Republic of the Philippines
Department of Education
Region _____
Division _____
School _____
School Year _____

BRIGADA ESKWELA
DAILY ACCOMPLISHMENT REPORT
(To be accomplished by the Program Implementation Committee)

<table>
<thead>
<tr>
<th>DAY</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>DATE:</th>
</tr>
</thead>
</table>

**Instruction:** List down all the activities that needs to be undertaken for each day of the Brigada Eskwela week. At the end of each day, please mark the appropriate column that corresponds to the status of each activity. Cite reasons for non-completion.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Completed</th>
<th>Started but not yet completed</th>
<th>Not done</th>
<th>REMARKS/RECOMMENDATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

Prepared by:
Program Implementation Committee Chair/Member
Date Prepared

Noted by:
School Head
Appendix H
BE Form 07
DEPARTMENT OF EDUCATION

BRIGADA ESKWELA
SCHOOL ACCOMPLISHMENT REPORT
(to be accomplished by the School Head)

<table>
<thead>
<tr>
<th>DIVISION:</th>
<th>REGION:</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCHOOL:</td>
<td>SCHOOL ID:</td>
</tr>
</tbody>
</table>

SCHOOL ADDRESS:

(Please check appropriate box)

<table>
<thead>
<tr>
<th>Level:</th>
<th>Type of School:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Central School</td>
</tr>
<tr>
<td></td>
<td>Non-Central School (complete)</td>
</tr>
<tr>
<td></td>
<td>Multigrade</td>
</tr>
<tr>
<td></td>
<td>Primary School / Incomplete</td>
</tr>
<tr>
<td></td>
<td>Integrated School</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SCHOOL HEAD:</th>
<th>CONTACT NUMBER:</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>PTCA PRESIDENT:</th>
<th>CONTACT NUMBER:</th>
</tr>
</thead>
</table>

A. SCOPE OF REPAIR AND MAINTENANCE WORK COMPLETED (Please check appropriate column)

<table>
<thead>
<tr>
<th>What was done?</th>
<th>Repaired</th>
<th>Repainted</th>
<th>Replaced</th>
<th>Others (Brief Description)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Roofs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Ceilings</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>3 Walls</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Windows and Doors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Chairs/Desks, Tables, and Blackboards</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>6 Comfort Rooms</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7 Leaking Pipes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8 School Grounds/Landscaping</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9 School Signs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 Others (specify)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

B. DONATIONS / MATERIAL RESOURCES GENERATED (Use separate sheets, if needed)

<table>
<thead>
<tr>
<th>Type of Donations</th>
<th>Source</th>
<th>Estimated Cost</th>
</tr>
</thead>
</table>

TOTAL
<table>
<thead>
<tr>
<th>Type of Volunteer</th>
<th>Name of Individuals/Organization (Use separate sheets, if needed)</th>
<th>Number of Volunteers</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. PTCA Members</td>
<td></td>
<td>Day 1</td>
</tr>
<tr>
<td>2. Barangay Officials</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Municipal/City Government Officials</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Provincial Government Officials</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. NGOs/Civic Organizations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Private Citizens</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Private Companies/Corp</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Other government offices</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Parents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Teachers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Pupils/Students</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Others: (specify)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Prominent Volunteers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL**
D. ESTIMATED COST OF VOLUNTEER SERVICES RENDERED. Refer to Guide for Computing Labor Cost. (Use separate sheets, if needed)

<table>
<thead>
<tr>
<th>Type of Service</th>
<th>Total Number of Volunteers</th>
<th>Total Number of Hours Rendered</th>
<th>Total Estimated Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Masonry</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carpentry</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plumbing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electrical/Electronic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landscaping/Gardening</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Painting</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary Labor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

D. SIGNIFICANT EVENTS / EXPERIENCES (Use separate sheets, if needed)

<table>
<thead>
<tr>
<th>What happened?</th>
<th>Who were involved?</th>
<th>When?</th>
<th>What is/are its important contribution to the operation of the school or to the existing needs of the school?</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
</tr>
</tbody>
</table>

