

Item No.: 28

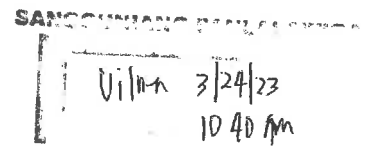
Date: APR 11 2023



Republic of the Philippines  
**PROVINCE OF LEYTE**  
**OFFICE OF THE PROVINCIAL TREASURER**  
Provincial Government Complex  
Campetic, Palo, Leyte

23 March 2023

**Hon. LEONARDO M. JAVIER, JR.**  
Vice-Governor  
Province of Leyte



*Attention:* **FLORINDA JILL S. UYVICO**  
Secretary to the Sanggunian  
Province of Leyte

**Dear Vice-Governor Javier, Jr.,**

Greetings!

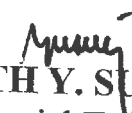
We write relative to the herein attached Resolution No. 2020-630 captioned as "A Resolution Approving on First Reading the Proposed 2020 Omnibus Revenue Code of the Province of Leyte" received by this Office in September 2020.

Anent thereto, may we ask the status of the same for us to align our revenue generation programs as well as revenue collection administration.

Anticipating your usual prompt and expeditious response.

Thank you.

Sincerely yours,

  
**RUTH Y. SURPIA**  
Provincial Treasurer



Republic of the Philippines  
**PROVINCE OF LEYTE**  
Tacloban City  
-oOo-



**OFFICE OF THE SANGGUNIANG PANLALAWIGAN**

**EXCERPTS FROM THE MINUTES OF THE 55<sup>th</sup> REGULAR SESSION OF THE SANGGUNIANG PANLALAWIGAN OF LEYTE CONDUCTED AT THE SESSION HALL, LEGISLATIVE BUILDING, CAPITOL GROUNDS, TACLOBAN CITY ON 04 SEPTEMBER 2020.**

**RESOLUTION NO. 2020-630.**

**A RESOLUTION APPROVING ON FIRST READING THE PROPOSED 2020 OMNIBUS REVENUE CODE OF THE PROVINCE OF LEYTE.**

**WHEREAS**, the proposed Omnibus Revenue Code of the Province of Leyte was furnished by the Acting Provincial Treasurer to the Honorable Members of the Sangguniang Panlalawigan in an indorsement dated August 26, 2020;

**WHEREAS**, the August Body, upon preliminary review and evaluation, decided to act with expediency in the interest of time, as this pertains to the Province' power to raise funds in accordance with the Local Government Code;

**NOW, THEREFORE**, on motion presented by Honorable Anna Victoria Veloso-Tuazon, duly seconded by Honorable Mesias P. Arevalo, Honorable Florante A. Cayunda, Jr., Honorable Ranulfo S. Abellanosa and Honorable Chiqui Ruth C. Uy, be it

**RESOLVED**, as it is hereby resolved, to **APPROVE ON FIRST READING THE PROPOSED OMNIBUS REVENUE CODE OF THE PROVINCE OF LEYTE.**

**Approved unanimously.**

**I HEREBY CERTIFY** to the correctness of the foregoing resolution.

**FLORINDA JILL S. UYVICO**  
Secretary to the Sanggunian

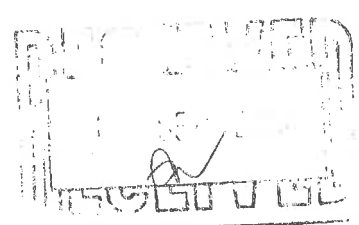
**ATTESTED:**

**ATTY. CARLO P. LORETO**  
Vice-Governor  
Presiding Officer

Copy furnished:

Honorable Leopoldo Dominico L. Petilla  
Governor

Ruth Y. Surpia  
Acting Provincial Treasurer  
Province of Leyte





311 Hearing none, the motion is carried and approved.

312 Approved unanimously.

313 Approval of the General Fund Supplemental Budget No. 2 CY 2020 of Tabango,  
314 the General Fund Supplemental Budget No. 04 CY 2020 of Tunga, Leyte and the  
315 General Fund Supplemental Budget No. 03 FY 2020 of Leyte, Leyte is hereby  
316 approved.

**RES. NO. 2020-629**

317 The General Fund Supplemental Budget No. 2 CY 2020 of Mayorga, Leyte,  
318 General Fund Supplemental Budget No. 1 CY 2020 of Mayorga, Leyte and the General  
319 Fund Supplemental Budget No. 3 CY 2020 of Mayorga, Leyte, is hereby returned to the  
320 Sangguniang Bayan of origin.

