



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

TWENTIETH CONGRESS
Second Regular Session

HOUSE BILL NO. 11092



Introduced by Hon. Faustino “Bojie” G. Dy III, Hon. Ferdinand L. Hernandez
and Hon. Ferdinand Alexander A. Marcos

EXPLANATORY NOTE

Republic Act No. 12001, otherwise known as the “*Real Property Valuation and Assessment Reform Act*,” (RPVARA) introduced significant reforms intended to establish a uniform, transparent, equitable, and nationally consistent system for the valuation of real property in the Philippines. While these reforms remain necessary, their implementation must provide sufficient time for local government units and concerned national government agencies to undertake the required technical, administrative, institutional, and other necessary preparatory measures.

The implementation of updated Schedules of Market Values may have significant consequences for property owners and taxpayers. These valuations may affect not only real property taxes imposed by local government units, but may also have implications for other property related taxes, fees, and charges, including internal revenue taxes involving real property transactions.

At the same time, Filipino households and businesses continue to face economic pressures arising from elevated prices, external uncertainties, and the effects of recent natural calamities. The immediate implementation of

substantial adjustments in property valuations under these conditions may place additional financial pressure on affected taxpayers and communities.

This measure therefore seeks to amend the RPVARA to provide additional time for the preparation, updating, validation, approval, and implementation of Schedules of Market Values and related valuation reforms. The additional period will allow concerned government agencies and local government units to complete the necessary preparations, properly coordinate implementation, address technical and operational concerns, and facilitate an orderly transition from existing valuation systems.

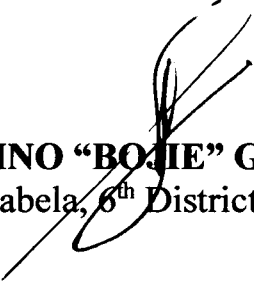
Extending the implementation period will also provide the Government with an opportunity to ensure that updated Schedules of Market Values accurately reflect prevailing market conditions and that local government units have adequate institutional and technical capacity to implement the new valuation system. A carefully managed transition is necessary to minimize unintended disparities in valuation and ensure consistency in the application of the law across jurisdictions.

Providing additional time does constitute a departure from the policy objectives of the RPVARA. Rather, it strengthens the implementation of the reform by allowing the Government to address operational concerns, enhance coordination among implementing agencies, and introduce the new valuation system under conditions that promote both fiscal sustainability and taxpayer protection.

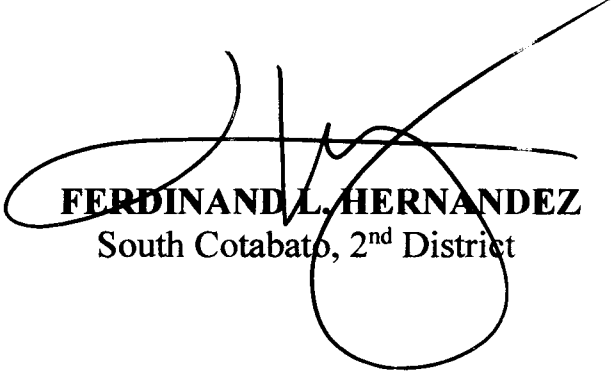
The measure likewise seeks to give taxpayers sufficient time to adjust to the implementation of updated property valuations while preserving and advancing the objectives and reforms established under the law.

It is the considered view of the proponents that a prudent, orderly, and well-coordinated implementation of the RPVARA, with due regard to prevailing economic conditions and the readiness of the implementing institutions, will contribute to the effective realization of the law's objectives and promote greater public confidence in the reformed real property valuation and assessment system.

In view of the foregoing, the immediate passage of this bill is respectfully and earnestly sought.



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AN ACT

AMENDING SECTIONS 15, 19, 30 AND 31 OF REPUBLIC ACT NO. 12001, OTHERWISE KNOWN AS THE “REAL PROPERTY VALUATION AND ASSESSMENT REFORM ACT,” AND FOR OTHER PURPOSES

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

SECTION 1. *Short Title.* — This Act shall be known as the “*Real Property Valuation and Assessment Reform Transition Act.*”

SEC. 2. Declaration of Policy. — It is the policy of the State to promote the sustainable development and maintenance of a just, equitable, impartial, and nationally consistent real property valuation based on international valuation standards, concepts, principles, and practices.

Consistent with this policy, the State shall ensure that reforms in real property valuation and assessment are implemented in an orderly and reasonable manner, taking into consideration prevailing economic conditions and the capacity of local government units and other concerned government agencies to undertake the preparation, review, and implementation of updated Schedules of Market Values.

1 Towards this end, the State shall provide adequate time for the proper
2 implementation of valuation reforms and the transition from existing valuation
3 systems, while adopting appropriate measures to protect taxpayers and affected
4 communities from undue economic and financial burdens.

5
6 **SEC. 3. *Preparation of the Schedule of Market Values.*** — Section 15 of
7 Republic Act No. 12001, otherwise known as the “Real Property Valuation and
8 Assessment Reform Act” (RPVARA) is hereby amended to read as follows:

9
10 “SEC. 15. *Preparation of the Schedule of Market Values.*

11 – The provincial assessors, together with municipal assessors,
12 and the city assessors, including the lone municipal assessor
13 in the Metropolitan Manila Area and the assessor in the
14 Metropolitan Manila Area and the assessor in the of the
15 PHIVIDEC Industrial Authority, shall prepare the SMVs for
16 the different classes of real property situated within their
17 respective LGUs, pursuant to the PVS, and other rules,
18 regulations and specifications set by the DOF.

