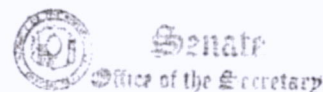


SEVENTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Third Regular Session)



'18 AUG 15 P1:49

SENATE
S.B. NO. 1941

RECEIVED

Introduced by Senator Maria Lourdes Nancy S. Binay

**AN ACT EXEMPTING FROM INCOME TAX COMPENSATION GIVEN TO
TEACHERS FOR SERVING AS MEMBERS OF THE ELECTORAL BOARD FOR
LOCAL OR NATIONAL ELECTIONS**


EXPLANATORY NOTE

Teachers are often said to be the heroes of every election season. They are often called on to be on the frontlines of the polls serving as members of the Board of Election Tellers (BET) tasked with operating the Vote Counting Machines (VCM) and assisting voters on Election Day.

Unfortunately, the election season is prone to incidents of election-related violence and deaths. During the May 14, 2018 Barangay and Sangguniang Kabataan elections, the Philippine National Police (PNP) classified 597 areas in the country as red hotspots, 4,970 as orange hotspots, and 2,071 as yellow hotspots. Each hotspot represent prevalent hazards to the identified areas: red referring to areas in "critical situation", orange have "presence of armed groups and organized movements outside the law", and yellow referring to places with "history of political unrest". In the same election, about half a million teachers was reported to volunteer to supervise the polls.

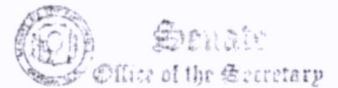
This Bill seeks to exempt from income tax, compensation given to teachers for serving as members of the electoral board for local or national elections, for their notable service during election seasons.

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

A handwritten signature in black ink, appearing to read 'ML Binay', written in a cursive style.

MARIA LOURDES NANCY S. BINAY
Senator

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

1 Section 1. It is a declared policy of the State to promote and uplift the economic
2 status of teachers and to recognize the public service they are rendering by
3 serving in the Electoral Boards during national and local elections.

4

5 Sec. 2. Section 24 (A) (1) (a) of Republic Act No. 10963 provides that taxable
6 income, as defined for each taxable year from all sources within and without the
7 Philippines by every individual citizen of the of the Philippines residing therein,
8 shall be subject to income tax if the taxable income is over P250,000.00, Section
9 32 of the National Internal Revenue Code of the Philippines defines gross income
10 to include compensation for services in whatever from paid, including, but not
11 limited to fees, salaries, wages, commissions, and similar items.

12

13 Sec. 3. All compensation received by teachers for rendering services as part of
14 the Electoral Board for the national or local election shall not be included in the
15 computation of gross income and shall be exempt from income tax.

16

1 Sec. 4. *Implementing Rules and Regulations* – The Commissioner of the Bureau
2 of Internal Revenue shall promulgate such rules and regulations as may be
3 necessary to implement the provision of this Act within (90) days after the
4 effectivity of this Act.

5

6 Sec. 5. *Separability Clause* – If any provision or section of this Act is held invalid
7 or unconstitutional, the other provisions and sections not affected thereby shall
8 remain in full force and effect.

9

10 Sec. 6. *Repealing Clause* – All laws, presidential decrees, executive orders, or
11 issuances, or any part thereof which are inconsistent with the provisions of this
12 Act are hereby repealed, amended, or modified accordingly.

13

14 Sec.7. *Effectivity* – This Act shall take effect fifteen (15) days after its publication
15 in the Official Gazette or two (2) newspaper of general circulation.

16

Approved,