

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

24 JUL 17 16:58

**SENATE**

**S. B. No. 2852**

---

**Introduced by SENATOR JOEL VILLANUEVA**

---

**AN ACT  
FURTHER STRENGTHENING THE INCENTIVES FOR PRIVATE  
SECTOR PARTICIPATION IN PUBLIC EDUCATIONAL INSTITUTIONS,  
AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8525,  
OTHERWISE KNOWN AS THE "ADOPT-A-SCHOOL ACT OF 1998"**

**EXPLANATORY NOTE**

The Philippine education sector has faced and continuously faces numerous challenges, ranging from a lack of sufficient resources and infrastructure, post-pandemic recovery, access to basic amenities, and the digital divide.<sup>1</sup> With the wide array of hurdles affecting the education sector, and given that these have both direct and indirect impacts on learners, it is essential to promote a whole-of-nation approach to improving access and quality of education.

Republic Act No. 8525, or the "Adopt-a-School Act of 1998," aims to encourage private initiative to support "the upgrading and modernization of public schools in the country."<sup>2</sup> Citing data provided by the Adopt-a-School Program Secretariat, the Second Congressional Commission on Education (EDCOM2) noted that there were 476 tax endorsements processed since 2018, with at least Php413.4 million tax claims processed in 2023, covering projects such as "provision of equipment and supplies, construction of classrooms and other facilities, and repair and renovation works."<sup>3</sup> However, consultations conducted by the EDCOM2 reveal that "private entities voluntarily provide assistance to public schools, even in the absence of tax incentives."<sup>4</sup>

---

<sup>1</sup> Philippine Institute for Development Studies, Educational Challenges in the Philippines, August 5, 2023. Available at <https://pids.gov.ph/details/news/in-the-news/educational-challenges-in-the-philippines>.

<sup>2</sup> Section 2 of Republic Act No. 8525.

<sup>3</sup> EDCOM 2, Roundtable Discussion Slide Deck, August 22, 2024.

<sup>4</sup> EDCOM 2, Highlights of the Discussion on Leveraging Private Sector Support for Education through the Adopt-a-School Act, August 22, 2024.

The private sector has always been an indispensable partner of the government in nation-building, and even more so in tackling the challenges faced by the education sector. Thus, to incentivize public-private collaboration in education, the proposed measure seeks to improve on the existing Adopt-a-School Act, through the following:

First, the options by which the private sector can extend its assistance to public educational institutions have been expanded to include, among others, training, development, and further education of teaching personnel, daycare and child development workers, technical-vocational trainers, and others; scholarships; assessments for relevant work-related certifications; construction, upgrade and repair of school facilities, and provision of books, school supplies, and other instructional materials.

Second, the measure adds an additional deduction from taxable income for the hiring of Senior High School (SHS) graduates from their partner public school, and exempts donated goods from customs duties, value-added tax, excise tax, and donor's tax.

Third, the existing Adopt-a-School Coordinating Council shall be expanded to include the Department of Trade and Industry (DTI), the Department of Labor and Employment (DOLE), the Bureau of Internal Revenue (BIR), and a representative from a reputable business group to enhance the coordination between government and relevant industry stakeholders.

Lastly, to ensure more strategic interventions and collaboration on private investments in education, the Department of Education (DepEd), the Commission on Higher Education (CHED), and the Technical Education and Skills Development Authority (TESDA) shall periodically identify the needs and priorities of public education institutions within their locations.

Considering the need to continuously introduce innovative reforms to improve access to and quality of education, the passage of this bill is earnestly sought.

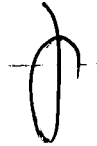
  
JOEL VILLANUEVA

NINETEENTH CONGRESS OF THE  
REPUBLIC OF THE PHILIPPINES  
Third Regular Session

)  
)  
)

2 OCT 17 16 58

SENATE  
S. B. NO. 2852

PC  


---

Introduced by **SENATOR JOEL VILLANUEVA**

---

**AN ACT**  
**FURTHER STRENGTHENING THE INCENTIVES FOR PRIVATE**  
**SECTOR PARTICIPATION IN PUBLIC EDUCATIONAL INSTITUTIONS,**  
**AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8525,**  
**OTHERWISE KNOWN AS THE "ADOPT-A-SCHOOL ACT OF 1998"**

