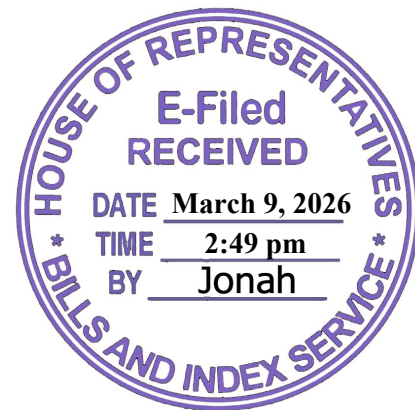


Republic of the Philippines  
HOUSE OF REPRESENTATIVES  
Quezon City, Metro Manila

TWENTIETH CONGRESS  
First Regular Session

**HOUSE BILL NO. 8362**



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Introduced by **ANG PROBINSYANO**  
Party-List Representative Alfred Delos Santos

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### **EXPLANATORY NOTE**

Education is a fundamental right guaranteed by the 1987 Constitution, which declares education as a primary concern of the State. Article XIV, Section 1 mandates the State to protect and promote the right of all citizens to quality education at all levels and to take appropriate steps to make such education accessible to all. Complementing this mandate, Article XIV, Section 2(3) directs the State to establish and maintain a system of scholarship grants, student loan programs, subsidies, and other incentives for deserving students in both public and private schools, particularly those belonging to underprivileged sectors. Furthermore, Article XIV, Section 5(5) requires the State to assign the highest budgetary priority to education and ensure that the education sector is adequately supported in order to promote quality learning outcomes.

Despite these constitutional commitments, many Filipino families continue to experience barriers that prevent them from fully benefiting from educational opportunities. Data from the Philippine Statistics Authority (PSA)<sup>1</sup>, through the Multidimensional Poverty Index (MPI), has consistently shown that educational attainment remains one of the most prevalent forms of deprivation among Filipino households. Earlier MPI data revealed that a significant proportion of families had at least one member aged eighteen (18) years or older who had not completed basic education.<sup>2</sup> More recent poverty and education reports likewise indicate that economic hardship continues to be a major factor contributing to school non-completion, particularly among households belonging to lower-income sectors.

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<sup>1</sup> Philippine Statistics Authority (2018). *Filipino Families Are Most Deprived in Education*. URL: <https://psa.gov.ph/content/filipino-families-are-most-deprived-education-0>

<sup>2</sup> Business Mirror (November 19, 2018). *Education deprivation affects 6 of 10 Filipino families, initial PSA data show*. URL: <https://businessmirror.com.ph/2018/11/19/education-deprivation-affects-6-of-10-filipino-families-initial-psa-data-show/>

Over the past decade, the government has introduced major reforms aimed at improving access to education. The enactment of the Universal Access to Quality Tertiary Education Act (Republic Act No. 10931) provides free tuition and other school fees in state universities and colleges, while the Pantawid Pamilyang Pilipino Program (Republic Act No. 11310) incentivizes school attendance among children from economically disadvantaged households. However, despite these measures, many students continue to face substantial financial challenges in meeting the daily and indirect costs of schooling, including expenses for food, medicine, school supplies, and other basic necessities.

Recent discussions on learning recovery and educational participation following prolonged disruptions in schooling have further underscored the vulnerability of underprivileged students. Education sector assessments have consistently highlighted that poverty-related costs associated with schooling remain a key driver of absenteeism, delayed educational attainment, and early withdrawal from school. These realities demonstrate that ensuring access to education requires not only tuition-related support but also broader social support mechanisms that address the everyday needs of students from disadvantaged households.

This proposed measure seeks to address these challenges by granting discount privileges for underprivileged students on essential commodities such as food, medicine, school supplies, and other basic necessities. By reducing the everyday financial burden faced by economically disadvantaged students, the measure aims to create an enabling environment that encourages school participation and completion while easing the economic pressures faced by their families.

The proposed policy does not conflict with existing education laws but instead complements and strengthens current assistance programs under Republic Act No. 10931 and Republic Act No. 11310. By providing additional support mechanisms beyond tuition assistance, the measure reinforces the State's broader commitment to ensuring that no Filipino student is denied the opportunity to pursue education due to poverty.

