

HOUSE OF REPRESENTATIVES

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BILLS AND INDEX SERVICE *

This measure seeks to restore the value of the Personnel Economic Relief Allowance by increasing the monthly PERA from **Two Thousand Pesos (₱2,000.00)** to **Four Thousand Pesos (₱4,000.00)** and establishing an automatic annual adjustment mechanism based on the official inflation rate published by the **Philippine Statistics Authority (PSA)**. By linking future adjustments to inflation, the measure ensures that the allowance remains responsive to economic conditions and continues to provide meaningful relief to government personnel.

47 The proposed increase and indexation mechanism embody the State's commitment to
48 promoting the welfare of government employees and preserving their purchasing power
49 in the face of rising prices and changing economic circumstances.

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

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HON. JULIENNE "JAM" L. BARONDA

Representative
Lone District, Iloilo City

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila
TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 9811

Introduced by Representative Hon. Julianne “Jam” L. Baronda

AN ACT INCREASING THE PERSONNEL ECONOMIC RELIEF ALLOWANCE (PERA) GRANTED TO GOVERNMENT EMPLOYEES, PROVIDING FOR AN AUTOMATIC INFLATION ADJUSTMENT MECHANISM, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

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

This Act shall be known as the **"PERA Inflation Adjustment Act of 2026."**

SECTION 2. Declaration of Policy.

It is hereby declared the policy of the State to promote the economic welfare of government employees by ensuring that economic relief allowances maintain their real value and remain responsive to increases in the cost of living.

SECTION 3. Increase in Personnel Economic Relief Allowance.

The Personnel Economic Relief Allowance (PERA) granted to civilian government personnel, military personnel, and uniformed personnel covered by existing laws and regulations is hereby increased from **Two Thousand Pesos (₱2,000.00)** to **Four Thousand Pesos (₱4,000.00)** per month.

The increase shall apply to all personnel presently entitled to receive PERA under existing laws, rules, and regulations.

SECTION 4. Automatic Inflation Adjustment.

Beginning January 1 three (3) years immediately following the effectivity of this Act, the monthly PERA shall be adjusted annually based on the official annual average inflation rate for the preceding calendar year as determined and published by the Philippine Statistics Authority (PSA).

SECTION 5. Coverage.

The benefits under this Act shall cover:

1. Civilian government personnel occupying regular, contractual, casual, appointive, or elective positions covered by the compensation and position classification system;
2. Military personnel of the Armed Forces of the Philippines;

142 3. Uniformed personnel of the Philippine National Police, Bureau of Fire Protection,
143 Bureau of Jail Management and Penology, Philippine Coast Guard, and other
144 uniformed services authorized by law.

145 **SECTION 6. Tax Exemption.**

146 The increased PERA and all future inflation adjustments under this Act shall continue to
147 be exempt from income tax and other deductions to the extent allowed under existing
148 laws.

149 **SECTION 7. Funding.**

150 The amount necessary for the initial implementation of this Act shall be charged against
151 available appropriations under the current General Appropriations Act.

152 Thereafter, such sums as may be necessary for its continued implementation shall be
153 included in the annual General Appropriations Act.

154 **SECTION 8. Implementing Rules and Regulations.**

155 Within ninety (90) days from the effectivity of this Act, the DBM, in coordination with
156 the PSA, the Department of Finance, and the Civil Service Commission, shall promulgate
157 the necessary rules and regulations for the effective implementation of this Act.

158 **SECTION 9. Separability Clause.**

159 If any provision of this Act is declared unconstitutional or invalid, the remaining
160 provisions not affected thereby shall continue to be in full force and effect.

161 **SECTION 10. Repealing Clause.**

162 All laws, decrees, executive orders, rules and regulations, or parts thereof inconsistent
163 with this Act are hereby repealed or modified accordingly.

164 **SECTION 11. Effectivity.**

165 This Act shall take effect fifteen (15) days after its publication in the Official
166 Gazette or in at least two (2) newspapers of general circulation.

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168 *Approved,*