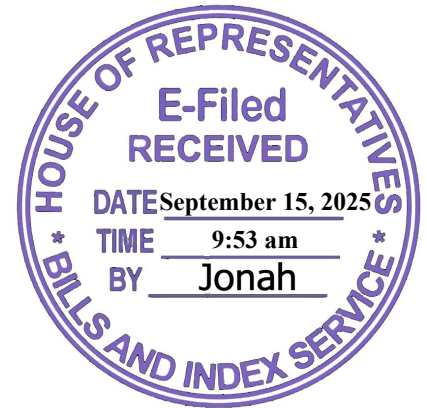


Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**TWENTIETH CONGRESS**  
*First Regular Session*

**HOUSE BILL NO. 4555**



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**Introduced by Representative Roman T. Romulo**

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**EXPLANATORY NOTE**

The 1987 Constitution enshrines the right of all citizens to quality education at all levels and mandates the State to make education accessible to all. However, despite continuing reforms, many public educational institutions- particularly those located in lower-income provinces, cities, and municipalities- continue to face serious challenges such as dilapidated facilities, lack of instructional materials, insufficient technological tools, and limited opportunities for both learners and teachers.

To address these gaps, the State recognizes the importance of encouraging private initiative and strengthening public-private partnerships in education. By incentivizing private individuals and entities to assist in the development, upgrading, and modernization of the public education system, the government seeks to establish meaningful linkages between educational institutions and industries, thereby ensuring not only access to education but also the employability of graduates.

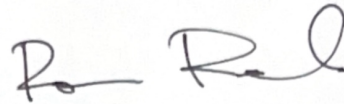
This measure amends the Adopt-a-School Program of 1998 to specifically include early childhood, technical-vocational, and alternative learning systems education. Assistance from private individuals or entities, whether local or foreign, of good standing may be extended in the form of training and capacity-building for teachers, daycare workers, and TVET trainers; the conduct of assessments for work-related certifications; the grant of scholarships; the construction, upgrading, or repair of school facilities; the provision of books, e-learning materials, technical-vocational tools and equipment, health and nutrition packages, and assistive learning devices for learners with special needs; as well as the modernization of instructional technologies.

To encourage participation, adopting individuals or entities may choose either an additional 50% tax deduction on expenses incurred, or name recognition displayed with the school under the program. Additionally, those who hire SHS graduates from their partner public school as regular employees are entitled to a one-time 20% tax deduction on the salaries, wages, and benefits paid to the hired graduate. Furthermore, donations of goods, services, and real property under the Program shall

be exempt from customs duties, value-added tax, excise tax, and donor's tax, provided that such donations are not resold or transferred for material consideration.

This proposed legislation seeks to harness the collective strength of both the government and the private sector to uplift the quality of public education, address resource shortages, and prepare Filipino learners with the knowledge, skills, and competencies necessary for gainful employment and lifelong learning.

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

A handwritten signature in black ink, appearing to read 'Roman T. Romulo', with a stylized flourish at the end.

**ROMAN T. ROMULO**  
Lone District of Pasig City

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**TWENTIETH CONGRESS**  
*First Regular Session*

**HOUSE BILL NO. 4555**

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**Introduced by Representative Roman T. Romulo**

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**AN ACT**  
**FURTHER STRENGTHENING THE INCENTIVES FOR**  
**PRIVATE SECTOR PARTICIPATION IN PUBLIC**  
**EDUCATIONAL INSTITUTIONS, AMENDING FOR THE**  
**PURPOSE REPUBLIC ACT NO. 8525, OTHERWISE KNOWN**  
**AS THE "ADOPT-A-SCHOOL ACT OF 1998"**

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

1       **SECTION 1.** Section 1 of Republic Act No. 8525 is hereby amended as follows:

2               "Section 1. Title. - This Act shall be known and cited as the ["Adopt-a-  
3               School Act of 1998"].] "ADOPT-A-SCHOOL ACT".

4       **SEC. 2.** Section 2 of Republic Act No. 8525 is hereby amended as follows:

5               "Section 2. Declaration of policy. - It is the policy of the State to provide  
6               quality and relevant education to the Filipino youth and to encourage  
7               private initiative to support public education. Towards this end, the State  
8               shall institute programs to [encourage] INCENTIVIZE THE private  
9               [companies and enterprises] SECTOR to [help] ASSIST in the  
10              DEVELOPMENT, upgrading, and modernization of THE COUNTRY'S  
11              public [schools] EDUCATION SYSTEM [in the country, particularly  
12              those in poverty stricken provinces.] AND ESTABLISH PROPER  
13              LINKAGES BETWEEN EDUCATIONAL INSTITUTIONS AND  
14              INDUSTRIES, INCLUDING THE TRAINING AND EMPLOYMENT OF  
15              SENIOR HIGH SCHOOL (SHS) GRADUATES."