Education remains one of the most powerful instruments for social mobility, poverty reduction, and national development. Ensuring that every Filipino student has both the opportunity and the means to pursue education is essential to fulfilling the constitutional promise of equitable and accessible learning for all.

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



**ALFRED C. DELOS SANTOS**

*Representative, Ang Probinsyano Party List*

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**HOUSE BILL NO. 8362**

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Introduced by **ANG PROBINSYANO**  
Party-List Representative Alfred Delos Santos

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**AN ACT**  
**GRANTING DISCOUNTS ON BASIC AND EDUCATION SERVICES TO**  
**UNDERPRIVILEGED STUDENTS AT ALL LEVELS, INCLUDING THOSE**  
**ENROLLED IN TECHNICAL-VOCATIONAL (TECH-VOC) INSTITUTIONS**

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

**SECTION 1.** *Short Title.* — This Act shall be known as the "Underprivileged Student Discount Act".

**SECTION 2.** *Declaration of Policy.* — It is hereby declared the policy of the State to prioritize quality education and take appropriate steps to make such education accessible to all.

**SECTION 3.** *Underprivileged Students.* — For this purpose of this Act, “underprivileged student” shall refer to a Filipino student enrolled in basic education, post-secondary non-degree technical-vocational courses, and those enrolled in bachelor's Degree Programs at the college level, whose parents have a gross annual income of not more than Two Hundred Thousand Pesos (P200,000.00) subject to review by the National Economic and Development Authority (NEDA) every three years: *Provided*, that a Filipino student who opts to take part-time jobs to subsidize the student's education and whose income combined with the annual gross income of the student's parents do not exceed Two Hundred Thousand Pesos (P200,000.00), subject to review by the NEDA every three (3) years, is deemed an Underprivileged Student;

**SECTION 4.** *Discounts for Underprivileged Students.* — Underprivileged students shall be entitled to the following:

- a. On Food Establishments — A five percent (5%) discount shall be granted to underprivileged students by food establishments such as food chains,

canteens, and restaurants anywhere in the country: Provided, that private food establishments may claim the cost as an allowable tax deduction from the gross income in the computation of the income tax in accordance with the provisions of the National Internal Revenue Code (NIRC) of 1997, as amended;

- b. On Medicines — A five percent (5%) discount shall be granted to underprivileged students by pharmacies or drug stores anywhere in the country: Provided, that these pharmacies or drug stores may claim the cost as an allowable tax deduction from the gross income in the computation of the income tax in accordance with the provisions of the NIRC of 1997, as amended;
- c. On Textbooks and School Supplies — A five percent (5%) discount shall be granted to underprivileged students by establishments anywhere in the country that sells reference books and schools supplies: Provided, that these establishments may claim the cost as an allowable tax deduction from the gross income in the computation of the income tax in accordance with the provisions of the NIRC of 1997. as amended;
- d. On Tuition Fees, Miscellaneous, and Other School Fees — A five percent (5%) discount shall be granted to underprivileged students by public and private schools where they are enrolled, without prejudice to their right to avail themselves of other educational assistance given by the school and the government, such as those provided under Republic Act No. 6728, as amended by Republic Act No. 8545 or the "Government Assistance to Students and Teachers in Private Education (EGASTPE", Republic Act No. 9442 or the law amending the "Magna Carta for the Disabled", Republic Act No. 10687 or the "Unified Student Financial Assistance System for Tertiary Education (UniFAST)", and Republic Act No. 10931 or the "Universal Access to Quality Tertiary Education (UAQTE) Act": Provided, that the schools may claim the cost as an allowable tax deduction from the gross income in the computation of the income tax in accordance with the provisions of the NIRC of 1997, as amended; and
- e. On Museums, Theaters, and Cultural Events — A five percent (5%) discount shall be granted to underprivileged students on entrance fees to museums, theaters, and cultural events sanctioned by the National Commission on Culture and Arts anywhere in the country: Provided, that private museums, theaters, and producers of cultural events may claim the cost as an allowable tax deduction from the gross income in the computation of the income tax in accordance with the provisions of the NIRC of 1997, as amended.

