

TWENTIETH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 4355

Introduced by Rep. CARMELO G. LAZATIN, JR.

AN ACT
BESTOWING TAX INCENTIVES TO PHYSICIANS RENDERING PRO BONO
SERVICES TO INDIGENT PATIENTS

EXPLANATORY NOTE

Improving the health care system proves to be one of the most challenging issues the government needs to address especially with a population that consider themselves poor. In a report issued by the Philippines Statistics Authority entitled “2023 Full Year Official Poverty Statistics”, it showed that the poverty incidence among families was at 10.9% at the national level which represents 2.99 million poor families having incomes below the poverty threshold.

Article XIII of the 1987 Constitution of the Philippines, Section 11 provides that State shall adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. There shall be priority for the needs of the underprivileged sick, elderly, disabled, women, and children. The State shall endeavor to provide free medical care to paupers.

To this end, the government has made significant progress through the implementation of health care programs that include the enactment of Republic Act No. 11223 the Universal Health Care Act, which essentially promotes access affordable and quality health care services. However, the government still has to ensure the preparedness of the workforce and deal with challenges related to service delivery in the implementation of such law.

In a study conducted by Ateneo De Manila researchers which highlighted the workforce hurdles to Universal Health Care in the Philippines, it was found out that the ratio of doctor to patient is 7.92 per 10,000, which is a far cry from the standard ratio of 1:10,000 as prescribed by the World Health Organization.

In addition to this, many health care practitioners are unfortunately opting to seek employment abroad than to serve here due to fiscal constraints and in search for better compensation and employment benefits.

While there are some physicians who willingly volunteer their services especially in far-flung communities, their number is just not sufficient to cope with the ever -growing need for affordable health care services.

Hence, this bill seeks to recognize the efforts of physicians who render pro bono services to underserved communities by giving them tax incentives. With a structured incentive which may be in the form of a discount or tax credit, the State hopes to encourage more physicians to volunteer their services.

In view of the foregoing, the approval of this bill is earnestly sought.


CARMELO G. LAZATIN, JR.



Republic of the Philippines

House of Representatives

Quezon City, Metro Manila

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

1 **SECTION 1.** *Title* - This Act shall be known and cited as “Tax Incentives for Physicians
2 rendering pro bono services Act”.
3

4 **SECTION 2.** *Declaration of Policy*- Article XIII of the 1987 Constitution of the
5 Philippines, Section 11 provides that State shall adopt an integrated and comprehensive approach
6 to health development which shall endeavor to make essential goods, health and other social
7 services available to all the people at affordable cost.

8 To this end, the State shall endeavor to implement programs that promote access to
9 quality and affordable health care services. The State shall augment the workforce for the delivery
10 of health care services by bestowing tax incentives to physicians who render pro bono services to
11 indigent patients.

1 **SECTION 3. *Tax Incentives to Physicians rendering pro bono services to indigent***
2 *patients-* All physicians rendering pro bono services shall be eligible to tax incentives which shall
3 be deducted from their gross income. The Department of Health shall coordinate with the
4 Philippine Medical Association (PMA) to evaluate the pro bono services rendered by physician
5 based on the number of hours and the nature of services they provided.

6 **SECTION 4. *Implementing Rules and Regulations-*** Within thirty (30) days from the
7 effectivity of this law, the Bureau of Internal Revenue shall consult with the DOH and the PMA
8 for the formulation of a structured incentive program for the Physicians who render pro bono
9 services to indigent patients.

10 These government agencies shall develop and promulgate the Implementing Rules and
11 Regulation for the Tax Incentives for the efficient implementation of the provisions of this law.

12 **SECTION 5. *Separability Clause.*** If any provision of this Act is declared
13 unconstitutional or inoperative, the other provisions not so declared shall remain in force and
14 effect.

15 **SECTION 6 *Repealing Clause.*** All laws, decrees, orders, rules and regulation or parts
16 thereof contrary or inconsistent with the provisions of this Act are hereby repealed or modified
17 accordingly.

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

20
21 *Approved,*