16       **SEC. 3.** Section 3 of Republic Act No. 8525 is hereby amended as follows:

1 "Sec. 3. Adopt-a-School Program. - There is hereby established the  
2 "Adopt-a-School Program" which will allow private INDIVIDUALS OR  
3 entities, WHETHER LOCAL OR FOREIGN, OF GOOD STANDING to  
4 assist [a] public [school] EDUCATIONAL INSTITUTIONS, whether  
5 EARLY CHILDHOOD, elementary, secondary, TECHNICAL-  
6 VOCATIONAL EDUCATION AND TRAINING, ALTERNATIVE  
7 LEARNING SYSTEM (ALS), or tertiary, preferably located in [any of the  
8 twenty 20 poorest provinces identified by the Presidential Council for  
9 Countryside Development or any other government agency tasked with  
10 identifying the poorest provinces] THE 4TH 5TH, AND 6TH CLASS  
11 PROVINCES CITIES, AND MUNICIPALITIES AS DETERMINED BY  
12 THE DEPARTMENT OF FINANCE (DOF) AND OTHER LOCAL  
13 GOVERNMENT UNITS (LGUs) EXPERIENCING SEVERE  
14 SHORTAGES, INSUFFICIENT BUDGET OR HAVING NUMEROUS  
15 POOR BUT HIGH PERFORMING LEARNERS in, but not limited to, the  
16 following areas: TRAINING, DEVELOPMENT AND FURTHER  
17 EDUCATION OF SCHOOL HEADS, TEACHERS, INCLUDING  
18 DAYCARE AND CHILD DEVELOPMENT WORKERS, TVET  
19 TRAINERS, FACULTY AND LEARNERS; ASSESSMENTS IN PURSUIT  
20 OF RELEVANT WORK RELATED CERTIFICATIONS AND  
21 CREDENTIALS; SCHOLARSHIPS FOR TEACHERS; REAL ESTATE  
22 PROPERTY [staff and faculty development for training and further  
23 education]; construction of SCHOOL facilities SUCH AS LIBRARIES  
24 AND LABORATORIES AND THOSE RELATED TO POWER, WATER,  
25 AND SANITATION; [upgrading] UPGRADE AND REPAIR of existing  
26 facilities; provision of books, publications, SCHOOL SUPPLIES, and  
27 other instructional materials SUCH AS ELECTRONIC BOOKS (E-  
28 BOOKS), COMPUTERS, FURNITURE, EDUCATIONAL FILMS AND  
29 AUDIO-VISUAL MATERIALS; TECHNICAL VOCATIONAL  
30 LIVELIHOOD (TVL) TOOLS AND EQUIPMENT; HEALTH AND  
31 NUTRITION PACKAGES; ASSISTIVE LEARNING DEVICES AND  
32 EQUIPMENT FOR LEARNERS WITH SPECIAL NEEDS; and  
33 modernization of instructional technologies.

34 "A Memorandum of Agreement (MOA) specifying the details of the  
35 adoption shall be entered into between the adopting INDIVIDUAL OR  
36 entity and the head of the [school] EDUCATIONAL INSTITUTION  
37 concerned: Provided, That such MOA shall be subject to review and  
38 approval of the [Superintendent of Schools-of the province or district  
39 concerned] CONCERNED REGIONAL, PROVINCIAL, OR FIELD  
40 OFFICE OF THE EDUCATIONAL INSTITUTION: Provided, further,  
41 That the agreement shall last for at least two (2) years with the possibility  
42 of extension: Provided, finally, That such period may be shortened only  
43 in cases where the adopting INDIVIDUAL OR entity is dissolved before

1 the end of such period unless otherwise earlier terminated in accordance  
2 with [the-succeeding section] THIS ACT."

3 **SEC. 4.** Insert a new Section under Republic Act No. 8525 as follows, and  
4 renumber the succeeding sections accordingly:

5 "SEC. 4. CREATION AND ESTABLISHMENT OF AN ADOPT-A-  
6 SCHOOL ONE-STOP SHOP. - THE DEPARTMENT OF EDUCATION  
7 (DEPED), COMMISSION ON HIGHER EDUCATION (CHED), AND  
8 TECHNICAL EDUCATION AND SKILLS DEVELOPMENT  
9 AUTHORITY (TESDA), IN COORDINATION WITH THE DOF,  
10 BUREAU OF INTERNAL REVENUE (BIR), THE BUREAU OF  
11 CUSTOMS (BOC), AND THE DEPARTMENT OF INFORMATION AND  
12 COMMUNICATIONS TECHNOLOGY (DICT, SHALL ESTABLISH AND  
13 MAINTAIN AN ADOPT-A-SCHOOL ONE-STOP SHOP AND AN  
14 ONLINE PORTAL TO ADDRESS QUERIES AND CONCERNS FROM  
15 PRIVATE INDIVIDUALS AND ENTITIES INTERESTED IN THE  
16 PROGRAM, TO RECEIVE AND PROCESS APPLICATIONS JOINTLY  
17 WITH THE BIR AND THE BOC."

