

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL No. **3281**

HOUSE OF REPRESENTATIVES

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REGISTRATION UNIT
BILLS AND INVESTMENT SERVICE

Introduced by Honorable Rosenda Ann Ocampo

EXPLANATORY NOTE

This bill seeks to provide incentives to Barangay Officials, including Barangay Tanods and Members of the Lupong Tagapamayapa and Barangay employees.

Compared to other government employees in local government units, Barangay officials and Barangay employees are the lowest paid and the least benefited in terms of government employment benefits and privileges. And yet our Barangay officials are the frontliners, so to speak, the government workers who make democracy work at the grassroots level. They have a job to do under existing law and, as a general rule; they strive to do their job well, particularly in the area of peace and order and community relations, despite the limited resources made available to them.

Foremost of the benefits granted the Barangay officials and Barangay employees is the exemption from income tax of their salaries wages, compensation, remuneration and other emoluments, such as honoraria and allowances, including any benefits that they may receive from government on account of their work or employment. Added to this are some equally important benefits: (a) benefit coverage under the Government Service Insurance System; (b) coverage under existing medical and health service programs of government under existing laws; and (c) free legal representation in the event that any Barangay official or employee is involved as party litigant in any administrative or criminal case as a result of or connected with the performance of his official duties.

In sum, the proposed legislation, in a sense, seeks to give due recognition to the important job being performed by these grassroots workers and to acknowledge the important role being played by the smallest territorial unit and political subdivision of government called the Barangay.

Hence, approval of this bill is earnestly sought.


ROSENDA ANN OCAMPO

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HOUSE BILL No. **3281**

Introduced by : Honorable Rosenda Ann Ocampo

AN ACT
PROVIDING INCENTIVES TO ALL BARANGAY OFFICIALS, INCLUDING
BARANGAY TANODS AND MEMBERS OF THE LUPONG
TAGAPAMAYAPA, AND BARANGAY EMPLOYEES

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

SECTION 1. *Short Title.* – This Act shall be known as the “*Barangay Workers Incentives Act.*”

SECTION 2. *Declaration of Policy.* – It is the declared policy of the State to promote and enhance the efficiency and responsiveness of barangay officials and employees, the government workers who make democracy work at the grassroots level in the smallest territorial and political subdivision of the government which is the barangay. To achieve this objective, the State shall adopt measures and provide such incentives not only to help ensure the faithful performance of the duties and functions of barangay officials and employees, but also to raise their quality of life.

SECTION 3. *Tax Exemption.* – All amounts received by barangay officials, including Barangay Tanods and members of the Lupong Tagapamayapa, hereinafter particularly referred to as “barangay officials and barangay employees”, as salaries, wages, compensation, remuneration and other emoluments, such as honoraria and allowances shall be exempt from income taxation. Gross benefits received by such officials and employees, of whatever kind or character, shall likewise be exempt from taxation.

SECTION 4. *Exemption from Capital Gains and Transfer Taxes.* – The sale, exchange or disposition of real property by barangay officials and barangay employees shall be exempt from capital gains and other national taxes as long as the proceeds of such sale, exchange or disposition shall be directly and exclusively used by such officials and employees to acquire a house and lot, not exceeding 500 square meters, for family dwelling. The acquisition of such house and lot for family dwelling purposes shall likewise be exempt

from any national or local taxes and fees in connection with the transfer and registration of such property in the name of the barangay official or barangay employee concerned.

SECTION 5. *GSIS Benefit Coverage.* – All barangay officials and barangay employees shall be considered members of the Government Service Insurance System (GSIS) and shall be covered with life insurance and social security protection, including retirement, disability, separation and unemployment benefits and such other benefits as may be extended by the GSIS, subject to limitations provided by law.

The GSIS shall make special provisions in order to facilitate the inclusion of barangay officials and barangay employees, in the benefit coverage of GSIS.

SECTION 6. *Health Benefits.* – Government medical and health insurance programs under existing laws shall include in their coverage of free basic health and laboratory services, hospitalization and medications to barangay officials and barangay employees.

SECTION 7. *Legal Representation.* – Barangay officials and barangay employees who may be involved as party litigants in administrative or criminal cases filed in connection with the performance of their official duties shall, as a member of right, be entitled to the free legal services of the Municipal/City Legal Office, Department of Justice Regional Offices or Public Attorney's Office (PAO) who shall facilitate the legal representation of such officials and employees by a counsel.

Such benefit of legal representation shall include an exemption from payment of docket and other lawful fees, and of transcripts of stenographic notes which the court may order to be furnished the barangay officials and barangay employees.

SECTION 8. *Implementing Rules and Regulations.* – Within six (6) months from the effectivity of this Act, the Department of Interior and Local Government, in coordination and consultation with the Department of Justice, the Department of Health, the Government Service Insurance System and other agencies concerned, shall promulgate such rules or guidelines as may be necessary for the proper implementation of this Act.

SECTION 9. *Separability Clause.* – If any provision or part hereof is held invalid or unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

SECTION 10. *Repealing Clause.* – All laws, decrees, orders, and issuances, or portions thereof, which are inconsistent with the provisions of this Act, are hereby repealed, amended or modified accordingly.

SECTION 11. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in two (2) newspapers of general circulation.

APPROVED.