Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila
EIGHTEENTH CONGRESS
Second Regular Session

House Bill No. 7093

INTRODUCED BY REPRESENTATIVE DIVINA GRACE C. YU

AN ACT
EXPANDING THE COVERAGE OF THE TELECOMMUTING ACT AND PROVIDING INCENTIVES FOR TELECOMMUTING EMPLOYEES, AMENDING FOR THE PURPOSE, REPUBLIC ACT NO. 11165, OTHERWISE KNOWN AS THE TELECOMMUTING ACT AND FOR OTHER PURPOSES

EXPLANATORY NOTE

The continued outbreak of the COVID-19 pandemic in the country has forced thousands, if not millions of Filipinos, to embrace the concepts of telecommuting and working from home. Employers, big institutional companies and MSMEs alike have already informed their employees to no longer physically report to their respective offices and simply work from their respective homes as part of their safety precaution to prevent the spread of the virus and protect their own employees.

This new normal has led to household experiencing surges in their utility bills as they adapt to working from home and as their children likewise adapt to online learning. These additional expenses are paid for out of the employee's own pockets without additional income. There is a need to assist our workforce.

Therefore, this measure seeks to amend Republic Act No. 11165, or the Telecommuting Act, by expanding its coverage to include the public or government sector as government employees also require assistance and by requiring employers to provide their telecommuting employees with a P1,000 non-taxable allowance per month to answer for the additional cost of utilities from telecommuting.

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

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

Section 1. Section 4 of Republic Act No. 11165, otherwise known as the Telecommuting Act, is hereby amended to read as follows:

SEC. 4. Telecommuting Program – An employer in the private OR PUBLIC sector may offer a telecommuting program to its employees on a voluntary basis, and upon such terms and conditions as they may mutually agree upon; X X X

Sec. 2. A new section is hereby inserted after Section 8 of Republic Act No. 11165, which shall read as follows:

"SEC 9. INCENTIVES FOR TELECOMMUTING EMPLOYEES. ALL EMPLOYEES WORKING UNDER A TELECOMMUTING PROGRAM SHALL BE ENTITLED TO A NON-TAXABLE TELECOMMUTING ALLOWANCE OF AT LEAST ONE THOUSAND PESOS (P1,000.00) FOR EVERY MONTH SERVED UNDER SUCH AGREEMENT. PROVIDED, THAT, NOTHING IN THIS PROVISION SHALL BE CONSTRUED TO ELIMINATE OR IN ANY WAY DIMINISH SUPPLEMENTS, ALLOWANCES, OR OTHER EMPLOYEE BENEFITS SERVING A
SIMILAR PURPOSE BEING ENJOYED AT THE TIME OF THE
IMPLEMENTATION OF THIS LAW. PROVIDED FURTHER, THAT, NOTHING IN
THIS PROVISION SHALL BE INTERPRETED TO PROHIBIT THE EMPLOYERS
OR THE COLLECTIVE BARGAINING AGREEMENT FROM PROVIDING TERMS
HIGHER OR MORE FAVORABLE THAN THE ABOVE-MENTIONED RATE.
PROVIDED FINALLY, THAT, ALLOWANCES GRANTED BY PRIVATE
EMPLOYERS UNDER THIS PROVISION SHALL BE DEDUCTIBLE FOR INCOME
TAX PURPOSES."

Succeeding sections of RA 11165 are hereby renumbered accordingly

Sec. 3. Penalties. Any violation of the provisions of this Act shall be punished
with a fine of not more than One Hundred Thousand Pesos (P100,000.00).

Sec. 4. Implementing Rules and Regulations. — The Department of Labor and
Employment, the Department of Finance, and the Bureau of Internal Revenue shall
promulgate the rules and regulations to implement this Act within ninety (30) days
from the effectively of this Act.

Sec. 5. Separability Clause. —If any provision or part thereof is held invalid or
unconstitutional, the remainder of the law or the provision not otherwise affected shall
remain valid and subsisting.

Sec. 6. Repealing Clause. — Any law, presidential decree or issuance, executive
order, letter of instruction, administrative order, rule, or regulation contrary to or
inconsistent with the provisions of this Act is hereby repealed, modified, or amended
accordingly.

Sec. 7. Effectivity Clause. — This Act shall take effect fifteen (15) days after its
publication in at least two (2) newspapers of general circulation.

Approved,