**RES. NO. 2020-629-A**

321 HON. FLORANTE A CAYUNDA, JR.: FLOOR LEADER

322 Item No. 05, Madam Secretary please.

323 MRS. FLORINDA JILL S. UYVICO: SP SECRETARY

324 **ITEM NO. 05**

325 Presented for consideration is 1<sup>st</sup> Indorsement  
326 dated August 26, 2020 from Ruth Y. Surpia, Acting  
327 Provincial Treasurer, forwarding the **proposed Omnibus**  
328 **Revenue Code of the Province of Leyte** to the Provincial  
329 Governor Leopoldo Dominico L. Petilla copy furnished the  
330 Vice Governor.  
331

332 HON. FLORANTE A. CAYUNDA, JR.: FLOOR LEADER

333 Can you recognize the Honorable Tuazon, Mr. Chair?

334 HON. CARLO P. LORETO: VICE-GOVERNOR/PRESIDING OFFICER

335 The Honorable Tuazon is recognized.

336 HON. ANNA VICTORIA V. TUAZON: 3<sup>RD</sup> DISTRICT BOARD MEMBER

337 Thank you Mr. Floor, thank you Mr. Chair.

338 Presented for our consideration is the 1<sup>st</sup> Indorsement of the Proposed Revenue  
339 Code of the Province of Leyte, dated August 26, 2020 and it indicated though that it is  
340 recommended for approval after deliberation of the Technical Working Group. And at  
341 present, we have not received confirmation that the Technical Working Group has  
342 deliberated on the attached draft. But nevertheless in the interest of time since this

*[Handwritten signatures and initials at the bottom of the page]*

343 pertains to the Province of Leyte's power to raise funds in accordance with the Local  
344 Government Code, I move that the draft ordinance be passed on First Reading subject  
345 to any clarification or questions that this August Body may have.

346 HON. FLORANTE A. CAYUNDA, JR.: FLOOR LEADER

347 Second.

348 HON. CARLO P. LORETO: VICE-GOVERNOR/PRESIDING OFFICER

349 Duly seconded by the Honorables Abellanos and Cayunda.

350 Discussion?

351 Hearing none, the motion is carried.

352 The subject draft ordinance is approved on First Reading.

353 Approved unanimously.

RES. NO. 2020-630

354 HON. FLORANTE A. CAYUNDA, JR.: FLOOR LEADER

355 Mr. Chair, may I make a corollary motion for this Mr. Chair?

356 HON. CARLO P. LORETO: VICE-GOVERNOR/PRESIDING OFFICER

357 Yes, please.

358 HON. FLORANTE A. CAYUNDA, JR.: FLOOR LEADER

359 Since this is already approved on First Reading as moved by the Honorable  
360 Tuazon, Mr. Chair, I move that we refer this matter first to the Committee on Ways and  
361 Means for deliberation before we pass it for Second Reading because anyway, there is  
362 no resolution for its urgency, Mr. Chair. So I so move.

363 HON. TRINIDAD G. APOSTOL: 2<sup>ND</sup> DISTRICT BOARD MEMBER

364 Second.

365 HON. RANULFO S. ABELLANOSA: 1<sup>ST</sup> DISTRICT BOARD MEMBER

366 Second.

367 HON. CARLO P. LORETO: VICE-GOVERNOR/PRESIDING OFFICER

368 There is a motion duly seconded by the Honorables Apostol and Abellanos, to  
369 refer the matter to the Committee on Ways and Means.

370 Discussion?

371 Hearing none, the motion is carried.

R

*relic*

*Vim*

*John*

372 Approved unanimously.

RES. NO. 2020-631

373 HON. FLORANTE A. CAYUNDA, JR.: FLOOR LEADER

374 Item No. 11, Madam Secretary please.

375 MRS. FLORINDA JILL S. UYVICO: SP SECRETARY

376 **ITEM NO. 11**

377 Presented for consideration is **Executive Order No. 09-**  
378 **01-2020 s. 2020 dated September 1, 2020 from the Provincial**  
379 **Governor Leopoldo Dominico L. Petilla, "AN ORDER PLACING**  
380 **THE ENTIRE PROVINCE OF LEYTE UNDER MODIFIED GENERAL**  
381 **COMMUNITY QUARANTINE AND ENHANCING THE**  
382 **IMPLEMENTATION OF MANDATORY PRECAUTIONARY**  
383 **MEASURES AGAINST COVID-19"**

384

385

386 HON. FLORANTE. A. CAYUNDA, JR.: FLOOR LEADER

387 Can you recognize the Honorable Villasin, Mr. Chair?

388 HON. CARLO P. LORETO: VICE-GOVERNOR/PRESIDING OFFICER

389 The Honorable Villasin is recognized.

390 HON. RAISSA J. VILLASIN: 2<sup>ND</sup> DISTRICT BOARD MEMBER

391 Thank you Mr. Chair, thank you Mr. Floor.

392 Item No. 11, presented for consideration is Executive Order No. 09-01-2020  
393 dated September 1, 2020 from the Provincial Governor Leopoldo Dominico L. Petilla, an  
394 Order Placing the Entire Province of Leyte under Modified General Community  
395 Quarantine and Enhancing the Implementation of Mandatory Precautionary Measures  
396 against Covid-19.