**SECTION 5. *Limitations.*** — The Department of Education (DepEd), Technical Education and Skills Development Authority (TESDA), and Commission on Higher Education (CHED) may identify grounds for disqualification of students in availing of the aforementioned discounts, in accordance with the implementing rules and regulations of this Act: *Provided,*

that these grounds will not defeat the purpose of liberally granting such discounts to underprivileged students.

**SECTION 6.** *Role of the Department of Social Welfare and Development (DSWD).* — Qualified primary and secondary students and tertiary or college beneficiaries, shall be determined by DSWD. This agency shall have the following responsibilities:

- a. Screen applicants, receive documentary proof, and identify who is the eligible underprivileged primary, secondary, tertiary, and technical-vocational students based on the provisions of this Act;
- b. Closely coordinate with the NEDA in determining the income brackets of Filipino families for the purpose of identifying underprivileged primary, secondary, tertiary, and technical-vocational students;
- c. Issue identification cards which shall be valid anywhere in the country as proof of the eligibility of the underprivileged primary, secondary, tertiary, and technical-vocational students to avail themselves of the discounts;
- d. Maintain and regularly update, on a quarterly basis, the list of underprivileged primary, secondary, tertiary, and technical-vocational students who avail themselves of the discounts;
- e. Provide information to the affected establishments under Section 4 of this Act for any questions regarding the eligibility of any underprivileged primary, secondary, tertiary, and technical-vocational students claiming the discounts;
- f. Monitor the extent of implementation of this Act and coordinate with the concerned agencies regarding the imposition of penalties on violators of this Act; and

**SECTION 7.** *Tax Incentives.* — Discounts granted by establishments to underprivileged students under this Act shall be treated as an allowable deduction from the gross income in the computation of the income tax, in accordance with the provisions of NIRC of 1997, as amended.

**SECTION 8.** *Implementing Rules and Regulations.* — The DSWD, in coordination with the DepEd, TESDA, CHED, NEDA, the Department of Health (DOH), the Department of Trade and Industry (DTI), the Department of Finance (DOF), and such other agencies concerned with the establishments which may be affected by this Act, shall issue the implementing rules and regulations to carry out the objectives of this Act within thirty (30) days after this law takes effect.

**SECTION 9.** *Penalties.* — The first violation of any provisions of this Act shall cause the suspension of the license to operate or the business permit of the establishment or person concerned for not less than one (1) week but not

more than four (4) weeks and a fine of not less than Twenty Thousand Pesos (P20,000.00) but not more than Fifty Thousand Pesos (P50,000.00).

The second violation of any provisions of this Act shall cause the suspension of the license to operate or the business permit of the establishment or the person concerned for not less than four (4) weeks and a fine of not less than Fifty Thousand Pesos (P50,000.00) but not exceeding Two Hundred Fifty Thousand Pesos (P250,000.00): Provided, however, that the procedure of notice and hearing shall have been complied with prior to the imposition of the said penalties.

If the offender is a corporation, organization, or any similar entity, the officers thereof shall suffer the same penalty imposed on any person found violating this Act.

**SECTION 10. *Enforcement.*** — Pursuant hereto, the DSWD, DepEd, DTI, DOH, and local government units (LGUs), in coordination with the CHED and TESDA shall have the mandate to implement the provision of this Act. After filing an appropriate complaint, and after due notice and hearing, the proper authorities may also cause the cancellation or revocation of the business permit, permit to operate, franchise, and other similar privileges granted to any business entity that fails to abide by the provisions of this Act.

**SECTION 11. *Separability Clause.*** – If any provision or part of this Act is held invalid or unconstitutional, the remaining provisions or parts unaffected shall remain in full force and effect.

**SECTION 12. *Repealing Clause.*** – All laws, executive orders, presidential decrees or issuances, letters of instruction, administrative orders, rules, and regulations contrary to or inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

**SECTION 13. *Effectivity Clause.*** – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,