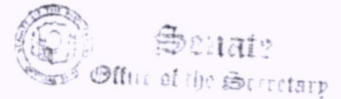


EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



'19 JUL -2 AIO :40

SENATE  
S. B. No. 132

RECEIVED

---

Introduced by Senator SONNY ANGARA

---

**AN ACT**  
**GRANTING DISCOUNTS ON BASIC AND EDUCATION SERVICES TO**  
**UNDERPRIVILEGED STUDENTS IN ALL LEVELS, INCLUDING THOSE**  
**ENROLLED IN TECHNICAL-VOCATIONAL (TECH-VOC) INSTITUTIONS**

EXPLANATORY NOTE

The 1987 Constitution provides that the State shall establish and maintain a system of scholarship grants, student loan programs, and provide other incentives which shall be made available to deserving students, especially to the underprivileged.

Even with the system of scholarship grants and student loan programs provided by the government, not all deserving and underprivileged students get to finish their education because they lack the financial capacity to spend for their basic needs and other expenses related to their schooling.

To ease the financial burden of underprivileged students and help them cope with the high cost of education as well as daily school expenses, this measure proposes to grant discounts on basic services, such as food and medicine. Moreover, it also seeks to give them discounts on educational expenses, such as tuition, miscellaneous, and other school fees, including books and school supplies.

While the passage of Republic Act No. 10931 or the "Universal Access to Quality Tertiary Education Act" (also more popularly known as the "Free Tuition Law") eases the burden of Filipinos, the Commission on Higher Education said that tuition only comprised 30-40 percent of a family's out-of-pocket education expenses.

Considering that we now have a law giving discounts to senior citizens, it is high time that we consider the plight of our underprivileged students who are our nation's future.

In view of the foregoing reasons, immediate approval of this measure is earnestly sought.

A handwritten signature in black ink, consisting of a large, stylized initial 'S' followed by a long, sweeping horizontal line that ends in a small upward curve.

**SONNY ANGARA**

'19 JUL -2 A10 :40

**SENATE**  
**S. B. No. 132**

RECEIVED



---

Introduced by Senator SONNY ANGARA

---

**AN ACT**  
**GRANTING DISCOUNTS ON BASIC AND EDUCATION SERVICES TO**  
**UNDERPRIVILEGED STUDENTS IN ALL LEVELS, INCLUDING THOSE**  
**ENROLLED IN TECHNICAL-VOCATIONAL (TECH-VOC) INSTITUTIONS**

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

1 Section 1. *Short Title.* – This Act shall be known as the "*Underprivileged*  
2 *Students' Discount Act of 2019.*"

3 Sec. 2. *Declaration of Policy.* – It is the policy of the State to prioritize quality  
4 education and take appropriate steps to make such education accessible to all.

5 Sec. 3. *Definition of Terms.* – As used in this Act, the following terms shall  
6 mean:

7 (a) *Underprivileged Student* refers to a Filipino student enrolled in basic  
8 education, post-secondary non-degree technical-vocational (Tech-Voc) courses, and  
9 those enrolled in bachelor's Degree Programs at the college level, whose parents  
10 have a gross annual income of not more than One Hundred Fifty Thousand Pesos  
11 (P150,000.00), subject to review by the National Economic and Development  
12 Authority (NEDA) every three years: *Provided, That* a Filipino student who opts to  
13 take part-time jobs to subsidize the student's education and whose income  
14 combined with the annual gross income of the student's parents do not exceed One  
15 Hundred Fifty Thousand Pesos (P150,000.00), subject to review by the NEDA every  
16 three (3) years, is deemed an Underprivileged Student;



1 (b) *Discounts* refer to an amount deducted or counted off from the cost of goods  
2 under basic services and from fees to be collected on education services;

3 (c) *Basic Services* refer to basic necessities such as food for snacks and meals  
4 and medicines; and

5 (d) *Education Services* refer to education-related expenditures such as tuition,  
6 miscellaneous and other school fees, books, and school supplies.

