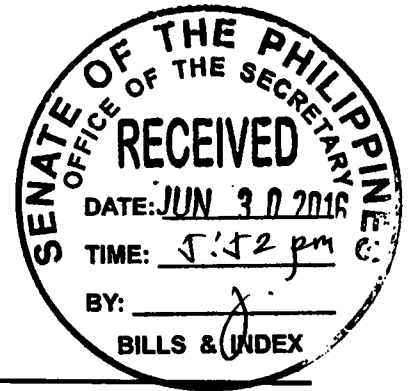


SEVENTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
First Regular Session)



SENATE
S. B. No. 183

Introduced by Senator Maria Lourdes Nancy S. Binay

AN ACT GRANTING INCENTIVES TO PUBLIC SCHOOL TEACHERS IN ALL
LEVELS, INCLUDING STATE UNIVERSITIES AND COLLEGES, AND FOR OTHER
PURPOSES

EXPLANATORY NOTE

At present, public school teachers receive minimum salary equivalent to salary grade 11, or Php 18,549.00. It is quite unfortunate that our public school teachers who are at the heart of our public school system are not being properly compensated for their hard work and dedication to the practice of their profession.

The proposed bill seeks to grant public school teachers incentives as a means to ease their financial situation and, more importantly, as a form of recognition of their value in the development of our nation. This is consistent with Section 5 (5), Article XIV of the 1987 Philippine Constitution which states:

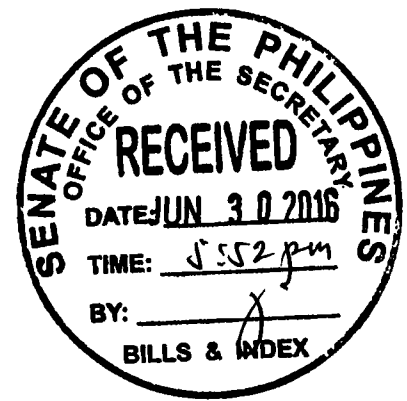
The State shall assign the highest budgetary priority to education and ensure that teaching will attract and retain its rightful share of the best available talents through adequate remuneration and other means of job satisfaction and fulfillment.

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

A handwritten signature in black ink, appearing to read 'M. Binay', written over the printed name.

MARIA LOURDES NANCY S. BINAY

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1 AN ACT GRANTING INCENTIVES TO PUBLIC SCHOOL TEACHERS IN ALL
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4

5 *Be it enacted by the Senate and House of Representatives of the Philippines in Congress*
6 *assembled:*
7

8 SECTION 1. *Title.* This Act shall be known as “Public School Teacher’s Incentives Act of
9 2016.”
10

11 SECTION 2. *Incentives.* Public school teachers, in all levels, including those in State colleges
12 and universities, shall be entitled to the following incentives:
13

- 14 (a) All allowances and benefits granted to public school teachers shall be excluded
15 from the computation of gross income, and shall be exempt from taxation under
16 Republic Act No. 8424, otherwise known as the “National Internal Revenue
17 Code of 1997”;
18
- 19 (b) Twenty percent (20%) discount on the sale of the goods and services on food,
20 clothing, transportation, medicine, medical services, dental services, and other
21 basic necessity from all establishments for the exclusive use and enjoyment or
22 availment of the public school teachers, their children, or spouse. In the
23 purchase of goods and services which are on promotional discount, the public
24 school teacher can avail of the establishment's offered discount or the 20%
25 discount provided herein, whichever is higher and more favorable; and
26
- 27 (c) A minimum of five percent (5%) discount relative to the monthly utilization of
28 water and electricity by households with public school teachers; *provided*, that
29 the individual meters for the foregoing utilities are registered in the name of the
30 public school teacher residing therein: *provided*, further, that the monthly
31 consumption does not exceed one hundred kilowatt hours (100 kWh) of
32 electricity and thirty cubic meters (30m³) of water; *provided*, furthermore, that
33 the privilege is granted per household regardless of the number of public school
34 teachers residing therein.
35

36 SECTION 3. *Tax Deduction.* The establishment granting the discount under Section 2 (b) and
37 (c) hereof may claim the discounts provided as tax deductions based on the cost of the goods
38 sold or services rendered; *provided*, that the cost of the discount shall be allowed as deduction

1 from the gross income for the same taxable year that the discount is granted; *provided*, further,
2 that the total amount of the claimed tax deduction net of VAT, if applicable, shall be included
3 in their gross sales receipts for tax purposes and shall be subject to proper documentation and
4 to the provisions of the National Internal Revenue Code of 1997, as amended.

5
6 SECTION 4. *Implementation.* The Bureau of Internal Revenue, in consultation with all
7 relevant government agencies shall issue implementing rules and regulations within ninety
8 (90) days from effectivity hereof, and such other rules and regulations as may be necessary to
9 carry out the purpose of this Act.

10
11 SECTION 5. *Separability Clause.* If any portion or provision of this Act is declared void and
12 unconstitutional, the remaining portions or provisions hereof shall not be affected by such
13 declaration.

14
15 SECTION 6. *Repealing Clause.* All laws, decrees, orders, rules and regulations, other
16 issuances, or parts thereof inconsistent with the provisions of this Act are hereby repealed or
17 modified accordingly.

18
19 SECTION 7. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its complete
20 publication in at least two (2) national newspapers of general circulation.

21
22 Approved,