

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



Senate
Office of the Secretary

15 JUL 28 P3:24

SENATE
S.B. No. 2869

RECEIVED BY: 

Introduced by Senator Ramon Bong Revilla, Jr.

**AN ACT
GRANTING TAX RELIEF TO PERSONS WITH DISABILITIES (PWDs), AND FOR
OTHER PURPOSES**

EXPLANATORY NOTE

Persons with Disability are vulnerable sectors of our society. We must give full support to the improvement of their total well-being and we must promote and encourage their integration into the mainstream of society.

In all these, we should ensure their rehabilitation, self-development and self-reliance through policies specifically catering to their circumstances. This bill seeks to give persons with disability a form of assistance by granting them tax relief.

PWDs continue to bear unusual expenses because of their conditions. This proposed tax relief granted to them will help ease their financial burden.

This tax relief is not meant to discriminate PWDs but it is acknowledgment that PWDs face certain economic travails which are unique to their condition.

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


RAMON BONG REVILLA, JR.

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**AN ACT
GRANTING TAX RELIEF TO PERSONS WITH DISABILITIES (PWDs) AND FOR
OTHER PURPOSES**

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

1 **SECTION 1. Short Title.** – This Act shall be known as “Tax Relief for Persons
2 with Disabilities (PWDs) Act of 2015.”

3
4 **SEC. 2. Declaration of Policy.** – The State affirms the principle that disabled
5 persons are part of Philippine society. The State shall give full support to the
6 improvement of the total well-being of persons with disability and their integration into
7 the mainstream of society. Toward this end, the State shall adopt policies ensuring the
8 rehabilitation, self-development and self-reliance of persons with disabilities. It shall
9 develop their skills and potentials to enable them to compete favourably for available
10 opportunities.

11
12 **SEC. 3. Definition of Terms.** – As used in this Act, the term “persons with
13 disabilities” shall refer to those suffering from restriction or different abilities, as a result
14 of a mental, physical or sensory impairment, to perform an activity in the manner or
15 within the range considered normal for a human being, as the terms is used in Republic
16 Act No. 7277, or the Magna Carta for the Disabled Person.

17

1 **SEC. 4. Incentives.** – Persons with disabilities shall be entitled to the following
2 incentives:

3 (a) All allowances and benefits granted to disabled persons shall be excluded
4 from the computation of gross income, and shall be exempt from taxation
5 under Republic Act No. 8424, otherwise known as the “National Internal
6 Revenue Code of 1997”;

7 (b) Twenty percent (20%) discount on the sale of the goods and services on
8 food, clothing, transportation, medicine, medical services, dental services,
9 and other basic necessity from all establishments for the exclusive use and
10 enjoyment or availment of the person with disability. In the purchase of goods
11 and services which are on promotional discount, the person with disability can
12 avail of the establishment’s offered discount or the 20% discount provided
13 herein, whichever is higher and more favourable; and

14 (c) A minimum of five percent (5%) discount relative to the monthly utilization of
15 water and electricity by households with persons with disabilities; *provided,*
16 further, that the monthly consumption does not exceed thirty cubic meters (30
17 m²) of water and one hundred kilowatt hours (100 kWh) of electricity;
18 *provided,* furthermore, that the privilege is granted per household regardless
19 of the number of persons with disabilities residing therein.

20
21 **SEC. 5. Tax Deduction.** – The establishment granting the discount under
22 Section 4 (b) and (c) hereof may claim the discounts provided as tax deductions based
23 on the cost of the goods sold and services rendered; *provided,* that the cost of the
24 discount shall be allowed as deduction from the gross income for the same taxable year
25 that the discount is granted; *provided,* further, that the total amount of the claimed tax
26 deduction net of VAT, if applicable, shall be included in their gross sales receipts for tax
27 purposes and shall be subject to proper documentation and to the provisions of the
28 National Internal Revenue Code of 1997, as amended.

29

1 **SEC. 6. *Implementation.*** – The Bureau of Internal Revenue, in consultation with
2 all relevant government agencies shall issue the necessary rules and regulations for the
3 effective implementation of this Act.

4
5 **Sec. 7. *Separability Clause.*** If any provision of this Act is declared
6 unconstitutional or invalid, the provisions not affected thereby shall continue to be in full
7 force and effect.

8
9 **Sec. 8. *Repealing Clause.*** All laws, republic acts, presidential decrees, orders,
10 rules and regulations or other issuance of government agencies inconsistent with the
11 provisions of this Act are hereby repealed, amended or modified accordingly.

12
13 **Sec. 9. *Effectivity Clause.*** This Act shall take effect fifteen days after its
14 publication in the Official Gazette.

Approved.