

**Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila**

**FIFTEENTH CONGRESS
First Regular Session**

House Bill No. 952

Introduced by the Hon. Jeci A. Lapus

EXPLANATORY NOTE

This bill seeks to require the registration of all types of heavy equipment, like the bulldozer, road grader, road roller, pay loader, dump truck, water truck, backhoe, transit mixer, crane, jack hammer, drop hammer, TRK tractor trailer, stake truck, rock crusher, pile driver and the like. The Land Transportation Office (LTO) shall issue a registration certificate upon payment of the prescribed registration fee according to the rate for each type of heavy equipment of the prescribed registration fee according to the rate for each type of heavy equipment or machinery.

It is a reality that the government had been imposing registration and user's charges on all types of vehicles but not on heavy equipment which even cause greater damage to roads and bridges due to their immense weight and size. These heavy equipment also contribute to the destruction of the environment due to the deformity, pollution and physical change that they cause on our landscape and surroundings.

The non-registration of heavy equipment also allows unscrupulous owners or lessees from obtaining double financing from various lenders using the same heavy equipment as collateral and/or absconding with the units after they have defaulted in their obligations with creditors. With the registration of heavy equipment, owners/lessors/mortgagors and lessees/mortgagees of heavy equipment will be properly identified and fraudulent sale and/or encumbrances of heavy equipment will be avoided.

It is also worthy to mention that the imposition of registration fee on heavy equipment and other machineries may contribute enormous earnings to our cash-strapped government. Considering that there are about 900,000 heavy equipments in various construction sites in the country, if an average of P7,000 for each equipment shall be imposed, the estimated collection may reach a total of six billion pesos yearly. This amount shall be used to defray the total cost of irrigation fees, to the great benefit of the poor farmers, particularly those who had been delinquent in paying irrigation fees as mandated by law. In order to boost the agricultural sector, the remainder of the cost of irrigation fees shall be used to fund various farm-to- market roads nationwide.

Hence, early approval of this bill is requested.


JECI A. LAPUS

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AN ACT
PROVIDING FOR THE COMPULSORY REGISTRATION OF
HEAVY EQUIPMENT

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

SECTION 1. Compulsory Registration of Heavy Equipment. – The provision of any existing law to the contrary notwithstanding all heavy equipment such as, but not limited to, earthmoving equipment, lifting equipment, excavating equipment operated on or upon any part of the Philippines must be registered with the Land Transportation Office (LTO) for the current year in accordance with the provision of Republic Act No. 4136, otherwise known as the Land Transportation and Traffic Code, as amended.

SECTION 2. Registration and Scheduling of Fees.- The Land Transportation Office (LTO) is hereby empowered to prepare a schedule of registration fees subject to the approval of the Secretary of the Department of Transportation & Communication (DOTC), in consultation with the Secretary of the Department of Finance (DOF). The scheduling of the said fees shall be determined on the basis of model, body configuration, weight, cubic displacement or number of cylinders of heavy equipment and other pertinent factors. Said schedule shall not be changed more often than once every three (3) years and only upon due notice given to the public at least ninety (90) days before the effectivity of such schedule.

SECTION 3. Applicability. – The provisions of Republic Act No. 4136, as amended pertaining to the compulsory registration of motor vehicles shall apply to compulsory registration of heavy equipment when not in conflict with this Act.

SECTION 4. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in any two (2) newspapers of general circulation, whichever comes earlier.

Approved.