

Fifteenth Congress
First Regular Session

HOUSE BILL NO. 212

Introduced by Honorable Neptali M. Gonzales II

EXPLANATORY NOTE

This bill seeks to institute reforms in the real property valuation and assessment practices in the Philippines.

Real property is considered the country's most important and biggest financial asset, however, the ineffective and inequitable land valuation and taxation system in the country caused huge losses in revenues, triggered informal property transactions, and affected the quality of governance, socio-economic development, and vibrancy of the real estate market in the country.

Presently, the Philippine real property market is characterized by multiple systems of valuation appraised by different National Government Agencies (NGAs), each using its own system and methodology. The situation is the same in the appraisal practices of Local Government Units (LGUs). LGUs prepare, legislate and implement their Schedules of Market Values (SMVs) which is the basis of the assessment of the real property tax. Hence, the same property is given different values depending on the nature and purpose of valuation. The process is not insulated from political influence as manifested, among others, in local officials allowing minimal, selective and subjective increases on valuations and the frequent deferment of the general revision of property assessments contrary to the provision in the Local Government Code requiring revisions every three (3) years. Valuations used by LGUs are therefore outdated. The same can be said of valuations used by the Bureau of Internal Revenue (BIR) since there is no statutory requirement for it to revise its zonal values.

The lack of a single agency responsible for property valuations and the use of multiple appraisal systems have resulted in the lack of uniformity and equity in real property appraisal in the country. This bill proposes the establishment of an appraisal authority, the National Valuation Authority (NVA), which will be responsible in regulating and overseeing the valuation and appraisal activities of real property in the country. The NVA is envisioned to maintain the integrity of real property appraisal in the country. Establishing

uniform and internationally-accepted standards for the valuation of real property in the country and adopting the market value as a single real property valuation base for the assessment of real property taxes will address one of the flaws of our current valuation system. Ensuring equity in real property taxation by separating the valuation and assessment function from tax setting and political influence is also imperative.

An equitable, credible, transparent and impartial valuation of real property will result in broadening the taxation base of real property which will in turn result not only in improved revenue collection but also in foreign investors' confidence in the country's real property market.

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



NEPTALI M. GONZALES II

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**AN ACT
INSTITUTING REFORMS IN THE REAL PROPERTY VALUATION
AND ASSESSMENT PRACTICES IN THE PHILIPPINES AND FOR
OTHER PURPOSES**

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

ARTICLE I

SECTION 1. ***Short Title.*** – This Act shall be known as the “*Real Property Valuation Reform Act of 2010.*”

SEC. 2. ***Declaration of Policy and Objectives.*** – It is the policy of the State to promote the development and maintenance of a just, equitable, impartial, and nationally consistent real property valuation system based on internationally accepted valuation standards, concepts, principles, and practices. Towards this end, the State shall:

- a) Establish and maintain valuation standards to govern the valuation of real property in the country;
- b) Adopt market value as the single real property valuation base for the assessment of real property-related taxes in the country, and for valuing or appraising, real property for various transactions by all government agencies;

c) Separate the function of valuing or appraising and assessment of real properties from the function of tax policy and administering the taxes due thereon;

d) Develop and professionalize the valuation or appraisal practice in the country;

e) Provide a comprehensive and up-to-date electronic database of all real property transactions;

f) Support the development of a “body of knowledge” on valuation systems by continuing research and monitoring of new developments in the valuation discipline, for upgrading the country's valuation system and making it abreast with global developments; and

g) Ensure transparency in real property transactions to protect consumers and develop confidence in the work of appraisers and assessors.

