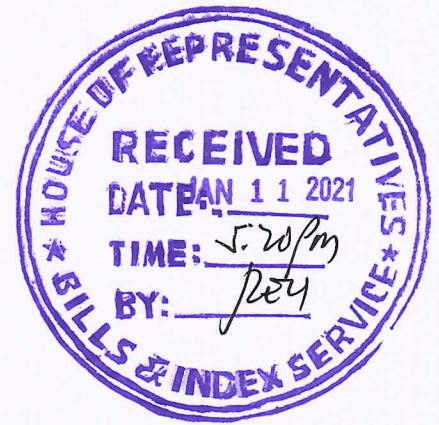


REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
Second Regular Session

House Bill No. 8326



Introduced by **MAGDALO Party-List Representative**
HON. MANUEL DG. CABOCHAN III

EXPLANATORY NOTE

The Motor Vehicles User's Charge (MVUC) or commonly known as road tax, was introduced to provide an adequate source of funding for the rehabilitation of roads in the country through a separate charge system. Among others, it includes road maintenance, improvement of road drainages, pollution control, road safety and road education. Since its passage in June 2000, it has imposed road user's tax on all types of vehicles whether for private or government use.

According to the 2019 Budget of Expenditure and Sources of Financing, the MVUC balance, as of 2017, was at P28.13 billion, while its 2019 revenue was at 12.883 billion.¹ The significant increase in road tax collections was due to the increase in the number of vehicles on the road in recent years. However, the increased number of vehicles has also worsened the traffic crisis in the country. In Metro Manila alone, data have shown that Filipinos lost 10 days and 17 hours for driving during rush hour over

¹ Department of Budget and Management. Earmarked Revenues 2017-2019. Information retrieved from <https://www.dbm.gov.ph/wp-content/uploads/BESF/BESF2019/B15.pdf>

the year. Moreover, the country loses P3.5 billion daily due to traffic congestion that could reach up to P5.4 billion by 2035.²

This bill seeks to amend Republic Act No. 8794, otherwise known as the Motor Vehicle User's Charge (MVUC) Act, as amended by Republic Act No. 11239, to reallocate the funds from the road tax collection for the construction, improvement, and rehabilitation of the mass transit system to alleviate the traffic problem in our country. This measure intends to provide the maximum possible funding to the effort of providing a more efficient public transit system in the country.

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



MANUEL DG. CABOCHAN III

Representative

Magdalo Para Sa Pilipino Party-List

² CNN Philippines. PH loses P3.5B a day due to Metro Manila traffic – JICA. Information retrieved from <https://cnnphilippines.com/transportation/2018/02/23/JICA-P3.5-billion-traffic.html>. Dated February 23, 2018

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AN ACT

**CREATING THE SPECIAL MASS TRANSIT SYSTEM SUPPORT FUND
AMENDING FOR THE PURPOSE SECTION 7 OF REPUBLIC ACT NO. 8794, AS
AMENDED BY REPUBLIC ACT NO. 11239**

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

1 SECTION 1. *Short Title.*— This Act shall be known as the "Special Mass Transit
2 System Support Fund Act".

3
4 Sec. 2. Section 7 of Republic Act No. 8794, as amended by Republic Act No.
5 11239, is hereby further amended to read as follows:

6
7 "Sec. 7. *Disposition of Monies Collected.*— All monies collected under this Act
8 shall be [~~remitted to the National Treasury under a special account in the~~
9 ~~General Fund to be~~] earmarked solely **AND USED EXCLUSIVELY** for the
10 construction, [~~upgrading, repair,~~] **IMPROVEMENT**, and rehabilitation of
11 [~~roads, bridges and road drainage~~] **OUR MASS TRANSIT SYSTEM,**

1 **INCLUDING THE ACQUISITION OF ROAD RIGHT-OF-WAY FOR SUCH**
2 **PROJECTS** to be included in the annual General Appropriations Act.

3
4 **ALL SUCH MONIES COLLECTED SHALL BE REMITTED TO THE**
5 **NATIONAL TREASURY UNDER A SPECIAL ACCOUNT IN THE GENERAL**
6 **FUND TO BE KNOWN AS THE SPECIAL MASS TRANSIT SYSTEM**
7 **SUPPORT FUND. THE SAID FUND SHALL BE UNDER THE DEPARTMENT**
8 **OF TRANSPORTATION (DOTr)."**

9
10 Sec. 3. A new Section 8 is hereby inserted after Section 7 of the Same Act to
11 read as follows:

12
13 **"SEC. 8. THE SPECIAL FUND ESTABLISHED UNDER THIS ACT SHALL**
14 **BE DISTINCT AND SEPARATE FROM AND IN ADDITION TO ANY**
15 **APPROPRIATION AUTHORIZED AND GRANTED YEARLY TO THE DOTr**
16 **TO COVER EXPENDITURES FOR THE IDENTIFIED OBJECTS OF**
17 **EXPENDITURES UNDER THIS ACT. CONGRESS SHALL CONTINUE TO**
18 **APPROPRIATE AN AMOUNT IN THE GENERAL APPROPRIATIONS ACT**
19 **FOR THE CONSTRUCTION, IMPROVEMENT, AND REHABILITATION OF**
20 **THE MASS TRANSIT SYSTEM UNDER THE DOTr: PROVIDED,**
21 **HOWEVER, THAT ANY SAVINGS FOR EACH YEAR OUT OF SUCH**
22 **APPROPRIATION SHALL REVERT TO THE GENERAL FUND. ANY**
23 **SAVINGS FROM THE SPECIAL FUND CREATED HEREIN SHALL ACCRUE**
24 **TO THIS SPECIAL FUND."**

25
26 Sec. 4. The succeeding sections of the Same Act are hereby renumbered
27 accordingly.

28
29 Sec. 5. *Implementing Rules and Regulations.*— The Department of Budget and
30 Management, in coordination with the Bureau of Treasury and the DOTr, shall within
31 sixty (60) days from the effectivity of this Act, promulgate the rules and regulations
32 to effectively implement the provisions of this Act.

1
2 Sec. 6. *Separability Clause.*— If any portion or provision of this Act is declared
3 unconstitutional, the remainder of this Act or any provisions not affected thereby shall
4 remain in force and effect.

5
6 Sec. 7. *Repealing Clause.*— Any law, presidential decree or issuance, executive
7 order, letter of instruction, rule or regulation inconsistent with the provisions of this
8 Act is hereby repealed or modified accordingly.

9
10 Sec. 8. *Effectivity Clause.*— This Act shall take effect after fifteen (15) days
11 following its complete publication in the *Official Gazette* or any newspaper of general
12 circulation.

Approved,