

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

**SIXTEENTH CONGRESS**  
Third Regular Session

House Bill No. 6435



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**Introduced by Honorable Sherwin T. Gatchalian**

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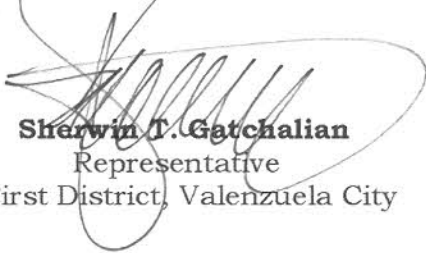
### **Explanatory Note**

The Road Board, which collects at least P10 billion a year from motor vehicle owners and acts as the "road maintenance arm" of the Department of Public Works and Highways (DPWH) has always been found by the Commission on Audit as lacking in adequate evaluation standards which has led to an increased risk of misallocation of funds. In the same manner that it has neglected its mandate of pollution control. In 2013, 43 LGUs were unable to access their share of the SLRF as the DILG management excluded them from the SLRF share of P322,070,717 for not passing the SGH requirements which are contrary to the Road Board Policy and MVUC Law. These, and other factual practices have hounded the management of the Road Board Funds.

In the perspective of a humble and destitute tricycle driver the amount exacted from them for the Motor Vehicle User's Charge already cuts a big chunk of the earning that could have fed their family for a day. The comparison to what the Board receives from other sources and the amount it disburses to fund questionable projects trivializes the contributions from all of these tricycle drivers. The pittance which these people earn to bring home to their families should have been a shameful reminder to the Road Board Management when these funds are irregularly spent with reckless impunity.

As a humanitarian consideration in view of the rising cost of living and the inability of the Road Board to efficiently exercise their mandate to the detriment of these tricycle drivers, the added burden of the MVUC charge to **motorcycles with sidocar (tricycle)** is hereby sought to be deleted and therefore exempted from the coverage of Republic Act 8794 in order to lessen the financial burden of these daily earners.

The immediate approval of this bill is earnestly sought.

  
**Sherwin T. Gatchalian**  
Representative  
First District, Valenzuela City

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**AN ACT**  
**AMENDING SECTIONS 2 AND 3 (B) OF REPUBLIC ACT NO. 8794,**  
**OTHERWISE KNOWN AS "AN ACT IMPOSING A MOTOR VEHICLE USER'S**  
**CHARGE ON OWNERS OF ALL TYPES OF MOTOR VEHICLES AND FOR**  
**OTHER PURPOSES"**

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

SECTION 1. Section 2 of Republic Act No. 8794, otherwise known as "*An Act Imposing a Motor Vehicle's User's Charge on Owner's of All types of Motor Vehicles and for Other Purposes*" is hereby amended to read as follows:

Section 2. Coverage. - In lieu of the registration fee under section 8 Republic Act No. 4136, as amended by Batas Pambansa Bilang 74, and the Private Motor Vehicle Tax under Executive Order No. 43, series of 1986, there is hereby imposed on every motor vehicle, whether for hire or for private use, including government motor vehicles as more fully provided in section 3 hereof, a Motor Vehicle User's Charge (MVUC) which shall be collected from and paid by the owner of the motor vehicle, EXCEPT MOTORCYCLES FOR HIRE WITH SIDECAR USED AS A MEANS OF LIVELIHOOD.

SEC. 2. Section 3 (b) of RA No. 8794 is hereby amended to read as follows:

b) Except as provided under Section 3(a) hereof, for each motor vehicle under each of the categories as herein provided, the MVUC shall be collected from and paid by the vehicle owner, at the following base rates plus twenty-five percent (25%) in the first year from the effectivity of this Act; the said base rates plus fifty percent (50%) in the second year from the effectivity of this Act; the said

base rates plus seventy-five percent (75%) in the third year from the effectivity of this Act; and the said base rates plus one hundred percent (100%) in the fourth year from the effectivity of this Act and thereafter: Provided, That the MVUC for sports utility vehicles shall be fifteen percent (15%) higher than the MVUC herein set for private utility vehicles. **[Provided, further, That motorcycles for hire with sidecars shall not pay more than three-hundred pesos (300.00).]**

| Type of Vehicle                        | Base Rates                                          |
|----------------------------------------|-----------------------------------------------------|
| I.Private and Government               |                                                     |
| A. Passenger Cars                      |                                                     |
| (1)GVW up to 1,600 kgs.                | P800                                                |
| (2)GVW more than 1,600 kgs.-2,300 kgs. | P1,800                                              |
| (3)GVW more than 2,300 kgs.            | P4,000                                              |
| B.Utility Vehicles                     |                                                     |
| GVW up to 2,700 kgs.                   | P1,000                                              |
| GVW more than 2,700 kgs.-4,500 kgs.    | P1,000 + 20                                         |
| per 100 kgs. of                        |                                                     |
| GVW over                               |                                                     |
| 2,700 kgs.                             |                                                     |
| C.Motorcycles                          |                                                     |
| without sidecar                        | P120                                                |
| <b>[with sidecar</b>                   | <b>P150]</b>                                        |
| D.Buses                                |                                                     |
| GVW more than 4,500 kgs.               | P900 + 12 per 100<br>kgs. of GVW over<br>2,700 kgs. |
| E.Trucks                               |                                                     |
| GVW more than 4,500 kgs.               | P900 + 12 per 100<br>kgs. of GVW over<br>2,700 kgs. |
| F.Trailers                             |                                                     |
| GVW more than 4,500 kgs                | P12 per 100 kgs. of<br>GVW                          |

## II. For Hire

### A. Passenger Cars

|                                         |        |
|-----------------------------------------|--------|
| (1) GVW up to 1,600 kgs.                | P450   |
| (2) GVW more than 1,600 kgs.-2,300 kgs. | P900   |
| (3) GVW more than 2,300 kgs             | P2,500 |

### B. Utility Vehicles

|                      |                         |
|----------------------|-------------------------|
| GVW up to 4,500 kgs. | P15 per 100 kgs. of GVW |
|----------------------|-------------------------|

### C. Motorcycles

|                      |              |
|----------------------|--------------|
| without sidecar      | P150         |
| <b>[with sidecar</b> | <b>P240]</b> |

### D. Buses

|                          |                         |
|--------------------------|-------------------------|
| GVW more than 4,500 kgs. | P15 per 100 kgs. of GVW |
|--------------------------|-------------------------|

### E. Trucks

|                          |                                               |
|--------------------------|-----------------------------------------------|
| GVW more than 4,500 kgs. | P900 + 12 per 100 kgs. of GVW over 2,700 kgs. |
|--------------------------|-----------------------------------------------|

### F. Trailers

|                          |                         |
|--------------------------|-------------------------|
| GVW more than 4,500 kgs. | P12 per 100 kgs. of GVW |
|--------------------------|-------------------------|

SEC. 2. **Separability Clause** - If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected shall remain valid and subsisting.

SEC. 3 **Repealing Clause** - Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provision of this act is hereby repealed, modified or amended accordingly.

SEC. 4. **Effectivity Clause** - This Act shall take effect fifteen (15) days from the date of its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,