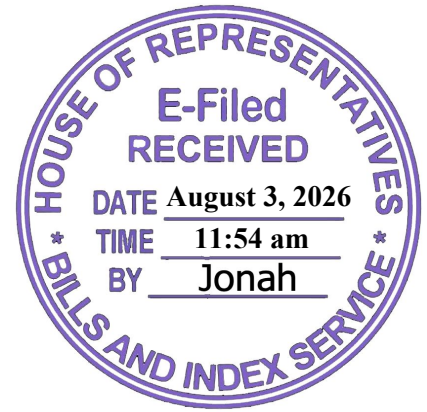


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
20TH CONGRESS
Second Regular Session

House Bill No. 10484



Introduced by: **REP. JOEL R. CHUA**

EXPLANATORY NOTE

Access to healthcare remains a challenge for many Filipinos. While government programs continue to expand healthcare coverage, many patients still rely on the generosity and dedication of physicians and dentists who voluntarily provide their services free of charge.

Through medical missions, charity clinics, emergency response efforts, and other pro bono work, these healthcare professionals help bring much-needed care to those who would otherwise go untreated. Their contributions not only improve health outcomes but also strengthen the delivery of healthcare services in communities with limited access to medical and dental care.

This bill seeks to encourage and recognize such service by granting reasonable and accountable tax incentives to physicians and dentists who render qualified pro bono services to indigent and underserved Filipinos. By supporting healthcare professionals who volunteer their time and expertise, the State can help expand access to essential healthcare while advancing its constitutional duty to protect and promote the right to health of the people.

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


JOEL R. CHUA
Representative, 3rd District, Manila

Republic of the Philippines
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House Bill No. 10484

Introduced by: **REP. JOEL R. CHUA**

AN ACT GRANTING TAX INCENTIVES TO PHYSICIANS AND DENTISTS WHO RENDER QUALIFIED PRO BONO SERVICES TO INDIGENT AND UNDERSERVED FILIPINOS, AND FOR OTHER PURPOSES

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 "Pro Bono Healthcare Incentives Act."

Section 2. *Declaration of Policy.* It is hereby declared the policy of the State, consistent with Article II, Section 15 of the 1987 Constitution, to protect and promote the right to health of the people and instill health consciousness among them. Likewise, pursuant to Article XIII, Section 11 of the Constitution, the State shall adopt an integrated and comprehensive approach to health development and endeavor to make essential goods, health, and other social services available to all the people at affordable cost.

To this end, the State shall encourage physicians and dentists to voluntarily render qualified pro bono medical and dental services to indigent, marginalized, and underserved Filipinos by granting reasonable tax incentives.

Section 3. *Definition of Terms.* — For purposes of this Act:

- (a) **Physician** refers to a duly licensed physician, in good standing, authorized to practice medicine in the Philippines;
- (b) **Dentist** refers to a duly licensed dentist, in good standing, authorized to practice dentistry in the Philippines;
- (c) **Qualified Pro Bono Service** refers to medical or dental services rendered voluntarily and without compensation to eligible beneficiaries under this Act;
- (d) **Eligible Beneficiaries** refer to:
 - (1) Indigent patients certified by the Department of Social Welfare and Development (DSWD), the Local Social Welfare and Development Office (LSWDO), or the barangay;

- (2) Beneficiaries of Department of Health (DOH)-accredited medical or dental missions; and

Section 4. *Grant of Tax Credit.* — A qualified physician or dentist who renders at least fifty (50) hours of Qualified Pro Bono Service during a taxable year shall be entitled to a tax credit equivalent to Five Hundred Pesos (₱500.00) for every verified hour of service rendered.

The total tax credit claimable under this Act shall not exceed One Hundred Fifty Thousand Pesos (₱150,000.00) per taxable year.

The tax credit shall be applied only against the income tax liability of the qualified physician or dentist for the taxable year in which the qualified services were rendered. Any excess tax credit shall neither be refundable nor carried over to succeeding taxable years.

Section 5. *Conditions for Availment.* — To qualify for the tax credit under this Act, the following conditions shall be complied with:

- (a) The Qualified Pro Bono Service shall be rendered through any of the following:
 - (1) Government hospitals;
 - (2) Rural health units or barangay health stations;
 - (3) Public schools;
 - (4) Charitable institutions accredited by the Department of Health; or
 - (5) Medical or dental missions accredited by the Department of Health;
- (b) No professional fee, honorarium, allowance, reimbursement, PhilHealth payment, grant, or any other form of compensation shall have been received by the physician or dentist for the same services;
- (c) The physician or dentist shall maintain complete records of the services rendered, including the dates, location, duration of service, and number of patients served; and
- (d) The services rendered shall be certified by the head of the government facility, accredited institution, or accredited mission where the services were performed.

Section 6. *Certification and Verification.* — The institution or facility where the Qualified Pro Bono Service was rendered shall issue a certification containing:

- (a) The name and Professional Regulation Commission license number of the physician or dentist;
- (b) The dates and duration of the services rendered;
- (c) The number of beneficiaries served;
- (d) A statement that the services were rendered without compensation; and
- (e) Such other information as may be required under the implementing rules and regulations.

The Department of Health shall establish and maintain an electronic registry of accredited institutions and certified Qualified Pro Bono Services for monitoring and verification purposes.

Section 7. *Annual Reporting.* — Every institution authorized to issue certifications under this Act shall submit an annual report to the Department of Health and the Bureau of Internal Revenue containing the names of participating physicians and dentists, the number of verified service hours rendered, and such other information as may be necessary to facilitate verification.

Section 8. *Fraudulent Claims and Penalties.* — Any physician, dentist, institution, or other person who knowingly submits false certifications, falsifies records, or fraudulently claims tax incentives under this Act shall:

- (a) Refund the full amount of tax credits improperly claimed, together with applicable interest, surcharges, and penalties under the National Internal Revenue Code, as amended;
- (b) Be subject to appropriate administrative sanctions under applicable laws, including proceedings before the Professional Regulation Commission, where warranted; and
- (c) Upon conviction, suffer a fine of not less than Fifty Thousand Pesos (₱50,000.00) but not more than Five Hundred Thousand Pesos (₱500,000.00), without prejudice to prosecution under other applicable laws.

Section 9. *Implementing Rules and Regulations.* — Within ninety (90) days from the effectivity of this Act, the Bureau of Internal Revenue, the Department of Health, the Professional Regulation Commission, and the Professional Regulatory Boards of Medicine and Dentistry shall jointly promulgate the rules and regulations necessary for the effective implementation of this Act.

Section 10. *Appropriations.* — The amounts necessary for the initial implementation of this Act shall be charged against the current appropriations of the Department of Health. Thereafter, such amounts as may be necessary shall be included in the annual General Appropriations Act.

Section 11. *Separability Clause.* — If any provision or part of this Act is declared invalid or unconstitutional, the remaining parts or provisions not affected shall continue to be in full force and effect.

Section 12. *Repealing Clause.* — All laws, executive orders, and administrative orders or parts thereof inconsistent with any provision of this Act are hereby repealed or amended accordingly.

Section 13. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.