397 This Executive Order will cover the dates from September 1, 2020 to September  
398 30, 2020.

399 If my motion is in order, I now move for the adoption of the said Executive Order  
400 No. 09-01-2020 s. 2020 of the Provincial Governor Leopoldo Dominico L. Petilla, I so  
401 move.

402 HON. RANULFO S. ABELLANOSA: 1<sup>ST</sup> DISTRICT BOARD MEMBER

403 Second.

404

*relix*

*Villan*

*Jur*



Republic of the Philippines  
**PROVINCE OF LEYTE**  
 Tacloban City  
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RELEASED  
 # 09-23  
 DATE 9-11-2020  
 BY

**OFFICE OF THE SANGGUNIANG PANLALAWIGAN**

**EXCERPTS FROM THE MINUTES OF THE 55th REGULAR SESSION OF THE SANGGUNIANG PANLALAWIGAN OF LEYTE CONDUCTED AT THE SESSION HALL, LEGISLATIVE BUILDING, CAPITOL GROUNDS, TACLOBAN CITY ON 04 SEPTEMBER 2020.**

**RESOLUTION NO. 2020-630**

**A RESOLUTION APPROVING ON FIRST READING THE PROPOSED 2020 OMNIBUS REVENUE CODE OF THE PROVINCE OF LEYTE.**

**WHEREAS**, the proposed Omnibus Revenue Code of the Province of Leyte was furnished by the Acting Provincial Treasurer to the Honorable Members of the Sangguniang Panlalawigan in an Indorsement dated August 26, 2020;

**WHEREAS**, the August Body, upon preliminary review and evaluation, decided to act with expediency in the interest of time, as this pertains to the Province' power to raise funds in accordance with the Local Government Code;

**NOW, THEREFORE**, on motion presented by Honorable Anna Victoria Veloso-Tuazon, duly seconded by Honorable Mesias P. Arevalo, Honorable Florante A. Cayunda, Jr., Honorable Ranulfo S. Abellanos and Honorable Chiqui Ruth C. Uy, be it

**RESOLVED**, as it is hereby resolved, to **APPROVE ON FIRST READING THE PROPOSED OMNIBUS REVENUE CODE OF THE PROVINCE OF LEYTE.**

**Approved unanimously.**

**I HEREBY CERTIFY** to the correctness of the foregoing resolution.

**FLORINDA JILL S. UYVICO**  
 Secretary to the Sanggunian

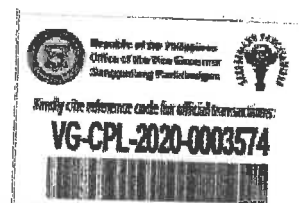
**ATTESTED:**

**ATTY. CARLO P. LORETO**  
 Vice-Governor  
 Presiding Officer

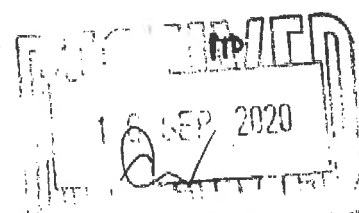
Copy furnished:

Honorable Leopoldo Dominico L. Petilla  
 Governor

Ruth Y. Surpia  
 Acting Provincial Treasurer  
 Province of Leyte



Plus &  
 Received By: Ligaya Hino  
 RA 9-15-20





Republic of the Philippines  
**PROVINCE OF LEYTE**  
 Tacloban City  
 -oOo-



RECEIVED  
 09-25  
 DATE 9-11-2020  
 BY V

**OFFICE OF THE SANGGUNIANG PANLALAWIGAN**

**EXCERPTS FROM THE MINUTES OF THE 55<sup>th</sup> REGULAR SESSION OF THE SANGGUNIANG PANLALAWIGAN OF LEYTE CONDUCTED AT THE SESSION HALL, LEGISLATIVE BUILDING, CAPITOL GROUNDS, TACLOBAN CITY ON 04 SEPTEMBER 2020.**

**RESOLUTION NO. 2020-631**

**A RESOLUTION REFERRING TO THE COMMITTEE ON WAYS AND MEANS THE PROPOSED OMNIBUS REVENUE CODE OF THE PROVINCE OF LEYTE.**

**WHEREAS**, the August Body, approved on First Reading the proposed Omnibus Revenue Code of the Province of Leyte;

**WHEREAS**, the provisions of the proposed Revenue Code need to be further studied to ensure all possible revenue measures for the Province are included;

**NOW, THEREFORE**, on motion presented by Honorable Florante A. Cayunda, Jr., duly seconded by Honorable Trinidad G. Apostol and Honorable Ranulfo S. Abellanos, be it

**RESOLVED**, as it is hereby resolved, to **REFER TO THE COMMITTEE ON WAYS AND MEANS THE PROPOSED OMNIBUS REVENUE CODE OF THE PROVINCE OF LEYTE.**

Approved unanimously.

I HEREBY CERTIFY to the correctness of the foregoing resolution.

