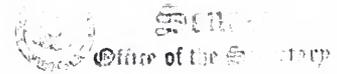


**NINETEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )**



'22 JUL 12 A11 :00

**SENATE**  
**S.B. No. 346**

RECEIVED BY: \_\_\_\_\_

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Introduced by Senator Maria Lourdes Nancy S. Binay

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**AN ACT GRANTING TAX INCENTIVES TO EMPLOYERS THAT HIRE  
FRESH GRADUATES FROM PROVINCIAL COLLEGES, UNIVERSITIES  
AND TRAINING CENTERS, APPROPRIATING FUNDS THEREFOR  
AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

This bill seeks to help students graduating from provincial colleges and universities to access jobs and training opportunities by granting tax incentives to employers encouraging the latter to hire equally competent fresh graduates all over the country.

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

**MARIA LOURDES NANCY S. BINAY**

SENATE  
S.B. No. 346



Introduced by Senator Maria Lourdes Nancy S. Binay

**AN ACT GRANTING TAX INCENTIVES TO EMPLOYERS THAT HIRE FRESH GRADUATES FROM PROVINCIAL COLLEGES, UNIVERSITIES AND TRAINING CENTERS, APPROPRIATING FUNDS 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 "*Fresh Graduates Incentives Act.*"

SEC. 2. *Declaration of Policy.* - It is hereby declared the policy of the State to adopt measures to ensure the welfare and protect the interest of the youth, particularly, fresh graduates. Thus, it shall endeavor to improve opportunities and widen their access to employment.

SEC. 3. *Definition of Terms.* - For purposes of this Act, the term:

(a) "*Fresh Graduates*" refers to a Filipino citizen who is not gainfully employed and has just graduated from a tertiary educational institution accredited by the by the Commission on Higher Education. Fresh graduates shall include Filipino citizens, not gainfully employed and has just finished a vocational course from schools and training centers accredited by the Technical Education and Skills Development Authority.

(b) "*Provincial Colleges, Universities, and Training Centers*" refer to tertiary educational institutions accredited by the Commission on Higher Education and educational institutions offering vocational and technical courses accredited by the Technical Education and Skills Development Authority from the Autonomous Regions and Provinces with municipalities with an average annual income of not more than fifty million pesos (P50,000,000.00).

SEC. 4. *Deductions from Taxable Income.* - As an incentive to companies and employers to hire fresh graduates from recognized Provincial Colleges, Universities,

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1 and Training Centers, a deduction from the computation of taxable income equivalent  
2 to ten percent (10%) of the fresh graduate's starting gross salary; Provided, however,  
3 that the tax deductions shall not exceed ten (10%) of its taxable income; Provided,  
4 further, that the tax deduction under this section shall be evidenced by a certified true  
5 copy of the fresh graduate's diploma, certification or document issued by the  
6 educational, vocational or technical institution from which he or she has graduated.  
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8       SEC. 5. *Implementing Rules and Regulations.* - The departments and agencies  
9 charged with the carrying out the provisions of this Act shall within sixty (60) days  
10 after the effectivity of this Act, formulate the necessary rules and regulations for its  
11 effective implementation.  
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13       SEC. 6. *Repealing Clause.* - All laws, decrees, executive orders, proclamations,  
14 rules and regulations and other issuance of parts thereof, inconsistent with the  
15 provisions of this Act are hereby repealed or modified accordingly.  
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17       SEC. 7. *Separability Clause.* - If, for any reason, any section or provision of this  
18 Act is held unconstitutional or invalid, the other sections or provisions hereof shall not  
19 be affected thereby.  
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21       SEC. 8. *Effectivity Clause.* - This Act shall take effect fifteen (15) days after its  
22 publication in the Official Gazette or two (2) newspapers of general circulation.

Approved,