E. ISSUES AND CONCERNS (Describe briefly problems encountered and how resolved)

E. LESSONS LEARNED / BEST PRACTICES
F. SUGGESTIONS TO STRENGTHEN BRIGADA ESKWELA PROJECT (include support needed from Central, Region, and Division Office that can increase the impact of Brigada Eskwela Project in your school.)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
</table>

G. EVIDENCES / ATTACHMENTS

- Photos (before, during and after)
- Photocopy of all completed BE Forms (check if attached)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Form 01</td>
<td>Form 05</td>
</tr>
<tr>
<td>Form 02</td>
<td>Form 06</td>
</tr>
<tr>
<td>Form 03</td>
<td></td>
</tr>
<tr>
<td>Form 04</td>
<td></td>
</tr>
</tbody>
</table>

Prepared by:                      Date:

Name and Designation

Submit copy of this completed form to ADOPT-A-SCHOOL PROGRAM DISTRICT COORDINATOR or District Supervisor on or before June 15.
Appendix I

GUIDE TO COMPUTING COST OF SERVICES RENDERED DURING BRIGADA ESKWELA WEEK

Below are the steps for computing the value or cost in pesos of manpower resources generated during the Brigada Eskwela.

1. Do a survey in your area of prevailing rates of labor services. List these down in the table below.

<table>
<thead>
<tr>
<th>Category of Services</th>
<th>RATE PER DAY</th>
<th>RATE PER HOUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Masonry</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carpentry</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plumbing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electrical/Electronic</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landscaping/Gardening</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary labor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Using the completed BE Form 04 as basis, tally the number of volunteers and actual number of hours served by these volunteers per day. Classify data according to the nature of volunteer services rendered, i.e., masonry, carpentry, plumbing, etc.

3. Multiply total number of hours rendered per day with the corresponding rate/hour as indicated in the table above. Do this computation for all days of the Brigada Week.

Illustration: 15 volunteers did carpentry work in Day 1. Actual number of hours served by these 15 volunteers totaled to 60 hours. The prevailing rate of carpentry services in your area is 250 pesos per day or 28.13 pesos (250 pesos/8 hours) per hour.

   60 hours \times 28.13 \text{ pesos/hour} = 1687.80 \text{ pesos}

Total value/cost of carpentry services generated for Day 1 is 1687.80 pesos

4. Get the sum of the following for Days 1-6:
   - Number of Volunteers
   - Total Number of Hours Rendered
   - Total Value/Cost in Pesos

5. The data/figures computed should be recorded in BE Form 07: School Accomplishment Report.
Appendix J

SAMPLE LETTER OF INVITATION AND STATEMENT OF INTEREST FORM

Date __________________

(Name) ____________________________
(Name of Organization) ____________________________
(Designation) ____________________________
(Address) ____________________________

Dear ____________________________

Greetings from the Department of Education.

In preparation for the coming school year, the Department of Education is conducting its annual National Schools Maintenance Week on ___________________. Dubbed Brigada Eskwela, the project enjoins various stakeholders in the community to gather together to clean our schools and do minor repairs on classroom furniture and other facilities.

Aware of your keen interest in helping improve our public schools, we invite you to be part of this year’s Brigada Eskwela. You can help by volunteering to help clean and do maintenance services in our school or you may also donate cleaning materials and other supplies that can be used in repairing and beautifying our school.

Should you be interested to participate, kindly accomplish the attached statement of interest form and submit it to our school on or before _________________ so we can register you in the initiative.

For more details on this program, you can contact me at _________________ or you can attend an advocacy meeting to be conducted on _________________ at _________________.

Thank you and we look forward to working with you very soon.

Truly yours,

__________________________
(Name of School Head)

__________________________
(Name of School and Address)
Department of Education  
BRIGADA ESKWELA  
National Schools Maintenance Week

STATEMENT OF INTEREST FORM

I am interested to be a part of the National Schools Maintenance Week.

| NAME: |
| NAME OF COMPANY/ORGANIZATION: |
| ADDRESS OF COMPANY/ORGANIZATION: |
| TELEPHONE NO. |
| CONTACT PERSON: |
| NAME OF PUBLIC SCHOOL/S: |
| ADDRESS OF SCHOOL/S: |

FORM OF INTERVENTION: (Choose any of the two or you can choose both.)

