

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

SEVENTEENTH CONGRESS
Second Regular Session

HOUSE BILL NO. **7703**



Introduced by Rep. Winston "Winnie" Castelo

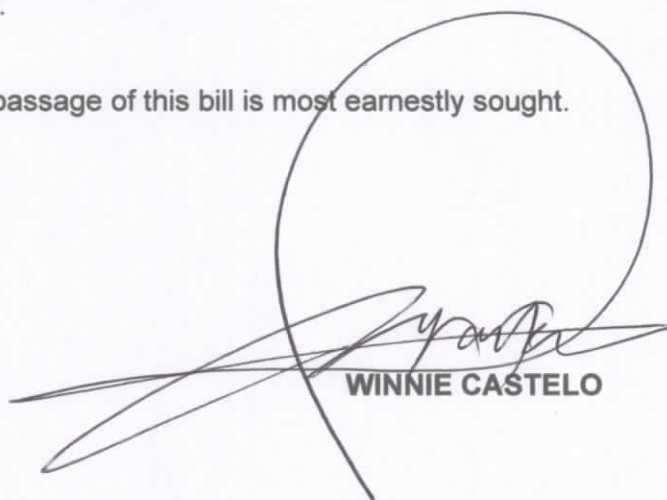
EXPLANATORY NOTE

Teachers have been at the forefront of every electoral exercise in the country. They render their time and energy to protect the sanctity of the ballot and ensure the peaceful conduct of the election. With their immense experience in carrying out this act of public service, teachers also subject their lives to danger.

It is only appropriate that they must be properly compensated for their service and to ensure that the compensation they will receive will not be encumbered by tax.

This proposed measure seeks to exempt compensation, such as allowances or honoraria, earned by teachers serving in national and local elections from income tax to show appreciation to teachers who are true public servants.

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



WINNIE CASTELO

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**"AN ACT EXEMPTING FROM INCOME TAX COMPENSATION GIVEN TO TEACHERS FOR
SERVING AS MEMBERS OF THE ELECTORAL BOARD FOR LOCAL OR NATIONAL
ELECTIONS"**

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

SECTION 1. It is a declared policy of the State to promote and uplift the economic status of teachers and to recognize the public service they are rendering by serving in the Electoral Boards during national and local elections.

SEC 2. Section 24 (A) (1) (a) of Republic Act No. 10963 provides that taxable income, as defined, derived for each taxable year from all sources within and without the Philippines by every individual citizen of the Philippines residing therein, shall be subject to income tax if the taxable income is over P250,000.00. Section 32 of the National Internal Revenue Code of the Philippines defines gross income to include compensation for services in whatever form paid, including, but not limited to fees, salaries, wages, commissions, and similar items.

SEC 2. All compensation received by teachers for rendering services as part of the Electoral Board for the national or local election shall not be included in the computation of gross income and shall be exempt from income tax.

SEC 3. Compensation shall refer to per diem, honoraria, or allowances granted to the Chairperson and members of the Board of Election Inspectors (BEI), Special Board of Election Inspectors (SBEI), Board of Election Tellers (BET), Special Board of Election Tellers (SBET), hereinafter collectively referred to as "Electoral Boards."

SEC. 3. *Implementing Rules and Regulations* - The Commissioner of the Bureau of Internal Revenue shall promulgate such rules and regulations as may be necessary to implement the provision of this Act this within ninety (90) days after the effectivity of this Act.

SEC. 4. *Separability Clause.* – If any provision or section of this Act is held invalid or unconstitutional, the other provisions and sections not affected thereby shall remain in full force and effect.

SEC. 5. *Repealing Clause.* – All laws, presidential decrees, executive orders, or issuances, or any part thereof which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

SEC. 6. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or two (2) newspapers of general circulation.

Approved.