**FLORINDA JILL S. UYVICO**  
 Secretary to the Sanggunian

**ATTESTED:**

**ATTY. CARLO P. LORETO**  
 Vice-Governor  
 Presiding Officer

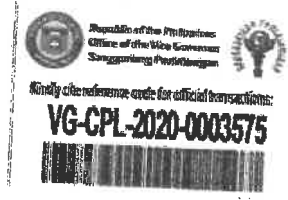
Received By: *[Signature]*  
 PA 9-15-20

Copy furnished:

Honorable Leopoldo Dominico L. Petilla  
 Governor

Ruth Y. Surpia  
 Acting Provincial Treasurer  
 Province of Leyte

Hon. Anna Victoria Veloso-Tuazon  
 Chairman, Committee on Ways and Means



9/14/2020  
*[Signature]*  
 FLORENDA SHANE M. SEVILLA

PTD  
 9/14/20  
 9:30 am



Republic of the Philippines  
**PROVINCE OF LEYTE**  
City of Tacloban  
**OFFICE OF THE PROVINCIAL TREASURER**

ITEM NO. 05  
DATE 04 SEP 2020

**1<sup>st</sup> Indorsement**  
August 26, 2020

*Pls include this in  
our agenda.  
Thanks!*

Respectfully forwarded to the **HON. LEOPOLDO DOMINICO L. PETILLA**,  
Provincial Governor, the within draft copy of the proposed Omnibus Revenue  
Code of the Province of Leyte, consisting of 71 pages, hereby recommending for  
approval after deliberation of the TWG, if possible. Otherwise, the same may be  
submitted to the office of the Sangguniang Panlalawigan.

For your comment/suggestion and appropriate action.

*Munir*  
**RUTH Y. SURPIA**  
Acting Provincial Treasurer *f*

Copy furnished:

HON. CARLO P. LORETO  
Vice Governor  
Province of Leyte



REPUBLIC OF THE PHILIPPINES  
PROVINCE OF LEYTE  
TACLOBAN CITY

SANGGUNIANG PANLALAWIGAN

EXCERPTS FROM THE MINUTES OF THE \_\_\_\_\_ REGULAR SESSION OF THE \_\_\_\_\_  
SANGGUNIANG PANLALAWIGAN OF LEYTE, HELD IN THE SP SESSION HALL OF \_\_\_\_\_  
PROVINCIAL GOVERNMENT OF LEYTE, PROVINCIAL CAPITOL GROUNDS,  
TACLOBAN CITY ON \_\_\_\_\_ 2020.

**PRESENT:**

Atty. Carlo P. Loreto,	Presiding Officer
Hon. Florante A. Cayunda, Jr.,	Floor Leader / Member
Hon. Trinidad G. Apostol,	1 <sup>st</sup> Deputy Floor Leader / Member
Hon. Ranulfo S. Abellanos,	2 <sup>nd</sup> Deputy Floor Leader / Member
Hon. Gina E. Merillo,	1 <sup>st</sup> District Board Member
Hon. Raissa J. Villasin,	2 <sup>nd</sup> District Board Member
Atty. Anna Victoria V. Tuazon,	3 <sup>rd</sup> District Board Member
Hon. Ma. Corazon E. Remandaban,	3 <sup>rd</sup> District Board Member
Hon. Maria Carmen Jean T. Rama,	4 <sup>th</sup> District Board Member
Hon. Mesias P. Arevalo,	4 <sup>th</sup> District Board Member
Hon. Emmanuel L. Gacis	5 <sup>th</sup> District Board Member
Hon Nolie C. Caña	Ex-Officio Board Member
	LnBP Fed. President
Hon. Jo Vanille C. Merilo	Ex-Officio Board Member
	SK Fed. President
Hon. Chiqui Ruth C. Uy	Ex-Officio Board Member
	PCL President

**RESOLUTION NO. 2020-###**

**RESOLUTION EMBODYING PROVINCIAL ORDINANCE NO. #####, "2020  
OMNIBUS REVENUE CODE OF THE PROVINCE OF LEYTE"**

*Sponsored by:* \_\_\_\_\_

**CHAPTER I – GENERAL PROVISIONS**

**ARTICLE A  
TITLE, AUTHORITY AND SCOPE**

**Section 1A.01. Title.** – This ordinance shall be known as the “2020 Omnibus Revenue Code of Leyte”.

**Section 1A.02. Authority.** –This ordinance is enacted pursuant to the pertinent provisions of RA 7160, and its IRR.

**Section 1A.03. Scope and Application.** – This Code shall govern the levy, assessment, and collection of taxes, fees, charges, and other impositions within the territorial jurisdiction of the Province.

**ARTICLE B  
CONSTRUCTION OF PROVISIONS**

**Section 1B.01. Words and Phrases Not Herein Expressly Defined.** - Words and phrases used in this Code, not herein specifically defined, shall have the same definitions as found in RA 7160, otherwise known as the Local Government Code of 1991 and other governing laws.