18 **SEC. 5.** Section 4 of Republic Act No. 8525 is hereby amended as follows:

19 "Section [4] 5. Periodic review. - A review of the adoption shall be  
20 undertaken by the [local school board of the province of city where the  
21 school] CONCERNED REGIONAL, PROVINCIAL, OR FIELD OFFICE  
22 WHERE THE PARTICIPATING SCHOOL is located. The standards and  
23 guidelines for the review shall be formulated by the ADOPT-A-SCHOOL  
24 Coordinating Council created under Sec. [7] 8 hereof. The results of the  
25 review shall be taken into consideration in the assessment of the  
26 application for tax credits by the adopting INDIVIDUAL OR entity. The  
27 [school-board] CONCERNED REGIONAL, PROVINCIAL, OR FIELD  
28 OFFICE may, after an appropriate review, recommend to the ADOPT-A-  
29 SCHOOL Coordinating Council the termination of the adoption. The  
30 adopting INDIVIDUAL OR entity may appeal the assessment to the  
31 ADOPT-A-SCHOOL Coordinating Council whose decision shall be final  
32 and unappealable."

33 **SEC. 6.** Section 5 and 6 of Republic Act No. 8525 are hereby repealed and replaced  
34 with a new Section, as follows:

35 "SEC. 6. INCENTIVES FOR ADOPTING INDIVIDUALS OR ENTITIES.  
36 – NOTWITHSTANDING ANY PROVISION OF EXISTING LAWS TO  
37 THE CONTRARY, ANY ADOPTING INDIVIDUAL OR ENTITY SHALL  
38 BE ENTITLED, AT ITS OPTION, TO AVAIL OF ONLY ONE OF THE  
39 FOLLOWING INCENTIVES: (a) AN ADDITIONAL DEDUCTION  
40 FROM THE GROSS INCOME EQUIVALENT TO FIFTY PERCENT  
41 (50%) OF THE EXPENSES INCURRED FOR THE "ADOPT-A-SCHOOL

PROGRAM", WITH THE VALUATION OF ASSISTANCE OTHER THAN MONETARY DONATION TO BE BASED ON THE ACQUISITION COST OF THE GOODS, SERVICES, OR REAL PROPERTY, AND IN THE CASE OF GOODS OR REAL PROPERTY ALREADY USED, THEIR DEPRECIATED VALUE; OR (b) IN ACCORDANCE WITH EXISTING LAWS AND SUBJECT TO THE IMPLEMENTING RULES AND REGULATIONS, THE PRIVILEGE OF HAVING ITS NAME INSCRIBED BENEATH THE NAME OF THE SCHOOL, ACCOMPANIED BY APPROPRIATE WORDS INDICATING THAT THE SCHOOL IS UNDER THE "ADOPT-A-SCHOOL PROGRAM.

"FURTHER, ADOPTING INDIVIDUALS OR ENTITIES THAT HIRE SENIOR HIGH SCHOOL (SHS) GRADUATES FROM THEIR PARTNER PUBLIC INSTITUTION SHALL BE ENTITLED TO A ONE-TIME ADDITIONAL DEDUCTION EQUIVALENT TO TWENTY PERCENT 20% OF THE SALARIES, WAGES, AND BENEFITS PAID TO THE EMPLOYED SHS GRADUATE: PROVIDED, THAT THE SHS GRADUATE IS HIRED AS A REGULAR EMPLOYEE WITHIN ONE YEAR FROM COMMENCEMENT OF EMPLOYMENT;"

**SEC. 7.** Insert a new Section under Republic Act No. 8525 as follows, and renumber the succeeding sections accordingly:

"SEC. 7. EXEMPTION FROM IMPORT DUTIES, TAXES AND OTHER FEES. - THE DONATED GOODS, REAL PROPERTY, AND SERVICES BY AN ADOPTING INDIVIDUAL OR ENTITY SHALL BE EXEMPT FROM CUSTOMS DUTIES, VALUE-ADDED TAX, EXCISE TAX, AND DONOR'S TAX: PROVIDED, THAT THE DONATIONS SHALL NOT BE RESOLD OR TRANSFERRED FOR MATERIAL CONSIDERATION."