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

1 **SECTION 1.** Section 1 of Republic Act No. 8525 is hereby amended  
2 as follows:  
3

4 "Section 1. Title. - This Act shall be known and cited as the  
5 ~~["Adopt-a-School Act of 1998"].~~ **"ADOPT-A-SCHOOL ACT OF**  
6 **2024"**.  
7

8 **SEC. 2.** Section 2 of Republic Act No. 8525 is hereby amended as  
9 follows:  
10

11 "Section 2. Declaration of policy. – It is the policy of the  
12 State to provide quality and relevant education to the Filipino youth  
13 and to encourage private initiative to support public education.  
14 Towards this end, the State shall institute programs to ~~[encourage]~~  
15 **INCENTIVIZE THE** private ~~[companies and enterprises]~~ **SECTOR**  
16 to ~~[help]~~ **ASSIST** in the **DEVELOPMENT**, upgrading, and  
17 modernization of **THE COUNTRY'S** public ~~[schools]~~ **EDUCATION**  
18 **SYSTEM** ~~[in the country, particularly those in poverty-stricken~~  
19 ~~provinces.]~~ **AND ESTABLISH PROPER LINKAGES BETWEEN**  
20 **EDUCATIONAL INSTITUTIONS AND INDUSTRIES,**  
21 **INCLUDING THE TRAINING AND EMPLOYMENT OF SENIOR**  
22 **HIGH SCHOOL (SHS) GRADUATES."**  
23

1       **SEC. 3.** Section 3 of Republic Act No. 8525 is hereby amended as  
2 follows:

3  
4       “Sec. 3. Adopt-a-School Program. - There is hereby  
5 established the "Adopt-a-School Program" which will allow private  
6 **INDIVIDUALS OR** entities, **WHETHER LOCAL OR FOREIGN,**  
7 **OF GOOD STANDING** to assist [a] public [school]  
8 **EDUCATIONAL INSTITUTIONS**, whether **EARLY CHILDHOOD**,  
9 elementary, secondary, **TECHNICAL-VOCATIONAL**  
10 **EDUCATION AND TRAINING, ALTERNATIVE LEARNING**  
11 **SYSTEM (ALS)**, or tertiary, preferably located in [any of the twenty  
12 (20) poorest provinces identified by the Presidential Council for  
13 Countryside Development or any other government agency  
14 tasked with identifying the poorest provinces] **THE 4<sup>TH</sup>, 5<sup>TH</sup>, AND**  
15 **6<sup>TH</sup> CLASS PROVINCES, CITIES, AND MUNICIPALITIES AS**  
16 **DETERMINED BY THE DEPARTMENT OF FINANCE (DOF)**  
17 **AND OTHER LOCAL GOVERNMENT UNITS (LGUs)**  
18 **EXPERIENCING SEVERE SHORTAGES, INSUFFICIENT**  
19 **BUDGET OR HAVING NUMEROUS POOR BUT HIGH**  
20 **PERFORMING LEARNERS** in, but not limited to, the following  
21 areas: **TRAINING, DEVELOPMENT AND FURTHER**  
22 **EDUCATION OF SCHOOL HEADS, TEACHERS, INCLUDING**  
23 **DAYCARE AND CHILD DEVELOPMENT WORKERS, TVET**  
24 **TRAINERS, FACULTY AND LEARNERS; ASSESSMENTS IN**  
25 **PURSUIT OF RELEVANT WORK-RELATED CERTIFICATIONS**  
26 **AND CREDENTIALS; SCHOLARSHIPS FOR TEACHERS;**  
27 **REAL ESTATE PROPERTY** [staff and faculty development for  
28 training and further education]; construction of **SCHOOL** facilities  
29 **SUCH AS LIBRARIES AND LABORATORIES AND THOSE**  
30 **RELATED TO POWER, WATER, AND SANITATION;**  
31 [upgrading] **UPGRADE AND REPAIR** of existing facilities;  
32 provision of books, publications, **SCHOOL SUPPLIES**, and other  
33 instructional materials **SUCH AS ELECTRONIC BOOKS (E-**  
34 **BOOKS), COMPUTERS, FURNITURE, EDUCATIONAL FILMS**  
35 **AND AUDIO-VISUAL MATERIALS; TECHNICAL VOCATIONAL**  
36 **LIVELIHOOD (TVL) TOOLS AND EQUIPMENT; HEALTH AND**  
37 **NUTRITION PACKAGES; ASSISTIVE LEARNING DEVICES**  
38 **AND EQUIPMENT FOR LEARNERS WITH SPECIAL NEEDS;**  
39 and modernization of instructional technologies.

