

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

'04 JUN 30 P5:37

RECEIVED BY: ulu

S E N A T E

S. No. 447

---

Introduced by Senator S. R. Osmeña III

---

#### EXPLANATORY NOTE

The Philippine Constitution exhorts the State "to protect and promote the right of all citizens to quality education".

Teachers are the State's primary agents in the education of our children. The State's commitment to education should ensure that teachers, especially in the country's public school system are adequately equipped for their jobs.

This bill proposes the granting of double deduction from the taxable income of public school teachers of an amount not to exceed P20,000, which is equal to two times the amount spent for tuition fee expenses in graduate school.

This measure will encourage public school teachers to pursue continuing education to make them more effective for the job of preparing our school children for the challenge of good citizenship in their adult lives.

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

*S. Osmeña III*

SERGIO OSMEÑA III  
Senator

'04 JUN 30 P5:37

RECEIVED BY: Chen

SENATE

S. No. 447

**Introduced by Senator S. R. Osmeña III**

AN ACT

GRANTING A DOUBLE DEDUCTION FOR TUITION FEE EXPENSES INCURRED BY PUBLIC SCHOOL TEACHERS ENROLLED IN GRADUATE SCHOOL AMENDING FOR THIS PURPOSE SECTION 29, PARAGRAPH (A) OF COMMONWEALTH ACT NUMBERED FOUR HUNDRED SIXTY SIX, OTHERWISE KNOWN AS THE "NATIONAL INTERNAL REVENUE CODE, AND FOR OTHER PURPOSES

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

1           **SECTION 1.** Section 34, Chapter VII of Republic Act numbered eight  
2   thousand four hundred and twenty four, otherwise known as the Tax Reform  
3   Act of 1997, is hereby amended to read as follows:

4                   “Section 34. Deductions from Gross Income. – Except for  
5           taxpayers earning compensation income arising from personal  
6           service rendered under an employer-employee relationship where no  
7           deductions shall be allowed under this Section other than under  
8           SubsectionS (M) and (N) hereof. In computing taxable income  
9           subject to income tax under Sections 24 (A); 25(A); 26, 27 (A), (b) .  
10          and (C); and 28(A) (1), there shall be allowed the following  
11          deductions from gross income:”

12 XXX

13 (N) TUITION FEE EXPENSE. – A PROFESSIONAL PUBLIC  
14 SCHOOL TEACHER SHALL FURTHER BE ALLOWED A DEDUCTION

1        EQUAL TO TWO TIMES THE AMOUNT SPENT, BUT IN NO CASE TO  
2        EXCEED TWENTY THOUSAND PESOS (P20,000), FOR HIS/HER  
3        TUITION FEE EXPENSES IN GRADUATE SCHOO.

4        **SEC. 2. Coverage.** - The grant of government scholarship in the  
5        form of double deduction shall be applied only in the post graduate level,  
6        both in masters and in doctoral studies, but may be pursued in any field of  
7        specialization.

8        **Sec. 3. Qualifications.** - In order to qualify for the scholarship  
9        program, the applicant must be:

10        (a) a citizen of the Philippines;

11        (b) At least twenty three (23) years old;

12        (c) A graduate of a school, college or university recognized by the  
13        government;

14        (d) Is a duly registered professional public school teacher, and a  
15        holder of a valid certificate of registration and a valid professional  
16        license issued by the Board for Professional Teachers of the  
17        Professional Regulation commission (PRC), as prescribed in  
18        Republic Act No. 7866 or the Philippine Teachers  
19        Professionalization Act of 1994.

20        (e) At least two (2) years in service.

21        **Sec. 4. Place of Study in the Country.** - The recipient of the  
22        scholarship privileges under this Act shall be required to pursue their  
23        graduate degree program at any academic training institutions duly  
24        accredited by the Department of Education Culture and Sports (DECS) and  
25        in private schools accredited by the Federation of Accrediting Agencies in  
26        the Philippines (FAAP).

27        **Sec. 5. Service Obligation.** - Immediately upon completion of a  
28        MA/MS/Ph.D., a scholar shall serve the country on full-time basis only along  
29        his/her field of training for a minimum period equivalent to the length of time

1 a scholar enjoyed the scholarship by teaching to his/her province or  
2 municipality.

3 **Sec. 6. *Separability Clause.*** If any section or provision of this Act  
4 shall be declared unconstitutional or invalid, the other sections or provisions  
5 not affected thereby shall remain in full force and effect

6 **SEC. 7. *Repealing Clause.*** - All laws, decrees, orders, rules and  
7 regulations and other issuances inconsistent with the provisions of this Act  
8 are deemed modified, revoked or repealed accordingly.

9 **SEC. 8. *Effectivity.*** This Act shall take effect fifteen (15) days after  
10 its publication in two (2) leading newspapers of national circulation.

Approved,