments; restaurants; recreational centers; places of culture, leisure, and amusement; and purchase of medicines.⁴³

More than a decade after the effectivity of RA 7432, the Congress saw the necessity to amend said law to address issues encountered during its implementation, as well as to grant additional benefits and privileges. Thus, on 26 February 2004, RA 9257, or the Expanded Senior Citizens Act of 2003, was approved to amend RA 7432. Aside from the expanded benefits and privileges geared towards the improvement of the quality of life of senior citizens, RA 9275 introduced the inclusion of benefits relating to death. This is in recognition of the need not only for a decent life, but also for a respectable death. The comprehensive senior citizen benefits and

⁴⁰ CONSTITUTION, Article XV, Sec. 4, provides:

SEC. 4. The family has the duty to care for its elderly members but the State may also do so through just programs of social security.

⁴¹ *Mercury Drug Corp. v. Commissioner of Internal Revenue*, 669 Phil. 396, 408 (2011).

⁴² RA 7432, Sec. 2.

⁴³ RA 7432, Sec. 4.

privileges encompassing life and death were once more broadened with RA 9994, or the Expanded Senior Citizens Act of 2010, which was signed into law on 15 February 2010.

Notwithstanding its noble purpose, the implementation of the Senior Citizens Act and its amendments was not without opposition. The constitutionality of the 20% discount has been assailed in a number of cases.⁴⁴ Upholding the imposition of a senior citizen discount as a valid exercise of police power, We elucidated on the rationale for the discount granted under the law in this wise:

The 20% discount is intended to improve the welfare of senior citizens who, at their age, are less likely to be gainfully employed, more prone to illnesses and other disabilities, and, thus, in need of subsidy in purchasing basic commodities. It may not be amiss to mention also that the discount serves to honor senior citizens who presumably spent the productive years of their lives on contributing to the development and progress of the nation. This distinct cultural Filipino practice of honoring the elderly is an integral part of this law.⁴⁵

In *Southern Luzon Drug Corp. v. The Department of Social Welfare and Development*, the Court stressed the public duty of the State, the family, and the community to care for its elderly members:

The subjects of R.A. Nos. 9257 and 9442, *i.e.*, senior citizens and PWDs, are individuals whose well-being is a recognized public duty. **As a public duty, the responsibility for their care devolves upon the concerted efforts of the State, the family and the community.** In Article XIII, Section 1 of the Constitution, the State is mandated to give highest priority to the enactment of measures that protect and enhance the right of all the people to human dignity, reduce social, economic, and political inequalities, and remove cultural inequities by equitably diffusing wealth and political power for the common good. The more apparent manifestation of these social inequities is the unequal distribution or access to healthcare services. To abet in alleviating this concern, the State is committed to 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, with priority for the needs of the underprivileged, sick, elderly, disabled, women, and children.

In the same manner, the family and the community have equally significant duties to perform in reducing social inequality. The family as the basic social institution has the foremost duty to care for its elderly members. On the other hand, the community, which include the private

⁴⁴ *Southern Luzon Drug Corp. v. The Department of Social Welfare and Development*, 809 Phil. 315 (2017); *Manila Memorial Park, Inc. v. Secretary of Social Welfare and Development*, 722 Phil. 538 (2013); *Carlos Superdrug Corp. v. Department of Social Welfare and Development*, 553 Phil. 120 (2007).

⁴⁵ *Manila Memorial Park, Inc. v. Secretary of Social Welfare and Development*, *supra* at 578.

sector, is recognized as an active partner of the State in pursuing greater causes. The private sector, being recipients of the privilege to engage business in our land, utilize our goods as well as the services of our people for proprietary purposes, it is only fitting to expect their support in measures that contribute to common good. Moreover, their right to own, establish and operate economic enterprises is always subject to the duty of the State to promote distributive justice and to intervene when the common good so demands.⁴⁶ (Emphasis supplied; citations omitted.)

Indeed, ensuring the welfare of senior citizens is a shared duty, and commitment for the continuous efforts therefor is essential. More so when the country's population, while still predominantly young, is reportedly on the boundary of a demographic transition stage of an aging population,⁴⁷ with the number of senior citizens increasing from the 3.2 million representing 5.3% of the country's population in 1990⁴⁸ to 7.55 million or 7.5% of the population in 2015.⁴⁹

Interment services are covered by the 20% discount on funeral and burial expenses provided by law

Having established the rationale for the 20% discount privileges granted to senior citizens as well as the shared duty of the State, the family, and the community to care for its elderly members, We will now elucidate on the scope of the services within the purview of the statutorily mandated 20% discount on funeral and burial services for the death of senior citizens.

