

Republic of the Philippines
HOUSE OF THE REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
1st Regular Session

House Bill No. 138

Introduced by Honorable Danilo E. Suarez

EXPLANATORY NOTE

The Philippines, to be globally competitive, needs to modernize its information technology and comprehensively implement a computer literacy education program in both the elementary and high school levels. The private education sector has long been introducing its student population to computers, but the public schools, which educate the majority of our young people, remain lagging behind.

Almost always, the culprit is lack of funds to pursue and implement modernization measures in the educational system. Every year, general appropriations for the Department of Education increase, but still lack, in funds for the basics – construction of school buildings, increase in the number of teachers, trainings, printing and/or purchase of new textbooks, among others. Computer literacy education is not a top priority. With the country and the rest of the world reeling to Information Age, a concrete and decisive step should be done to uplift the quality of our public education to international standards.

This bill proposes to impose a seven percent computer education tax on receipts (excluding value-added tax) from cellular phone calls, especially those from blocked calls and dropped calls caused by the inefficiency of mobile phone operators, to be borne by cellular phone companies; this is aimed to start-up and finance the computer literacy education program in public schools nationwide. Our public schools should produce quality and computer-literate graduates. It is the call of the times, our youth need not lag behind their counterparts in the private schools and other countries so as to maintain the high literacy level our people should have in this era of information technology.

In view thereof, approval of this bill is earnestly and urgently sought.



DANILO E. SUAREZ
Representative
3rd District, Province of Quezon

Republic of the Philippines
HOUSE OF THE REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

House Bill No. 138

Introduced by the Honorable Danilo E. Suarez

AN ACT IMPOSING A SEVEN PERCENT COMPUTER EDUCATION TAX ON RECEIPTS (EXCLUDING VALUE-ADDED TAX) FROM CELLULAR PHONE CALLS TO BE BORNE BY CELLULAR PHONE COMPANIES, CREATING A SPECIAL COMPUTER LITERACY EDUCATION FUND FOR PUBLIC SCHOOLS, AND FOR OTHE PURPOSES

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

Section 1. **Creation of Special Computer Literacy Education Fund for Public Schools.** – There is hereby created a Special Computer Literacy Education Fund for Public Schools, including state colleges and universities hereafter referred to as the Special Fund, to be constituted from the proceeds of the tax imposed in Section Three of this Act to promote a comprehensive computer literacy education in public schools, and utilize this knowledge as an effective instrument for the advancement of a globally competitive citizenry through computer technology.

This Special Fund shall be expended exclusively for the programs, projects and activities of the Department of Education in the promotion of computer education in public schools primarily in the elementary and secondary levels, and support the computerization of state colleges and universities.

Section 2. – **Expenditures of the Special Fund subject to Congressional Action.** – Expenditure of the Special Fund shall be in pursuance of the appropriations made by law.

Violation of the provision of Section 4 of this Act shall subject the cellular company to pay the amount of tax that is passed on to its subscribers plus a surcharge of twenty-five percent of the total amount thereof.

Section 7. **Rules and Regulations.** – The Secretary of Finance, the Secretary of Transportation and Communication and the Secretary of Education, in coordination with the Budget Secretary, shall promulgate the rules and regulations relating to the collection, disbursement and utilization of the tax accruing to the Special Computer Education Fund as may be necessary.

Section 8. **Annual Report.** – The Secretary of Education shall submit within fifteen (15) days from the opening of the regular session of Congress to the President of the Philippines, to the President of the Philippine Senate and the Speaker of the House of Representatives, and to the Chairman of the Committee on Ways and Means of both Houses of Congress, an annual report which shall include an account of the programs, projects and detailed expenses undertaken pursuant to this Act.

Section 9. **Separability Clause.** – If any of the sections or provisions of this Act is held invalid, all other provisions not affected thereby shall remain valid.

Section 10. **Repealing Clause.** – All laws, decrees, executive orders, rules and regulations, and other issuances inconsistent with this Act are hereby repealed or modified accordingly.

Section 11. **Effectivity.** – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

APPROVED.

A handwritten signature in dark ink, appearing to be a stylized name, possibly "Chun" or "Chun", with a checkmark-like flourish at the end.