40  
41       A Memorandum of Agreement (MOA) specifying the details  
42 of the adoption shall be entered into between the adopting  
43 **INDIVIDUAL OR** entity and the head of the [school]  
44 **EDUCATIONAL INSTITUTION** concerned: *Provided*, That such  
45 MOA shall be subject to review and approval of the  
46 [Superintendent of Schools of the province or district concerned]  
47 **CONCERNED REGIONAL, PROVINCIAL, OR FIELD OFFICE**  
48 **OF THE EDUCATIONAL INSTITUTION: Provided, further,** That  
49 the agreement shall last for at least two (2) years with the  
50 possibility of extension: *Provided, finally,* That such period may be

shortened only in cases where the adopting **INDIVIDUAL OR**  
entity is dissolved before the end of such period unless otherwise  
earlier terminated in accordance with ~~[the succeeding section]~~  
**THIS ACT.**"

**SEC. 4.** Insert a new Section under Republic Act No. 8525 as follows,  
and renumber the succeeding sections accordingly:

**"SEC. 4. CREATION AND ESTABLISHMENT OF AN  
ADOPT-A-SCHOOL ONE-STOP SHOP. – THE DEPARTMENT  
OF EDUCATION (DEPED), COMMISSION ON HIGHER  
EDUCATION (CHED), AND TECHNICAL EDUCATION AND  
SKILLS DEVELOPMENT AUTHORITY (TESDA), IN  
COORDINATION WITH THE DOF, BUREAU OF INTERNAL  
REVENUE (BIR), THE BUREAU OF CUSTOMS (BOC), AND  
THE DEPARTMENT OF INFORMATION AND  
COMMUNICATIONS TECHNOLOGY (DICT), SHALL  
ESTABLISH AND MAINTAIN AN ADOPT-A-SCHOOL ONE-  
STOP SHOP AND AN ONLINE PORTAL TO ADDRESS  
QUERIES AND CONCERNS FROM PRIVATE INDIVIDUALS  
AND ENTITIES INTERESTED IN THE PROGRAM, TO RECEIVE  
AND PROCESS APPLICATIONS JOINTLY WITH THE BIR AND  
THE BOC."**

**SEC. 5.** Section 4 of Republic Act No. 8525 is hereby amended as  
follows:

**"Section [4] 5. Periodic review. – A review of the adoption  
shall be undertaken by the ~~[local school board of the province or  
city where the school]~~ CONCERNED REGIONAL, PROVINCIAL,  
OR FIELD OFFICE WHERE THE PARTICIPATING SCHOOL** is  
located. The standards and guidelines for the review shall be  
formulated by the **ADOPT-A-SCHOOL** Coordinating Council  
created under Sec. [7] 8 hereof. The results of the review shall be  
taken into consideration in the assessment of the application for  
tax credits by the adopting **INDIVIDUAL OR** entity. The ~~[school  
board]~~ **CONCERNED REGIONAL, PROVINCIAL, OR FIELD  
OFFICE** may, after an appropriate review, recommend to the  
**ADOPT-A-SCHOOL** Coordinating Council the termination of the  
adoption. The adopting **INDIVIDUAL OR** entity may appeal the  
assessment to the **ADOPT-A-SCHOOL** Coordinating Council  
whose decision shall be final and unappealable."

**SEC. 6.** Section 5 and 6 of Republic Act No. 8525 are hereby repealed  
and replaced with a new Section, as follows:

**"SEC. 6. INCENTIVES FOR ADOPTING INDIVIDUALS  
OR ENTITIES. – PROVISIONS OF EXISTING LAWS TO THE  
CONTRARY NOTWITHSTANDING, ADOPTING INDIVIDUALS  
OR ENTITIES SHALL ENJOY THE FOLLOWING INCENTIVES:**