Section 2 of RA 9257 provides:

SECTION 2. Republic Act No. 7432 is hereby amended to read as follows:

x x x x

“SECTION 4. *Privileges for the Senior Citizens.* – The senior citizens shall be entitled to the following:

1. The grant of **twenty percent (20%) discount** from all establishments relative to the utilization of services in hotels and similar lodging establishments, restaurants and recreation centers, and purchase medicines in all establishments for the exclusive use

⁴⁶ *Southern Luzon Drug Corp. v. Department of Social Welfare and Development*, supra note 44 at 342-343.

⁴⁷ Crisostomo, S. (2015 March 01). Pinoys living longer, but in poor health. *Philippine Star*. <<https://www.philstar.com/headlines/2015/03/01/1428816/pinoys-living-longer-poor-health>> (visited 03 March 2023).

⁴⁸ Id., citing a report of the University of the Philippines Population Institute titled “Future Aging in the Philippines: Demographic Trends, Human Capital and Health Status”

⁴⁹ *2015 Fact Sheets on Senior Citizen*. <https://psa.gov.ph/system/files/2015%20Fact%20Sheets%20on%20Senior%20Citizen_pop.pdf?width=950%26height=700%26iframe=true> (visited 03 March 2023).

or enjoyment of senior citizens, **including funeral and burial services for the death of senior citizens**; x x x (Emphasis supplied.)

Implementing the aforesaid provision, Article 7, Rule V of its IRR states:

Article 7. Privileges for the Senior Citizens. – The senior citizens shall be entitled to the following:

Section 4. Discounts from Establishments. – The grant of twenty percent (20%) discount on all prices of goods and services offered to the general public regardless of the amount purchased from all establishments, irrespective of classification, relative to the utilization of services for the exclusive use of senior citizen in the following:

x x x x

e) **FUNERAL PARLORS AND SIMILAR ESTABLISHMENTS** – the beneficiary or any person who shall shoulder the funeral and burial expenses of the deceased senior citizen, shall claim the 20% discount such as casket, embalment, cremation cost and other related services for the senior citizen upon payment and presentation of his/her death certificate. (Emphasis and underscoring supplied.)

A similar language was used in Revenue Regulation No. 04-2006,⁵⁰ which implemented the tax privileges provisions of RA 9257, thus:

SEC. 8. AVAILMENT BY ESTABLISHMENTS OF SALES DISCOUNTS AS DEDUCTION FROM GROSS INCOME. — Establishments enumerated in sub-paragraph (6) hereunder granting sales discounts to senior citizens on the sale of goods and/or services specified thereunder are entitled to deduct the said discount from gross income subject to the following conditions:

x x x x

(6) Only the following business establishments which granted sales discount to senior citizens on their sale of goods and/or services may claim the said discount granted as deduction from gross income, namely:

x x x x

(i) **Funeral parlors and similar establishments** — The beneficiary or any person who shall shoulder the funeral and burial expenses of the deceased senior citizen shall claim the discount, such as casket, embalment, cremation cost and other related services for the senior citizen upon payment and

⁵⁰ Implementing the Tax Privileges Provisions of Republic Act No. 9257, Otherwise Known as the “Expanded Senior Citizens Act of 2003”, and Prescribing the Guidelines for the Availment Thereof. Dated 02 December 2005.

presentation of his [or her] death certificate. (Emphasis and underscoring supplied.)

