

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

13th Congress
First Regular Session

HOUSE BILL NO. 795

Introduced by Representative Abayon

EXPLANATORY NOTE

A local government unit, as an autonomous political subdivision of the State, is now vested by law with more powers and increased responsibilities. However, a local government unit can not effectively carry out its functions and discharge its broadened powers on a wider scale without adequate resources.

Under Republic Act No. 7160, a local government unit is vested with a right to effectuate such adequate resources by (1) creating and broadening its own source of revenue, (2) being allocated a just share in the proceeds of the utilization and development of the national wealth, if any, within its territorial boundaries.

Corollary to No. 1above, the tax on real properties is one of the sources of revenue of a local government unit. A local government unit however, will not enjoy this tax unless it is first collected. But notwithstanding the remedies provided for under R.A. No. 7160 for non-payment therefore, the collection process still remains difficult. In many cases, the payment of taxes on a piece of land is deliberately delayed or ignored hoping that a tax amnesty maybe forthcoming or because of the connection of its owner to the tax collector, although in some instances valuable construction or structures are being introduced on said land.

As a collection, strategy, therefore, this bill seeks to require all applicants for a building permit or a certificate of registration of machinery, etc., to pay first the tax on the real properties covered by the application before the building permit or certificate of registration shall be issued. The bill also provides penalties for violations thereof

Foregoing considered, early approval of the bill is respectfully sought.

HARLIN CAST. ABAYON

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AN ACT REQUIRING THE PAYMENT OF REAL PROPERTY TAXES AS A CONDITION PRIOR TO THE ISSUANCE OF BUILDING PERMIT OR CERTIFICATE OF REGISTRATION OF MACHINERY.

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

SECTION 1. Any person who shall apply for a permit for the construction, addition, repair, or renovation of a building or permanent improvement on land, or a certificate of registration for any machinery, including machines, mechanical contrivances, and apparatus attached or affixed on land or to another real property shall accompany his application for such building permit or certificate with a certificate from the treasurer concerned to the effect that the real property taxes on the land whereon the building or permanent improvement will be constructed or the machinery, machines, mechanical contrivances and apparatus will be affixed, and the building or other permanent improvement to which the addition will be construed or which will be repaired or renovated, had been fully paid.

SECTION 2. The public officer or employee who is required by law or regulation to issue a building permit or certificate of registration mentioned in the preceding section shall refuse the issuance of such building permit or certificate of registration, if the person applying therefore has failed to accompany his application with certification that the real property taxes hereinabove required have been fully paid.

SECTION 3. The public office or employee concerned who violates the provisions of this Act shall be punished with a fine of Ten thousand pesos (P10,000.00) or imprisonment of six(6) months, or both fine and imprisonment.

SECTION 4. This Act shall take effect upon its approval.

Approved,