1  
2 a) **ADDITIONAL DEDUCTION FOR EXPENSES INCURRED**  
3 **FOR THE ADOPTION – EXPENSES INCURRED BY THE**  
4 **ADOPTING INDIVIDUALS OR ENTITIES FOR THE**  
5 **"ADOPT-A-SCHOOL PROGRAM" SHALL BE**  
6 **ALLOWED AN ADDITIONAL DEDUCTION FROM THE**  
7 **GROSS INCOME EQUIVALENT TO FIFTY PERCENT**  
8 **(50%) OF SUCH EXPENSES.**

9  
10 **VALUATION OF ASSISTANCE OTHER THAN MONEY**  
11 **SHALL BE BASED ON THE ACQUISITION COST OF**  
12 **THE GOODS, SERVICES AND REAL PROPERTY. SUCH**  
13 **VALUATION SHALL TAKE INTO CONSIDERATION THE**  
14 **DEPRECIATED VALUE OF THE GOODS AND REAL**  
15 **PROPERTY, IN CASE SAID GOODS AND REAL**  
16 **PROPERTY HAVE ALREADY BEEN USED.**

17  
18 b) **ONE-TIME ADDITIONAL DEDUCTION FOR HIRING OF**  
19 **PUBLIC SENIOR HIGH SCHOOL (SHS) GRADUATES –**  
20 **ADOPTING INDIVIDUALS OR ENTITIES WHO HIRE**  
21 **SENIOR HIGH SCHOOL (SHS) GRADUATES FROM**  
22 **THEIR PARTNER PUBLIC INSTITUTION SHALL ENJOY**  
23 **AN ADDITIONAL DEDUCTION EQUIVALENT TO 20%**  
24 **OF THE SALARIES, WAGES, AND BENEFITS PAID TO**  
25 **THE EMPLOYED SHS GRADUATE: PROVIDED, THAT**  
26 **THE SHS GRADUATE IS REGULARLY EMPLOYED FOR**  
27 **AT LEAST ONE YEAR.**

28  
29 c) **ADDITIONAL INCENTIVES – IN ACCORDANCE WITH**  
30 **EXISTING LAWS AND SUBJECT TO THE**  
31 **IMPLEMENTING RULES AND REGULATIONS, THE**  
32 **ADOPTING INDIVIDUAL OR ENTITY SHALL BE**  
33 **ENTITLED TO HAVE ITS NAME EMBLAZONED**  
34 **BENEATH THE NAME OF THE SCHOOL AFTER**  
35 **WORDS INDICATING THAT THE SCHOOL IS UNDER**  
36 **THE "ADOPT-A-SCHOOL PROGRAM."**

37  
38 **SEC. 7.** Insert a new Section under Republic Act No. 8525 as follows,  
39 and renumber the succeeding sections accordingly:

40  
41 **"SEC. 7. EXEMPTION FROM IMPORT DUTIES, TAXES**  
42 **AND OTHER FEES. – THE DONATED GOODS, REAL**  
43 **PROPERTY, AND SERVICES BY AN ADOPTING INDIVIDUAL**  
44 **OR ENTITY SHALL BE EXEMPT FROM CUSTOMS DUTIES,**  
45 **VALUE-ADDED TAX, EXCISE TAX, AND DONOR'S TAX:**  
46 **PROVIDED, THAT THE DONATIONS SHALL NOT BE RESOLD**  
47 **OR TRANSFERRED FOR MATERIAL CONSIDERATION."**

48  
49 **SEC. 8.** Section 7 or Republic Act No. 8525 is hereby amended as  
50 follows:

1  
2 "Section [7] **8. ADOPT-A-SCHOOL** Coordinating Council.  
3 – **AN ADOPT-A-SCHOOL** Coordinating Council, hereinafter  
4 referred to as the Council, is hereby created to coordinate and  
5 monitor the implementation of this Act. The Council shall be  
6 composed of the Secretary of [~~the Department of Education,~~  
7 ~~Culture and Sports (DECS)~~] **DEPED**, as chairperson; the  
8 Chairman of [~~the Commission on Higher Education (CHED)~~]  
9 **CHED** and the Director-General of [~~the Technical Education and~~  
10 ~~Skills Development Authority (TESDA)~~] **TESDA**, as co-  
11 chairpersons; **THE SECRETARY OF THE DEPARTMENT OF**  
12 **TRADE AND INDUSTRY (DTI); THE SECRETARY OF THE**  
13 **DEPARTMENT OF LABOR AND EMPLOYMENT (DOLE); THE**  
14 **COMMISSIONER OF THE BIR** and [~~the chairperson of the~~  
15 ~~Presidential Council for Countryside Development (PCCD), and]~~  
16 a representative, **WHO SHALL HAVE A TERM OF THREE (3)**  
17 **YEARS AND MAY BE REAPPOINTED FOR ANOTHER THREE**  
18 **(3) YEARS**, from a [~~national federation of chambers of commerce~~  
19 ~~and industry~~] **REPUTABLE BUSINESS GROUP** to be appointed  
20 by the President of the Philippines, as members."