**Section 1B.02. Rules of Construction.** – In construing the provisions of this Code, the following rules of construction shall be observed, unless inconsistent with the manifest intent of the provisions:

- (a) **General Rules.** – All words and phrases, except those expressly defined in this Code, shall be construed and understood according to the common approved usage of the language, but the technical words and phrases and such other words in this Code, which may have acquired a peculiar or appropriate meaning, shall be construed and understood according to such technical, peculiar or appropriate meaning.
- (b) **Gender and Number.** – Every word in this Code importing the masculine gender shall extend to both male and female. Every word importing the singular number shall apply to several persons or things as well, and every word importing the plural number shall extend, and be applied to one person or thing as well.
- (c) **Computation of Time.** – The time within which an act is to be done as provided in this Code, or in any rule or regulation issued pursuant to the provisions hereof, when expressed in days, shall be computed by excluding the first day and including the last day, except if the last day falls on a Sunday or holiday, in which case the same shall be excluded in the computation, and the business day following, shall be considered the last day.
- (d) **References.** – All references to chapters, articles or sections are to the Chapters, Articles or Sections in this Code, unless otherwise specified.
- (e) **Conflicting Provisions of Chapters.** – If the provisions of different chapters or articles conflict with or contravene each other, the provisions of each book chapter, article shall prevail as to all specific matters and questions involved therein.
- (f) **Conflicting Provisions of Sections.** – If the provisions of the different sections in the same chapter or article conflict with each other, the provisions of the section which is the last in point of sequence shall prevail.
- (g) **Scope of Application.** - This Code shall apply to all provinces, cities, municipalities, Barangays, and other political subdivisions as may be created by law, and, to the extent herein provided, to officials, offices, or agencies of the national government.
- (h) **Rules of Interpretation.** - In the interpretation of the provisions of this Code, the following rules shall apply:
  - (a) Any provision on a power of a local government unit shall be liberally interpreted in its favor, and in case of doubt, any question thereon shall be resolved in favor of devolution of powers and of the lower local government unit. Any fair and reasonable doubt as to the existence of the power shall be interpreted in favor of the local government unit concerned;
  - (b) In case of doubt, any tax ordinance or revenue measure shall be construed strictly against the local government unit enacting it, and liberally in favor of the taxpayer. Any tax exemption, incentive or relief granted by any local government unit pursuant to the provisions of this Code shall be construed strictly against the person claiming it.

- (c) The general welfare provisions in this Code shall be liberally interpreted to give more powers to local government units in accelerating economic development and upgrading the quality of life for the people in the community;
- (d) Rights and obligations existing on the date of effectivity of this Code and arising out of contracts or any other source of prestation involving a local government unit shall be governed by the original terms and conditions of said contracts or the law in force at the time such rights were vested; and
- (e) In the resolution of controversies arising under this Code where no legal provision or jurisprudence applies, resort may be had to the customs and traditions in the place where the controversies take place.

### ARTICLE C DEFINITION OF TERMS AND ACRONYMS

#### Section 1C.01. *Definitions* – When used in this Code:

- (a) **“Ad Valorem Tax”**– is a levy on real property determined on the basis of proportion of the value of the property;
- (b) **“Amusement”**– is a pleasurable diversion and entertainment; it is synonymous to recreation, relaxation or fun;
- (c) **“Appraisal”** – is the act or process of determining the value of property as of a specific date for a specific purpose;
- (d) **“Assessment”** – is the act or process of determining the value of a property, or proportion thereof subject to tax, including the discovery, listing, classification, and appraisal of properties;
- (e) **“Business”**- means trade or commercial activity regularly engaged in as means of livelihood or with a view to profit;
- (f) **“Calling”**– means one’s regular business, trade, profession, vocation or employment, which does not require the passing of an appropriate government board or bar examination, such as professional actors, and actresses, hostesses, masseurs, commercial stewards, stewardesses, and the like;
- (g) **“Capital”**– signifies the actual estate, whether in money or property owned by a person or entity, it is a fund with which it transacts its business, which would be liable to its creditor, and which in case of insolvency passes to a receiver;
- (h) **“Capital Investment”** – is the capital which the person puts in any undertaking, or which he contributes to the common stock of a partnership, corporation or any other juridical entity in a particular taxing jurisdiction;
- (i) **“Charges”**– refer to pecuniary liability, as rents or fees against persons or property;
- (j) **“Code”** – means this ordinance, the “2020 OMNIBUS REVENUE CODE OF THE PROVINCE OF LEYTE”
- (k) **“Contractor”**– includes person, natural or juridical, not subject to professional tax under this Code, whose activity consists, essentially of the sale of all kinds of services for a fee, regardless of whether or not the performance of the service calls for the exercise or use of the physical or mental faculties of such contractor or his employees;

