



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session
House Bill No. 4503



Introduced by

HON. REPRESENTATIVE LAARNI LAVIN ROQUE
4TH DISTRICT, BUKIDNON

EXPLANATORY NOTE

The responsibility given to teachers and other 'qualified persons' during election is quite extraordinary but risky, ensuring that democracy is alive in the country where violence and machinations by parties of interest often accompany the electoral exercise. While it is not part of their core duties as teachers, they serve as the backbone of electoral processes in the country performing as election officers during elections in the country.

Under Republic Act No. 10756, or the 'Election Service Reform Act', the Chairpersons of Electoral Boards are each entitled to receive P6,000. Members of electoral boards receive P5,000 each, Department of Education Supervisor Officials (DESO) receive P4,000 each, while support staff receive P2,000 each, subject to review by the Commission on Elections (COMELEC) in consultation with the Department of Education (DepEd) every three (3) years since the effectivity of the law.

At present, the honorarium for Filipinos with election duty, whether or not teachers, depends on their role:

- Chair of the Electoral Board (EB)/Special Electoral Board (SEB) – P12,000
- Members of the EB/SEB – P11,000
- Support staff of the EB/SEB, separate voting room for indigenous people, and priority polling places – P8,000

- Department of Education (DepEd) supervising official (DESO) – P11,000
- DESO technical support staff – P9,000
- DESO administrative support staff – P8,000

However, if the annual taxable income of teachers and poll workers exceeds the P250,000 threshold under the Tax Reform for Acceleration and Inclusion (TRAIN) Law, their honoraria and allowances are subject to income tax. Those who earn below P250,000 have to submit a declaration of tax exemptions.

To recall, the Tax Reform for Acceleration and Inclusion (TRAIN) Act brought down the tax-exempt threshold to an annual income—including bonuses and allowance—of P250,000 and below. Conversely, if the annual taxable income which includes the honoraria and allowances of teachers who will serve in the electoral boards exceed P250,000, such honoraria and allowances shall be subject to income tax.

This bill seeks to further amend Section 32 of Republic Act No. 8424 or the National Internal Revenue Code of 1997, as amended, by excluding their honoraria, travel allowances and other benefits from their gross income and exempt from income tax, so that teachers and poll workers who render election service can receive the full amount of these benefits, regardless of whether or not their gross income exceeds the P 250,000.00 annual threshold.

This proposed measure is a small show of support to our teachers and non-teaching personnel for the services they render, considering that elections are special circumstances that do not happen annually, and in many instances are fraught with dangers.

For the foregoing reason, the immediate approval of the bill is earnestly urged.


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AN ACT
EXCLUDING FROM GROSS INCOME THE HONORARIA, TRAVEL ALLOWANCE
AND OTHER BENEFITS GRANTED TO PERSONS RENDERING ELECTION
SERVICE BY THE COMMISSION ON ELECTIONS (COMELEC), AMENDING FOR
THE PURPOSE SECTION 32 OF REPUBLIC ACT NO. 8424, AS AMENDED,
OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE OF
1997, AND FOR OTHER PURPOSES

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

Section 1. Section 32 of Republic Act No. 8424 is further amended to read as follows:

'Section 32. Gross Income –

(A) General Definition. – x x x

(B) Exclusions from Gross Income. - x x x

(1) x x x

x x x

(7) Miscellaneous Items –

(a) x x x

x x xx

(e) *13th Month Pay and Other Benefits.* – Gross benefits received by officials and employees of public and private entities: *Provided, however,* That the total exclusion under this subparagraph shall not exceed Ninety Thousand pesos (P 90,000.00) which shall cover:

(i) x x x

x x x

(iii) Benefits received by officials and employees not covered by Presidential Decree No. 851, as amended by Memorandum Order No. 28 dated August 13, 1985; [and]

(iv) Other benefits such as productivity incentives and Christmas bonus [.] **AND**

(V) HONORARIA, TRAVEL ALLOWANCE AND SUCH OTHER BENEFITS AS MAY BE GRANTED TO PERSONS RENEDERING ELECTION SERVICE BY THE COMMISSION ON ELECTIONS (COMELEC) PURSUANT TO SECTION 4 OF REPUBLIC ACT NO. 10756, OTHERWISE KNOWN AS THE ELECTION SERVICE REFORM ACT.

x x x

Section 2. *Implementing Rules and Regulations* – The Department of Finance (DOF), in consultation with the COMELEC and Department of Education (DepEd), shall promulgate rules and regulations to implement the provisions of this Act within sixty (60) days from its approval.

Section 3. *Separability Clause* – If any provision or part thereof is held invalid or unconstitutional, the remainder of the law or the provisions not otherwise affected shall remain valid and effective.

Section 4. *Effectivity* – This Act shall take effect after fifteen (15) days from its publication in the Official Gazette or in any newspaper of general circulation.

Approved.