

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

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 4761



Introduced by **Representative AGATHA PAULA "AGAY" A. CRUZ**

EXPLANATORY NOTE

Recognizing that educating the nation's future stewards is a shared responsibility, Congress enacted Republic Act No. 8525 (Adopt-a-School Act of 1998) more than two decades ago. It was a bold move to tap the private sector in addressing the challenges in public education, especially in the poorest provinces.

Today, we face a very different educational landscape. The K-to-12 program has reshaped basic education. Senior High School (SHS) graduates are now joining the workforce. Technical-Vocational Education and Training (TVET) has expanded. The Alternative Learning System (ALS) has become a lifeline for out-of-school youth and adult learners. Early childhood education is now recognized as the foundation of lifelong learning. The same challenges, however, persist – classroom shortages, insufficient teacher training, and weak institutional support.

The Adopt-a-School Program must evolve with these realities. This bill seeks to modernize and expand the program by making it more inclusive, more transparent, and more responsive to the needs of learners, teachers, and communities. It widens the scope from the original focus on the 20 poorest provinces to fourth and fifth class provinces, cities, and municipalities, and now covers early childhood centers, ALS, TVET institutions, and state universities and colleges.

It likewise recognizes that private sector support must be properly incentivized and effectively managed. Thus, the measure introduces clearer and harmonized tax incentives, including deductions for scholarships, training, and the hiring of SHS graduates, while also tightening valuation, auditing, and anti-abuse mechanisms.

To ensure that support does not get lost in bureaucracy, the measure mandates the creation of an Adopt-a-School One-Stop Shop and Online Portal, where private partners can see view priority needs, submit applications, and track results. This will be complemented by an annual needs determination to align donations with actual local priorities.

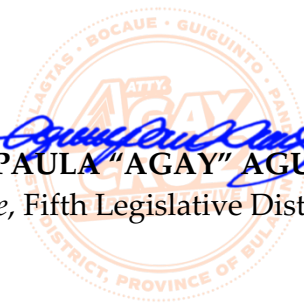
The bill also reorganizes the Adopt-a-School Coordinating Council to include more relevant agencies and a reputable private sector representative, and clarifies its secretariat functions, transparency, and reporting duties.

Taken together, this bill reflects a shift from one-off donations to strategic, performance-driven partnerships. It transforms school adoption from an act of charity into a sustainable, long-term investment in our learners and our future workforce.

In view of the foregoing, and in the spirit of making our classrooms brighter and our partnerships stronger, the swift enactment of this measure is most earnestly sought.



AGATHA PAULA "AGAY" AGUILAR CRUZ
Representative, Fifth Legislative District of Bulacan



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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 the House of Representatives of the Philippines in Congress assembled:

1 **Section 1.** Section 1 of Republic Act (R.A.) No. 8525, otherwise known as the
2 “Adopt-a-School Act of 1998”, is hereby amended to read as follows:

3
4 “Section 1. *Title.* - This Act shall be known and cited as the “Adopt-
5 a-School Act of [~~1998~~] 2025”.

6
7 **Section 2.** Section 2 of the same Act is hereby amended to read as follows:

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

20
21 **Section 3.** Section 3 of the same Act is hereby amended to read as follows:

22
23 “Section 3. *Adopt-a-School Program.* - There is hereby established the

1 “Adopt-a-School Program” which will allow private INDIVIDUALS OR
2 entities, WHETHER LOCAL OR FOREIGN, OF GOOD STANDING to
3 assist [a] public [school] EDUCATIONAL INSTITUTIONS, whether
4 EARLY CHILDHOOD, [elementary, secondary,] BASIC EDUCATION,
5 INCLUDING THE ALTERNATIVE LEARNING SYSTEM (ALS),
6 TECHNICAL-VOCATIONAL EDUCATION AND TRAINING (TVET),
7 or [tertiary] HIGHER EDUCATION, 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 FOURTH (4TH) AND FIFTH (5TH)
11 CLASS PROVINCES, CITIES, AND MUNICIPALITIES AS
12 DETERMINED BY THE DEPARTMENT OF FINANCE (DOF) AND
13 OTHER LOCAL GOVERNMENT UNITS (LGUs) EXPERIENCING
14 SEVERE SHORTAGES, INSUFFICIENT BUDGET, OR HAVING
15 NUMEROUS POOR BUT HIGH PERFORMING LEARNERS in, but not
16 limited to, the following areas:

- 17
- 18 (a) TRAINING, DEVELOPMENT, AND FURTHER
19 EDUCATION OF SCHOOL HEADS, TEACHERS,
20 INCLUDING DAYCARE AND CHILD DEVELOPMENT
21 TEACHERS AND WORKERS, TVET TRAINERS, FACULTY
22 AND LEARNERS;
- 23 (b) ASSESSMENTS IN PURSUIT OF RELEVANT WORK-
24 RELATED CERTIFICATIONS AND CREDENTIALS;
- 25 (c) SCHOLARSHIPS FOR TEACHERS; REAL ESTATE
26 PROPERTY [staff and faculty development for training and
27 further education];
- 28 (d) construction of SCHOOL facilities SUCH AS LIBRARIES AND
29 LABORATORIES AND THOSE RELATED TO POWER,
30 WATER, AND SANITATION;
- 31 (e) [upgrading] UPGRADE AND REPAIR of existing facilities;
- 32 (f) provision of books, publications, SCHOOL SUPPLIES, and
33 other instructional materials SUCH AS ELECTRONIC BOOKS
34 (E-BOOKS), COMPUTERS, FURNITURE, EDUCATIONAL
35 FILMS AND AUDIO-VISUAL MATERIALS;
- 36 (g) TECHNICAL VOCATIONAL LIVELIHOOD (TVL) TOOLS
37 AND EQUIPMENT;
- 38 (h) HEALTH AND NUTRITION PACKAGES;
- 39 (i) ASSISTIVE LEARNING DEVICES AND EQUIPMENT FOR
40 LEARNERS WITH DISABILITIES; and
- 41 (j) modernization of instructional technologies.
- 42

43 A Memorandum of Agreement (MOA) specifying the details of the
44 adoption shall be entered into between the adopting INDIVIDUAL OR

1 entity and the head of the [school] EDUCATIONAL INSTITUTION
2 concerned: *Provided*, That such MOA shall be subject to review and
3 approval of the [~~Superintendent of Schools of the province or district~~]
4 concerned **FIELD OFFICE OF THE EDUCATIONAL INSTITUTION**:
5 *Provided, further*, That the agreement shall last for at least two (2) years with
6 the possibility of extension: *Provided, finally*, That such period may be
7 shortened only in cases where the adopting **INDIVIDUAL OR** entity is
8 dissolved before the end of such period unless otherwise earlier terminated
9 in accordance with [~~the succeeding section~~] **THIS ACT.**"

10
11 **Section 4.** Insert a new Section under R.A. No. 8525 to read as follows, and
12 renumber the succeeding sections accordingly:

13
14 **"SECTION 4. LOCAL GOVERNMENT UNIT PARTICIPATION. -**
15 **THE DEPARTMENT OF EDUCATION (DEPED), COMMISSION ON**
16 **HIGHER EDUCATION (CHED), AND TECHNICAL EDUCATION**
17 **AND SKILLS DEVELOPMENT AUTHORITY (TESDA), IN**
18 **COORDINATION WITH THE DEPARTMENT OF THE INTERIOR**
19 **AND LOCAL GOVERNMENT (DILG), SHALL ENSURE THE ACTIVE**
20 **PARTICIPATION OF LGUS IN IDENTIFYING PUBLIC**
21 **EDUCATIONAL INSTITUTIONS ELIGIBLE FOR ADOPTION,**
22 **DETERMINING PRIORITY INTERVENTIONS, AND MONITORING**
23 **PROGRAM IMPLEMENTATION WITHIN THEIR JURISDICTION.**
24 **LGUS MAY ENTER INTO CO-MANAGEMENT OR CO-FUNDING**
25 **ARRANGEMENTS WITH ADOPTING INDIVIDUALS OR ENTITIES,**
26 **SUBJECT TO APPLICABLE LAWS AND REGULATIONS."**