- [ ] a. Donations-in-kind for: (please check desired donation)
  - Painting the roofs (adds two or more years to the life of the roof)
  - Cementing existing footpaths and drains
  - Repairing leaking water pipes
  - Repairing comfort rooms and toilets
  - Painting exterior walls of classrooms
  - Repairing or replacing ceiling boards
  - Repairing, refinishing or repainting chairs, desks and furniture
  - Cleaning up the gardens
  - Repairing, or replacing broken windows, jalousies, doors
  - Replacing school signs
  - Any other types of repairs needed to be done
  
  Specific material/donation to be given: ________________________________

- [ ] b. Volunteer man-days/labor support:
  - Nature of volunteer services __________________
  - Time and date/s of availability _________

Please submit filled-out form to the principal of the school that you plan to help. Thank you so much!
SAMPLE OPENING PROGRAM

I. Registration

II. Program Proper

a. Opening Prayer
b. Pambansang Awit
c. Words of Welcome – School Head
d. Presentation of Volunteers and Stakeholders
e. Intermission: CD of Brigada Eskwela or any number
f. Inspirational Messages
   i. LGU (Mayor, Brgy Officials)
   ii. Region / Division / District Personnel
   iii. PTCA / School Governing Council

III. Orientation on the Mechanics of Brigada Eskwela Program

a. Presentation of the assessment of physical facilities and maintenance needs of the school
b. Presentation of the Brigada Eskwela school workplan
c. Update of donations/ pledges received
d. Mechanics of implementation/daily tasks to be done by the BE Committee and partners
e. Grouping for specific jobs to be performed by individuals or group and selection of team leader per group
Appendix L

SAMPLE CULMINATING/ CLOSING PROGRAM

1. Thanksgiving Prayer
2. Nationalistic Song and/or Brigada Eskwela Theme Song
3. Greetings
4. Presentation of Accomplishments
5. Symbolic Turning-Over and Acceptance of Outputs and Donations from Stakeholders/Partners/Donors to the School Head and Representatives from the Faculty, PTCA, Barangay and Pupils/Students
6. Distribution of Certificates of Recognition/Appreciation/Participation
7. Messages
   - Testimonies from Volunteers
   - Pledge of Commitment from Partners
   - Word of Thanks from the School Head
Appendix M

SAMPLE LETTER OF THANKS TO BENEFACtor

Date ____________________

(Name) ____________________
(Name of Organization) ________________
(Designation) ____________________
(Address) ____________________

Sir/ Madam:

We would like to commend your participation in making this year’s implementation of the Brigada Eskwela (National School Maintenance Week) truly successful. Indeed, our pupils/students can look forward to a school that is very much ready in making meaningful learning happen when classes open this June.

In behalf of the teachers, students and pupils of this school, I am extending my heartfelt gratitude for your generous support. Thank you for being a partner in education.

Truly yours,

(Name of School Head)
(Name of School and Address)
Republic Act 8525

II. No. 7971
S. No. 1827

Republic of the Philippines
CONGRESS OF THE PHILIPPINES
Metro Manila

Tenth Congress.

Third Regular Session

Begun and held in Metro Manila, on Monday, the twenty-eight day of July, nineteen hundred and ninety seven.

[REPUBLIC ACT NO. 8525]

AN ACT ESTABLISHING AN "ADOPT-A-SCHOOL PROGRAM" PROVIDING INCENTIVES THEREFOR, AND FOR OTHER PURPOSES

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

SECTION 1. Title. – This Act shall be known and cited as the "Adopt-a-School Act of 1998."

SEC. 2. Declaration of Policy. – It is the policy of the State to provide quality and relevant education to the Filipino youth and to encourage private initiative to support public education. Towards this end, the State shall institute programs to encourage private companies and enterprises to help in the country, particularly those in poverty-stricken provinces.

SEC. 3. Adopt-a-School Program. – there is hereby established the "Adopt-a-School Program" which will allow private entities to assist a public school, whether elementary, secondary, or tertiary, preferably located in any of the twenty (20) poorest provinces identified by the Presidential Council for Countryside Development or any other government agency tasked with identifying the poorest provinces in, but not limited to, the following areas: staff and faculty development for training and further education, construction facilities, upgrading of existing facilities, provision of books, publications and other instructional materials; and modernization of instructional technologies.

