

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

H. B. No. 4823

Introduced by HONORABLE JUAN EDGARDO "SONNY" M. ANGARA

EXPLANATORY NOTE

The Constitution guarantees that the State shall give priority to education and shall protect and promote the right of all citizens to quality education at all levels, and take appropriate steps to make such education accessible to all.

Given the present problems besetting our educational system, such as shortages in classrooms, teachers, textbooks and computers, among others, it is incumbent for the government to increase its budget allocation for education. However, with the government's limited resources, other means from which the Department of Education can source out funds have to be exhausted, to meet current needs.

This proposed measure thus seeks to augment the present allocation for education through the establishment of a Lottery Education Fund, which shall only be used for the following purposes: construction and repair of schools, purchase of textbooks and computers, and payment of teachers' salaries. Said fund shall be taken from the imposition of a 20% final tax on all income derived from the winnings from the Philippine lottery. With this, it is projected that a chunk of the budget shortage for education shall be addressed.

In view of the foregoing, immediate passage of this bill is earnestly sought.



JUAN EDGARDO M. ANGARA
Lone District
Province of Aurora

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HOUSE BILL NO. 4823

Introduced by: HONORABLE JUAN EDGARDO M. ANGARA

**An Act Providing for a Lottery Education Fund for the Tax Collected from
Winnings from the Philippine Lottery**

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

Section 1. *Tax on Philippine Lottery Winnings.* A final tax at the rate of 20% shall be imposed on all income derived from winnings from the Philippine lottery. Such tax shall be deducted by the Philippine Charity Sweepstakes Office (PCSO) from the prize amount to be collected by the lottery winner, and shall be retained by the PCSO to be turned over to the Department of Education within 30 days from receipt of the lottery winner of his winnings.

Section 2. *Establishment of a Lottery Education Fund.* A lottery educational fund shall be established from the tax collected from the winnings in the Philippine Lottery, which shall be used only for the following:

- a. Payment of Teacher's Salaries;
- b. Creation and Repair of Classrooms;
- c. Purchase of Textbooks; and
- d. Purchase of Computers.

Section 3. *Use of the Lottery Education Fund.* The Department of Education shall be responsible for maintaining and monitoring the Lottery Education Fund. The Fund shall be used by the Department in order to augment its annual budget in the following:

- a. Payment of Teacher's Salaries;
- b. Creation and Repair of Classrooms;
- c. Purchase of Textbooks; and
- d. Purchase of Computers.

Section 4. *Separability Clause.* If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall continue to be in full force and effect.

Section 5. *Repealing Clause.* All laws, decrees, executive orders or rules and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 6. *Effectivity Clause.* This Act shall take effect fifteen (15) days from its publication in the Official Gazette or in at least two (2) newspapers of general circulation.