27
28 **Section 5.** Insert a new Section under R.A. No. 8525 to read as follows, and
29 renumber the succeeding sections accordingly:

30
31 **"SECTION 5. CREATION AND ESTABLISHMENT OF AN ADOPT-A -**
32 **SCHOOL ONE-STOP SHOP AND ONLINE PORTAL. - THE DEPED, CHED,**
33 **AND TESDA, IN COORDINATION WITH THE DOF, BUREAU OF**
34 **INTERNAL REVENUE (BIR), THE BUREAU OF CUSTOMS (BOC), AND THE**
35 **DEPARTMENT OF INFORMATION AND COMMUNICATIONS**
36 **TECHNOLOGY (DICT), SHALL ESTABLISH AND MAINTAIN AN ADOPT-**
37 **A-SCHOOL ONE-STOP SHOP AND AN ONLINE PORTAL TO ADDRESS**
38 **QUERIES AND CONCERNS FROM PRIVATE INDIVIDUALS AND**
39 **ENTITIES INTERESTED IN THE PROGRAM, TO RECEIVE AND PROCESS**
40 **APPLICATIONS JOINTLY WITH THE BIR AND THE BOC, AND TO HOSE A**
41 **PUBLICLY ACCESSIBLE DATASBASE OF ALL ACTIVE AND COMPLETED**
42 **ADOPTIONS, THE NATURE AND VALUE OF DONATIONS RECEIVED,**
43 **INCENTIVES GRANTED, AND KEY OUTCOMES ACHIEVED, UPDATED**
44 **AT LEAST ONCE EVERY SIX (6) MONTHS AND COMPLIANT WITH**

1 **REPUBLIC ACT NO. 10173, OR THE ‘DATA PRIVACY ACT OF 2012.’”**
2

3 **Section 6.** Section 4 of R.A. No. 8525 is hereby amended to read as follows:
4

5 “Section [4] **6. Periodic Review.** - A review of the adoption shall be
6 undertaken by the [~~local school board of the province or city where the~~
7 ~~school~~] **CONCERNED FIELD OFFICE WHERE THE PARTICIPATING**
8 **SCHOOL** is located. The standards and guidelines for the review shall be
9 formulated by the **ADOPT-A-SCHOOL** Coordinating Council created
10 under Sec. [7] **8** hereof. The results of the review shall be taken into
11 consideration in the assessment of the application for tax credits by the
12 adopting **INDIVIDUAL OR** entity. The [~~school board~~] **CONCERNED**
13 **FIELD OFFICE** may, after an appropriate review, recommend to the
14 **ADOPT-A-SCHOOL** Coordinating Council the termination of the
15 adoption. The adopting **INDIVIDUAL OR** entity may appeal the
16 assessment to the **ADOPT-A-SCHOOL** Coordinating Council whose
17 decision shall be final and unappealable.”
18

19 **Section 7.** Sections 5 and 6 of the same Act are hereby repealed and replaced with
20 a new Section to read as follows:
21

22 “**SECTION 7. INCENTIVES FOR ADOPTING INDIVIDUALS OR**
23 **ENTITIES.** - PROVISIONS OF EXISTING LAWS TO THE CONTRARY
24 NOTWITHSTANDING, ADOPTING INDIVIDUALS OR ENTITIES
25 SHALL ENJOY THE FOLLOWING INCENTIVES:
26

