

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
QUEZON CITY

FIFTEENTH CONGRESS
FIRST REGULAR SESSION

H.B. NO 2622

INTRODUCED BY HONORABLES AL FRANCIS C. BICHARA, RODEL M.
BATOCABE, ALFREDO A. GARBIN, JR.

EXPLANATORY NOTE

The Motor Vehicle User's Charge (MVUC), otherwise known as the Road User's Tax, is the third largest source of tax revenue in the Philippines. MVUC collections have reached approximately about PhP60,500,000,000 from its first year of implementation in 2001 until 2010. By virtue of R.A. 8794, the MVUC is an earmarked collection, and as such, only two departments of the Government—the DOTC and the DPWH control such fund. Moreover, the MVUC collection is not part of the DPWH and DOTC regular budget under the General Appropriations Act (GAA). It is explicitly provided for under R.A. 8794 that the MVUC fund is distinct and separate from and in addition to any appropriation which may be provided under the GAA.

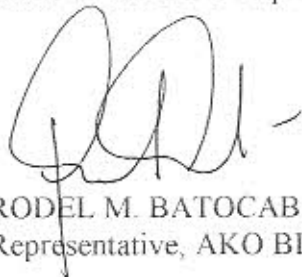
Through the provisions of R.A. 8794, the Congress is deprived of the power to control and allocate the revenues collected through the MVUC. Under the present law, there is no need for MVUC Fund allocation to pass budget deliberations unlike all widespread misallocation of said fund, it is our imperative duty to ensure that the MVUC fund is properly safeguarded and accounted for.

This bill seeks to amend the provisions of R.A. 8794, in order to give Congress the power to review and scrutinize the allocation of the MVUC fund. More importantly, we have an obligation to guarantee that the public funds are spent according to the will and the needs of the Filipino people.

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



AL FRANCIS C. BICHARA
Representative, 2nd District Albay



RODEL M. BATOCABE
Representative, AKO BICOL Partylist



ALFREDO A. GARBIN, JR.
Representative, AKO BICOL Partylist

H.B. NO. 2622

Introduced by HONORABLES AL FRANCIS C. BICHARA RODEL M. BATOCABE,
ALFREDO A. GARBIN, JR.

**AN ACT AMENDING SECTIONS 7 AND 8 OF R.A. 8794, OTHERWISE
KNOWN AS AN ACT IMPOSING A MOTOR VEHICLE'S USER'S CHARGE
ON OWNERS OF ALL TYPES OF MOTOR VEHICLES, PROVIDING FOR THE
AUTOMATIC ACCRUAL OF FUNDS COLLECTED TO THE NATIONAL
TREASURY, AND FOR OTHER PURPOSES**

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

Section 1. Section 7 of R.A. 8794 is hereby amended to read as follows:

"SEC. 7. Disposition of Monies Collected.—All monies collected under this Act shall automatically accrue to the National Treasury and shall be available for the general purposes of the Government.

In the distribution of said funds, it shall be mandatory for Congress to allocate funds for the following purposes:

- a) For the improvement and maintenance of national and local roads and road drainage;
- b) For the installation of adequate and efficient traffic lights and road safety devices;
- c) For air pollution control.

Such allocation shall be included in the annual budget of the Department of Public Works and Highways (DPWH) and the Department of Transportation and Communications (DOTC), as the case may be, which shall be included in the annual General Appropriations Act."

Section 2. Section 8 of R.A. 8794 is deleted

Section 3. All Boards, Bodies and Agencies created pursuant to R.A. 8794 are hereby abolished, and all powers and functions exercised by said board, body and/or agency are hereby transferred to the DPWH and DOTC, as the case may be.

Section 4. Rules and Regulations.—The secretaries of the DPWH and the DOTC shall jointly promulgate the necessary rules and regulations for the effective implementation of this Act.

Section 5. *Repealing Clause.*—All laws, decrees, executive orders, rules and regulations and other issuances or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.

Section 6. *Effectivity.*—This Act shall take effect upon its approval.

Approved.