



Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Metro Manila

Seventeenth Congress  
First Regular Session

HOUSE BILL NO. 3741



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**Introduced by Honorable Rodante D. Marcoleta**

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This bill seeks to include incidental expenses in the exercise of profession as additional allowable deductions from the annual taxable income of teachers.

It is the policy of the State to recognize the vital role of teachers in nation building. The service that they provide to our students is an essential factor in the economic growth of our nation. As mentors, they mold the mind of the youth to help them become active, informed and responsible citizens. To ensure that our youth avail of quality and affordable education, our government engages qualified, educated and intelligent teachers who act as mentors and molders of our students in their daily undertaking in school. However, due to low salaries and lack of benefits for their services, teachers are migrating to foreign lands to seek greener pastures or finding other lucrative undertaking instead of dedicating their lives to the vocation of teaching.

To prevent the migration of our teachers and losing them to other undertakings, it is imperative for the government to address the financial burden of teachers. One effective measure is to lessen the tax burden of teachers. One way of doing this is to grant them additional allowable deductions of their taxable income for incidental expenses they incur in the exercise of their profession such as expenses for books, school supplies, study tours, education tours, conferences, seminars, training courses, master and doctoral courses, and similar studies necessary in their teaching profession and instructional activities. This tax incentive will provide financial relief to teachers and, in effect, will enhance their role as educators.

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

  
**RODANTE D. MARCOLETA**



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**AN ACT**  
**INCLUDING INCIDENTAL EXPENSES IN THE EXERCISE OF**  
**PROFESSION AS ADDITIONAL ALLOWABLE DEDUCTIONS FROM**  
**THE TAXABLE INCOME OF TEACHERS**

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

SECTION 1. All incidental expenses incurred by teachers in the exercise of their profession such as the purchase of books and school supplies and payments for attendance in study or educational tours, conferences, seminars, training courses, master and doctoral courses and other continuing professional development programs during the taxable year, shall be deducted from their annual and gross taxable income. The allowable deduction shall not exceed Fifty Thousand pesos (50,000.00) per taxable year. The expenses shall be substantiated with sufficient evidence, such as official receipts which indicate the amount of the expenses being deducted relative to the exercise of profession of teachers.

For the purposes of this Act, *teachers* refer to all persons who are engaged in the personal development of students through the classroom instructional strategies from the kindergarten, elementary, high school and college levels in all educational institutions including guidance counselors, aides, head teachers and principals employed in any level of the public and private educational institutions.

SEC. 2. The Commissioner of the Bureau of Internal Revenue shall, in coordination with the Secretary of Education and the Chairperson of the Commission on Higher Education, issue the necessary rules and regulations for the effective implementation of this Act.

SEC. 3. This Act shall take effect fifteen (15) days from its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,