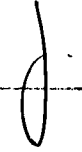


SEVENTEENTH CONGRESS
REPUBLIC OF THE PHILIPPINES
First Regular Session



76 JUL 18 P 6:24

SENATE
S. B. No. 407

RECEIVED BY: 

Introduced by SENATOR LOREN LEGARDA

AN ACT ENSURING EQUALITY BETWEEN SPOUSES IN THE CLAIMING OF ADDITIONAL EXEMPTION FOR QUALIFIED DEPENDENT CHILDREN, AMENDING FOR THE PURPOSE SECTIONS 79(F)(1) AND 79(F)(2) OF REPUBLIC ACT NO. 8424, OTHERWISE KNOWN AS THE TAX REFORM ACT OF 1997

Explanatory Note

With 40% of wage and salary workers being women and 78% of the estimated 8.3 million working women in full-time occupations, the participation of women in the country's labor force is now significant. Unfortunately, the current National Internal Revenue Code of 1997 has yet to mirror this reality since it designates automatically the husband as head of the family and as proper claimant of additional exemption for qualified dependent children unless he explicitly issues a waiver in favor of his wife.

This measure proposes to amend sections 79(F)(1) and 79(F)(2) of the Tax Reform Act of 1997 by removing the automatic designation of husbands as head of the family and as proper claimant of the additional exemption for qualified dependent children. It proposes that either spouse may claim the additional exemption on condition that the spouse of the claimant explicitly issues a waiver foregoing the tax benefit in favor of the claimant.

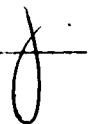
In view of the foregoing, passage of the bill is earnestly requested.


LOREN LEGARDA
Senator



16 JUL 18 P 6 24

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

1 **SECTION 1.** Sections 79(F)(1) and 79(F)(2) of Republic Act No. 8424 is
2 hereby amended to read as follows:
3

4 “(F) Husband and Wife. – When a husband and wife each are
5 recipient of wages, whether from the same or from different employers,
6 **ON THE** taxes to be withheld, [shall be determined on the following
7 bases: (1) The husband shall be deemed the head of the family and
8 proper claimant of the additional exemption in respect to any dependent
9 children, unless he explicitly waives his right in favor of his wife in the
10 withholding exemption certificate.] **EITHER OF THEM MAY CLAIM THE**
11 **ADDITIONAL EXEMPTION FOR QUALIFIED DEPENDENT CHILDREN,**
12 **PROVIDED, HOWEVER, THAT THE SPOUSE OF THE CLAIMANT**
13 **SHALL SUBMIT A WAIVER EXPLICITLY INDICATING THAT HE/SHE**
14 **WAIVES THE RIGHT OF CLAIMING THE ADDITIONAL EXEMPTION IN**
15 **FAVOR OF HIS/HER SPOUSE.** (2) Taxes shall be withheld from the
16 wages of the [wife] **SPOUSE OF THE CLAIMANT** in accordance with the
17 schedule for zero exemption of the withholding tax table prescribed in
18 Subsection (D)(2)(d) hereof.”
19

20 **SEC. 2. Separability Clause.** – If any provision of this Act is declared
21 unconstitutional, the same shall not affect the validity and effectivity of
22 other provisions thereof.
23

24 **SEC. 3. Effectivity.** – This Act shall take effect fifteen (15) days following
25 its publication in at least two (2) newspapers of general circulation.
26

27 Approved,