

THIRTEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES }  
*First Regular Session*

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SENATE

S. No. 571

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INTRODUCED BY HON. MANUEL B. VILLAR, JR.

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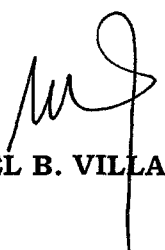
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**EXPLANATORY NOTE**

Consistent with the policy of the State to ensure that teaching will attract and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment, this bill aims to increase the take home pay of public and private school teachers by granting them a special tax deduction.

With this privilege, it is hoped that the plight of more than 500,000 teachers will be improved and that they will be further encouraged to provide our youth with quality education.

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

  
MANUEL B. VILLAR, JR.

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

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SENATE

S. No. **571**

RECEIVED BY: Subw

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INTRODUCED BY HON. MANUEL B. VILLAR, JR.

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**AN ACT**  
**EXEMPTING FROM TAX ALL ALLOWANCES AND BENEFITS GRANTED TO PUBLIC**  
**AND PRIVATE SCHOOL TEACHERS, INCLUDING THE FACULTY OF PUBLIC AND**  
**PRIVATE TERTIARY EDUCATIONAL 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 referred to as "The Public and Private School Teachers' Tax Incentives Act".

SECTION 2. *Statement of Policy* - It is hereby declared the policy of the State to assign the highest budgetary priority to education and ensure that teaching will attract and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment. It is further declared a policy and commitment of the State to promote and improve the economic status of all public and private school teachers, including the faculty of public and private tertiary education institutions, by increasing their take home pay through the exemption from tax all allowances and benefits granted them.

SECTION 3. *Exclusion from Gross Incomes* - All allowances and benefits granted to public and private school teachers, including the faculty of public and private tertiary educational institutions, shall not be included in the computation of gross income and shall be exempt from taxation under Title III, Chanter VI of Republic Act No. 8424, otherwise known as the "Tax Reform Act of 1997."

SECTION 4. *Exemption from Attachment, Levy and Execution*. - All benefits and allowances referred to herein shall likewise not be subject to attachment, levy and execution.

SECTION 5. *Rules and Regulations*. - The Commissioner of the Bureau of Internal Revenue is hereby authorized to promulgate such rules and regulations as may be necessary to implement the provisions of this Act.

SECTION 6. *Repealing Clauses* - All laws, decrees, executive orders, letters of instruction, letters of implementation, rules and regulations, and other issuances inconsistent with any provision of this Act are hereby repealed, modified, superseded or amended accordingly.

SECTION 7. *Separability Clauses* - If any provision of this Act or the application of such provision to any person or circumstance is held invalid for any reason, the remainder of this Act or the application of such provision to other persons or circumstances shall not be affected thereby.

SECTION 8. *Effectivity Clause*. - This Act shall take effect fifteen (15) days after its complete publication in any two (2) newspapers of general circulation.

*Approved,*