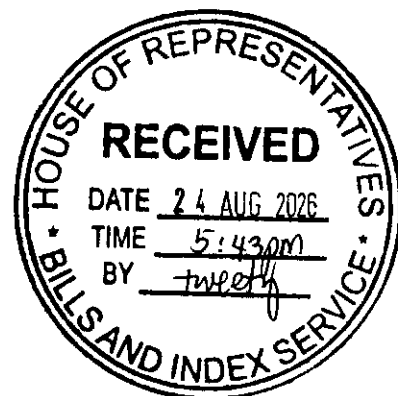


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session

HOUSE BILL NO. **10918**



Introduced by **Representative ELMER V. CATULPOS**
(I-Tahanan Party-List)

EXPLANATORY NOTE

Sa huling linggo ng Marso 2020, sa unang tatlong linggo pa lamang ng lockdown, ang Philippine Medical Association ay may isang trabahong hindi kailanman itinuro sa eskwelahan ng medisina: ang bilangin ang sarili nitong mga patay. Siyam. Pagkatapos, labindalawa. Pagkatapos, labimpito — sa loob lamang ng tatlong linggo. Kabilang sa kanila sina Dr. Sally Gatchalian, pangulo ng Philippine Pediatric Society; Dr. Raul Jara, cardiologist; Dr. Gregorio Macasaet III, anesthesiologist; at Dr. Rose Pulido, oncologist. Hindi sila kathang-isip. May pangalan sila, may pamilya, at may mga pasyenteng ginamot hanggang sa huli. Ang pakiusap noon ng PMA, sa bibig ni Dr. Oscar Tinio: “Laban kami, pero huwag niyo kaming pabayaan.”

The Republic answered with applause. With resolutions, hashtags, tarpaulins, and the word “bayani” spoken from every podium — all of it sincere, and none of it enough. Because open the National Internal Revenue Code today and look for the healers: the teacher’s allowances are recognized; the senior citizen is recognized; the person with disability is recognized; the minimum wage earner is recognized. The medical doctor — the profession that buried seventeen of its own in three weeks so that others might live — appears nowhere. This bill is not written out of fear that our doctors will leave. It is written out of the recognition that we have not yet thanked them in the only language a statute can speak.

And the debt is doubled, because our doctors pay into Universal Health Care twice. They pay as members: a physician in independent practice is a direct contributor who shoulders the entire five percent premium alone — both the employee and the employer share — up to Sixty Thousand Pesos (P60,000.00) a year at the statutory ceiling. And they pay as providers: they are the very hands that convert each premium into an actual consultation, a diagnosis, a life saved. No other sector funds the system on one side and delivers its promise on the other. Yet it is precisely this sector that the tax code has never acknowledged.

The verified facts state the consequence without needing any threat. The Professional Regulation Commission counts about 159,283 registered physicians; only some 95,000 actively practice in the country. The physician-to-population ratio stands at 7.92 per 10,000, below the international minimum of 10. The Second Congressional Commission on Education

projects a shortage of 94,000 doctors absent urgent reform, with nearly 27,000 Filipino health workers departing every year. And within the Program itself, only 57,696 physicians hold PhilHealth accreditation as of July 2026. Hindi sila nagbabanta. Tahimik lang silang umaalis — at ang katahimikang iyon, ang dangal na hindi man lang sila nagbanta, ang mismong dahilan kung bakit ang Kongreso ang dapat kumilos nang hindi hinihintay na pagsabihan.

Government has begun to honor the fund, and it deserves gratitude for it. In September 2025, President Ferdinand R. Marcos Jr. restored Sixty Billion Pesos (₱60,000,000,000.00) to the Philippine Health Insurance Corporation ahead of any compulsion; on 3 December 2025, in *G.R. No. 274778, Aquilino Pimentel III et al. v. House of Representatives et al.*, the Supreme Court unanimously affirmed that PhilHealth's funds exist for its members alone, and that any excess must increase benefits and ease the burden of members' contributions. The Department of Health itself has declared that it is studying benefits to convince health workers to remain. *[[verify Health Secretary statement and date]]* The fund has been made whole; the policy direction has been declared. What remains unpaid is the debt to the people who animate the fund — and this measure is its first installment, written into the tax code where recognition outlives any administration.

