



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS

Second Regular Session

HOUSE BILL NO. 5700

Introduced by **Honorable Anthony Rolando T. Golez, Jr.**

EXPLANATORY NOTE

The prices of commodities and fuel have increased and are continuing to increase; this poses a great burden to all Filipinos, especially to the low-income and middle-income group. The disallowance of exclusion from the gross income of voluntary contributions to the SSS, GSIS, Pag-Ibig and Philhealth gives another burden to Filipinos.

The proposed legislation intends to exempt all the SSS, GSIS, Pag-Ibig and Philhealth contributions from taxation; whether compulsory or voluntary. In this manner, Filipinos will also be encouraged to make their contributions to SSS, GSIS, Pag-Ibig and Philhealth regular and consistent.

Approval of the bill is earnestly sought.

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"AN ACT EXCLUDING CONTRIBUTIONS TO THE SOCIAL SECURITY SYSTEM (SSS), GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS), HOME DEVELOPMENT MUTUAL FUND (PAG-IBIG), AND PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH) FROM THE GROSS INCOME AND EXEMPTING THE SAME FROM TAXATION"

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

SECTION 1. Title. This Act shall be known as the "Contribution Exemption Act of 2012."

SECTION 2. Declaration of Policy. The State promotes the regular and consistent contribution to the SSS, GSIS, Pag-Ibig and Philhealth. It also recognizes the need to ease the burden of low-income and middle-income groups from further taxation.

SECTION 3. Exclusion of SSS, GSIS, Pag-Ibig and Philhealth Contributions from Gross Income. All contributions in SSS, GSIS, Pag-Ibig and Philhealth, whether mandatory, compulsory or voluntary, shall not be included in the gross income and shall not be subject to taxation.

SECTION 4. Repeal. Any provision of law, decree, executive order, memorandum, rules and regulations or parts thereof inconsistent with the provisions of this Act is hereby repealed or modified accordingly.

SECTION 5. Effectivity. – This Act shall take effect fifteen (15) days after its publication in two (2) newspapers of general circulation.

APPROVED,