- (l) **“Corporation”** – includes joint-stock company, partnership, association, insurance company, or any juridical entity no matter how created; it includes partnerships, no matter how created or organized, joint-stock companies, joint accounts (*cuéntas en participación*), but does not include general professional partnerships and a joint venture or consortium, formed for the purpose of undertaking construction projects or engaging in petroleum, coal, geothermal, and other energy operations or consortium agreement, under a service contract with the government;
- General professional partnerships are partnerships formed by persons for the sole purpose of exercising their common profession, no part of the income of which is derived from engaging in any trade or business. The term ‘resident foreign’ when applied to a corporation means a foreign corporation not otherwise organized under the laws of the Philippines but engaged in trade or business within the Philippines.
- (m) **“Cooperative”**– is a duly registered association of persons, with a common bond of interest, who have voluntarily joined together to achieve a lawful, common, social, or economic end, making equitable contributions to the capital required, and accepting a fair share of the risks and benefits of the undertaking in accordance with universally accepted cooperative principles;
- (n) **“Dealer”** – means one whose business is to buy and sell merchandise, goods and chattels as a merchant; he stands immediately between the producer or manufacturer and the consumer, and depends for his profit not upon the labor he bestows upon commodities, but upon the skills and foresight with which he watches the market;
- (o) **“Depreciated Value”** – is the value remaining after deducting depreciation from the acquisition cost;
- (p) **“Economic Life”**– is the estimated period over which it is anticipated that a machinery or equipment may be profitably utilized;
- (q) **“Extraction”** – refers to an act or process of taking, excavating and removing;
- (r) **“Fair Market Value”** – means the price at which a property may be sold by a seller who is not compelled to sell, and bought by a buyer who is not compelled to buy;
- (s) **“Fee”** – means a charge fixed by law or ordinance for the regulation or inspection of a business or activity; it shall also include charges fixed by law or ordinance for the service of a public officer in the discharge of his official duties;
- (t) **“Franchise”** – is a right or privilege, affected with public interest, which is conferred upon private persons or corporations, under such terms and conditions as the government and its political subdivisions may impose in the interest of public welfare, security and safety;
- (u) **“Gross Sales or Receipts”** – include the total amount of money or its equivalent representing the contract price, compensation or service fee, including the amount charged or materials supplied with the services and deposits or advance payments actually received during the taxable quarter for the services performed or to be performed for another person excluding discounts if determinable at the time of sales, sales return, excise tax, and Value Added Tax (VAT);
- (v) **“Independent Certified Public Accountant”** – means an accountant who possesses the independence, as defined in the rules and regulations of the Board of Accountancy;

- (w) **“Improvement”** – is a valuable addition made to a property or an amelioration in its condition, amounting to more than a mere repair or replacement of parts, involving capital expenditures and labor, which is intended to enhance its value, beauty or utility, or to adapt it for a new or further purpose;
- (x) **“Levy”**– means an imposition or collection of an assessment, tax, fee, charge or fine;
- (y) **“Machinery”** - Embraces machines, equipment, mechanical contrivances, instruments, appliances or apparatus, which may or may not be attached, permanently or temporarily to the real property. It includes the physical facilities for production, the installations and appurtenant services, facilities, those which are mobile, self-powered or self-propelled, and those not permanently attached to the real property which are actually, directly, and exclusively used to meet the needs of the particular industry, business or activity, and which by their very nature and purpose are designed for, or necessary to its manufacturing, mining, logging, commercial, industrial or agricultural purposes;
- (z) **“Manufacturer”** – includes every person who, for the purpose of sale or distribution to others, and not for his own use or consumption, by physical or chemical process; (1) alters the exterior texture or form, or inner substance of any raw material, or manufactured or partially manufactured product, in such manner as to prepare it for a special use or uses to which it could not have been put in its original condition; (2) alters the quality of any such raw material, or manufactured or partially manufactured product, so as to reduce it to marketable shape, or prepare it for any use of industry; or (3) combines any raw material or manufactured or partially manufactured product with other materials, or products of such processes or manufacture, and can be put to a special use or uses to which such materials, or manufactured or partially manufactured product in its original condition could not have been put;
- (aa) **“Minerals”** – refers to all naturally occurring inorganic substance in solid, gas, liquid, or any intermediate state, not otherwise falling under the definition of quarry resources under this Code;
- (bb) **“Operator”** – includes the owner, manager, administrator, or of any other person who operates or is responsible for the operation of a business establishment or undertaking;
- (cc) **“Ore”**– means naturally occurring substance or material, or an element that can be mined and/or processed for profit;
- (dd) **“Ore Transport Permit”** – refers to the permit that may be granted to a contractor, accredited dealer, retailer, processor and other permit holders to transport ore/mineral/mineral products;
- (ee) **“Ordinary Earth”** – means ordinary soil;
- (ff) **“Permit or License”** – is a right or permission granted in accordance with law by a competent authority, to engage in some business or occupation, or to engage in some transaction;
- (gg) **“Permit Area”** – refers to area subject of quarry or small-scale mining permit;
- (hh) **“Permit Holder”** – means a holder of any quarry or small-scale mining permit issued under this Code;