A Memorandum of Agreement (MOA) specifying the details of the adoption shall be entered into between the adopting entity and the head of the school concerned: Provided, that such MOA shall be subject to review and approval of the Superintendent of Schools of the province or district concerned: Provided, further, That the agreement shall last for at least two (2) years with the possibility of extension: Provided, finally, That such period may be shortened
Republic Act 8525

only in cases where the adopting entity is dissolved before the end of such period unless otherwise earlier terminated in accordance with the succeeding section.

SEC. 4. Periodic Review. — A review of the adoption shall be undertaken by the local school board of the province or city where the school is located. The standards and guidelines for the review shall be formulated by the Coordinating Council created under Section 7 hereof. The results of the review shall be taken into consideration in the assessment of the application for tax credits by the adopting entity. The school board may, after an appropriate review, recommend to the Coordinating Council the termination of the adoption. The adopting entity may appeal the assessment to the Coordinating Council whose decision shall be final and unappealable.

SEC. 5. Additional Deduction of Expenses Incurred for the Adoption. — Provision of existing laws to the contrary notwithstanding, expenses incurred by the adopting entity for the “Adopt-a-School Program” shall be allowed an additional deduction from the gross income equivalent to fifty percent (50%) of such expenses.

Valuation of assistance other than money shall be based on the acquisition cost of the property. Such valuation shall take into consideration the depreciated value of the property in case said property has already been used.

SEC. 6. Additional incentives. — The adopting company or enterprise, in addition to the incentive provided in the preceding section shall be entitled to have its name emblazoned beneath the name of the school after words indicating that the school is under the “Adopt-a-School Program”. Moreover, the adopting entity shall be represented in the local school board of the municipality where the adopted elementary or high school is located.

SEC. 7. Coordinating Council. — A Coordinating Council, hereinafter referred to as the Council, is hereby created to coordinate and monitor the implementation of this Act. The Council shall be composed of the Secretary of the Department of Education, Culture and Sports (DECS) as chairperson; the Chairman of the Commission on Higher Education (CHED) and the Director-General of Technical Education and Skills Development Authority (TESDA), as co-chairpersons; and the chairperson of the Presidential Council for Countryside Development (PCCD), and the representative from the National Federation of Chambers of Commerce and Industry (NFCCI) to be appointed by the President of the Philippines, as members.

The Council shall meet once every three (3) months. The chairpersons and members shall not receive compensation but shall be entitled to reimbursements for reasonable expenses related to the Council’s activities.

The DECS, CHED, and TESDA, through a mutual agreement, shall each make provisions for the Secretariat of the Council.

SEC. 8. Rules and Regulations. — The DECS, CHED and TESDA, in consultation with the Department of Finance, shall formulate the rules and regulations to implement this Act.
Republic Act 8525

SEC. 9. Separability Clause. – In the event that any provision of this Act is declared unconstitutional, the validity of the other provisions shall not be affected by such declaration.

SEC. 10. Repealing Clause. – All laws, decrees, orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 11. Effectivity. – This Act shall take effect fifteen (15) days after its publication in two (2) national newspapers of general circulation.

Approved.

(SGD.) NEPTALI A. GONZALES (SGD.) JOSE DE VENECIA JR.
President of the Senate Speaker of the House
of Representatives

This Act which originated in the House of Representatives was finally passed by the House of Representatives and the Senate on February 6, 1998.

(SGD.) HEZEL P. GACUTAN SGD.) ROBERTO P. NAZARENO
Secretary of the Senate Secretary General
House of Representatives

Approved:
FEB. 14, 1998

(SGD.) FIDEL V. RAMOS
President of the Philippines
BIR Revenue Regulations 10-2003

BIR REVENUE REGULATIONS

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

January 27, 2003

REVENUE REGULATIONS NO. 10-2003

SUBJECT: Implementing the Tax Incentives Provisions of Republic Act No. 8525, Otherwise Known as the "Adopt-a-School Act of 1998"

TO: All Internal Revenue Officers and Others Concerned.