SEC. 3. *Definition of Terms.* – As used in this Act, the following terms are defined as follows:

a) Appraiser – refers to a person who conducts valuation or appraisal; specifically, one who possesses the necessary qualifications, ability, and experience to execute or direct the valuation/appraisal of real or personal property; also known as Valuer;

b) Assessor – refers to a government officer who conducts appraisal and assessment of real properties for taxation purposes;

c) Building – refers to a man-made structure permanently attached to land for residential, commercial, industrial, recreational or other purposes;

d) Improvements – refer to buildings or other more or less permanent structures or developments located upon or attached to land;

e) Land – refers to one of the major factors of production consisting sometimes of a material economic good, which is supplied by nature without the aid of man. Land may include not only the earth surface, both land and water, but also anything that is attached to the earth's surface. Thus, all natural resources in their original state, such as mineral deposits, wildlife, timber, and fish are land within the technical meaning of the term; so also are sources of energy, outside of man himself, such as water, coal deposits, and the natural fertility of the soil;

f) Machinery – refers to machines, equipment, mechanical contrivances, instruments, appliances or apparatus which may or may not be attached, permanently or temporarily, to the real property. It includes the physical facilities for production, installations and appurtenant service facilities, those which are mobile, self-powered or self-propelled, and those not permanently attached to the real property which are actually, directly, and exclusively used to meet the needs of the particular industry, business, or activity and which by their very nature and purpose are designed for, or

necessary to its manufacturing, mining, logging, commercial, industrial, or agricultural purposes.

g) Market Value – refers to the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction (a transaction between independent, unrelated parties involving no irregularity) after proper marketing wherein the parties had each acted knowledgeably, prudently, and without compulsion;

h) Private appraisal sector – refers to licensed non-governmental real estate service practitioners, whether in institutional or individual capacity, who have been active in the practice of real estate service for the last five (5) years;

i) Real Estate – refers to the physical land and those items which are attached to the land. It is a physical and tangible entity which can be seen and touched together with all the additions or improvements on, above or below the ground;

j) Real Property – refers to real estate including all the rights, interests and benefits related to the ownership of real estate;

k) Special Purpose Properties – refer to properties which are designed, constructed and developed for a specific purpose. By its very nature, this type or property is rarely offered for sale in the open market except as part of a going concern. Because of the special design and function, conversion of special

purpose properties to other types of development or application is generally not economically feasible; and

1) Valuation/Appraisal – refers to the systematic and analytic determination and recording of property facts, circumstances and investments and investigation of other relevant data resulting in a supportable estimate and opinion of value as of a given date. It also refers to a professional conclusion based upon supporting data, logical analysis and judgment as of a given date.

ARTICLE II

Chapter 1. ESTABLISHING A NATIONAL VALUATION AUTHORITY

SEC. 4. *Establishing as National Valuation Authority.* – To achieve the policy and objectives declared in this Act, there shall be established a National Valuation Authority, hereinafter referred to as the Authority, which shall be the primary agency of the government on matters concerning the valuation or appraisal of real properties in the Philippines. The Property Valuation Staff (PVS) established within the Bureau of Local Government Finance (BLGF) shall serve as the nucleus of the Authority. The Authority shall be attached to the Department of Finance. The Authority shall have its central office in Metro Manila.

SEC. 5. *Powers and Functions of the Authority.* – The Authority shall have the following powers and functions:

a) Develop, adopt, and maintain valuation standards consistent with generally accepted valuation standards, regulations and specifications for real property appraisal used for tax and other purposes, and ensure compliance therewith by national government agencies, local government units, and other concerned parties;

b) Review and approve the Schedule of Market Values prepared by the Provincial, City, and Municipal Assessors for tax and other purposes;

c) Provide technical assistance on real property appraisal matters to government agencies and instrumentalities, and coordinate or conduct when requested, the valuation/appraisal of special purpose properties for real property tax purposes;

d) Provide leadership and policy directions to local government units, national government agencies, private sector institutions and individuals dealing with real property valuation or appraisal on matters pertaining to valuation/appraisal including the development and maintenance of valuation standards, the regulation of valuation/appraisal activities and other related matters except the licensing and regulation of professionals offering valuation and appraisal services, and the promotion of valuation or appraisal education and continuing educational development programs;

e) Maintain a roster of assessors;

f) Develop and maintain a comprehensive and up-to-date electronic database of real property transactions and prices of materials for building, machinery, and other structures;

g) Conduct continuing study and research on valuation system, and maintain an information based on current global and country trends and developments in real property valuation/appraisal;

h) Determine, fix, and collect reasonable amounts to be charged as administration fees, fines, and penalties relative to the implementation of this Act; and

i) Perform such other functions as are necessary, proper, and incidental to implement the provisions of this Act.