7 *Sec. 4. Discounts for Underprivileged Students.* – Underprivileged students shall  
8 be entitled to the following:

9 (a) On Food Establishments - A five percent (5%) discount shall be granted to  
10 underprivileged students by food establishments such as food chains,  
11 canteens and restaurants anywhere in the country: *Provided*, That private  
12 food establishments may claim the cost as allowable tax deduction from the  
13 gross income in the computation of the income tax in accordance with the  
14 provisions of the National Internal Revenue Code (NIRC) of 1997, as  
15 amended;

16 (b) On Medicines - A five percent (5%) discount shall be granted to  
17 underprivileged students by pharmacies or drug stores anywhere in the  
18 country: *Provided*, That these pharmacies or drug stores may claim the cost  
19 as allowable tax deduction from the gross income in the computation of the  
20 income tax in accordance with the provisions of the NIRC of 1997, as  
21 amended;

22 (c) On Textbooks and School Supplies - A five percent (5%) discount shall be  
23 granted to underprivileged students by establishments anywhere in the  
24 country that sell reference books and school supplies: *Provided*, That these  
25 establishments may claim the cost as allowable tax deduction from the gross  
26 income in the computation of the income tax in accordance with the  
27 provisions of the NIRC of 1997, as amended; and

28 (d) On Tuition Fees, Miscellaneous, and Other School Fees - A five percent (5%)  
29 discount shall be granted to underprivileged students by public and private  
30 schools where they are enrolled in, without prejudice to their right to avail  
31 themselves of other educational assistance given by the school and the  
32 government, such as those provided under Republic Act No. 6728, as

1 amended by Republic Act No. 8545 or the "Government Assistance to  
2 Students and Teachers in Private Education (EGASTPE)", Republic Act No.  
3 9442 or the law amending the "Magna Carta for the Disabled", Republic Act  
4 No. 10687 or the "Unified Student Financial Assistance System for Tertiary  
5 Education (UniFAST)", and Republic Act No. 10931 or the "Universal Access  
6 to Quality Tertiary Education (UAQTE) Act": *Provided*, That the schools may  
7 claim the cost as allowable tax deduction from the gross income in the  
8 computation of the income tax in accordance with the provisions of the NIRC  
9 of 1997, as amended.

- 10 (e) On Museums, Theaters, and Cultural Events - A five percent (5%) discount  
11 shall be granted to underprivileged students on entrance fees to museums,  
12 theaters, and cultural events sanctioned by the National Commission on  
13 Culture and Arts anywhere in the country: *Provided*, That private museums,  
14 theaters and producers of cultural events may claim the cost as allowable tax  
15 deduction from the gross income in the computation of the income tax in  
16 accordance with the provisions of the NIRC of 1997, as amended.

17 *Sec. 5. Limitations.* – The Department of Education (DepEd), Technical Education  
18 and Skills Development Authority (TESDA), and Commission on Higher Education  
19 (CHED) may identify grounds for disqualification of students in availing the  
20 aforementioned discounts, in accordance with the implementing rules and  
21 regulations of this Act: *Provided*, That these grounds will not defeat the purpose of  
22 liberally granting such discounts to underprivileged students.

23 *Sec. 6. Roles of DepEd and CHED.* – Qualified primary and secondary students,  
24 and tertiary or college beneficiaries, shall be determined by DepEd and CHED,  
25 respectively. These agencies shall have the following functions:

- 26 (a) To plan, implement, and monitor yearly work programs, evaluate and submit  
27 annual reports in pursuance to the objectives of this Act;  
28 (b) To screen applicants, receive documentary proof, and identify who are the  
29 eligible underprivileged primary, secondary and college students based on the  
30 provisions of this Act;



- 1 (c) To closely coordinate with the NEDA in determining the income brackets of  
2 Filipino families for the purpose of identifying underprivileged primary, secondary  
3 and college students, respectively;
- 4 (d) To issue identification cards which shall be valid anywhere in the country as  
5 proof of the eligibility of the underprivileged primary, secondary and college  
6 students to avail themselves of the discounts;
- 7 (e) To maintain and regularly update, on a quarterly basis, the list of underprivileged  
8 primary, secondary, and college students who avail themselves of the discounts;
- 9 (f) To cancel the identification cards issued for those disqualified under Section 5 of  
10 this Act;
- 11 (g) To provide information to the affected establishments under Section 4 of this Act  
12 for any questions regarding the eligibility of any underprivileged primary,  
13 secondary and college students claiming the discounts through the DepEd and  
14 CHED websites, respectively;
- 15 (h) To monitor the extent of implementation of this Act and to coordinate with the  
16 concerned agencies regarding the imposition of penalties on violators of this Act;  
17 and
- 18 (i) To perform such other functions as may be determined by the DepEd Secretary  
19 and CHED Chairperson.