SECTION 1. SCOPE. – Pursuant to Sections 4 and 244 of the National Internal Revenue Code (Tax Code) of 1997, the following Regulations are hereby promulgated to implement the tax provisions of R.A. No. 8525, otherwise known as the "Adopt-a-School Act of 1998."

SEC. 2. DEFINITION OF TERMS. – For purposes of these Regulations, the following terms are operationally defined as follows:

(a) "Act"—refers to Republic Act No. 8525, otherwise known as the "Adopt-a-School Act of 1998."

(b) "Adopt-a-School Program" – or "Program" shall refer to a program which allows private entities to assist a public school in a particular aspect of its educational program within an agreed period.

(c) "Public school" – shall refer to a government school, whether elementary, secondary, post-secondary or tertiary, which enters into an Agreement with an adopting private entity concerning assistance referred to under paragraph (e) hereof.

(d) "Private entity" – shall refer to an individual engaged in trade or business or engaged in the practice of his profession or other business organizations, like a partnership, corporation or cooperative, either resident or non-resident, who/which teams up with the Department of Education (DepEd), or with the Commission on Higher Education (CHED), or with the Technical Education and Skills Development Authority (TESDA), towards providing much needed assistance and service to public schools. It shall be known hereafter as the adopting private entity.

(e) "Assistance" – shall refer to the aid/help/contribution/donation provided by an adopting private entity to a public school. Assistance may in the form of, but not limited to, infrastructure, teaching and skills development, learning support, computer and science laboratories, and food and nutrition.
(f) "Agreement"—shall refer to a Memorandum of Agreement (MOA) or Agreement/Deed of Donation entered into by and between the adopting private entity and the public school specifying the terms and conditions of the adoption, including the tasks and responsibilities of the contracting parties.

(g) "National Secretariat"—shall refer to the office composed of representatives of the three education agencies, namely the DepEd, CHED, and TESDA, which will provide overall management and coordination of the Program.

(h) "Application for tax incentives or tax exemption"—shall refer to the application for tax credit by the adopting private entity referred to under Section 4 of the Act, which means application for additional deduction in arriving at the net taxable income.

SEC. 3. TAX INCENTIVES ACCRUING TO THE ADOPTING PRIVATE ENTITY. — A pre-qualified adopting private entity, which enters into an Agreement with a public school, shall be entitled to the following tax incentives:

(a) Deduction from the gross income of the amount of contribution/donation that were actually, directly and exclusively incurred for the Program, subject to limitations, conditions and rules set forth in Section 34(H) of the Tax Code plus additional amount equivalent to fifty percent (50%) of such contribution/donation subject to the following conditions:

(1) That the deduction shall be availed of in the taxable year in which the expenses have been paid or incurred;

(2) That the taxpayer can substantiate the deduction with sufficient evidence, such as official receipts or delivery receipts and other adequate records;

(2.1) The amount of expenses being claimed as deduction;

(2.2) The direct connection or relation of the expenses to the adopting private provide a list of subjects and/or activities undertaken and the cost of each undertaking, indicating in particular where and how the assistance has been utilized as supported by the Agreement; and

(2.3) Proof or acknowledgement of receipt of the contributed/donated property by the recipient public school.

(3) That the application, together with the approved Agreement endorsed by the National Secretariat, shall be filed with the Revenue District Office (RDO) having jurisdiction over the place of business of the donor/adopting private entity, copy furnished the RDO having jurisdiction over the property, if the contribution/donation is in the form of real property.

(b) Exemption of the Assistance made by the donor from payment of donor's tax pursuant to Sections 101 (A)(2) and (B)(1) of the Tax Code of 1997.
BIR Revenue Regulations 10-2003

SEC. 4. OTHER TAX CONSEQUENCES OF THE ASSISTANCE TO THE PUBLIC SCHOOL.

