

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City



SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. **120**

Introduced by Hon. Giorgidi B. Aggabao

EXPLANATORY NOTE

The constitution expressly recognizes the family as an inviolable institution that needs protection. In furtherance of this constitutional injunction, the law provides protection to a family home. Thus, under the Civil Code, when judicially and extra judicially constituted, a family home is exempt from execution, forced sale, or attachment, except under well-defined exceptions.

This bill aims to add further impetus to this constitutional injunction by exempting a family home from real estate taxes. In so doing, a family, especially the poor ones, may be spared from the sorry spectacle of losing their homes simply because they can not pay their real estate taxes.

In view of the foregoing, passage of this bill is earnestly sought.


GIORGIDI B. AGGABAO

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AN ACT
TO EXEMPT THE FAMILY HOME FROM THE
PAYMENT OF REAL PROPERTY TAX

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

SECTION 1. Declaration of Policy . The family is the basic social institution which public policy cherishes and protects.

SECTION 2. The family home defined. The family home is the dwelling house where a person and his family reside, and the land on which it is situated.

SECTION 3. The family home is exempt from the payment of real property tax.

A duly constituted family home is hereby declared exempt from the payment of the real property tax if the owner of the real property is actually residing therein and the current and fair market value thereof does not exceed Five Hundred Thousand Pesos.

If the current and fair market value of the family home exceeds Five Hundred Thousand Pesos, only the first Five Hundred Thousand pesos shall be exempt from the payment of the real property tax, and the excess shall be subject to tax.

If the current and fair market value of the family home exceeds one million pesos, the entire real property shall be subject to tax.

SECTION 4. Effectivity of this Act. This act shall take effect on January 1, 2009.

APPROVED.