

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

House Bill No. 5079



Introduced by Representative **John Marvin "Yul Servo" C. Nieto**

EXPLANATORY NOTE

As a manifestation of support to this timely piece of legislation, this representation respectfully refiles this bill, which has constantly been receiving support from the past and present Congress.

For decades, employees have been receiving their Thirteenth (13th) Month Pay, which is material to their daily subsistence including the increase in expenses for children at the start of the school year and at the start of the Yuletide Season. However, such usual bonuses can no longer keep up with the constant increase in prices of commodities, which the workforce has to deal with despite the inherently increasing pressures.

As such, this measure is presented by this humble representation not only to give due recognition to the invaluable contributions of labor to the growth of society but also to provide substantial relief to the employees' economic burdens that they are shouldering. The proposed measure seeks to grant a Fourteenth (14th) Month Pay to all employees of both the government and private sectors of the country with the hopes of further promoting the welfare of employees and their families, as well as to help them have a meaningful Yuletide celebration.

Moreover, this measure also recognizes that motivation is a key factor in an efficient, effective, and economical organization. Institutionalizing a Fourteenth (14th) Month Pay to all employees of both the government and private sectors of the country also serves as an additional drive for employees to perform better – which should eventually translate to a more desirable performance and output of an organization.

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


JOHN MARVIN "YUL SERVO" C. NIETO

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**AN ACT PROVIDING A FOURTEENTH (14TH) MONTH PAY FOR EMPLOYEES IN THE
GOVERNMENT AND PRIVATE SECTORS**

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

SECTION 1. Declaration of Policy. It is hereby declared the policy of the State to affirm labor as a primary social economic force and to underscore the value of its entire workforce and further their welfare by providing an additional benefit as provided hereunder.

SECTION 2. Provision of Fourteenth (14th) Month Pay to All Employees. All rank-and-file employees, of both the government and private sectors, who are receiving their Thirteenth (13th) Month Pay shall hereby be provided their additional pay, herein known as the Fourteenth (14th) Month Pay, equivalent to one (1) month of their respective basic salaries regardless of the increases under existing laws and rules, one-half (1/2) of which shall be paid on or before the thirtieth (30th) month of June and the other half on or before the thirty-first (31st) month of December of every calendar year.

SECTION 3. Computation of Tax on the Fourteenth (14th) Month Pay. The Fourteenth (14th) Month Pay shall not be included in the computation of the employee's gross income; provided, however, that the same shall not be in excess of the amount of Ninety Thousand Pesos under existing law.

SECTION 4. Implementing Rules and Regulations. The Civil Service Commission (CSC), the Department of Interior and Local Government (DILG), the Department of Finance (DOF), the Department of Budget and Management (DBM), and the Department of Labor (DOLE) shall implement rules and regulations implementing the provisions of this Act, which shall be carried out thirty (30) days after the effectivity of this Act.

SECTION 5. Separability Clause. If any of the provisions of this Act is held invalid, all other provisions not affected thereby shall remain valid.

SECTION 6. Repealing Clause. Any law, presidential decree, executive order, administrative order or rule contrary to or inconsistent with this Act is hereby repealed, amended or modified accordingly.

SECTION 7. Effectivity. This Act shall take effect fifteen (15) after its publication in the Official Gazette or in any newspaper of general circulation.

Approved,