(a) In the case of foreign donation, the VAT and excise tax, if any, on the importation of goods shall be assumed by the DepEd, CHED, or the importer thereof, except in cases where the importation is exempt from VAT under Section 109 of the Tax Code. In this connection, VAT on importation payable by the concerned national government agency namely, (DepEd, CHED, or TESDA) to the National Government arising from the subject foreign donation is deemed automatically appropriated and shall be considered as expenditure of the government pursuant to the provisions of Section 13 of the Government Appropriation Act (GAA) as determined by the Congress on an annual basis.

(b) In the case of local donation considered as "transaction deemed sale" of goods or properties originally intended for sale by the adopting private entity, the same shall be subject to VAT on the transfer of the said goods or properties under Section 106 (B)(1) of the Tax Code. The said donor/adopting private entity, however, is entitled to claim the availment input tax subject to the rules on allocation among taxable sales, zero-rated sales and exempt sales. On the other hand, the donee-public school, shall be deemed as the final consumer/end user, and therefore, not entitled to any input VAT.

If the local donation is not considered as a "transaction deemed sale", then the transfer of the goods or properties to the public school shall be exempt from VAT.

SEC. 5. VALUATION OF THE ASSISTANCE/ CONTRIBUTION OR DONATION.-
(a) Cash assistance/contribution or donation.- The amount of assistance/contribution or donation shall be based on the actual amount contributed/donated appearing in the official receipt issued by the donee.

(b) Assistance/contribution or donation other than money.-
(i) Personal property. – If the contribution or donation is in the form of personal property, the amount of contribution or donation shall be based on the acquisition cost of the said assistance or contribution. However, if the said property had already been used, then such valuation shall take into consideration the depreciated value of the property.

(ii) Consumable goods. – If the assistance is in the form of consumable goods, the amount of the contribution or donation shall be based on the acquisition cost by the donor or the actual cost thereof at the time of the donation, whichever is lower.

(iii) Services. – If the assistance is in the form of services, the amount of the contribution of donation shall be based on the value of the services rendered as agreed upon by the donor and the service provider and the public school as fixed in the Memorandum of Agreement, or the actual expenses incurred by the donor, whichever is lower.

(iv) Real property. – If these assistance is in the form of real property, the amount of the contribution or donation shall be the fair market value of the property at the time of the contribution/donation, as determined pursuant to Section 6(E) of the Tax Code or the book
BIR Revenue Regulations 10-2003

value/depreciated value of the property, whichever is lower. Appraisal increase or appreciation in the value of the asset recorded in the books of account should not be considered in computing the book value of the asset.

SEC. 6. PROCEDURES FOR THE AVALMENT OF TAX INCENTIVES UNDER THE PROGRAM BY THE ADOPTING ENTITY. – In order to avail of the tax incentives provided for under these Regulations, the following procedures and requirements should be complied with, viz:

(a) National Secretariat shall endorse to the RDO of the Bureau of Internal Revenue (BIR) having jurisdiction over the place of business of the adopting private entity, copy furnished the RDO having jurisdiction over the property if the donation or contribution is in the form of real property, the following:

(i) duly notarized/approved Agreement;
(ii) duly notarized Deed of Donation;
(iii) Official receipts or any document showing the actual value of the contribution/contribution;
(iv) Certificate of Title and Tax declaration, if the donation is in the form of real property;

and

(v) other adequate records showing the direct connection or relation of the expenses being claimed as deduction/donation to the adopting private entity's participation in the program, as well as showing or proving receipt of the donated property.

(b) Adopting private entity shall submit application for entitlement to the additional 50% special deduction from the gross income, and for exemption from donor's tax to the RDO having jurisdiction over the place of business of the adopting private entity, copy furnished the RDO having jurisdiction over the donated real property.

SEC. 7. REPEALING CLAUSE. – All revenue rules and regulations, and other revenue issuances or parts thereof, which are inconsistent with these Regulations are hereby repealed or modified accordingly.

SEC. 8. EFFECTIVITY. – These regulations shall take effect fifteen (15) days after publication in the Official Gazette or in a newspaper of general circulation, whichever comes first.