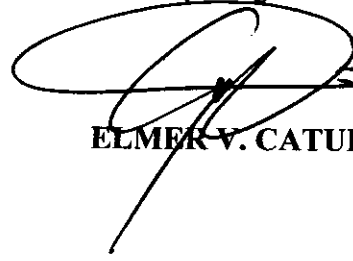
What this bill confronts is not any agency, any official, or any physician who chose to leave. It confronts a gap: a tax code that found room, rightly, for nearly every deserving sector — and left one blank line where its healers should be. A debt unwritten is a debt unpaid. Ang utang na loob na hindi isinusulat sa batas ay nananatiling utang.

The architecture of this Act is one repeatable principle: **peso-for-peso, capped, and conditioned**. A medical doctor who stays, who actively practices in the Philippines, and who serves within the PhilHealth system may credit the PhilHealth premiums he or she personally paid — up to Sixty Thousand Pesos (₱60,000.00) a year, the exact ceiling of the premium itself — against his or her income tax due. Nothing is refunded in cash; nothing is granted to those who have left; nothing is granted twice. Hindi ito pabuya upang pigilan ang pag-alis; pagkilala ito sa pananatili at paglilingkod. And because the credit is non-refundable, capped, and conditioned, its honest fiscal ceiling — even if every one of the 57,696 accredited physicians claimed the full cap, which is arithmetically impossible — is about ₱3.46 Billion, and the realistic figure is materially lower.

This Representation discloses, openly and first, how this measure came to be: it was brought by the physicians themselves, through the Philippine Medical Association, and by directors of the Philippine Health Insurance Corporation. They are named here not as interests to be hidden but as witnesses to be heard — the same association that once counted its dead now asks only that its living be recognized. This Representation adds its own disclosure: as an employer of more than a thousand Filipinos, it remits employer premium shares every month, and has seen both sides of a premium — what it takes from a payroll, and what it gives back to a family in a hospital corridor.

Binayaran nila tayo ng buhay; matuto namang magbayad ang Republika — kahit pagkilala man lang. Sa bawat doktor na nananatili, may bayan na hindi naulila.

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

A handwritten signature in black ink, consisting of a large, stylized 'E' followed by a series of loops and a long, sweeping underline that extends to the right.

ELMER V. CATULPOS

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session

HOUSE BILL NO. 10918

*Introduced by **Representative ELMER V. CATULPOS***
(I Tahanan Party-list)

AN ACT GRANTING AN INCOME TAX CREDIT FOR PHILHEALTH PREMIUM CONTRIBUTIONS PERSONALLY PAID BY MEDICAL DOCTORS IN ACTIVE PRACTICE IN THE PHILIPPINES, PRESCRIBING QUALIFYING CONDITIONS AND SAFEGUARDS THEREFOR, 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 “Doktor Dito Act of 2026,” and may formally be cited as the “Medical Doctor PhilHealth Premium Tax Credit Act.”

SEC. 2. Declaration of Policy. — It is the policy of the State to protect and promote the right to health and to support the effective implementation of Republic Act No. 11223, otherwise known as the “Universal Health Care Act.” For this purpose, the State recognizes the importance of retaining licensed medical doctors in active practice in the Philippines and of strengthening participation in the National Health Insurance Program. Hence, the State adopts targeted, transparent, and fiscally responsible tax measures that are reasonably related to physician retention, domestic medical practice, and participation in the National Health Insurance Program, without reducing, diverting, or otherwise impairing funds legally dedicated to the implementation of universal health care.

SEC. 3. Definition of Terms. — As used in this Act, the following terms shall be defined as follows:

- (a) “**Medical Doctor**” refers to a natural person who is a Filipino citizen or lawful resident, holds a valid and current authority to practice medicine in the Philippines, and is not under suspension or revocation of such authority during the period claimed under this Act;
- (b) “**Active Medical Practice in the Philippines**” refers to the actual rendition of medical services in the Philippines for compensation or in government or public service, evidenced by employment records, professional-engagement records, government service records, PhilHealth accreditation records, or other documents prescribed by the Bureau of Internal Revenue (BIR);