SEC. 6. *Head of Authority.* – The Authority shall be headed a Director General who shall be appointed by the President of the Philippines upon the recommendation of the Secretary of Finance. The Director General must be a Filipino citizen, of good moral character, a graduate in engineering, accounting, or appraisal related degrees and a licensed appraiser or assessor, with at least ten (10) years of experience in valuation/appraisal or assessment of real properties. The Director General shall have the salary grade equivalent to that of an Assistant Secretary under the Salary Standardization Law (SSL).

SEC. 7. *Responsibilities of the Director General.* – The Director General shall be responsible for the efficient and effective performance of the

statutory responsibilities of the Authority set forth in this Act and for the overall internal management and governance of the Authority. For this purpose, the Director General shall:

- a) develop policies, plans, programs, and operating standards for the attainment of the objectives and mandate of the Authority;
- b) provide policy direction and leadership in all aspects of valuation and their implementation in the regional offices;
- c) advise and assist the Secretary of Finance on matters pertaining to real property valuation/appraisal and assessments;
- d) exercise administrative supervision over the national and regional offices, and provide technical supervision over the local government assessors; and
- e) perform such other functions as may be provided by law, or required in pursuance of the law or the demand of the statutory responsibilities of the Authority.

SEC. 8. *Creation of an Advisory Board.* – a) There shall be created an Advisory Board, hereinafter referred to as the Board, composed of a representative from each of the following:

1. Department of Finance (DOF);
2. Bureau of Local Government Finance (BLGF);
3. Bureau of Internal Revenue (BIR);

4. Department of Environment and Natural Resources (DENR);
5. Bangko Sentral ng Pilipinas (BSP);
6. National organization of government assessors;
7. Private appraisal sector; and
8. Union of Local Authorities of the Philippines (ULAP).

b) They shall be appointed by the President from the nominees of the respective Department Secretaries or heads of office. These permanent nominees shall be officials performing valuation-related functions. The representatives from the national organization of government assessors, the private sector, and the ULAP shall be appointed by the President from the nominees of the national government assessors, private appraiser's organizations, and the ULAP, respectively;

c) The members of the Board coming from the private sector shall serve for a maximum of three (3) years. In case of vacancy in the Board, the person so appointed or designated shall serve only for the unexpired term. They shall not receive additional salary for the performance of their functions but they shall be entitled to honoraria pursuant to existing laws and regulations;

d) The Board shall meet at the initiation of the Director General or a majority of the Board Members at least once every three (3) months. It shall have as many special meetings as it may deem necessary for the performance of

its functions. The Board shall also formulate and adopt its internal rules and regulations for the conduct of its meetings; and

e) The Director General shall serve as ex-officio Chairman of the Board.

SEC. 9. *Functions of the Advisory Board.* – The Board shall advise the Director General on matters pertaining to valuation, as follows:

- a) adoption of the valuation standards;
- b) setting, maintenance, and compliance monitoring of the valuation standards prepared and developed pursuant to Section 15 of this Act; and
- c) preparation, review and approval of the Schedule of Market Values mentioned in Section 17 of this Act.

Chapter 2. ORGANIZATION OF THE AUTHORITY'S REGIONAL OFFICES

SEC. 10. *Regional Offices.* – There shall be established in every administrative region of the country a Regional Office headed by a Regional Director who shall be appointed by the Secretary of Finance upon the recommendation of the Director General. The Regional Director must be a Filipino citizen, of good moral character, a graduate in engineering, accounting or appraisal related degrees, a licensed appraiser or assessor with at least five (5) years of experience in valuation/appraisal or assessment of real property.

The Regional Director shall have salary grade equivalent to that of Director III under the SSL.