19
20 The preparation of the SMVs shall be completed within
21 ~~twelve (12)~~ **THIRTY-SIX (36)** months following the notice
22 from the BLGF to all local assessors to submit their proposed
23 SMVs. Two (2) mandatory public consultations shall be
24 conducted within sixty (60) days before the submission by
25 the local assessor of the SMV for at least two (2) weeks prior
26 to the public consultation and hearing, in the official website
27 of the LGU concerned, as well as post in two (2) conspicuous
28 places in the provincial capitol, city hall, or municipal hall,
29 as the case may be.

30
31 After public consultation and completion of the
32 proposed SMV, the local assessor shall submit the proposed
33 SMV to the BLGF Regional Office, and within forty-five (45)
34 days from the receipt thereof, the BLGF Regional Office
35 shall review and endorse the same to the head of the BLGF:
36 Provided, That in the case of cities and lone municipality
37 within Metropolitan Manila Area, the proposed SMV shall be
38 submitted to and reviewed by the BLGF Central Office. The
39 head of the BLGF shall review and endorse the proposed
40 SMV within thirty (30) days from receipt thereof to the
41 Secretary of Finance.
42

1 **SEC. 4. *Updating of the Schedule of Market Values.*** — Section 19 of the
2 RPVARA is hereby amended to read as follows:

3
4 “SEC 19. *Updating of the Schedule of Market Values.*
5 — All provincial assessors, together with the municipal
6 assessors and the city assessors, including the lone municipal
7 assessor within the Metropolitan Manila Area and the
8 assessor of the PHIVIDEC Industrial Authority, shall update
9 their respective SMVs within ~~two (2)~~ **FOUR (4)** years from
10 the effectivity of **THE IMPLEMENTING RULES AND**
11 **REGULATIONS OF** this Act. LGUs shall update the SMVs
12 and conduct general revision of property assessments and
13 classifications every three (3) years thereafter. The BLGF
14 shall prepare the schedule for the updating of the SMVs in all
15 provinces and cities, including the municipality within the
16 Metropolitan Manila Area and areas under the PHIVIDEC
17 Industrial Authority.

18
19 x x x ”

20
21 **SEC. 5. *Grant of Tax Amnesty on Real Property Taxes and Special Levies***
22 ***on Real Property.*** — Section 30 of the RPVARA is hereby amended to read as
23 follows:

24
25 “SEC. 30. *Grant of Tax Amnesty on Real Property*
26 *Taxes and Special Levies on Real Property.* — There is
27 hereby granted a real property tax amnesty which shall cover
28 penalties, surcharges, and interests from all unpaid real
29 property taxes, including Special Education Fund, idle land
30 tax, and other special levy taxes, prior to the effectivity of this
31 Act: *Provided,* That the real property tax amnesty hereby
32 authorized and granted can only be availed within a period of
33 ~~two (2)~~ **FOUR (4)** years after the effectivity of **THE**
34 **IMPLEMENTING RULES AND REGULATIONS OF**
35 this Act.

36
37 This relief may be availed by a delinquent property
38 owner with the option of one-time payment or installment
39 payment of the delinquent real property taxes within **FOUR**
40 **(4)** ~~two (2)~~ years from the effectivity of **THE**
41 **IMPLEMENTING RULES AND REGULATIONS OF**
42 this Act.
43

1 x x x”
2

3 **SEC. 6. *Saving Clause.*** — Section 31 of the RPVARA is hereby amended
4 to read as follows:
5

6 “SEC. 31. *Saving Clause.* — The zonal values, as
7 determined by the BIR and approved by the Secretary of
8 Finance for internal revenue tax purposes, together with the
9 municipal assessors, and the city assessors, including the lone
10 municipal assessor in Metropolitan Manila Area and the
11 assessor of the PHIVIDEC Industrial Authority, shall
12 continue to be in force and effect until repealed, superseded,
13 modified, revised, set aside, or replaced by the values
14 provided under the new SMVs as approved in accordance
15 with Section 16 of this Act, which shall be within ~~two (2)~~
16 **FOUR (4)** years upon the effectivity **OF THE**
17 **IMPLEMENTING RULES AND REGULATIONS** of this
18 Act: *Provided*, That the PHIVIDEC Industrial Authority,
19 pursuant to Section 4 (h) of Presidential Decree No. 538, shall
20 continue to levy, assess, and collect real property taxes on
21 real properties within its jurisdiction.
22

23 **SEC. 7. *Reckoning Point of the Periods.*** For purposes of determining the
24 reckoning point of the periods prescribed under the amended Sections 19, 30, and
25 31 of the RPVARA, the effectivity of any subsequent amendment or revision to
26 the implementing rules and regulations shall not reset or otherwise affect the
27 reckoning of such periods, which shall be reckoned from the date of effectivity
28 of the original implementing rules and regulations issued pursuant to the
29 RPVARA.
30

31 **SEC. 8. *Separability Clause.*** — If any provision or part of this Act is
32 declared unconstitutional or invalid, the remaining provisions or parts thereof not
33 affected thereby shall remain in full force and effect.
34

35 **SEC. 9. *Repealing Clause.*** — All laws, decrees, executive orders, rules
36 and regulations, administrative issuances, or parts thereof inconsistent with this
37 Act are hereby repealed, amended, or modified accordingly.
38

39 **SEC. 10. *Effectivity.*** — This Act shall take effect (15) days after its
40 publication in the *Official Gazette* or in a newspaper of general circulation.
41

42 *Approved,*