- (c) ***“Aggregate Qualifying Period”*** refers to a total of not less than one hundred eighty (180) days or six (6) calendar months within the taxable year, whether continuous or noncontinuous, as may be prescribed in the implementing rules and regulations;
- (d) ***“Mandatory PhilHealth Premium Contributions”*** refers to the mandatory premium contributions required under Republic Act No. 11223 and its implementing rules that: (1) are attributable to the Medical Doctor; (2) were actually withheld from or paid by the Medical Doctor during the taxable year; and (3) do not include an employer counterpart, an amount reimbursed or subsidized by another person, penalties, interest, or voluntary contributions in excess of the mandatory amount. For purposes of this Act, the employee share withheld from the compensation of a Medical Doctor and remitted by the employer shall be deemed personally paid by the Medical Doctor, provided that the withholding is supported by payroll or equivalent records;
- (e) ***“Accredited Physician”*** refers to a Medical Doctor with valid PhilHealth accreditation as a health care professional during the period claimed;
- (f) ***“Health Facility”*** refers to a hospital, clinic, or other health care institution duly licensed by the appropriate government agency or accredited by PhilHealth;
- (g) ***“Geographically Isolated and Disadvantaged Area” or “GIDA”*** refers to an area classified as such by the DOH under its applicable classification and designation system; and
- (h) ***“Tax Credit”*** refers to a nonrefundable, nontransferable, and nonassignable amount deductible from the income tax due of the qualified Medical Doctor under this Act.

SEC. 4. Grant and Amount of Tax Credit. — A Medical Doctor who satisfies the qualifying conditions under Section 5 of this Act shall be allowed a nonrefundable income tax credit equivalent to one hundred percent (100%) of the Mandatory PhilHealth Premium Contributions actually paid or deemed personally paid during the taxable year.

The tax credit shall not exceed the aggregate amount of mandatory PhilHealth premium contributions legally attributable to the qualified Medical Doctor for the taxable year and shall in no case exceed Sixty Thousand Pesos (P60,000.00) per taxable year.

The Secretary of Finance may, upon the recommendation of the BIR and after consultation with PhilHealth, recommend to Congress an adjustment of the maximum amount under this section when necessary to reflect changes in mandatory premium rates. No adjustment shall take effect without an amendatory law.

SEC. 5. Qualifying Conditions. — The tax credit under Section 4 shall be available only to a Medical Doctor who, during the taxable year:

- (a) rendered Active Medical Practice in the Philippines for an Aggregate Qualifying Period of not less than one hundred eighty (180) days or six (6) calendar months; and
- (b) during the same Aggregate Qualifying Period, satisfied at least one of the following conditions: (1) held valid PhilHealth accreditation as a health care professional; (2) was employed by, or rendered professional services in, a Health Facility; or (3) served as a physician in a national or local government health office, facility, or deployment program, including the Doctors to the Barrios program or its successor programs.

The periods under paragraphs (a) and (b) need not be continuous but must overlap for the required period.

SEC. 6. Nature and Use of the Tax Credit. — The tax credit herein granted shall be non-refundable, non-transferable, and non-assignable, and shall not be convertible into cash or into a tax credit certificate. It may be claimed only against the income tax due on compensation, professional or business income of the Medical Doctor under Section 24(A) of the National

Internal Revenue Code (NIRC) of 1997, as amended, including the tax due of a Medical Doctor who availed of the eight percent (8%) income tax option under Section 24(A)(2)(b) thereof. It shall not be claimed against any final withholding tax, fringe benefits tax, percentage tax, value-added tax, or any other internal revenue tax.

SEC. 7. Carry-Over of Unused Credit. — Any portion of the tax credit not utilized in the taxable year in which the PhilHealth Contributions were paid may be carried over and credited against the income tax due for the three (3) immediately succeeding taxable years: Provided, that a Medical Doctor who rendered Active Medical Practice in a GIDA for not less than one hundred eighty (180) days or six (6) calendar months during the taxable year may carry over the unused portion of the credit for five (5) immediately succeeding taxable years.

The credit shall be applied first to the oldest available credit. No unused credit shall be refunded, transferred, assigned, or carried over beyond the periods prescribed in this section. The BIR shall prescribe rules for substantiation and tracking of carried-over credits.