- (ii) **“Person”** – means natural or juridical being, susceptible of rights and obligations, or of being the subject of legal relations;
- (jj) **“Privilege”** - means a right or immunity granted as a peculiar benefit, advantage or favor;
- (kk) **“Province”** – means the Province of Leyte and/or the provincial government thereof;
- (ll) **“Qualified Person”** – means any citizen of the Republic of the Philippines having capacity to enter into contracts, or a corporation, partnership, association, cooperative or firm duly organized and existing under the laws of the Republic of the Philippines, authorized to do or engage in quarrying and/or small-scale mining, or engaged in the business that require the requisition, use or application of quarry resources; means any citizen of the Republic of the Philippines with capacity to contract, or a corporation, a partnership, association, or cooperative organized or authorized for the purpose of engaging in quarrying or small-scale mining, with technical and financial capability to undertake mineral resources development, duly registered in accordance with law, and at least sixty percent (60%) of the capital of which is owned by citizens of the Republic of the Philippines;
- (mm) **“Quarrying”** – means the process of extracting, removing and disposing quarry resources;
- (nn) **“Quarry Permit”** – means a document granted to a qualified person for the extraction and utilization of quarry resources;
- (oo) **“Quarry Resources”** – shall mean any common stone or other common mineral substances as the MGB Director may declare to be quarry resources such as, but not restricted to, marl, marble, granite, volcanic cinders, basalt, tuff and rock phosphate. Provided, that they contain no metal or metals or other valuable minerals in economically workable quantities;
- (pp) **“Rental”** – means the value of the consideration, whether in money, or otherwise, given for the enjoyment or use of a thing;
- (qq) **“Residents”** – refer to natural persons who have their habitual residence in the province, city or municipality where they exercise their civil rights and fulfill their civil obligations, and to juridical persons for which the law or any other provision creating or recognizing them fixes their residence in a particular province, city or municipality. In the absence of such laws, juridical persons are residents of the province, city or municipality where they have their legal residence or principal place of business or where they conduct their principal business or occupation;
- (rr) **“Retail”** – means a sale where the purchaser buys the commodity for his own consumption, irrespective of the quantity of the commodity sold;
- (ss) **“Revenue”**– includes taxes, fees or charges that a state or political subdivision collects and receives into the treasury for public purposes;
- (tt) **“Small-scale Mining”** – refers to mining activities which rely heavily on manual labor, using simple implements and methods, and do not use explosive or heavy mining equipment;

- (uu) **“Tax”** – means an enforced contribution, usually monetary in form, levied by the law-making body on persons and property, subject to its jurisdiction for the precise purpose of supporting governmental needs.

**Section 1C.02. Acronym.** – When used in this Code:

(a)	AO	–	Administrative Order
(b)	BAC	–	Bids and Awards Committee
(c)	BIR	–	Bureau of Internal Revenue
(d)	BOI	–	Board of Investments
(e)	DAO	–	Department Administrative Order
(f)	DENR	–	Department of Environment and Natural Resources
(g)	DepEd	–	Department of Education
(h)	DOF	–	Department of Finance
(i)	DOH	–	Department of Health
(k)	DPWH	–	Department of Public Works and Highways
(l)	ECC	–	Environmental Compliance Certificate
(m)	EIA	–	Environmental Impact Assessment
(n)	EIS	–	Environmental Impact System
(o)	EMB	–	Environmental Management Bureau
(p)	EPZA	–	Export Processing Zone Authority
(q)	ERRO	–	Equipment Rental Request/Order
(r)	FTAA	–	Financial or Technical Assistance Agreement
(s)	HOMS	–	Hospital Operations and Management Service
(t)	ICPA	–	Independent Certified Public Accountant
(u)	IRR	–	Implementing Rules and Regulations
(v)	LDC	–	Local Development Council
(w)	LGU	–	Local Government Unit
(x)	LSA	–	Local Sports Academy
(y)	MAO	–	Mines Administrative Order
(z)	MC	–	Memorandum Circular
(aa)	MGB	–	Mines and Geosciences Bureau
(bb)	NGO	–	Non-Government Organization
(cc)	MPSA	–	Mineral Production Sharing Agreement
(dd)	NIRC	–	National Internal Revenue Code
(ee)	OIC	–	Officer in Charge
(ff)	PCPT	–	Per Capita Poverty Threshold
(gg)	PD	–	Presidential Decree
(hh)	PECO	–	Panay Electric Company
(ii)	PEO	–	Provincial Engineer’s Office
(jj)	PENRO	–	Provincial Environment and Natural Resources Office
(kk)	PHIC	–	Philippine Health Insurance Corporation
(ll)	Php	–	Philippine Peso
(mm)	PMRB	–	Provincial Mining Regulatory Board
(nn)	PNP	–	Philippine National Police
(oo)	PO	–	Provincial Ordinance
(pp)	PRC	–	Professional Regulation Commission
(qq)	RA	–	Republic Act
(rr)	RPC	–	Revised Penal Code
(ss)	RPT	–	Real Property Tax
(tt)	RVQO	–	Regional Veterinary Quarantine Office
(uu)	SEC	–	Securities and Exchange Commission
(vv)	SEF	–	Special Education Fund