(SGD.) JOSE ISIDRO N. CAMACHO
Secretary of Finance

 Recommending approval:

(SGD.) GUILLERMO L. PARAYNO, JR.
Commissioner of Internal Revenue
Appendix O
Sample format of a Memorandum of Agreement

MEMORANDUM OF AGREEMENT
(Pro-forma)

This Agreement made and entered into this ___ day of ______ at
____________________, Philippines, by and between,

The DEPARTMENT OF EDUCATION, an agency of the government, with office
address at DepEd Complex Meralco Ave., Pasig City Metro Manila, represented by its
Secretary, ______________________, herein referred to as “DepEd”.

-and-

____________________, a corporation/organization
organized and existing under the laws of the Republic of the Philippines, with office
address at ______________________ represented in this transaction by its
President/Chairman ______________________, hereinafter referred to as the “PROPONENT”;

WITNESSETH: That

WHEREAS, Republic Act 8525, otherwise known as An Act Establishing the
“Adopt-A-School Program” and Providing Incentives Therefore and for Other Purposes,
was entered to encourage private companies to assist in the delivery of better quality
education to public schools in the country, particularly in the poverty-stricken provinces;

WHEREAS, Revenue Regulations No. 10 s. 2003, Implementing the Tax
Incentives Provision of RA 8525 otherwise known as the Adopt-a-School Act of 1998
has been issued by the Department of Finance thru the Bureau of Internal Revenue;

WHEREAS, DepEd has the responsibility of securing resources to make our
public schools competitive and is now calling on the private sector to serve as a major
partner in the nation’s development and in the improvement of the public education
system;

WHEREAS, DepEd believes that one way of achieving an enhanced learning
environment and addressing the dire shortage of resources in public schools is through
the provision of school building through new construction or repair;

WHEREAS, the PROPONENT is a business enterprise engaged in ________:

and

WHEREAS, the PROPONENT has proposed to DepEd the construction or repair
of a school building.

NOW THEREFORE, for and in consideration of the foregoing premises and the
terms and conditions herein set forth, the parties hereby agree as follows:
Section 1  Description of Sponsorship or Package

The project known as __________ (Title, if any), consists of the construction/repair of (indicate how many classrooms) schoolbuilding, with toilet, classroom furniture including tables, chairs and chalkboards.

Section 2  Rights and Obligations of the DepEd

a. Provide policy guidance and directions to ensure the proper implementation of the Program;

b. Coordinate with the adopting private entity in the implementation of program activities and accept the package of assistance thru the DepED Division Office;

c. Assist in the monitoring and evaluation of the implementation of the Program and;

d. Review and endorse the application of the adopting private entity for tax incentive or tax exemption entitlement to the Revenue District Office; and

e. Ensure that the school building package received shall be used for instructional purposes only and shall be properly maintained.

Section 3  Rights and Obligations of the PROPOSENT

a. The Proponent shall cause the planning and construction of the schoolbuilding. The infrastructure shall be built according to the dimensions specified by DepED and shall be designed in pursuant to the building plans and architect’s perspectives hereto attached as “Annex A”.

b. The Proponent shall be entitled to engage services of licensed architects and engineers to prepare the plans, designs, specifications and construction drawings for the schoolbuilding and contract out the construction of the schoolbuilding to duly licensed contractors.

c. The Proponent shall administer the efficient and effective implementation of the construction, especially during the three-month-period from the commencement of construction and cause contractors to comply with and adhere to basic safety practices in and during construction. Likewise, the Proponent shall coordinate closely with DepEd in the implementation of program activities.

d. The Proponent shall likewise comply with the specifications set by DepED for school furniture and fixtures (i.e., desks/armchairs/blackboards).
e. Actual cost of the construction shall be paid out to contractors, suppliers and consultants by the Proponent.

f. The Proponent shall submit to DepED status reports, completion/evaluation report, and other reports as may be required by DepED;

g. A Deed of Donation and Acceptance in favor of DepED for the completed school building shall be executed.

Section 4 Scope of the Program or Package

The project beneficiary shall be (indicate name of school) in (indicate division and region).

Section 5 Program Cost/Breakdown

The estimated total package cost is ________________ broken down as follows:

A. New Construction (or Rehabilitation/Restoration) – ________________

B. School Furniture (desks/ armchairs/ teacher’s table/ cabinets) – ________________

Section 6 Term (starting term and ending term)

The term of the agreement will be for a period of two years. The Schoolbuilding shall be constructed and completed during a three-month period while monitoring of actual use will be done during the remaining months of the term.

