



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

Seventeenth Congress
Second Regular Session
HOUSE BILL NO. **6455**



Introduced by Representatives:
Pantaleon D. Alvarez and Cesar V. Sarmiento

EXPLANATORY NOTE

This bill seeks to provide for a speedy processing by the Land Transportation Office of the registration of imported motor vehicles.

Section 27 of Article II of the Constitution provides that *"it is the policy of the State to maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption."*

Accordingly, President Rodrigo R. Duterte directed the officials of the Land transportation Office (LTO) to reduce and streamline the process of issuing certificates of registration, permits, licenses and other legal documents to the "barest minimum" as he pledged to cut down on red tape and corruption.

The Land Transportation Office (LTO) is the lead agency responsible for all land transportation in the Philippines especially implementing transportation laws, rules and regulations. Currently, the presence of bureaucratic red tape in the agency frustrates clients for requiring them to go through long series of routinary procedures to secure vital government services such as certificates of registration for imported vehicles. This problem is further compounded by the tedious process of obtaining from the Bureau of Customs, proofs of payment of taxes, customs duties or other charges necessary for the issuance of the certificate of registration for imported vehicles.

A dealer, importer or private individual has to spend one whole day just to get a copy of a certain document, or worse to keep on going back to the office

many times to follow up the document requested. It has become imperative for the government to act on this predicament by taking advantage of technological advances to improve efficiency in the delivery of services and streamlining the process of obtaining common official document. Red tape does not only lengthen the procedures, it also opens avenues for bribery and corruption since the public would rather pay their way for an immediate result than wait for an unreasonable length of time.

The bill mandates the LTO to issue the certificate of registration of imported motor vehicles within forty-eight (48) hours from the date of submission of the requirements needed. The bill also mandates the LTO to coordinate and cooperate with the Bureau of Customs for the electronic transmission of and access of accurate, timely and reliable certificate of payment on taxes, customs duties and other charges, licenses, permits, clearances and other required importation documents necessary for the registration of imported motor vehicles pursuant to Executive Order No. 482, s. 2005 entitled, *"Creating the National Single Window Task Force for Cargo Clearance."* Under Executive Order No. 482, s. 2005, the Philippine Government, spearheaded by the Bureau of Customs, launched the National Single Window (NSW), which is a computerized internet-based system that allows parties involved in trade to lodge information and documents with a single entry point to fulfil all import, export and transit-related regulatory requirements. If information is electronic then individual data elements are submitted only once. The single window system will streamline the long and tedious processing of official documents such as certificates of registration, licenses and permits in the LTO.

The approval of this bill will improve the LTO delivery system by simplifying the procedures and shortening the tedious process in government transaction. It will minimize, if not entirely do away with the need to travel and go to different offices every time a dealer, importer or private individual needs to obtain a copy of certain documents or records. It will also reduce the expenses and waiting time of service clients which can be used for other more productive activities.

In view of the foregoing, the approval of this bill is highly imperative.



PANTALEON D. ALVAREZ



CESAR V. SARMIENTO



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AN ACT
PROVIDING FOR A SPEEDY PROCESSING BY THE LAND
TRANSPORTATION OFFICE OF THE REGISTRATION OF
IMPORTED MOTOR VEHICLES AND PROVIDING PENALTIES FOR
VIOLATION THEREOF

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

SECTION 1. The Land Transportation Office (LTO) shall issue the certificate of registration of imported motor vehicles within forty-eight (48) hours from the receipt of the application or request, upon submission by the dealer, importer, or any person of the following documents: (1.) certificate of payment on taxes, (2.) an undertaking from the dealer and importer that the imported second-hand vehicles were not carnapped, and (3.) payment of customs duties and other charges issued by the Bureau of Customs.

SEC. 2. To facilitate the speedy processing of the registration of imported vehicles mentioned in Section 1 of this Act, the LTO shall link,

1 coordinate, and cooperate with the Bureau of Customs, pursuant to Executive
2 Order No. 482, Series of 2005, entitled "*Creating the National Single Window*
3 *Task Force for Cargo Clearance*," for the electronic transmission of and access
4 to accurate, timely and reliable certificate of payment on taxes, customs duties
5 and other charges, licenses, permits, clearances and other required importation
6 documents necessary for the registration of imported motor vehicles.

7 SEC. 3. After compliance with the substantive and procedural due
8 process, the following penalties shall be imposed upon any personnel of the
9 LTO who fails to issue the certificate of registration, official receipt, license,
10 permit and other pertinent legal documents for imported motor vehicles within
11 the prescribed period of forty-eight (48) hours without due cause and knowing
12 that the application is meritorious and in order, as provided in Section 1 of this
13 Act:

14 ***First Offense*** – Thirty (30) days suspension without pay and
15 mandatory attendance in values orientation program;

16 ***Second Offense*** – Dismissal and perpetual disqualification
17 from public service.

18 The finding of administrative liability under this Act shall not be a bar to
19 the filing of criminal, civil or other related charges under existing laws arising
20 from the same act or omission as herein provided in Section 1 of this Act.

1 SEC. 4. The LTO Director shall, in coordination with the Commissioner
2 of Customs, promulgate the necessary rules and regulations for the effective
3 implementation of this Act.

4 SEC. 5. Republic No. 4136 otherwise known as the "*Land*
5 *Transportation and Traffic Code*," and other laws, presidential decrees or
6 issuances, executive orders, letters of instruction, administrative orders, rules
7 and regulations inconsistent with this Act are hereby repealed, modified or
8 amended accordingly.

9 SEC. 6. This Act shall take effect fifteen (15) days after its publication in
10 the *Official Gazette* or in a newspaper of general circulation.

11 Approved,