- 27 a) **ADDITIONAL DEDUCTION FOR EXPENSES INCURRED**
28 **FOR THE ADOPTION – SCHOLARSHIPS FOR TEACHERS**
29 **AND LABOR TRAINING EXPENSES INCURRED BY THE**
30 **ADOPTING INDIVIDUALS OR ENTITIES FOR THE**
31 **“ADOPT-A-SCHOOL PROGRAM” SHALL BE ALLOWED**
32 **AN ADDITIONAL DEDUCTION FROM THE GROSS**
33 **INCOME EQUIVALENT TO FIFTY PERCENT (50%) OF**
34 **SUCH EXPENSES: PROVIDED, THAT THE ADOPTING**
35 **INDIVIDUALS OR ENTITIES SHALL SECURE PROPER**
36 **CERTIFICATION FROM THE DEPED, CHED, OR TESDA:**
37 **PROVIDED, FURTHER, THAT SUCH DEDUCTION SHALL**
38 **NOT EXCEED TEN PERCENT (10%) OF DIRECT LABOR**
39 **WAGE: PROVIDED, FINALLY, THAT ADOPTING**
40 **INDIVIDUALS OR ENTITIES THAT IMPLEMENT A**
41 **REGISTERED ENTERPRISE-BASED EDUCATION AND**
42 **TRAINING (EBET) PROGRAM SHALL BE ALLOWED TO**
43 **AVAIL THE DEDUCTIBLE TRAINING EXPENSE AS**
44 **PROVIDED UNDER SECTION 20 OF REPUBLIC ACT NO.**

12063 OR THE "ENTERPRISE-BASED EDUCATION AND TRAINING (EBET) FRAMEWORK ACT".

VALUATION OF ASSISTANCE OTHER THAN MONEY SHALL BE BASED ON THE ACQUISITION COST OR DEPRECIATED VALUE, WHICHEVER IS LOWER, SUPPORTED BY A SWORN STATEMENT AAND DOCUMENTARY EVIDENCE, SUBJECT TO POST-AUDIT BY THE COMMISSION ON AUDIT (COA).

b) *ONE-TIME ADDITIONAL DEDUCTION FOR HIRING OF PUBUC SENIOR HIGH SCHOOL (SHS) GRADUATES - ADOPTING INDIVIDUALS OR ENTITIES WHO HIRE SENIOR HIGH SCHOOL (SHS) GRADUATES FROM THEIR PARTNER PUBLIC INSTITUTION SHALL ENJOY AN 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 REGULARLY EMPLOYED FOR AT LEAST ONE YEAR: PROVIDED, FURTHER, THAT INCENTIVES UNDER THIS ACT SHALL NOT BE AVAILED SIMULTANEOUSLY WITH SIMILAR INCENTIVES UNDER OTHER LAWS OF FOR THE SAME HIRES."*

c) *ADDITIONAL INCENTIVES - IN ACCORDANCE WITH EXISTING LAWS AND SUBJECT TO THE IMPLEMENTING RULES AND REGULATIONS, THE ADOPTING INDIVIDUAL OR ENTITY SHALL BE ENTITLED TO HAVE ITS NAME PLACED ON DONATED FACILITIES OR EQUIPMENT SUBJECT TO DEPED, CHED, OR TESDA GUIDELINES. THE NAME OF THE EDUCATIONAL INSTITUTION ITSELF SHALL REMAIN UNCHANGED UNLESS OTHERWISE PROVIDED BY LAW."*

Section 8. Insert a new Section under R.A. No. 8525 to read as follows, and renumber the succeeding sections accordingly:

"SECTION 8. 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.”

Section 9. Section 7 of the same Act is hereby amended to read as follows:

“Section [7] **9. 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 **FOLLOWING:**

- (a) Secretary of [~~the Department of Education, Culture and Sports (DECS)~~] **DEPED**, as chairperson;
- (b) [~~the Chairman~~] **CHAIRPERSON** of [~~the Commission on Higher Education (CHED)~~] **CHED**, AS CO-CHAIPERSON; [~~and the~~]
- (c) Director-General of [~~the Technical Education and Skills Development Authority (TESDA)~~] **TESDA**, as co-chairperson[s];
- (d) **SECRETARY OF THE DEPARTMENT OF TRADE AND INDUSTRY (DTI), AS MEMBER;**
- (e) **SECRETARY OF THE DEPARTMENT OF LABOR AND EMPLOYMENT (DOLE), AS MEMBER;**
- (f) **COMMISSIONER OF THE BIR, AS MEMBER;**
- (g) **COMMISSIONER OF THE BOC, AS MEMBER;** and [~~the chairperson of the Presidential Council for Countryside Development (PCCD), and a]~~
- (h) **ONE PRIVATE SECRTOR representative FROM A REPUTABLE NON-GOVERNMENT ORGANIZATION ENGAGED IN THE EDUCATION SECTOR, [from a national federation of chambers of commerce and industry] to be appointed by the President of the Philippines[–as members.] FROM A LIST OF NOMINEES SUBMITTED BY THEIR RESPECTIVE ORGANIZATIONS, AS MEMBER.**

THE PRIVATE SECTOR REPRESENTATIVE SHALL SERVE A TERM OF THREE (3) YEARS AND MAY BE REAPPOINTED FOR ANOTHER THREE (3) YEARS.