**SEC. 8.** Section 7 or Republic Act No. 8525 is hereby amended as follows:

"Section [7] 8. ADOPT-A-SCHOOL Coordinating Council. - AN ADOPT-A-SCHOOL Coordinating Council, hereinafter referred to as the Council, is hereby created to coordinate and monitor the implementation of this Act. The Council shall be composed of the Secretary of [The Department of Education, Culture and Sports (DECS)] DEPED, as chairperson; the Chairman of [the Commission on Higher Education (CHED)] CHED and the Director General of [the Technical Education and Skills Development Authority (TESDA)] TESDA as co-chairpersons; THE SECRETARY OF THE DEPARTMENT OF TRADE AND INDUSTRY (DTI); THE SECRETARY OF THE DEPARTMENT OF LABOR AND EMPLOYMENT (DOLE); THE COMMISSIONER OF THE BIR and [the chairperson of the Presidential for Countryside Develop (PCCD)-and] a representative, WHO SHALL HAVE A TERM OF THREE (3) YEARS AND MAY BE REAPPOINTED FOR ANOTHER THREE (3) YEARS,

1 from a [national federation of chambers of commerce and industry]  
2 REPUTABLE BUSINESS GROUP to be appointed by the President of the  
3 Philippines, as members.

4 "THE SECRETARIES OF DEPED, DTI, AND DOLE, THE CHAIRMAN  
5 OF CHED, THE DIRECTOR-GENERAL OF TESDA, AND THE  
6 COMMISSIONER OF BIR MAY DESIGNATE THEIR RESPECTIVE  
7 ALTERNATES WITH RANKS NOT LOWER THAN ASSISTANT  
8 SECRETARY OR ITS EQUIVALENT. ALL ALTERNATES SHALL BE  
9 AUTHORIZED TO DECIDE FOR OR ON BEHALF OF THEIR  
10 RESPECTIVE PRINCIPALS.

11 "The Council shall meet once every three (3) months. The chairpersons  
12 and members shall not receive compensation but shall be entitled to  
13 reimbursements for reasonable expenses related to the Council's  
14 activities.

15 "The DEPED [DECS], CHED, [and] TESDA, DTI, DOLE through a  
16 mutual agreement, AND IN COORDINATION WITH DBM, shall each  
17 make provisions for the secretariat of the Council.

18 "THE COUNCIL SHALL COORDINATE WITH NATIONAL  
19 GOVERNMENT AGENCIES (NGAS) AND EXISTING COUNCILS  
20 RELEVANT TO THE IMPLEMENTATION OF THE PROVISIONS OF  
21 THIS ACT."

22 **SEC. 9.** Insert a new Section under Republic Act No. 8525 as follows, and  
23 renumber the succeeding sections accordingly:

24 "SEC. 9. DETERMINATION OF EDUCATION SECTOR NEEDS AND  
25 PRIORITIES. - THE DEPED, CHED, AND TESDA, THROUGH THEIR  
26 RESPECTIVE REGIONAL, PROVINCIAL AND FIELD OFFICES,  
27 SHALL MAKE AN ANNUAL DETERMINATION OF THE NEEDS AND  
28 PRIORITIES OF PUBLIC EDUCATION INSTITUTIONS WITHIN  
29 THEIR LOCATION, WHICH MAY SERVE AS A GUIDE FOR  
30 STRATEGIC INTERVENTIONS IN PARTNERSHIP WITH THE  
31 PRIVATE SECTOR."

32 **SEC. 10.** Implementing Rules and Regulations. - Within sixty (60) days from the  
33 effectivity of this Act, the DepEd, CHED, TESDA, DTI and DOLE in consultation with  
34 the DOF, including the BIR, and the BOC, and the Early Childhood Care and  
35 Development (ECCD) Council Secretariat, shall formulate the implementing rules and  
36 regulations to implement this Act.

37 **SEC. 11.** Transitory Clause. - To prevent any delay in the delivery of goods,  
38 services, and real property, the provisions of Republic Act No. 8525 shall apply to  
39 pending and ongoing transactions and/or donations by adopting individuals or  
40 entities.

1       **SEC. 12.** Repealing Clause. - All laws, decrees, orders, rules, and regulations or  
2 parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

3       **SEC. 13.** Separability Clause. - If any provision of this Act is held invalid or  
4 unconstitutional, the same shall not affect the validity and effectivity of the other  
5 provisions hereof.

6       **SEC. 14.** Effectivity. - This Act shall take effect after fifteen (15) days following its  
7 publication in the Official Gazette or a newspaper of general circulation.

Approved,