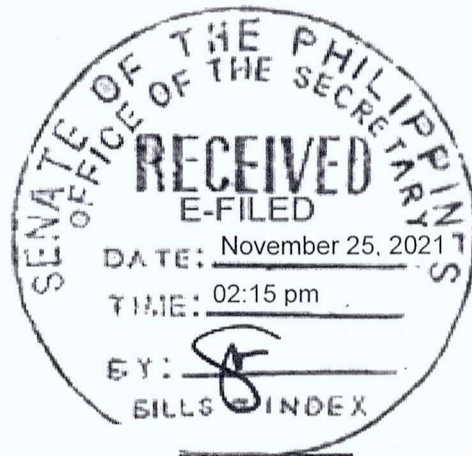


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

SENATE

S. No. 2456



Introduced by **SENATOR LEILA M. DE LIMA**

AN ACT
EXEMPTING FROM INCOME TAXATION THE HONORARIA,
ALLOWANCE, AND OTHER FINANCIAL BENEFITS OF PERSONS
RENDERING SERVICE DURING AN ELECTION PERIOD, AMENDING
FOR THE PURPOSE SECTION 32(B)(7) OF THE NATIONAL INTERNAL
REVENUE CODE OF 1997, AS AMENDED

EXPLANATORY NOTE

Without question, poll workers play a vital role every election season. They are often called on to be on the frontline of the polls, serve as members of electoral boards and assist voters on election day. Despite the fact that election season in the Philippines is notorious for incidences of election-related violence and deaths, poll workers bravely overcome these hurdles in order to effectively carry out their functions and ensure the safety and sanctity of the ballot. The perils and difficulties that poll workers will face in the upcoming 2022 National Elections will surely be multiplied as it will likely be conducted amid an ongoing global pandemic.

While poll workers receive compensation in the form of honoraria and allowances during election season, these are subjected to income tax just like any other income. This hard-earned income, which in many cases is barely enough to cover the daily needs of these individuals, also becomes the price for their safety and lives.

The risks, both physical and moral, themselves justify a special treatment for the seasonal poll workers. Truly, the compensation that our poll workers receive is miniscule compared to their invaluable contribution to our democracy.

In order to allow poll workers to fully enjoy the fruits of their labor and in recognition of their notable and honorable service to the Filipino people, even in

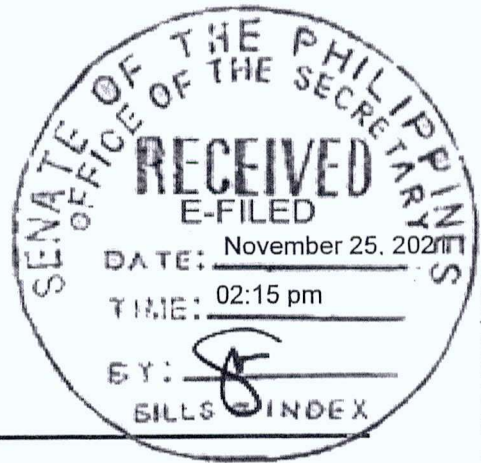
hazardous environments during election seasons, this bill seeks to exempt from income tax, compensation given to persons rendering service during an election period for national or local elections.

This measure is a counterpart of House Bill No. 9652 which passed on third and final reading at the House of Representatives in late August 2021.

Immediate approval of this measure is earnestly sought.


LEILA M. DE LIMA

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REVENUE CODE OF 1997, AS AMENDED

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

1 Section 1. Section 32(B)(7) of the National Internal Revenue Code of 1997, as
2 amended, is hereby further amended to read as follows:

3 "Section 32. Gross Income. –

4 (A) General Definition. – x x x

5 (B) Exclusions from Gross Income. – x x x

6 (1) x x x

7 (7) Miscellaneous Items. –

8 (a) x x x

9 **(I) HONORARIA, TRAVEL ALLOWANCE, AND SUCH**
10 **OTHER BENEFITS AS MAY BE GRANTED BY THE**
11 **COMMISSION ON ELECTIONS (COMELEC) TO**
12 **PERSONS RENDERING ELECTION SERVICE**
13 **PURSUANT TO SECTION 4 OF REPUBLIC ACT NO.**
14 **10756, OTHERWISE KNOWN AS THE 'ELECTION**
15 **SERVICE REFORM ACT'"**

1 Sec. 2. *Implementing Rules and Regulations.* – The Department of Finance
2 (DOF) shall, in consultation with the Commission on Elections (COMELEC) and the
3 Department of Education (DepEd), promulgate the necessary rules and regulations
4 to implement the provisions of this Act within sixty (60) days from its effectivity.

5 Sec. 3. *Separability Clause.* – If any provision of this Act is declared
6 unconstitutional or invalid, other parts or provisions hereof not affected shall
7 continue to be in full force and effect.

8 Sec. 4. *Repealing Clause.* – All laws, executive orders, presidential decrees,
9 presidential proclamations, letters of instruction, rules and regulations or parts
10 thereof which are inconsistent with the provisions of this Act are hereby repealed or
11 modified accordingly.

12 Sec. 5. *Effectivity Clause.* – This Act shall take effect fifteen (15) days following
13 its publication in the Official Gazette or in a newspaper of general circulation in the
14 Philippines.

Approved,