The 20% discount on funeral and burial services is retained in RA 9994. The pertinent provision reads:

SECTION 4. Section 4 of Republic Act No. 7432, as amended by Republic Act No. 9257, otherwise known as the "Expanded Senior Citizens Act of 2003", is hereby further amended to read as follows:

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

"(a) **the grant of twenty percent (20%) discount** and exemption from the value-added tax (VAT), if applicable, on the sale of the following goods and services from all establishments, for the exclusive use and enjoyment or availment of senior citizens:

X X X X

"(9) on funeral and burial services for the death of senior citizens;

X X X X

"The establishment may claim the discounts granted under subsections (a) and (c) of this section as tax deduction based on the cost of goods sold or services rendered: *Provided*, That the cost of the discount shall be allowed as deduction from gross income for the same taxable year that the discount is granted: *Provided, further*, That the total amount of the claimed tax deduction net of VAT, if applicable, shall be included in their gross sales receipts for tax purposes and shall be subject to proper documentation and to the provisions of the National Internal Revenue Code (NIRC), as amended." (Emphasis supplied.)

The IRR of RA 9994, issued on 18 June 2010, prescribes the guidelines on the implementation of the law. The pertinent provisions on the 20% discount on funeral and burial services read:

ARTICLE 7. *Twenty Percent (20%) Discount and VAT Exemption.*
- The senior citizens shall be entitled to the grant of twenty percent (20%) discount and to an exemption from the value-added tax (VAT), IF APPLICABLE, on the sale of goods and services covered by Section 1 to 6 of this Article, from all establishments, for the exclusive use and enjoyment or availment of senior citizens.

For this purpose, the Department of Finance (DOF) through the Bureau of Internal Revenue (BIR) shall come up with the appropriate Revenue Regulations on the 20% senior citizens discount and VAT exemption

within thirty (30) days from effectivity of these Rules that shall cover among others, new invoicing procedures, reportorial requirements, and a system for claiming tax deductions.

X X X X

SECTION 6. *Funeral and Burial Services.* – The beneficiary or any person who shall shoulder the funeral and burial expenses of the deceased senior citizen, shall claim the discount under this Rule for the deceased senior citizen upon presentation of the death certificate. **Such expenses shall cover the purchase of casket or urn, embalming, cremation cost, and other related services such as viewing or wake cost, pick-up from the hospital morgue, transport of the body to intended burial site in the place of origin, but shall exclude obituary publication and the cost of the memorial lot.** (Emphasis and underscoring supplied.)

Both RA 9257 and RA 9994, in amending RA 7432, do not provide for an exact definition of the term “funeral and burial services.” Notably, the said laws likewise do not limit the scope of the services falling under “funeral and burial services.” Indeed, as stated by Associate Justice Amy C. Lazaro-Javier in her Concurring Opinion, absent a clear legislative intent to the contrary, it would be unreasonable to infer that Congress intended to differentiate between the deceased’s final solace for purposes of granting the 20% discount.

It is a well-settled rule that words of a statute would be interpreted in their natural, plain, and ordinary acceptance and the signification that they have in common use, unless it is evident that the legislature intended a technical or special legal meaning to those words.⁵¹ The term burial is commonly understood to mean the act of placing a dead body in a grave or tomb,⁵² or the ceremony performed when this is done.⁵³ Black’s Law Dictionary defines “burial” as:

Act or process of burying a deceased person; sepulture, interment, act of depositing a dead body in the earth, in the tomb or vault, or in the water. The act of interring the human dead.⁵⁴

⁵¹ *Medicaid Philippines, Inc. v. Commissioner of Internal Revenue*, 808 Phil. 528, 552 (2017); *Aquino v. Commission on Elections*, 756 Phil. 80, 106 (2015); *Romualdez v. Sandiganbayan (Fifth Division)*, 479 Phil. 265, 287 (2004).

⁵² *Merriam-Webster*. <<https://www.merriam-webster.com/dictionary/burial#:~:text=%3A%20the%20act%20of%20placing%20a,from%20Merriam%2DWebster%20on%20burial>> (visited 03 March 2023).

⁵³ *Cambridge Dictionary*. <<https://dictionary.cambridge.org/us/dictionary/english/burial>> (visited 03 March 2023).

⁵⁴ Henry Campbell Black, M.A., *Black’s Law Dictionary* 179 (5th ed., 1979).

Clearly, based on the definition of the term burial⁵⁵ as it is commonly understood, burial service means any service offered or provided in connection with the final disposition, entombment, or interment of human remains. **It follows that burial services necessarily include interment services, such as digging the land for the deceased person's grave, its concreting, and other services being done during the actual burial.**

This conclusion is supported by the IRRs prescribing the guidelines in the application of the 20% discount on funeral and burial services. A comparison of the IRRs of RA 9257 and RA 9994 shows that they are substantially the same, except that the IRR of RA 9994 expounded on the term "other related services," by including a sample list of "services" and excluding two expenses, namely obituary publication and cost of memorial lot.