SEC. 11. *Functions of the Regional Director.* – The Regional Director shall have the responsibility for all issues relating to valuation and Schedules of Market Values in the region. As such, the Regional Director shall:

- a) implement laws, policies, plans, programs, rules, and regulations of the Authority in the Region;
- b) provide economical, efficient, and effective service relating to the Authority's mandate to local government units and government agencies within the region;
- c) coordinate with regional offices of other government departments, bureaus, and agencies within the region dealing with the real property valuation/appraisal and assessment;
- d) provide leadership and direction in the area of real property valuation/appraisal and assessment to local government units in the region;
- e) adopt and maintain a comprehensive and up-to-date regional electronic database of all regional real property-related transactions and have custody of all transaction records submitted by local government assessors; and
- f) perform such other functions as may be assigned by the Director General.

SEC. 12. *The Regional Director as Next in Rank to Director General.*

–The Regional Directors collectively serve as a corps of officers that constitute the next in rank to the Director General and designation to the Director General's office may be made from their ranks.

SEC. 13. *The NVA Regional Consultative Committee.* – a) There shall be created in every administrative region a Regional Consultative Committee, hereinafter referred to as the Committee, which shall be composed of a representative from each of the following:

1. Bureau of Local Government Finance – Regional Office;
2. Bureau of Internal Revenue – Regional Office;
3. Department of Environment and Natural Resources -Regional Office;
4. Banking sector within the region by the Bangko Sentral ng Pilipinas;
5. Organization of government assessors within the region;
6. Private appraisal sector within the region; and
7. Union of Local Authorities of the Philippines (ULAP) within the region.

b) The members of the Regional Consultative Committee, coming from the BLGF and the BIR who shall be nominated by the Director General, shall be appointed by the Secretary of Finance. The permanent representatives

from the concerned government agencies shall be recommended by their respective Regional Directors. The representatives from the banking sector shall be recommended by the Bangko Sentral while the representatives of the government assessors, the private appraisal sector, and the ULAP shall be recommended by their respective organizations in the region.

c) The members coming from the private sector shall serve for a maximum of three (3) years, unless otherwise shortened or terminated by the appointing authority. In case of a vacancy in the Committee, the person so appointed or designated shall serve only for the unexpired term. The Chairperson and members of the Committee shall not receive additional salary for the performance of their functions but they shall be entitled to an honorarium pursuant to existing laws and regulations.

d) The Committee shall meet on the initiation of the Regional Director or a majority of the Board Members at least once every three (3) months. It shall have as many special meetings as it may deem necessary for the performance of its functions. The Committee shall also formulate and adopt its internal rules and regulations for the conduct of its meetings.

e) The Regional Director shall serve as *ex-officio* Chairman of the Committee.

SEC. 14. *Functions of the Committee.* – The Committee is the counterpart of the Board at the regional level and it shall advise the Regional Director on matters pertaining to the following:

a) preparation and review of the Schedule of Market Values pursuant to Section 18 of this Act; and

b) setting, maintenance, and compliance monitoring of the valuation standards prepared and developed pursuant to Section 15 of this Act. It shall recommend to the Regional Director the Schedule of Market Values for approval of the Director General.

ARTICLE III

Chapter 1. VALUATION/APPRAISAL

AND ASSESSMENT OF REAL PROPERTIES

SEC. 15. *Development of Valuation Standards.* – Notwithstanding the provisions of existing laws to the contrary, the Authority shall develop, adopt, maintain and implement uniform valuation standards which shall be used by all appraisers and assessors of national and local governments and the private sector in appraising or valuing lands, buildings, machinery and other real properties for taxation and other purposes. The valuation standards must conform with generally accepted valuation principles and internationally accepted standards.

SEC. 16. *Valuation/Appraisal of Real Property.* – For valuation purposes, all real property, whether taxable or exempt, shall be valued or appraised at the market value prevailing in the locality where the property is situated, in conformity with the valuation standards adopted under this Act. The Authority shall promulgate the rules and regulations for the classification and valuation/appraisal of real property pursuant to the provisions of this Act. It shall provide leadership in ensuring rationalized valuation of real properties transcending political boundaries.

