

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 3494

Introduced by Rep. Wilfrido Mark M. Enverga

EXPLANATORY NOTE

As one writer notes "The teacher is an architect of man". He/she designs the destiny of the nation by preparing the blueprint of desirable, innovative, self-reliant, productive and above all, a God fearing Filipino youth. He or she prepares the lesson everyday and does not stop thinking of good things that he/she may add to the improvement of knowledge, attitudes and skills of children so that they would be adequately prepared to face actual life in the near future.

Aside from educating our children, teachers are likewise the most reliable and dedicated public servants. They are being constantly called upon by officials of the local and national governments to assist in various extra-curricular and civic activities which contribute to the welfare of the community and the country, most notable of which is when they are called upon by the government to assist during election period and the gathering during census period.

As of school year 2008-2009, there are 353,280 public elementary school teachers teaching at 37,607 public elementary schools with 12,574,506 elementary school emoltees. In the same school year, the teacher-pupil ratio is 1:36. In the secondary level, there are 138,058 public secondary schools teaching at 5,359 public secondary schools with 5,421,562 secondary student emoltees. This translates to a teacher-student ratio of 1:39.

Public school teachers are among the lowest paid government workers considering the nature and importance of the services they render. This phenomenon has thus resulted in an exodus of our competent teachers who find higher paying jobs and better terms of employment abroad.

It is imperative therefore that to attract the most competent and efficient to the teaching profession, government must provide compensation and benefits commensurate to the work they perform and the contribution they make to the society. However, in difficult times, the government cannot easily provide increase in their salaries and wages hence provisions for non-wage benefits become necessary.

This bill seeks to provide public school teachers exemption to payments of withholding taxes in their salaries and allowances. It is the sincere belief of the undersigned author of this bill that with this privilege of tax exemption more new teachers will be encouraged to accept teaching jobs. It will increase their take home pay and will also encourage teachers to opt to stay in the public school system where we need the brightest of them.

It cannot be ignored that the tax exemption on the income of teachers will mean extra money for them to spare for their other needs and will stop the teachers from availing the high interest loan being offered by usurers to compensate the little take home pay they received.

In view of the foregoing considerations, approval of this bill is highly and earnestly recommended.



WILFRIDO MARK ENVERGA

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12 AN ACT PROVIDING NON-WAGE BENEFITS FOR PUBLIC SCHOOL TEACHERS
13 AND FOR OTHER PURPOSES
14

15 *Be it enacted by the Senate and House of Representatives of the Philippines in*
16 *Congress assembled:*
17

18 **SECTION. 1. *Statement of Policy.*** - It is hereby declared the policy of the State to
19 assign the highest budgetary priority to education and ensure that teaching will attract and retain its
20 rightful share of the best available talents through adequate remuneration and other means of job
21 satisfaction and fulfillment.
22

23 It is further declared a policy and commitment of the State to promote
24 and improve the economic status of all public school teachers, including those in State colleges and
25 universities by increasing their take home pay through exemption from tax all allowances and
26 benefits granted to them.
27

28 **SEC. 2. *Exclusions from Payment of Withholding Taxes.*** - All salaries, wages,
29 allowances and benefits granted to public school teachers, including those in the State colleges and
30 universities at all levels, shall be exempted from the withholding taxes as provided for by pertinent
31 laws, rules and regulations pertaining to withholding taxes.
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1 **SEC. 3. Rules and Regulations.** - The Commissioner of the Bureau of Internal
2 Revenue is hereby authorized to promulgate such rules and regulations as may be necessary to
3 implement the provisions of this Act.
4

5 **SEC. 4. Repealing Clause.** - All laws, decrees, executive orders, letters of
6 instruction, letters of instruction, letters of implementation, rules and regulations, and other
7 issuances inconsistent with any provision of this Act are hereby repealed, modified, superseded or
8 amended accordingly.
9

10 **SEC. 5. Separability Clause.** - If any provision of this Act of the application of
11 such provision to any person or circumstance is held invalid for any reason, the remainder of this
12 Act or the application of such provision to other persons or circumstances shall not be affected
13 thereby.
14

15 **SEC. 6. Effectivity.** - This Act shall take effect fifteen (15) days after its
16 complete publication in any two (2) newspapers of general circulation.
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18 *Approved,*