APPOINTMENT TO ANY VACANCY IN THE COUNCIL SHALL ONLY BE FOR THE UNEXPIRED TERM OF THE PREDECESSOR. HEADS OF AGENCIES MAY DESIGNATE THEIR RESPECTIVE ALTERNATES WITH RANKS NOT LOWER THAN ASSISTANT SECRETARY OR ITS EQUIVALENT. ALL ALTERNATES SHALL BE AUTHORIZED TO DECIDE FOR OR ON BEHALF OF THEIR RESPECTIVE PRINCIPALS.

The Council shall meet once every three (3) months. The

1 chairpersons and members shall not receive compensation but shall be
2 entitled to reimbursements for reasonable expenses related to the Council's
3 activities.

4
5 The **DEPED** [~~DECS~~], **CHED**, [~~and~~] **TESDA**, **DTI**, **AND DOLE**,
6 through a mutual agreement, **AND IN COORDINATION WITH DBM**,
7 shall each make provisions for the secretariat of the Council.

8
9 **THE COUNCIL SHALL COORDINATE WITH NATIONAL**
10 **GOVERNMENT AGENCIES (NGAs) AND EXISTING INTER-**
11 **AGENCY BODIES RELEVANT TO THE IMPLEMENTATION OF THE**
12 **PROVISIONS OF THIS ACT."**

13
14 **Section 10.** Insert a new Section under R.A. No. 8525 to read as follows, and
15 renumber the succeeding sections accordingly:

16
17 **"SECTION 10. DETERMINATION OF EDUCATION SECTOR**
18 **NEEDS AND PRIORITIES. - THE DEPED, CHED, AND TESDA,**
19 **THROUGH THEIR RESPECTIVE REGIONAL, PROVINCIAL AND**
20 **FIELD OFFICES, SHALL MAKE AN ANNUAL DETERMINATION OF**
21 **THE NEEDS AND PRIORITIES OF PUBLIC EDUCATION**
22 **INSTITUTIONS WITHIN THEIR LOCATION, WHICH MAY SERVE**
23 **AS A GUIDE FOR STRATEGIC INTERVENTIONS IN PARTNERSHIP**
24 **WITH THE PRIVATE SECTOR. THE RESULTS SHALL BE POSTED ON**
25 **THE ADOPT-A-SCHOOL ONLINE PORTAL."**

26
27 **Section 11. Implementing Rules and Regulations.** – Within sixty (60) days from the
28 effectivity of this Act, the DepEd, CHED, TESDA, DTI and DOLE, in consultation with
29 the DOF, including the BIR, and the BOO, and the Early Childhood Care and
30 Development (ECCD) Council Secretariat, shall formulate the implementing rules and
31 regulations to implement this Act. The DOF shall issue guidelines to harmonize incentives
32 under this Act with existing laws.

33
34 **Section 12. Transitory Clause.** – To prevent any delay in the delivery of goods,
35 services, and real property, the provisions of R.A. No. 8525 shall still apply to pending
36 and ongoing transactions and/or donations by adopting individuals or entities.

37
38 **Section 13. Separability Clause.** – If any part or provision of this Act is held
39 unconstitutional or invalid, the remainder thereof not otherwise affected shall remain in
40 full force and effect.

41
42 **Section 14. Repealing Clause.** – All laws, decrees, executive orders, rules, and
43 regulations, or parts thereof inconsistent with the provisions of this Act are hereby
44 repealed or modified accordingly.

1
2 **Section 15. *Effectivity.*** – This Act shall take effect fifteen (15) days following the
3 completion of its publication in the *Official Gazette* or in a newspaper of general circulation.
4

5 *Approved,*