Any owner or person having legal interest in the property who is not satisfied with the action of the provincial, city or municipal assessor in the assessment of his property may, within sixty (60) days from the date of receipt of the written notice of assessment, appeal to the Board of Assessment Appeals of the province or city by filing a petition under oath in the form prescribed for the purpose, together with copies of the tax declaration and such affidavits or documents submitted in support of the appeal.

SEC. 17. *Preparation of Schedule of Market Values.* – Provincial, City, and Municipal Assessors shall prepare a Schedule of Market Values for the different classes of real property and special purpose property situated within their respective local government units pursuant to the valuation standards and specifications set by the Authority. The said Schedule shall be submitted by the Assessor concerned to the Authority's Regional Office for review and

completion of the compliance report. The said schedule shall then be submitted to the Authority's Central Office for approval. The Director General shall act within ninety (90) days upon receipt of the said schedule and inform the Regional Director and assessor concerned of any action thereon within the said period; otherwise, the said schedule shall be deemed approved. The approved Schedule of Market Values shall be published in a newspaper or general circulation in the province, city or municipality concerned, or in the absence thereof, shall be posted in the provincial capitol, city or municipal hall and in two (2) other conspicuous public places therein and in the official website of the Authority.

SEC. 18. *Use of Schedule of Market Values.* – The Schedule of Market Values approved by the Authority shall be used for the general revision of real property values and as basis for the determination of real property related taxes imposed by the national and local governments, and for other purposes. For purposes of computing any internal revenue tax, the BIR Commissioner shall adopt the schedule of market values or the actual gross selling price in consideration stated in real property transaction documents, whichever is higher.

SEC. 19. *Revision of Schedule of Market Values.* – The Director General shall formulate the program for the regular revision of real property values. The Provincial, City, and Municipal Assessors shall undertake a general revision of Schedule of Market Values not earlier than three (3) years from the

date of last revision, but not later than five (5) years. The Provincial, City, and Municipal Assessors shall recommend to the Authority revisions to the Schedule of Market Values in cash there is significant change in the market where the property is located after the said Schedule has been approved and prior to its next revision. The assessors of any municipality within the province shall also recommend revisions to the Schedule of Market Values through their provincial assessors. To ensure the implementation of the general and regular revisions of the Schedule of Market Values pursuant to this Act and the administration of real property taxes, local Sanggunians shall appropriate the necessary funds equivalent to 25% of the 1% from the original allocation of the Special Education Fund. The amount so appropriated shall be known as the Real Property Tax Administration Fund (RPTAF).

Chapter 2. DEVELOPMENT AND MAINTENANCE

REAL PROPERTY DATABASE

SEC. 20. *Development of Real Property Database.* – The Authority shall develop and maintain an up-to-date electronic database of the sale, exchange, lease, mortgage, donation and all other real property transactions in the country and on the cost of construction or renovation of buildings and other structures, and on prices of machinery. For this purpose, the Authority is hereby authorized to require the mandatory submission of necessary documents from the concerned officials or employees of national government offices or

instrumentalities, local government units, and the private sector as well. The updated database shall be made available to the local government units, national government agencies, and the private sector as well.

SEC. 21. *Duty of Register of Deeds to Supply Assessors of Real Property Transactions Data.* – The Register of Deeds shall prepare and submit to the Provincial, Municipal, and City Assessors an abstract of his registry every three (3) months and copies of all contracts selling, transferring or otherwise converting, leasing, or mortgaging real property registered by him/her every end of the month. The abstract shall include brief but sufficient description of the real properties entered therein, their present owners, and the dates of their most recent transfer or alienation accompanied by copies of corresponding deeds of sale, donation, or partition or other forms of alienation.

SEC. 22. *Duty of Official Issuing Building Permits or Certificates of Registration of Machinery to Transmit Copy to the Assessor.* – Any public official or employee who may now hereafter be required by law or regulation to issue to any person 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 transmit a copy of such permit or certification within thirty (30) days of its issuance, to the assessor of the province, city or municipality where the property is situated.

