

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

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 10661



Introduced by Rep. Precious Hipolito-Castelo

EXPLANATORY NOTE

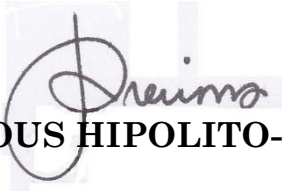
Teachers play important roles during elections. They exert time and energy to protect the sanctity of every ballot and facilitate in the conduct of peaceful and clean election. Because of their indispensable roles in the election, the Commission on Election (COMELEC) made them part of the Electoral Board and granted them compensation for their hard work and service.

It cannot be denied however that there were times that during elections, teachers' lives are put at risks. Despite the dangers, teachers dedicatedly perform their sworn duty and see to it that will of the electorate prevails.

Because of the perils that teachers experience during the elections, it is fair and just that they be properly compensated for the service that they render. In the same manner, it is also appropriate that the compensation they will receive will not be subjected to income tax.

This proposed measure seeks to exempt from income tax, the compensation that teachers receive/ earn by serving in the national and local elections.

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


PRECIOUS HIPOLITO-CASTELO

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AN ACT
EXEMPTING FROM INCOME TAX THE COMPENSATION THAT
TEACHERS RECEIVE/ EARN FOR SERVING AS MEMBERS OF THE
ELECTORAL BOARD DURING THE NATIONAL OR LOCAL
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 Board during the national and local elections.

SECTION 2. Section 24 (A) (1) (a) of the 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.

SECTION 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”.

SECTION 4. *Implementing Rules and Regulations.* The Bureau of Internal Revenue (BIR) and the Commission on Election (COMELEC) shall promulgate the necessary rules and regulations to implement the provision of this Act within ninety (90) days after the effectivity of this Act.

SECTION 5. *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.

SECTION 6. *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.

SECTION 7. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or two (2) newspapers of general circulation.

Approved.