

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

THIRTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2587



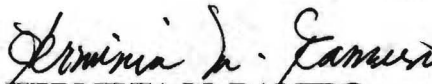
Introduced by: HON. HERMINIA M. RAMIRO

EXPLANATORY NOTE

Republic Act No. 7160 otherwise known as the Local Government Code of 1991 specifically grants awesome powers and responsibilities to local government units (lgu's), including barangays. The said law likewise provides lgu's some leeway in drawing up plans and implementation of benefits intended to them particularly to barangay officials. It is quite unfortunate however that low income lgu's, specially those in far-flung areas cannot provide even a little more than the minimum benefits specifically allowed by law. Needless to say that the members of the Lupon Tagapamayapa, Barangay Tanods and employees of the barangay are not included in such benefits.

Being at the forefront of extending services to the people residing in the smallest political units, who are mostly poor, it is the paramount objective of this measure to grant benefits to all barangay officials and employees. On top of existing benefits provided under the Local Government Code, such benefits include free legal representation, health benefits, GSIS coverage and tax exemption privileges. The granting of such benefits would not be a waste of public funds considering the services rendered by these officials, who even risked their lives just to let the government closer to the people.

The approval of this bill therefore, is earnestly requested.


HERMINIA M. RAMIRO
Representative
2nd Dist., Misamis Occidental

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HOUSE BILL NO. 2587

Introduced by: **HON. HERMINIA M. RAMIRO**

AN ACT
TO PROVIDE INCENTIVES TO ALL BARANGAY OFFICIALS, INCLUDING
BARANGAY TANODS AND MEMBERS OF THE LUPON NG
TAGAPAMAYAPA, AND EMPLOYEES OF THE BARANGAY AND FOR
OTHER PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as the “*Barangay Incentives Act of 2004*”.

SEC. 2. *Declaration of Policy.* – It is the declared policy of the State to promote and enhance the efficiency and responsiveness of barangay officials and employees, who make democracy work at the grassroots level in the smallest political unit called the barangay. Towards this end, the State shall adopt measures and provide such incentives not only to help ensure the faithful performance of the duties and functions of barangay officials and employees but to alleviate their standard of living.

SEC. 3. *Definition.* - As used in this Act, the term barangay officials shall refer to the barangay officials mentioned in Section 387 of Republic Act No. 7160 otherwise known as the Local Government Code of 1991, including barangay tanods and members of the lupong tagapamayapa.

SEC. 4. *Tax Exemption.* – All amounts received by barangay officials, including barangay tanods and members of the Lupong Tagapamayapa, hereinafter referred to as “barangay officials and employees”, as salaries, remuneration and other emoluments, such as honoraria and allowances shall be exempt from taxation. Gross benefits received by such officials and employees of whatever kind or character, shall likewise be exempt from taxation.

SEC. 5. *Exemption from Capital Gains and Transfer Taxes.* – The sale, exchange or disposition of real property by barangay officials and employees shall be exempt from capital gains and other national taxes as long as the proceeds of such sale, exchange or disposition shall be directly and exclusively used by such officials and employees to acquire a house and lot, not exceeding 500 square meters, for family dwelling. The acquisition of such house and lot for family dwelling purposes shall be exempt from any national or local taxes and fees in connection with the transfer and registration of such property in the name of the barangay official or barangay employee concerned.

SEC. 6. *GSIS Coverage.* – All barangay officials and employees shall be considered members of the Government Service and Insurance System (GSIS) and shall be covered with life insurance and security protection, including retirement, disability, separation and unemployment benefits and such other benefits as may be extended by the GSIS, subject to limitations provided by law.

The GSIS shall make special provisions in order to facilitate the inclusion of barangay officials and employees in the benefit coverage of the GSIS.

SEC. 7. *Health Benefits.* – The government medical and health insurance programs under existing laws shall include in their coverage free basic health services and medicines to barangay officials and employees.

SEC. 8. *Legal Representation.* – Barangay officials and employees who may be involved as party litigants in administrative or criminal cases filed in connection with the performance of their official duties shall, as a matter of right, be entitled to free legal services of the Public Attorney's Office (PAO) who shall facilitate the legal representation of such officials and employees by a counsel.

Such benefit of legal representation shall include an exemption from payment of docket and other lawful fees, and of transcripts of stenographic notes which the court may order to be furnished the barangay officials and employees.

SEC. 9. *Implementing Rules and Regulations.* Within six (6) months from the effectivity of this Act, the Department of Interior and Local Government (DILG), in coordination with the Department of Justice, the Department of Health, the GSIS and other agencies concerned, shall promulgate such rules and regulations as may be necessary to implement the provisions of this Act.

SEC. 10. *Repealing Clause.* All laws, orders, rules and regulations which are inconsistent with the provisions of this Act are hereby amended, repealed or modified accordingly.

SEC. 11. *Effectivity Clause.* – This Act shall take effect upon its approval.

Approved,