SEC. 23. *Duty of Geodetic Engineers to Furnish Copy of Plans to Assessor.* – It shall be the duty of all geodetic engineers, public or private, to furnish free of charge, the assessor of the province, city or municipality where the land is located a copy of the blue or white print of each of all approved original subdivision plans or maps of surveys executed by them every end of the month from the receipt of such approved plans from the Land Management Bureau (LMB), the Land Registration Authority (LRA), or the Housing and Land Use Regulatory Board (HLURB), as the case may be.

SEC. 24. *Duty of Assessors to Transmit Documents to the Authority.* – It shall be the duty of the Assessors to transmit all real property transactions data from the Register of Deeds, Official issuing building permit and Geodetic Engineers to the Regional Office of the Authority within one (1) month after the receipt of such data. The Authority's Regional Office shall record, process and make a summary report of the real property data, and submit the same to the Central office within one (1) month from receipt of such data.

Chapter 3. APPOINTMENT AND QUALIFICATIONS OF ASSESSORS

SEC. 25. *Appointment of Assessors.* – The Secretary of Finance shall appoint provincial, city, and municipal assessors, upon recommendation of the local chief executives, subject to civil service law, rules and regulations and the following guidelines:

a) Provincial and Assistant Provincial Assessors and City and Assistant City Assessors from the list of persons suitable and qualified for appointment within the Region;

b) Municipal and Assistant Municipal Assessor from the list of persons suitable and qualified for appointment within the Province; and

c) City and Assistant City Assessors and Municipal and Assistant Municipal Assessors for the Metropolitan Manila Area from the list of persons suitable and qualified for appointment within the Metropolitan Manila Area.

The assessors shall be under the administrative and technical supervision of the Authority, primarily through a system of compliance reporting and provision for education and training for capacity building.

SEC. 26. *Qualifications of Local Government Assessors.* – No person shall be appointed assessor unless such person is a citizen of the Philippines, a resident of the region for a provincial or city assessor and of the province for a municipal assessor, a licensed appraiser, of good moral character, a graduate in engineering, law, accounting, commerce or appraisal related degree, and must have experience in real property assessment work or in any related field for at least five (5) years in the case of the provincial or city assessor and three (3) years in the case of the municipal assessor.

All incumbent assessors holding permanent appointments shall continue to perform their functions without the need for reappointment and without

diminution of status, rank and salary grade and shall enjoy security of tenure. Those with temporary appointments are given the opportunity to qualify for permanent appointment as assessor for a period to be determined by the Authority upon the effectivity of this Act.

ARTICLE IV

TRANSITORY PROVISIONS

SEC. 27. *Implementing Guidelines.* – Within ninety (90) days upon the effectivity of this Act, the Authority's Central Office shall be organized. The President of the Philippines shall appoint the Director General upon the recommendation of the Secretary of Finance.

a) The Director General shall organize the Board pursuant to Section 8 of this Act within thirty (30) days upon the organization of the Authority.

b) An Ad Hoc Committee is hereby created which shall be responsible for the formulation of the Authority's Organization, Staffing, Compensation and Implementation Plan, including the selection and placement of personnel, taking into consideration the organizational criteria such as, but not limited to, availability of qualified personnel, facilities, budgetary support and others. The compensation structure of the Authority shall be in accordance with the existing compensation, position and classification system. The committee shall also be responsible for drafting the Implementing Rules and Regulations (IRR) for this Act. The Ad Hoc Committee shall be composed of

the Director General as ex-officio chairperson and representatives from the DOF, BLGF, BIR, National Tax Research Center (NTRC) and Land Administration and Management Project (LAMP) as members.

c) After the organization of the Authority's Central Office, the Authority's Regional Offices shall be organized.

d) The positions specifically created for the Property Valuation Staff (PVS) in the Bureau of Local Government Finance (BLGF), with their incumbents, and records, equipment and appropriations provided for the PVS, as determined by a Task Force composed of the BLGF Executive Director, as head, the NTRC Executive Director and the Director of the PVS, as members, are transferred to the Authority.

