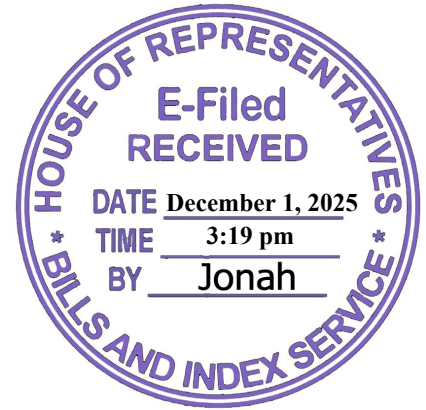


TWENTIETH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



**HOUSE OF REPRESENTATIVES**

**HOUSE BILL NO. 6504**

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**Introduced by Rep. CARMELO G. LAZATIN, JR.**

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**AN ACT  
GRANTING TAX DEDUCTIONS TO QUALIFIED PARENTS AND LEGAL  
GUARDIANS OF CHILDREN WITH SPECIAL NEEDS**

**EXPLANATORY NOTE**

Raising children with special needs significant sacrifices and often requires expensive treatments and therapies. Beyond the economic challenges of rearing children with special needs, the parents, legal guardians, and relatives also advocate to secure their children’s inclusion in government programs.

According to a 2022 study by the United Nations Children’s Fund (UNICEF) in 2022, there are approximately 1.6 million Filipino children with disabilities.<sup>1</sup>

Meanwhile, the Department of Education (DepEd) records for School Year 2016-2017 show that there were 232,975 learners with disabilities or learning exceptionalities that were mainstreamed in regular classes.<sup>2</sup> These figures only account for learners diagnosed by a licensed specialist and do not represent all children with special needs.

Given the number of children with disabilities, there is a dire need for the government to step in and provide support to the parents and legal guardians to improve these children’s opportunities and well-being.

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<sup>1</sup> Cost of Raising Children with Disabilities in the Philippines. Available at [https://www.unicef.org/philippines/media/5941/file/Full%20report%20-%20cost%20of%20raising%](https://www.unicef.org/philippines/media/5941/file/Full%20report%20-%20cost%20of%20raising%20)

<sup>2</sup> Facts in Figures. <https://cpbrd.congress.gov.ph/wp-content/uploads/2023/09/FF2023-17-Special-Education-Profile-in-the-Phil-1.pdf>

For this reason, this legislation seeks to grant tax deductions to qualified parent or legal guardian of children with special needs, enabling them to utilize such amounts for treatment, diagnostic evaluations by a medical professional, tutoring, transportation expenses to and from school or medical facilities, and specialized instructional materials or assistive devices.

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

  
CARMELO G. LAZATIN, JR.



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

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**GUARDIANS OF CHILDREN WITH SPECIAL NEEDS**

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

**SECTION 1.** *Short Title.* – This Act shall be known as the “*Parents and Legal Guardians of Children with Special Needs Tax Deductions Act.*”

**SECTION 2.** *Declaration of Policy.* – Article II, Section 13 of the 1987 Philippine Constitution provides that the State recognizes the vital role of the youth in nation-building and shall promote and protect their physical, moral, spiritual, intellectual, and social well-being. It shall inculcate in the youth patriotism and nationalism, and encourage their involvement in public and civic affairs.

To this end, the State shall pursue inclusion of persons with special needs in government programs and provide necessary support not only to them but also to their parents and legal guardians through the grant of tax deductions.

1           **SECTION 3. *Definition of Terms.*** – For the purposes of this Act, the following terms shall  
2 mean:

3           a) **Children with Special Needs (CSNs)** – Persons aged eighteen (18) years old and below  
4           who are either intellectually gifted or fast learners, or who have disabilities,  
5           impairments, or handicaps that make learning and other activities difficult and/or  
6           require special attention and services to facilitate their rehabilitation. They may be  
7           classified as follows:

8                   1. *Children with Physical/Orthopedic Disability* – Those who have limitations on the  
9                   use of limbs or other physical functions;

10                   2. *Children with Intellectual Disability* – Those with conditions involving slow  
11                   progress in mental development;

12                   3. *Children with Mental Disability* – Those with mental illnesses or disorders  
13                   affecting mood, thinking, and behavior, such as schizophrenia or bipolar disorder;

14                   4. *Children with Psychosocial Disability* – Those with psychological or social  
15                   conditions affecting their ability to interact with others and function in daily life;

16                   5. *Children with Visual Disability* – Those with impairment of visual functioning that  
17                   persists even after treatment or correction, with a specific level of vision loss;

18                   6. *Children with Hearing Disability* – Those who are deaf or hard-of-hearing;

19                   7. *Children with Learning Disability* – Those with conditions that make it difficult to  
20                   focus, comprehend, or retain information, such as dyslexia or dysgraphia;

21                   8. *Children with Speech and Language Impairment* – Those with disorders related to  
22                   speech, rhythm, or the understanding and expression of language;

23                   9. *Children with Disability due to Chronic Illness* – Those with disabilities resulting  
24                   from long-term or chronic disease, such as blindness due to diabetic retinopathy or  
25                   physical limitations due to cancer;

26                   10. *Children with Autism* – Those with developmental disabilities affecting social  
27                   communication and interaction, along with restricted and repetitive behaviors;

28           b) **Youth with Special Needs (YSN)** – Individuals aged fifteen (15) to twenty-four (24)  
29           years old with the same characteristics as CSNs;

30  
31           c) **Qualified Children and Youth with Special Needs** – Legitimate, illegitimate, or legally  
32           adopted children or youth who are dependent and living with the taxpayer. This also  
33           includes children and youth with special needs placed under the legal custody of an  
34           immediate family or relative;

35

36 **SECTION 4** *Deduction from Taxable income.* – A qualified taxpayer shall be granted a  
37 deduction of Fifty Thousand Pesos (P50,000.00) from taxable income, provided that said  
38 amount is used for any of the following

- 39 1) Therapy;
- 40 2) Diagnostic evaluations by a medical professional;
- 41 3) Tutoring;
- 42 4) Transportation expenses to and from a school or medical facility;
- 43 5) Specialized instructional materials or assistive devices.

44 To qualify, the parent or legal guardian must provide more than half of the total financial  
45 support for the child or youth with special needs.

46 **SECTION 5.** *Implementing Rules and Regulations.* – The Bureau of Internal Revenue  
47 (BIR), in coordination with the Department of Education (DepEd)– Special Education Division  
48 and the Department of Health (DOH) shall promulgate the relevant implementing rules and  
49 regulations to carry out the objectives of this Act, within ninety (90) days from its effectivity.

50 **SECTION 6.** *Appropriations.* – The funding for the initial implementation of this Act  
51 shall be taken from the current year appropriation of the BIR and thereafter, shall be included in  
52 the General Appropriations Act.

53 **SECTION 7.** *Separability Clause.* – If any part or provision of this Act is declared invalid  
54 or unconstitutional, the other parts hereof not affected thereby shall remain valid.

55  
56 **SECTION 8.** *Repealing Clause.* – All laws, acts, presidential decrees, executive orders,  
57 administrative orders, rules and regulations inconsistent with or contrary to the provisions of this  
58 Act are deemed amended, modified or repealed accordingly.

59  
60 **SECTION 9.** *Effectivity.* – This Act shall take effect fifteen (15) days after its publication  
61 in the Official Gazette or in at least two (2) newspapers of general circulation.

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63  
64 Approved,