
Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

**AN ACT EXPANDING THE BENEFITS AND PRIVILEGES OF PERSONS WITH DISABILITIES,
AMENDING SECTIONS 32 AND 33 OF REPUBLIC ACT 7277, AS AMENDED, OTHERWISE KNOWN
AS THE "MAGNA CARTA FOR PERSONS WITH DISABILITIES" AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Filipino Persons with Disabilities (PWDs) have been actively participating in shaping our history and contributing to the advancement of good governance.

We go back to as early as the 1896 Spanish Revolution era, where Apolinario Mabini, a sublime paralytic, wrote subversive manifestos against Spain and became the brains of the revolution¹. Moreover, he eventually drafted the framework of the revolutionary government in 1899.

In recent history, Art Borjal, who moved with leg braces and crutches, was a popular columnist and worked for the rights of the PWDs in the early 1990s², while polio-survivor Grace Padaca, a former Isabela governor and Ramon Magsaysay awardee, is a staunch advocate of governance and election reforms today³.

Furthermore, the National Federation of Cooperatives of Persons with Disability (NFCPWD) has worked with the Department of Education (DepEd) in producing public school chairs⁴. The organization has generated P80 million in the past twelve years for workers and staff with disabilities⁵.

Still, our country's challenge is to be truly inclusive to serve the needs of the marginalized, particularly the PWD sector. PWDs have found it difficult to gain employment and earn income for themselves and for their families. Families with PWDs have also had to worry about their daily expenses for medicine and rehabilitation.

Hence, the PWDs Tax Exemption Act of 2015 seeks to give reprieve to the plight of our PWDs and their families and be able to support them in their daily challenges.

¹ Apolinario Mabini. National Council on Disability Affairs. Accessed via <http://www.ncda.gov.ph/featured-filipino-pwd/apolinario-mabini/> last 17 March 2015.

² Art Borjal. National Council on Disability Affairs. Accessed via <http://www.ncda.gov.ph/featured-filipino-pwd/arturo-a-borjal/> last 17 March 2015.

³ GMA News. 2 October 2012. "Former Isabela Governor Padaca Appointed Comelec Commissioner." Accessed via <http://www.gmanetwork.com/news/story/276461/news/nation/former-isabela-governor-padaca-appointed-comelec-commissioner> last 17 March 2015.


⁴ National Federation of Cooperatives of Persons with Disability. Accessed via <http://www.cbm.org/programmes/Livelihood-for-persons-with-disabilities-361478.php> last 17 March 2015.

⁵ National Federation of Cooperatives of Persons with Disability. Accessed via <https://thepwdforum.wordpress.com/2014/08/26/foundation-for-these-abled-persons-inc/> last 17 March 2015.

This measure proposes for families with PWD dependents to have a yearly uniform P25,000 tax exemption, in addition to the regular personal deductions, in order to augment their expenses – wheelchairs, hearing aids, nurses and caregivers, and learning disability tutors, among others. In addition, the act seeks to exempt PWDs from value add taxes (VAT).

Such accommodation for our PWD sector is part of our larger reform efforts in pushing for a society that is inclusive for the poor and most vulnerable sectors. It is one of our courses in our journey towards achieving a fully abled nation.

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


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

1 **SECTION 1.** Section 32 of Republic Act No. 7277, as amended, otherwise known as the
2 Magna Carta for Persons with Disabilities, is hereby amended by inserting the following
3 provisions after Subsection (g) to read as follows:

4 "Sec. 32. *Persons with disability shall be entitled to the following:*

5 "(a) XXX.

6 "(b) XXX.

7 "(c) XXX.

8 "(d) XXX.

9 "(e) XXX.

10 "(f) XXX.

11 "(g) XXX.

12 (h) EXEMPTION FROM THE TWELVE PERCENT (12%) VALUE-ADDED TAX (VAT), IF
13 APPLICABLE, ON THE SALE OF THE FOLLOWING GOODS AND SERVICES, AS STATED
14 ABOVE.

15 (i) A PERSON WITH DISABILITY WHO IS ENGAGED IN ANY SUBSTANTIAL GAINFUL
16 BUSINESS OR OCCUPATION AND LIVES INDEPENDENTLY SHALL BE GRANTED AN
17 ADDITIONAL PERSONAL TAX EXEMPTION OF TWENTY-FIVE THOUSAND PESOS
18 (P25,000.00)."

19 **SECTION 2.** Section 33 of Republic Act No. 7277, as amended is hereby further amended
20 by inserting the following provision after Subsection (a) to read as follows:

21 "Sec. 33 *Incentives* – Those caring for and living with a person with disability shall be
22 granted the following incentives:

23 (a) XXX.

1 (b) A BENEFACTOR OF A PERSON WITH DISABILITY, WHETHER MARRIED OR SINGLE, IS
2 ENTITLED TO AN ADDITIONAL EXEMPTION OF TWENTY-FIVE THOUSAND PESOS
3 (P25,000.00) PER QUALIFIED DEPENDENT, NOT EXCEEDING FOUR (4).”

4 **SECTION 3. *Implementing Rules and Regulations.*** – The Department of Social Welfare
5 and Development, the National Council for the Welfare of Disabled Persons, and the Bureau of
6 Internal Revenue within thirty (30) days from the effectivity of this Act, issue the necessary
7 rules and regulations for the implementation of this Act.

8 **SECTION 4. *Separability Clause.*** – If any provision of this Act is subsequently declared
9 invalid or unconstitutional, other provisions hereof which are not affected thereby shall remain
10 in full force and effect.

11 **SECTION 5. *Repealing Clause.*** – All laws, decrees, orders, rules and regulations, and
12 other issuances, or parts thereof, inconsistent with the provisions of this Act are hereby
13 repealed or modified accordingly.

14 **SECTION 6. *Effectivity Clause.*** – This Act shall take fifteen (15) days after its publication
15 in the *Official Gazette* or in a newspaper of general circulation.

16 Approved,