SEC. 8. No Double Benefit. — PhilHealth Contributions for which the tax credit under this Act is claimed: (a) shall not simultaneously be excluded from gross income under Section 32(B)(7)(f) of the NIRC, as amended, nor claimed as a deduction from gross income under Section 34 thereof, and the availment of the credit shall constitute an irrevocable election for the taxable year with respect to the amounts so claimed; (b) shall not include any amount reimbursed, subsidized, or shouldered by an employer or by any other person; and (c) may be claimed only once and only by the Medical Doctor who actually paid the same.

SEC. 9. Documentary Requirements. — To avail of the tax credit, the Medical Doctor shall attach to the annual income tax return: (a) the Certificate of Premium Payment issued by PhilHealth under Section 10 of this Act; (b) a copy of his or her valid PRC identification card; (c) proof of the qualifying condition under Section 5(b), namely, the certificate of PhilHealth accreditation, or a certificate of employment or of professional engagement issued by the Health Facility, or a certificate of service issued by the government office or program concerned; and (d) a sworn declaration of Active Medical Practice in the Philippines in the form prescribed by the Bureau of Internal Revenue (BIR). The BIR shall integrate the foregoing into its electronic filing systems and may prescribe additional rules to prevent fraudulent claims.

SEC. 10. Duties of PhilHealth. — PhilHealth shall issue the Certificate of Premium Payment, free of charge and in electronic form, within fifteen (15) days from request of the member. PhilHealth shall likewise publish annually the number of Medical Doctors availing of the credit and the growth in physician accreditation, as part of its regular reports to Congress.

SEC. 11. Data Sharing and Privacy. — The BIR, PhilHealth, and the PRC shall establish an automated data-sharing and cross-matching system covering premium payments, accreditation status, and licensure status, exclusively for the administration of this Act and the prevention of double or fraudulent claims. All processing of personal data under this Act shall comply with Republic Act No. 10173, otherwise known as the “Data Privacy Act of 2012.”

SEC. 12. Fraudulent Claims. — Any person who claims the tax credit through fraud, falsified documents, or willful misrepresentation shall be liable under the applicable provisions of the NIRC, as amended, and other laws, without prejudice to permanent disqualification from the benefits of this Act and referral to the PRC and PhilHealth for administrative action.

SEC. 13. Evaluation and Legislative Review. — Within three (3) years from the effectivity of this Act, and every three (3) years thereafter while the tax credit remains in force, the Department of Finance, in coordination with the Department of Health, PhilHealth, the BIR, and the Congressional Policy and Budget Research Department, shall submit to both Houses of Congress a report containing:

- (a) The number and demographic profile of claimants, in aggregate and non-identifiable form;
- (b) The aggregate amount of credits claimed and utilized;
- (c) The revenue impact and administrative cost of the program;
- (d) the effect on physician retention, domestic practice, GIDA service, and PhilHealth accreditation;
- (e) The incidence of disallowed or fraudulent claims; and
- (f) A recommendation on whether the credit should be continued, modified, expanded, or allowed to expire.

Any expansion to other health-care professionals shall require a separate amendatory law.

SEC. 14. Tax Expenditure Transparency. — The aggregate amount of tax credits claimed under this Act shall be reported annually by the DOF as a tax expenditure in the Budget of Expenditures and Sources of Financing and in its regular tax expenditure reporting to Congress.

SEC. 15. Implementing Rules and Regulations. — Within ninety (90) days from the effectivity of this Act, the Secretary of Finance, upon the recommendation of the Commissioner of Internal Revenue and in coordination with the DOH, PhilHealth, and the PRC, shall promulgate the rules and regulations necessary to implement this Act.

The implementing rules and regulations shall prescribe only administrative and procedural matters, including forms, electronic filing, documentary retention, verification, correction of records, data security, processing of carried-over credits, and coordination among implementing agencies. The implementing rules and regulations shall not enlarge or restrict the substantive eligibility requirements, amount of the credit, or period of carry-over established by this Act.

SEC. 16. Applicability. — This Act shall apply to PhilHealth Contributions paid for taxable years beginning on or after January 1 of the year immediately following its effectivity.

SEC. 17. Separability Clause. — If any provision of this Act is declared invalid or unconstitutional, the remaining provisions not affected thereby shall continue in full force and effect.

SEC. 18. Repealing Clause. — All laws, decrees, executive orders, rules and regulations, or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 19. Effectivity. — This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,