

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



SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL No. 1649

Introduced by: **REPRESENTATIVE SALVIO B. FORTUNO**

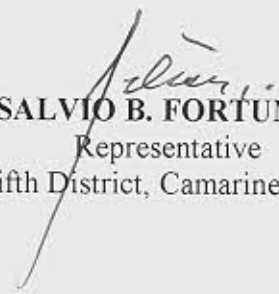
EXPLANATORY NOTE

The Constitution explicitly provides that the State recognizes the Filipino family as the foundation of the nation. In order to put this mandate into a reality, there is a need therefore to build a solid mantle of protection to the family home. For home is the place where charity and love begin and all the positive traits of the human being developed and blossomed to be great builders of society. This is probably the most tangible reason that Executive Order No. 209 as amended, otherwise known as the Family Code of the Philippines exempt the family home from execution and forced sale to certain extent of value allowed by law.

The stark economic reality prevailing in our midst has certainly forced some of our countrymen to give last priority or nothing more left to pay for the real property tax that ultimately leads in worst cases to foreclosure of our beloved family home. Under this situation, the Constitutional guarantee will be rendered meaningless because the very same State which recognizes the family home as the foundation of the nation will be same State which will foreclose and auction off the family home in case of failure to pay the real property tax.

This bill therefore seeks to amend Chapter 2, Articles 153, 155 and 157 of the Family Code of the Philippines. The paramount objective of this important piece of legislation is to shield the foundation of the nation from possible wreckage due to economic deprivation by exempting the family home from payment of real property tax.

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


SALVIO B. FORTUNO
Representative
Fifth District, Camarines Sur

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AN ACT
AMENDING CHAPTER 2, ARTICLES 153, 155 AND 157 OF EXECUTIVE ORDER NO. 209 AS AMENDED, OTHERWISE KNOWN AS THE FAMILY CODE OF THE PHILIPPINES

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

SECTION 1. Chapter 2, Articles 153, 155 and 157 of Executive Order No. 209 as amended, otherwise known as the Family Code of the Philippines are hereby further amended to read as follows:

“Art. 153. The family home is deemed constituted on a house and lot from the time it is occupied as a family residence. From the time of its constitution and so long as any of its beneficiaries actually resides therein, the family home continues to be such, and is exempt from PAYMENT OF REAL PROPERTY TAX OR ANY OTHER TAX ON REAL PROPERTY, execution, forced sale or attachment except as hereinafter provided and to the extent of the value allowed by law. “

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“Art. 155. The family home shall be exempt from execution, forced sale or attachment except:

- (1) For non-payment of taxes OTHER THAN TAXES ON REAL PROPERTY;
- (2) For debts incurred prior to the constitution of family home;
- (3) For debts secured by mortgages on the premises before or after such constitution; and
- (4) For debts due to laborers, mechanics, architects, builders, materialmen and others who have rendered service or furnished material for the construction of the building.”

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“Art. 157. The actual value of the family home shall not exceed, at the time of its constitution, the amount of [Three hundred thousand] THREE (3) MILLION pesos in urban areas, and [two] FIVE hundred thousand pesos in rural areas, or such amounts as may be fixed by law.

In any event, if the value of the currency changes after the adoption of this Code, the value most favorable for the constitution of a family home shall be the basis of evaluation.

For purposes of this Article, urban areas are deemed to include chartered cities and municipalities whose annual income at least equals that legally required for chartered cities. All others are deemed to be rural areas.”

SEC. 2. All laws, executive orders, presidential decrees, rules and regulations, which are inconsistent with this Act are hereby amended, repealed or modified accordingly.

SEC. 3. This Act shall effect fifteen (15) days after its publication in at least two newspapers of general circulation.

Approved,