

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL No. 577



Introduced by
ACT Teachers Party-List Rep. ANTONIO L. TINIO
and **KABATAAN Party-List Rep. RENEE LOUISE M. CO**

AN ACT
GRANTING TEACHERS' INCENTIVES, PERCENTAGE DISCOUNT ON
CERTAIN GOODS AND SERVICES, AND OTHER BENEFITS TO PUBLIC
AND PRIVATE SCHOOL TEACHERS AND FOR OTHER PURPOSES

EXPLANATORY NOTE

This bill seeks to mandate business establishments and other enterprises to grant incentives and discounts to public and private school teachers. The special incentives to the teachers are discounts in purchase of books, school supplies or laptop; discounts in cinema, theater, or museum tickets; discounts in transportation fare, and hotel accommodation when attending or participating in a profession-related seminar, workshop, or academic conference; and discounts on printing services for their instructional materials or research.

A provided in the 1987 Constitution, Article XIV, Section 5 (5), "*The State shall assign the highest budgetary priority to education and ensure that teaching will attract and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment.*"

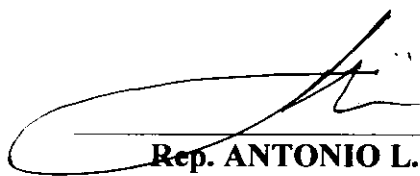
Considering this constitutional mandate, these incentives can help achieve the said goals. As of now, most of the incentives offered to teachers, usually those in private schools, are based on the Memorandum of Agreement between the schools and the bookstores or establishments. In a national scope, the National Bookstore offers a 5% discount for school supplies purchased by teachers, subject to pre-registration.

Power Mac Center offers education pricing for all devices and accessories to students, parents, faculty, and administrators of K-12 schools, colleges and universities.

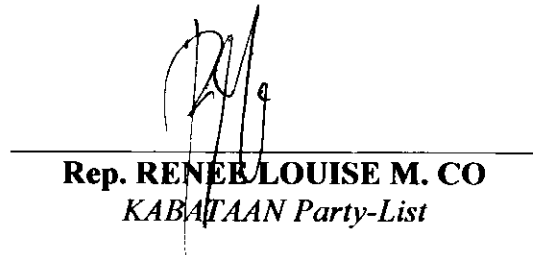
Providing discounts for teachers on books, school supplies, educational gadgets, and cultural shows will certainly ensure that a good number of the best available talents will be attracted to the teaching profession in the Philippines. It will also help teachers to grow professionally. In reality, the salary of an entry-level private school teacher and public school teacher is far behind the decent living wage and not at par with other professionals such as nurses and police officers. The rising inflation rate and sky-rocketing increase of prices of basic goods, commodities and fuel are the additional burden to teachers and these incentives will somehow help them augment the meager salaries they are receiving and improve their teaching profession.

This proposal is pushed along with the proposals from ACT Teachers Party-List and the rest of the Makabayan Bloc for just salaries and benefits and greater state support to the sector of education, including House Bill 203 or *An Act Upgrading the Salary Levels of Public School Teachers to Salary Grade 15 and Teaching Personnel in Higher Education to Salary Grade 16, and Increasing the Salaries of Non-Teaching Personnel to P16,000.*

The swift passage of this bill is earnestly sought.



Rep. ANTONIO L. TINIO
ACT Teachers Party-List



Rep. RENELOUISE M. CO
KABATAAN Party-List

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL No. 577

Introduced by
ACT Teachers Party-List Rep. ANTONIO L. TINIO
and **KABATAAN Party-List Rep. RENEE LOUISE M. CO**

AN ACT
GRANTING TEACHERS' INCENTIVES, PERCENTAGE DISCOUNT ON
CERTAIN GOODS AND SERVICES, AND OTHER BENEFITS TO PUBLIC
AND PRIVATE SCHOOL TEACHERS AND FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* – This Act shall be known as “***Teachers’ Incentives and Percentage Discount on Certain Goods and Services Act (TIPED ACT)***.”

SEC. 2. *Declaration of State Policy.* – Pursuant to Section 5 (5), Article XIV of the 1987 Constitution, the State shall ensure that teaching will attract and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment, such as incentives related to goods and services pertinent to the performance of their teaching functions and will ease their expenses for the same.

SEC. 3. *Coverage.* – This Act shall cover all public and private school teachers, regardless of employment status and regardless of salary rates, and all corporate establishments that operate in the Philippines and/or that provide services to teachers in the Philippines.

SEC. 4. *Exclusion.* – Part-time teachers who have another stable, or full-time job with a monthly salary thrice that of the entry-level salary for a public school teacher, are excluded from this Act. Micro, small, and medium enterprises (MSMEs) as defined under pertinent laws and charity-run enterprises are also excluded from this Act.

SEC. 5. *Covered Goods and Services.* – Upon its effectivity, teachers shall enjoy a twenty-percent (20%) discount on the following goods and services within: (a) purchase of books; (b) purchase of school supplies; (c) purchase of laptop; (d) internet subscription; (e) cinema, theater, or museum tickets; (f) bus or train fares; (g) maritime transportation costs and/or economy airfare when attending or participating in a profession-related seminar, workshop, or academic conference; (h) hotel accommodation when attending or participating in a profession-related seminar, workshop, or academic conference; (i) individual or family hotel accommodation during National Teachers' Month; and (j) printing services for instructional materials and/or research.

SEC. 6. *Exemption from Value-Added Tax (VAT).* – Covered goods and services for the purposes of this Act are exempted from the Value-Added Tax (VAT).

SEC. 7. *Income Tax Deductions for Covered Enterprises.* – The amount of discounts granted in pursuance of this Act shall be allowed as deductions in the computation of taxable income by the covered enterprises granting the discount.

SEC. 8. *Implementing Rules and Regulations.* – Within ninety (90) days after the effectivity of this Act, the Bureau of Internal Revenue, in consultation with representatives of national teachers' organizations and representatives of covered enterprises, shall promulgate the rules and regulations necessary to implement the provisions of this Act.

SEC. 9. *Penalties.* – A covered enterprise that fails to implement the law shall be made to pay a fine amounting to Fifty Thousand Pesos (₱50,000) for the first offense; One Hundred Thousand Pesos (₱100,000) for the second offense; and cancellation of business permit for the third offense.

SEC. 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.

SEC. 6. *Separability Clause.* – If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 7. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,