20 *Sec. 7. Role of TESDA.* – The TESDA shall be in charge of determining the  
21 qualified post-secondary tech-voc beneficiaries under this Act through its Office of  
22 Technical-Vocational Education and Training (TVET) Systems Development Office  
23 (TSDO). The TESDA Director-General shall include in the regular functions of the  
24 TSDO the following additional functions:

- 25 (a) To plan, implement, and monitor work programs, evaluate and submit annual  
26 reports in pursuance of the objectives of this Act;
- 27 (b) To screen applicants, receive documentary proof, and identify who are the  
28 eligible underprivileged post-secondary students based on the provisions of  
29 this Act;
- 30 (c) To closely coordinate with the NEDA in determining the income brackets of  
31 Filipino families for the purpose of identifying underprivileged post-secondary  
32 students;

- 1 (d) To issue identification cards which shall be valid anywhere in the country as  
2 proof of the eligibility of the underprivileged post-secondary students to avail  
3 themselves of the discounts;
- 4 (e) To maintain and regularly update, on a quarterly basis, the list of  
5 underprivileged post-secondary students who avail themselves of the  
6 discounts and to review, evaluate and assess their academic standing;
- 7 (f) To cancel the identification cards issued for those disqualified under Section 5  
8 of this Act;
- 9 (g) To provide information to the affected establishments under Section 4 of this  
10 Act for any questions regarding the eligibility of any underprivileged post-  
11 secondary students claiming the discounts through the TESDA website;
- 12 (h) To monitor the extent of implementation of this Act and to coordinate with  
13 the concerned agencies regarding the imposition of penalties on violators of  
14 this Act; and
- 15 (i) To perform such other functions as may be determined by the TESDA  
16 Director-General in the implementation of this Act.

17 *Sec. 8. Tax Incentives.* – Discounts granted by establishments to underprivileged  
18 students under this Act shall be treated as allowable deduction from the gross  
19 income in the computation of the income tax, in accordance with the provisions of  
20 NIRC of 1997, as amended.

21 *Sec. 9. Implementing Rules and Regulations.* – The DepEd, TESDA, and CHED, in  
22 coordination with the NEDA, the Department of Social Welfare and Development  
23 (DSWD), the Department of Health (DOH), the Department of Trade and Industry  
24 (DTI), Department of Finance (DOF), and such other agencies concerned with the  
25 establishments which may be affected by this Act, shall issue the implementing rules  
26 and regulations to carry out the objectives of this Act within thirty (30) days after  
27 this law takes effect.

28 *Sec. 10. Penalties.* – The first violation of any provisions of this Act shall cause  
29 the suspension of the license to operate or the business permit of the establishment  
30 or person concerned for not less than one (1) week but not more than four (4)  
31 weeks and a fine of not less than Twenty Thousand Pesos (P20,000.00) but not  
32 more than Fifty Thousand Pesos (P50,000.00).



1           The second violation of any provisions of this Act shall cause the suspension  
2 of the license to operate or the business permit of the establishment or the person  
3 concerned for not less than four (4) weeks and a fine of not less than Fifty  
4 Thousand Pesos (P50,000.00), but not exceeding Two Hundred Fifty Thousand  
5 Pesos (P250,000.00): *Provided*, however, That the procedure of notice and hearing  
6 shall have been complied with prior to the imposition of the said penalties.

7           If the offender is a corporation, organization or any similar entity, the officers  
8 thereof shall suffer the same penalty imposed on any person found violating this Act.

9           Sec. 11. *Enforcement.* – Pursuant hereto, the DepEd, DTI, DOH, and local  
10 government units (LGUs), in coordination with the CHED and TESDA, shall have the  
11 mandate to implement the provisions of this Act. After filing of an appropriate  
12 complaint, and after due notice and hearing, the proper authorities may also cause  
13 the cancellation or revocation of the business permit, permit to operate, franchise  
14 and other similar privileges granted to any business entity that fails to abide by the  
15 provisions of this Act.

16           Sec. 12. *Separability Clause.* – If any provision or part thereof is held invalid or  
17 unconstitutional, the other sections or provisions thereof shall not be affected  
18 thereby and shall remain in force and effect.

19           Sec. 13. *Repealing Clause.* – All laws, executive orders, decrees, instructions,  
20 rules and regulations contrary to or inconsistent with any provision of this Act are  
21 hereby amended, repealed or modified accordingly.

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

Approved,