SEC. 28. *Saving Clause.* – The zonal values as determined by the Bureau of Internal Revenue and approved by the Secretary of Finance for internal revenue tax purposes and the Schedule of Market Values prepared by the Provincial, City, and Municipal Assessors that have been approved by their respective Sanggunians for real property taxation purposes shall continue to be in force and effect until repealed, superseded, modified, revised, set aside, or replaced by the values provided under the Schedule of Market Values approved in accordance with Section 17 of this Act, which shall be within two (2) years upon the effectivity of this Act.

SEC. 29. *Appropriations.* – The amount necessary for the initial implementation of this Act shall be charged against the current appropriations of the Property Valuation Staff within the budget of the Bureau of Local Government Finance. Thereafter, such sum as may be necessary for its phased implementation shall be included in the General Appropriations Act.

ARTICLE V

PENAL PROVISIONS

SEC. 30. *Failure to Comply with the Required Submission of Documents.* – Any government official or employee who fails without justifiable reason or reasons to provide or furnish data or information required by the Authority pursuant to Sections 21, 22, 23 and 24 of this Act shall be punished by a maximum fine equivalent to the official's or employee's six (6) months basic salary or suspension from service for a period not exceeding one (1) year, or both, at the discretion of the competent authority.

SEC. 31. *Failure to Comply with the Valuation Standards.* – An assessor or appraiser who, for unjustifiable reasons, fail to comply with the Valuation Standards prepared and adopted pursuant to this Act, or deliberately concealed any deviations or departures from such Standards, shall be punished by a maximum fine equivalent to the official's or employee's six (6) months basic salary, and suspension from the government service or from the practice

of profession for a period not exceeding one (1) year, or permanent revocation of his/her license at the discretion of the competent authority.

SEC. 32. *Failure to Prepare Schedule of Market Values.* – An assessor who, for unjustifiable reasons, intentionally or deliberately refuses or fails to prepare the Schedule of Market Value within the period required by the Authority shall be punished, upon conviction, by a maximum fine equivalent to the official's or employee's six (6) months basic salary or by suspension from the government service for not more than one (1) years, or both, at the discretion of the competent authority.

SEC. 33. *Violations of Other Provisions.* – Any person who violates any provision of this Act other than those punishable under Sections 30, 31 and 32 hereof shall, when warranted, be dealt with under applicable existing laws.

ARTICLE VI

MISCELLANEOUS PROVISIONS

SEC. 34. *Implementing Rules and Regulations.* – The Secretary of Finance upon the recommendation of the Director General, shall issue, within ninety (90) days after the organization of the Authority, the rules and regulations for the effective implementation of this Act.

SEC. 35. *Suppletory Application of Existing Laws.* – The provisions of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, and other laws consistent with this Act shall have suppletory effect.

SEC. 36. *Repealing Clause.* –

a) Section 6 (E) of Republic Act No. 8424, otherwise known as the National Internal Revenue Code (NIRC), as amended, and Sections 199 (e), 199 (l), 199 (o), 202, and 203 of Republic Act No. 7160, otherwise known as the Local Government Code (LGC) of the Philippines, are hereby repealed;

b) Sections 199 (m), 201, 202, 203, 209 (a), 212, 214, 217, 219, 220, 224, 225, 443 (d), 444 (b)(1)(v), 454 (d), 455 (b)(1)(v), 463 (d), 465 (b)(1)(v), 472, and 473 of the LGC and Section 24 (D), 27 (D)(5), 88 (B) and 102 of the NIRC are hereby modified accordingly;

c) All laws, presidential decrees, executive orders, presidential proclamations, rules and regulations or parts thereof contrary to or inconsistent with this Act are hereby repealed, superseded or modified accordingly.

SEC. 37. *Separability Clause.* – If any section or provisions of this Act shall be declared unconstitutional or invalid, the other sections or provisions thereof shall continue to be in full force and effect.

SEC. 38. *Effectivity.* – This Act shall take effect fifteen (15) days after publication in the Official Gazette and two (2) national newspapers of general circulation.

Approved,