

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF INTERNAL REVENUE**

March 8, 2010

**REVENUE MEMORANDUM CIRCULAR NO. 23-2010**

**SUBJECT: Publishing the full text of Republic Act No . 9999  
entitled "An Act Providing a Mechanism for Free  
Legal Assistance and For Other Purposes"**  
**TO : All Revenue Officials, Employees and Others Concerned**

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For the information and guidance of all internal revenue officers, employees and others concerned, quoted hereunder is the full text of Republic Act No. 9999 issued by the President of the Republic of the Philippines on February 23, 2010.

**"REPUBLIC ACT NO. 9999**

AN ACT PROVIDING A MECHANISM FOR FREE LEGAL  
ASSISTANCE AND FOR OTHER PURPOSES

*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 'Free Legal Assistance Act of 2010'.

**SEC. 2. Declaration of Policy.** – It is the declared policy of the State to value the dignity of every human person and guarantee the rights of every individual, particularly those who cannot afford the services of a legal counsel.

Furthermore, it is the policy of the State to promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies and programs that provide adequate social services and improve the quality of life for all.

In addition, the State shall guarantee free legal assistance to the poor and ensure that every person who cannot afford the services of a counsel is provided with a competent and independent counsel preferably of his/her own choice, if upon determination it appears that the party cannot afford the services of a

counsel, and that the services of a counsel are necessary to secure the ends of justice and protect the rights of the party.

**SEC. 3. *Definition of Terms.*** – As provided for in this Act, the term legal services to be performed by a lawyer refers to any activity which requires the application of law, legal procedure, knowledge, training and experiences which shall include, among others, legal advice and counsel, and the preparation of instruments and contracts, including appearance before the administrative and quasi-judicial offices, bodies and tribunals handling cases in court, and other similar services as may be defined by the Supreme Court.

**SEC. 4. *Requirements for Availment.*** – For purposes of availing of the benefits and services as envisioned in this Act, a lawyer or professional partnership shall secure a certification from the Public Attorney’s Office (PAO), the Department of Justice of Justice (DOJ) or accredited association of the Supreme Court indicating that the said legal services to be provided are within the services defined by the Supreme Court, and that the agencies cannot provide the legal services to be provided by the private counsel.

For purposes of determining the number of hours actually provided by the lawyer and/or professional firm in the provision of legal services, the association and/or organization duly accredited by the Supreme Court shall issue the necessary certification that said legal services were actually undertaken.

The certification issued by, among others, the PAO, the DOJ and other accredited association by the Supreme Court shall be submitted to the Bureau of Internal Revenue (BIR) for purposes of availing the tax deductions as provided for in this Act and to the DOJ for purposes of monitoring.

**SEC. 5. *Incentives to Lawyers.*** – For purposes of this Act, a lawyer or professional partnerships rendering actual free legal services, as defined by the Supreme Court, shall be entitled to an allowable deduction from the gross income, the amount that could have been collected for the actual free legal services rendered or up to ten percent (10%) of the gross income derived from the actual performance of the legal profession, whichever is lower: *Provided,* That the actual free legal services herein contemplated shall be exclusive of the minimum sixty (60)-hour mandatory legal aid services rendered to indigent litigants as required under the Rule on Mandatory Legal Aid Service for Practicing Lawyers, under BAR Matter No. 2012, issued by the Supreme Court.

**SEC. 6. *Information, Education and Communication (IEC) Campaign.*** – The DOJ, in cooperation with the Philippine Information Agency (PIA), is hereby mandated to conduct an annual IEC campaign in order to inform the lawyers of the procedures and guidelines in availing tax deductions and inform the general public that a free legal assistance to those who cannot afford counsel is being provided by the State.

**SEC. 7. *Reportorial Requirement.*** – For purposes of determining the effectiveness and social impact of the provisions of this Act, the DOJ shall submit an annual report to both House of Congress indicating therewith the number of parties who benefited from this Act.

The report shall state in detail, among others, the geographic location, demographic characteristics and socioeconomic profile of the beneficiaries of this Act.

**SEC. 8. *Implementing Rules and Regulations (IRR).*** – Within ninety (90) days from the date of effectivity of this Act, the BIR shall formulate the necessary revenue regulations for the proper implementation of the tax component as envisioned in this Act.

The Supreme Court shall formulate the necessary implementing rules and regulations with respect to the legal services covered under this Act and the process of accreditation of organizations and/or associations which will provide free legal assistance.

**SEC. 9. *Separability Clause.*** – If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected by such declaration shall remain in full force and effect.

**SEC. 10. *Repealing Clause.*** - Any law, decree, ordinance or administrative circular not consistent with any provision of this Act is hereby amended, repealed or modified accordingly.

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

Approved.

(Sgd.) **PROSPERO C. NOGRALES**  
*Speaker of the House  
of Representatives*

(Sgd.) **JUAN PONCE ENRILE**  
*President of the Senate*

This Act which is a consolidation of Senate Bill No. 2361 and House Bill No. 4301 was finally passed by the Senate and the House of Representatives on January 27, 2010 and January 26, 2010, respectively.

(Sgd.) **MARILYN B. BARUA-YAP**  
*Secretary General  
House of Representatives*

(Sgd.) **EMMA LIRIO-REYES**  
*Secretary of the Senate*

Approved: FEB 23, 2010

(Sgd.) **GLORIA MACAPAGAL-ARROYO**  
*President of the Philippines*

All revenue officials and employees are enjoined to give this Circular as wide a publicity as possible.

(Original Signed)  
**JOEL L. TAN-TORRES**  
Commissioner of Internal Revenue

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