In ruling that the term "funeral and burial services" does not include interment services, the RTC strictly construed Section 6 of the IRR of RA 9994 as an exclusive list of the services entitled to the 20% discount.

However, in interpreting Section 6 of the IRR of RA 9994, the RTC should have been guided by Article 3 of the same rule, to wit:

Article 3. Construction. These Rules shall be construed and applied in accordance with and in furtherance of the policies and objectives of the law. In case of conflict or ambiguity, the Rules shall be construed liberally and in favor of the senior citizens.

A scrutiny of Section 6 reveals that the enumeration therein is not exclusive as can be gleaned from the phrase, "and other related services such as," which is followed by a sample list of other related services.⁵⁶ The term "such as" is used to introduce a list of examples of "other related services" and is not meant to be an exclusive list. Thus, "such as" is similar to "like" for introducing examples, but is more formal.⁵⁷ Clearly, the phrase, "other related services," does not refer only to the enumerated examples (that is, viewing or wake cost, pick-up from the hospital morgue, transport of the body to intended burial site in the place of origin) as to exclude interment

⁵⁵ Presidential Decree No. (PD) 856 (signed on 23 December 1975), otherwise known as the Code on Sanitation, specifically defines the term burial as "interment of remains in a grave, tomb or the sea." DOH Administrative Order No. 2010-0033 (Revised Implementing Rules and Regulations of PD 856 Code on Sanitation of the Philippines Chapter XXI "Disposal of Dead Persons"), dated 06 December 2010, similarly defines burial as referring to "the interment or burying of the remains of a dead person in a grave or tomb."

⁵⁶ In *Carpio v. Sulu Resources Development Corp.*, 435 Phil. 836, 847 (2002), the Court ruled that "the introductory words in Section 1 of Circular No. 1-91 – 'among these agencies are' – indicate that the enumeration is not exclusive or conclusive and acknowledge the existence of other quasi-judicial agencies which, though not expressly listed, should be deemed included therein."

⁵⁷ *Cambridge Dictionary*. <<https://dictionary.cambridge.org/us/grammar/british-grammar/such-as>> (visited 03 March 2023).

services. More significantly, the provision went on to specifically exclude two services – obituary publication and the cost of the memorial plot – which list does not contain “interment services.”

This interpretation is in keeping with, and in furtherance of, the policies and objectives of the law. In particular, RA 9994 states that Section 4 of Article XV of the Constitution declares that 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. As the vanguard of constitutional guarantees, We have consistently recognized such policy. Thus, in *Carlos Superdrug Corp. v. Department of Social Welfare and Development*,⁵⁸ the Court, ruled that the State, in promoting the health and welfare of a special group of citizens, could validly impose upon private establishments to partly subsidize a government program. Moreover, in *Estoconing v. People*,⁵⁹ the Court reiterated that “the imposition of the senior citizen discount is a valid exercise of the State’s police power to address social justice and human rights.”

Thus, the RTC undoubtedly erred in its strict interpretation of the IRR of RA 9994 and ruling that interment services are not entitled to the 20% discount. The exclusion of interment services from the coverage of the statutorily mandated senior citizen discount is not provided in the law. Corollary, the IRR, which does not expressly exclude interment services, cannot be interpreted to support the conclusion of the RTC. Indeed, a law cannot be amended by a mere regulation, and the administrative agency issuing the regulation may not enlarge, alter, or restrict the provisions of the law it administers.⁶⁰

As aptly stated by former United States President Ronald Reagan, “[f]or all they have achieved throughout life and for all they continue to accomplish, we owe older citizens our thanks and a heartfelt salute.”⁶¹ To show our gratitude, esteem and respect to our senior citizens, who have enriched our society with their valuable service, wisdom, knowledge and experience, it is only just that we grant them all the benefits that they deserve not only during their lifetime but even when they are finally laid to rest. This is our shared duty. The Congress did its part, now it is time to do ours.

WHEREFORE, the Petition is **GRANTED**. The assailed Resolutions dated 18 January 2018 and 22 October 2018 of Branch 17, Regional Trial Court of Cagayan de Oro City in Civil Case No. CV-ORD-2015-215

⁵⁸ 553 Phil. 120, 130-131 (2007).


