

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

SEVENTEENTH CONGRESS  
First Regular Session

House Bill No. —352

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Introduced by DIWA Party-list Representative Emmeline Y. Aglipay – Villar

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#### EXPLANATORY NOTE

In recognition of the fact that differently abled persons are as much part of our society as everyone else, it is the policy of the State to give full support to the improvement of the total well-being of disabled persons and their integration into the mainstream of society;

To this end, various laws have been enacted in order to uplift the lives and advance the interests of differently abled persons. However, we often overlook the fact that equal recognition must also be given to the parents of these differently abled persons who have to put in extra effort in raising their children because of their children's special needs. It is for this reason that this bill, a re-filing of House Bill No. 4516 filed by Rep. Mark A. Villar last 16<sup>th</sup> Congress, seeks to provide tax deductions to the parents and legal guardians of children with special needs.

*Emmeline Y. Villar*  
EMMELINE Y. AGLIPAY – VILLAR  
Representative, DIWA Party-list

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**AN ACT GRANTING TAX DEDUCTIONS TO PARENTS AND LEGAL  
GUARDIANS OF CHILDREN WITH SPECIAL NEEDS**

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

**SECTION 1. Declaration of Policy.** - It is the policy of the State to promote the right of every individual to relevant quality education regardless of sex, age, breed, socio-economic status, physical and mental condition, social or ethnic origin, political and other affiliation. Further, the State shall promote and maintain equality of access to education and medical care as well as the enjoyment of benefits of education by all its citizens.

**SECTION 2. Definition.** - For the purposes of this Act, these terms are defined as follows:

Autism - A developmental disability significantly affecting verbal and nonverbal communication and social interaction, generally evident before age three (3) that adversely affects a child's educational performance. Other characteristics often associated with autism are engagement in repetitive activities and stereotyped movements, resistance to environmental change or change in daily routines, and unusual responses to sensory experiences. The term does not apply if a child's educational performance is adversely affected because the child has an emotional disturbance.

Deafness - A hearing impairment that is so severe that the child is impaired in processing linguistic information through hearing, with or without amplification that adversely affects a child's educational performance.

Emotional Disturbance - A condition exhibiting one or more of the following characteristics over a long period of time and to a marked degree that adversely affects a child's educational performance:

- A. An inability to learn that cannot be explained by intellectual/sensory or health factors;
- B. An inability to build or maintain satisfactory interpersonal relationships with peers and teachers;
- C. Inappropriate types of behaviors or feelings under normal

circumstances;

D. A general pervasive mood of unhappiness or depression;

E. A tendency to develop physical symptoms or fears associated with personal or school problems.

The term includes schizophrenia. The term does not apply to children who are socially maladjusted, unless it is determined that they have an emotional disturbance.

Hearing Impaired - impairment in hearing, whether permanent or fluctuating, that adversely affects a child's performance.

Intellectually Disabled - Significantly sub-average general intellectual functioning existing concurrently with deficits in adaptive behavior and manifested during the developmental period that adversely affects a child's performance.

Orthopedic Impairment - A severe orthopedic impairment that adversely affects a child's educational performance. The term includes impairments caused by congenital anomaly (e.g. club foot, absence of some member), impairments caused by disease (e.g., poliomyelitis/bone tuberculosis), and impairments from other causes (e.g. cerebral palsy, amputations, and fractures or burns that cause contractures).

Qualified Children with Special Needs - means a legitimate, illegitimate or legally adopted child chiefly dependent and living with the taxpayer. This also covers children with special needs who are placed under the legal custody of an immediate family member or relative. The child should not be more than 13 years of age and must be assessed by the Department of Education's Special Education Division and a medical professional in order to qualify.

Provided, however, that children who are permanently disabled and who are unable to fully take care for themselves are qualified no matter how old they are.

This does not cover children considered mentally gifted or fast learners.

Specific Learning Disability - A disorder in one or more of the basic physiological processes involved in understanding or in using language, spoken or written, which may manifest itself in the imperfect ability to listen/ think/speak/read, write, spell or do mathematical calculations. Such term includes conditions such as perceptual disabilities, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia.

Speech or Language Impaired - communication disorder such as stuttering impaired articulation, language impairment, or a voice impairment that adversely affects a child's educational performance.

Traumatic Brain Injury - An acquired injury to the brain caused by an external physical force, resulting in total or partial functional disability or psychosocial impairment or both, and that adversely affects a child's educational performance. The term applies to open or closed head injuries resulting in impairments in one or more areas, such as cognition, language, memory, attention, reasoning, abstract thinking, judgment, problem solving, sensory, perceptual and motor abilities, psychosocial behavior physical functions, information processing, and speech. The term does not apply to brain injuries that are

congenital or degenerative or to brain injuries induced by birth trauma.

Visual Impairment - impairment in vision that, even with correction adversely affects a child's educational performance. The term includes both partial and sight blindness.

**SECTION 3. Deduction from Taxable Income.** - A qualified taxpayer is entitled to a deduction of P50,000. Expenses that qualify for a deduction are:

- Tuition for a private school
- Therapy;
- Diagnostic evaluations by a medical professional;
- Tutoring;
- Transportation expenses to school or a medical facility;
- Specialized instructional materials.

The parent or legal guardian must provide more than half of the total financial support for the child to qualify for the deduction.

**SECTION 4. Implementation.** - The Bureau of Internal Revenue in consultation with the Department of Education's Special Education Division and Department of Health shall issue such rules and regulations as may be necessary to carry out the purpose of this Act.

**SECTION 5. Effectivity.** - This Act shall take effect fifteen (15) days after its publication in the Official Gazette and two (2) newspapers with a nationwide circulation.

Approved,