



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

SIXTEENTH CONGRESS
SECOND REGULAR SESSION

HOUSE BILL NO. 4790

AN ACT GRANTING COMPANIES TAX CREDITS FOR EMPLOYING EX-CONVICTS

Introduced by Representative Isagani S. Amatong

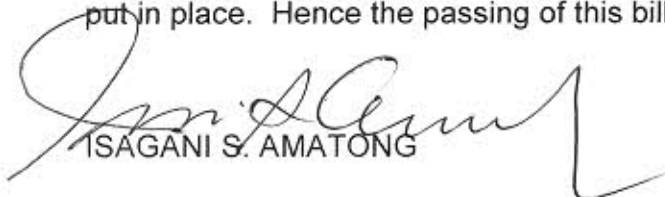
EXPLANATORY NOTE

The Ex Convict Reintegration Law intends to help former offenders to move from economic dependency into self-sufficiency as they earn steady income and become contributing taxpayers, while participating employers are able to reduce their income tax liability.

Given the fact that former convicts consistently face significant barriers to employment, the State must create the mechanism which will successfully reintegrate former offenders to the society. The past criminal record of a potential employee tends to affect his or her chance to be hired due to the social stigma created by the past wrongdoings.

Although the State may not penalize companies for "discriminating" due to company policies, it may give incentives to companies who are bold enough to give these individuals a second chance in life.

In order for these individuals to start anew and to truly live a reformed and productive life, a national policy which will promote acceptance and non discrimination should be put in place. Hence the passing of this bill is earnestly sought.


ISAGANI S. AMATONG

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

SECTION 1. Title- This Act shall be known as "Ex Convict Reintegration Law of 2014"

SECTION 2. Declaration of Policy- The 1987 Constitution provides that " The Congress shall give highest priority to the enactment of measures that protect and enhance the right of all people to human dignity, reduce social, economic and political inequalities, and remove cultural inequities by equitably diffusing wealth and political power for the common good."

SECTION 3. Objectives

The State must help ex convicts, or past offenders restore their dignity by creating an "incentive" system for companies and individuals who would give them the second chance. In doing so, different sectors may learn to look at the past offenders with sense of compassion and acceptance. And by giving them better chance of employment, the State is bound to benefit from the contribution of these future taxpayers.

SECTION 4. Grant of Tax Credit

Any company, or individual who has hired an ex-convict within five years from the service of sentence is entitled to avail of tax credit granted under this Act. The said tax credit should be collected immediately on the next tax period.



This law shall cover all types of past offenders who have successfully served their sentence by reason of full service, parole, pardon or probation.

SECTION 5. Tax Credit

The company or individual is entitled to a tax credit of three thousand pesos or 2% of basic salary of the ex-convict employee, whichever is higher upon the completion of the twelve month period of employment. The company or individual is entitled to a tax credit for the first twenty four months (24) of employment.

SECTION 6. Repealing Clause. – Any provisions of law presidentials decree, executive orders, rules and regulations contrary to the provisions of this Act are hereby repealed or modified accordingly.

SECTION 7. Effectivity. – This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspapers of genral circulation, whichever comes earlier.

Approved

A handwritten signature in black ink, consisting of a stylized 'S' or 'Z' shape with a horizontal line extending to the right.