⁵⁹ G.R. No. 231298, 07 October 2020.

⁶⁰ *Commissioner of Internal Revenue v. Central Luzon Drug Corp.*, 496 Phil. 307, 332 (2005).

⁶¹ *The American Presidency Project*. <<https://www.presidency.ucsb.edu/documents/proclamation-5847-national-senior-citizens-day-1988>> (visited 03 March 2023).

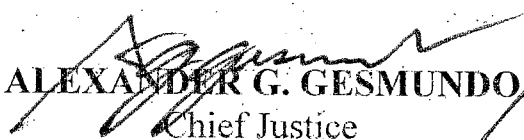
are hereby **SET ASIDE**. We hold that interment services are covered under RA 7432, as amended by RA 9257 and RA 9994, granting 20% discount on the funeral and burial services of senior citizens.

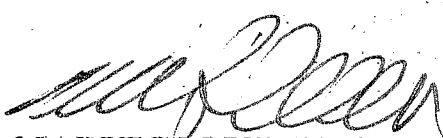
SO ORDERED.

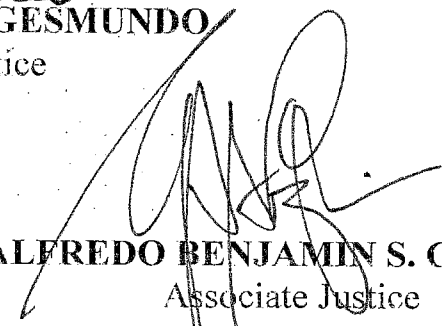


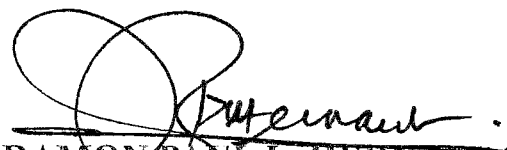
RODIL V. ZALAMEDA
Associate Justice

WE CONCUR:


ALEXANDER G. GESMUNDO
Chief Justice

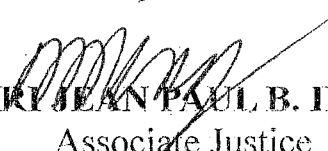

MARVIC M.V.F. LEONEN
Associate Justice

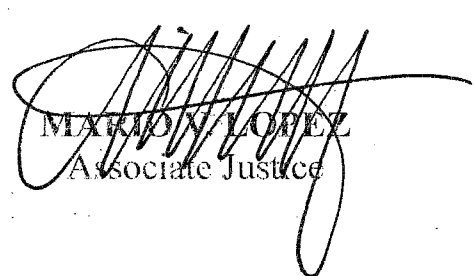

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

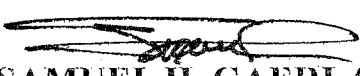

RAMON PAUL L. HERNANDO
Associate Justice

Pls see Concurrences

AMY C. LAZARO-JAVIER
Associate Justice

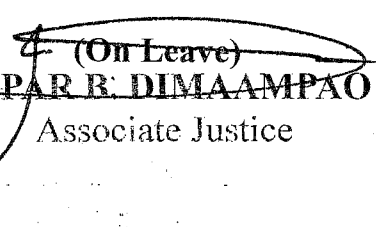

HENRI JEAN PAUL B. INTING
Associate Justice


MARKIO N. LOPEZ
Associate Justice


SAMUEL H. GAERLAN
Associate Justice


RICARDO R. ROSARIO
Associate Justice


JHOSEP N. LOPEZ
Associate Justice

(On Leave)

JAPAR R. DIMAAMPAO
Associate Justice

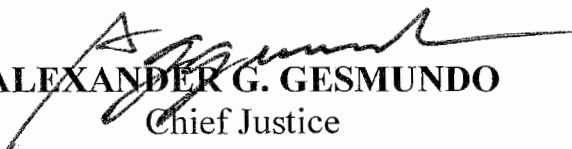

JOSE MIDAS P. MARQUEZ
Associate Justice


ANTONIO T. KHO, JR.
Associate Justice


MARIA FILOMENA D. SINGH
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court.


ALEXANDER G. GESMUNDO
Chief Justice