21  
22 **THE SECRETARIES OF DEPED, DTI, AND DOLE, THE**  
23 **CHAIRMAN OF CHED, THE DIRECTOR-GENERAL OF TESDA,**  
24 **AND THE COMMISSIONER OF BIR MAY DESIGNATE THEIR**  
25 **RESPECTIVE ALTERNATES WITH RANKS NOT LOWER**  
26 **THAN ASSISTANT SECRETARY OR ITS EQUIVALENT. ALL**  
27 **ALTERNATES SHALL BE AUTHORIZED TO DECIDE FOR OR**  
28 **ON BEHALF OF THEIR RESPECTIVE PRINCIPALS.**

29  
30 The Council shall meet once every three (3) months. The  
31 chairpersons and members shall not receive compensation but  
32 shall be entitled to reimbursements for reasonable expenses  
33 related to the Council's activities.

34  
35 The **DEPED [DECS], CHED, [and] TESDA, DTI, DOLE**  
36 **through a mutual agreement, AND IN COORDINATION WITH**  
37 **DBM**, shall each make provisions for the secretariat of the Council.

38  
39 **THE COUNCIL SHALL COORDINATE WITH NATIONAL**  
40 **GOVERNMENT AGENCIES (NGAS) AND EXISTING**  
41 **COUNCILS RELEVANT TO THE IMPLEMENTATION OF THE**  
42 **PROVISIONS OF THIS ACT."**

43  
44 **SEC. 9.** Insert a new Section under Republic Act No. 8525 as follows,  
45 and renumber the succeeding sections accordingly:

46  
47 **"SEC. 9. DETERMINATION OF EDUCATION SECTOR**  
48 **NEEDS AND PRIORITIES. – THE DEPED, CHED, AND TESDA,**  
49 **THROUGH THEIR RESPECTIVE REGIONAL, PROVINCIAL**  
50 **AND FIELD OFFICES, SHALL MAKE AN ANNUAL**

1       **DETERMINATION OF THE NEEDS AND PRIORITIES OF**  
2       **PUBLIC EDUCATION INSTITUTIONS WITHIN THEIR**  
3       **LOCATION, WHICH MAY SERVE AS A GUIDE FOR**  
4       **STRATEGIC INTERVENTIONS IN PARTNERSHIP WITH THE**  
5       **PRIVATE SECTOR.**

6  
7       **SEC. 10. *Implementing Rules and Regulations.*** – Within sixty (60)  
8 days from the effectivity of this Act, the DepEd, CHED, TESDA, DTI and DOLE,  
9 in consultation with the DOF, including the BIR, and the BOC, and the Early  
10 Childhood Care and Development (ECCD) Council Secretariat, shall formulate  
11 the implementing rules and regulations to implement this Act.  
12

13       **SEC. 11. *Transitory Clause.*** – To prevent any delay in the delivery of  
14 goods, services, and real property, the provisions of Republic Act No. 8525  
15 shall apply to pending and ongoing transactions and/or donations by adopting  
16 individuals or entities.  
17

18       **SEC. 12. *Repealing Clause.*** – All laws, decrees, orders, rules, and  
19 regulations or parts thereof inconsistent with this Act are hereby repealed or  
20 modified accordingly.  
21

22       **SEC. 13. *Separability Clause.*** – If any provision of this Act is held  
23 invalid or unconstitutional, the same shall not affect the validity and effectivity  
24 of the other provisions hereof.  
25

26       **SEC. 14. *Effectivity.*** – This Act shall take effect after fifteen (15) days  
27 following its publication in the *Official Gazette* or a newspaper of general  
28 circulation.  
29

30       Approved,