Section 7 Capacity and Authorization. The parties herein warrant that they have the capacity, power and requisite authorization to enter into this Agreement.

Section 8 Separability Clause. Should any part of this Agreement be judicially declared null and void, such nullity shall not affect the validity of the remaining provisions hereof.

Section 9 Breach of Contract. The violation or omission of any of the provisions of this Agreement shall be ground for the cancellation or rescission of the same without need for legal or court action.
SIGNED on the date and at the place first above written.

DEPARTMENT OF EDUCATION
By
__________________________
School Head

SPONSORING BODY
By
__________________________
President/ Head

SIGNED IN THE PRESENCE OF:

__________________________

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES) ___________________________________ ) ss.

BEFORE ME this ______ (date)___________, personally appeared:

Name CTC Number Date Issued Place Issued

Known to me and to me known to be the same persons who executed the foregoing instrument, and they acknowledged to me that the same is their free and voluntary act and deed and that of the corporations herein they represented. This Memorandum of Agreement consists of ______ pages including this page in which this acknowledgement is written, signed by the parties in their instrumental witnesses each and every page thereof.

WITNESS MY HAND AND NOTARIAL SEAL, on the date at the place first written above.

NOTARY PUBLIC
Doc. No. ________
Page No. ________
Book No. ________
Series of ________
Appendix P

Deed of Donation (sample)

KNOW ALL MEN BY THESE PRESENTS:

This Deed of Donation made and executed by

The __________________________ (donating organization/ entity) herein represented by its
____________ (title of the representative ) ______________ (name of the representative ),
with office address at ________________ , hereinafter called the DONOR

- in favor of -

The DEPARTMENT OF EDUCATION herein represented by its __________________________,
(title of the Official), ________________ (name of the Official) with office address at
______________________________, hereinafter called the DONEE

WITNESSETH

That for and in consideration of a desire to contribute a share for the cause of the
education of Filipino learners through the Adopt-a-School Program of the Department
Education, the DONOR has freely and voluntarily given, transferred and conveyed by way of
donation to the DONEE, its successors and assigns free and clear of any and all liens and
encumbrances whatsoever all its rights, interests and title on the
(description of donation) for __________________________ (beneficiary).

IN WITNESS WHEREOF, the DONOR has hereto subscribed herself/himself this ___
day of ____________, 200___

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES

__________________________

BEFORE ME this _______ (date) ________ , personally appeared:

__________________________ TC# ________ issued on/at ________________

__________________________ CTC# ________ issued on/at ________________

Known to me and to me known to be the same persons who executed the foregoing in-
strument, and they acknowledged to me that the same is free and voluntary act and deed,
including that of the entities that they represent.

This instrument refers to a Deed of Donation that consists of 2 pages, including this where on
this acknowledgement is written, and which is signed by the parties concerned on each and every
page thereof.

WITNESS MY HAND AND NOTARIAL SEAL, on the date at the place first written above.

NOTARY PUBLIC
Doc. No. ________
Page No. ________
Book No. ________
Series of ________
Deed of Acceptance (sample)

PRO-FORMA

The DONEE, for and in behalf of the school, hereby accepts the donation from __________ (DONOR), composed of the following:

(e.g. three-classroom schoolbuilding, with toilet, classroom equipment including tables, chairs and chalkboards).

For and in behalf of the school, the DONEE expresses his most sincere appreciation for the benevolence shown by the DONOR.

In witness whereof, the DONEE has set his hands this _______ of ___________ (date) in ____________________ (place).

DONEE

SIGNED IN THE PRESENCE OF:

________________________________________

(Signature over Printed Name)

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES

________________________________________) ss.

BEFORE ME this _______ (date) _________, personally appeared:

________________________________________  CTC# _________ Issued on/at

________________________________________  CTC# _________ Issued on/at

Known to me and to me known to be the same persons who executed the foregoing instrument, and they acknowledged to me that the same is free and voluntary act and deed, including that of the entities that Doc. No. ________

Page No._______

Book No._______

Series of ________