

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

Twentieth Congress
First Regular Session

HOUSE BILL NO. **4325**



Introduced by **Representative RAYMOND ADRIAN SALCEDA**

AN ACT
AUTHORIZING LOCAL GOVERNMENT UNITS TO DIGITIZE TAX
DECLARATIONS AND OTHER REAL PROPERTY RECORDS FOR THE
PURPOSE OF MODERNIZING REAL PROPERTY TAX ADMINISTRATION,
ENSURING DATA PRIVACY, AND EXEMPTING SUCH CONVERSION FROM
LEGAL OR REGULATORY RESTRICTIONS

EXPLANATORY NOTE

Real property tax (RPT) is one of the most important locally-sourced revenues of local government units (LGUs). According to the Department of Finance (DOF), RPT accounts for as much as forty to fifty percent (40–50%) of locally generated income in many provinces, cities, and municipalities. Yet despite its importance, the administration of RPT remains plagued by inefficiencies, largely because of outdated, incomplete, and paper-based records of tax declarations, assessment rolls, cadastral maps, and ownership documents.

Outdated records result in under-collection, undervaluation, and taxpayer disputes. The Bureau of Local Government Finance (BLGF) has consistently reported wide gaps between the potential and actual collections of RPT across LGUs. A World Bank study in 2020 estimated that the Philippines collects less than 0.6% of GDP in property taxes, far below the average of 1.5% in peer countries.

One major bottleneck is the absence of modern, digital property information systems. Many LGUs continue to rely on manual, paper-based files that are prone to loss, duplication, and inconsistency. Even where cadastral surveys or digitization efforts exist, restrictions on format conversion, lack of standards for interoperability, and uncertainty about the legal effect of digital copies have delayed full modernization.

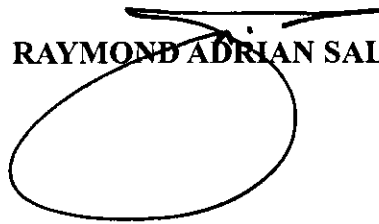
This measure addresses these barriers by authorizing and standardizing the digital conversion of tax declarations and other real property records. Specifically, it:

1. Grants LGUs the authority to digitize tax declarations, assessment rolls, and cadastral maps for the purpose of modernizing their RPT collection systems;

2. Declares that certified digital copies of real property records shall have the same legal effect as original records, exempting such conversion from any restrictions that may prevent digitization;
3. Mandates compliance with the Data Privacy Act to ensure confidentiality and security of taxpayer information;
4. Directs the DOF-BLGF, DICT, and the Land Registration Authority (LRA) to prescribe minimum standards for digital formats, interoperability, and integration with national databases; and
5. Provides technical assistance and funding mechanisms so that LGUs can undertake the transition at their own pace, while ensuring transparency and data integrity.

By authorizing digital conversion, this bill will enable LGUs to improve RPT collection efficiency, increase revenue generation, reduce leakages, and strengthen taxpayer confidence. It will also harmonize local property records with national registries, helping create a modern property information ecosystem that supports investment, lending, and infrastructure planning.

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


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

SECTION 1. *Short Title.* This Act shall be known as the “Real Property Records Digitalization for LGUs Act.”

SEC. 2. *Declaration of Policy.* It is the policy of the State to strengthen local government fiscal autonomy by improving real property tax (RPT) administration, modernizing records management, and harnessing digital technology. The State shall ensure that digitization of tax declarations and other real property records shall be undertaken in a manner that respects data privacy, transparency, and interoperability.

SEC. 3. *Authority to Digitize.* Any province, city, or municipality may convert, digitize, or otherwise modernize its tax declarations, assessment rolls, cadastral maps, ownership records, and other real property tax-related documents into digital format for the purpose of improving tax mapping, valuation, and collection systems.

SEC. 4. *Exemption from Restrictions.* Notwithstanding any law, regulation, or administrative issuance to the contrary, the digitization and conversion of tax declarations and other real property records by LGUs shall not be restrained, invalidated, or nullified on account of existing legal restrictions on reproduction, archiving, or format conversion. Such digital copies, when certified by the local assessor or treasurer, shall have the same legal effect as original records.

SEC. 5. *Data Privacy and Security.* All digitized records shall be handled in accordance with Republic Act No. 10173 or the “Data Privacy Act of 2012.” Local government units shall adopt safeguards to protect personal information, including:

- (a) Secure servers and encrypted storage;
- (b) Restricted access protocols;
- (c) Regular audits and monitoring; and
- (d) Data sharing agreements that ensure confidentiality and proper use of information.

SEC. 6. *Interoperability and Standards.* The Department of Finance (DOF), through the Bureau of Local Government Finance (BLGF), in coordination with the Department of Information and Communications Technology (DICT) and the Land Registration Authority (LRA), shall prescribe minimum standards for digital formats, interoperability, and integration with other national and local government information systems.

SEC. 7. *Technical Assistance.* The DOF-BLGF, DICT, and Department of the Interior and Local Government (DILG) shall provide technical assistance to LGUs in implementing digital RPT systems, including training, software support, and data migration protocols.

SEC. 8. *Funding.* The amounts necessary to implement this Act shall be charged against appropriations for the concerned agencies. LGUs may use a portion of their development funds, local disaster risk reduction and management funds (for records preservation), or other available resources to support digitalization efforts.

SEC. 9. *Implementing Rules and Regulations.* Within ninety (90) days from the effectivity of this Act, the DOF-BLGF, DICT, and DILG, in consultation with the National Privacy Commission (NPC), shall promulgate the implementing rules and regulations of this Act.

SEC. 10. *Separability Clause.* If any provision of this Act is declared invalid or unconstitutional, the remaining provisions not affected thereby shall remain in full force and effect.

SEC. 11. *Repealing Clause.* All laws, decrees, orders, and issuances inconsistent with this Act are repealed or modified accordingly.

SEC. 12. *Effectivity.* This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,