**CHAPTER II. - PROVINCIAL TAXES**

**ARTICLE A**

**REAL PROPERTY TAX**

**Section 2A.01. Imposition of the Basic Real Property Tax.** – There is hereby levied an annual ad valorem tax of one percent (1%) on the assessed value of all real property, including but not limited to land, buildings, machinery, improvements, and other equipments that are actually, directly, exclusively used in the conduct of business located in the Province.

**Section 2A.02. Additional Levy on Real Property for the Special Education Fund (SEF).** - There is hereby levied a one percent (1%) tax on the assessed value of real property which shall be in addition to the basic real property tax. The proceeds thereof shall accrue exclusively to the Special Education Fund (SEF).

**Section 2A.03. Exemptions.** - The following are exempted from payment of the basic real property tax and the SEF tax;

- (a) All real property owned by the Republic of the Philippines or any of its political subdivisions except when the beneficial use thereof has been granted, for consideration or otherwise, to a taxable person;
- (b) All charitable institutions, churches, and parsonage or convents appurtenant thereto, including mosques, non-profit or religious cemeteries and all lands, buildings and improvements which are actually, directly, and exclusively used for religious, charitable and educational purposes;
- (c) All machineries and equipment that are actually, directly and exclusively used by local water districts and government-owned or controlled corporations engaged in the supply and distribution of water and/or generation and transmission of electric power;
- (d) All real property owned by duly registered cooperatives as provided for under RA 9520; and
- (e) Machinery and equipment used for pollution control and environmental protection. Except as provided herein and pursuant to Section 234 of the LGC, any exemption from payment of real property tax previously granted to, or presently enjoyed by, all persons, whether natural or juridical, including all government-owned or controlled corporations are hereby withdrawn effective January, 1992.

**Section 2A.04. Time of Payment.** - The real property tax herein levied together with the additional levy on real property for the Special Education Fund (SEF) shall be due and payable on the first day of January, and from that date it shall constitute a lien on the property, which shall be superior to any other lien, mortgage, or encumbrance of any kind whatsoever, and shall be extinguished only upon the payment of the delinquent tax. The same may, however, at the discretion of the taxpayer be paid without interest/penalty in four (4) equal installments to be paid on the first month of every quarter: the first installment on or before January 31; the second installment, on or before April 30; the third installment, on or before July 31; and the last installment, on or before October 31, except the special levy, the payment of which shall be governed by ordinance of the Sangguniang Panlalawigan.

Both the basic and the additional SEF tax must be collected simultaneously. Payments of real property tax shall first be applied to prior year delinquencies, interests and penalties, if any, and only after said delinquencies are settled may tax payments be credited for the current period.

The date for the payment of any other tax imposed under this chapter, such as the tax on idle lands, without interest shall be the same as that of the basic tax

**Section 2A.05. Tax Discount for Advanced and Prompt Payment.** - If the basic real property tax and the additional SEF tax are paid on or before the deadlines as provided for in Section 2A.04 of this Code, the taxpayer shall be entitled to a discount as follows:

- (a) Advance Payments . . . . . 20%  
(Full payment made before accrual of the tax (January 1),  
provided that there are no tax delinquencies)
- (b) Prompt Payments . . . . . 1 0%
  - i. Full payment of the tax for the current tax year made on the first (1<sup>st</sup>)  
quarter of the year (January 1-March 31)
  - ii. Installment / Quarterly payment for the current year made in every first  
month of the quarter.

**Section 2A.06. Collection and Distribution of Proceeds.** - The collection of the real property tax with interest thereon and related expenses, and the enforcement of the remedies provided for by RA 7160, or any applicable laws, shall be the responsibility of the Provincial Treasurer, Municipal Treasurer and the Barangay Treasurer. The latter to be deputized in a corresponding Sangguniang Panlalawigan resolution on a case to case basis.

The Provincial Treasurer may deputize the Barangay Treasurer to collect all taxes on real property located in the Barangay. *Provided*, that the Barangay Treasurer is properly bonded for the purpose. *Provided*, further, that the premium on the bond shall be paid by the Province. *Provided*, finally, that the said Barangay Treasurer shall have undergone the necessary training under the auspices of the Provincial Treasurer, in the computation of the tax, the use of accountable forms, and the liquidation and remittance of collections.

The proceeds of the basic real property tax, including interest thereon, and proceeds from the use, lease or disposition, sale or redemption of property acquired at a public auction, and fifty percent (50%) of the tax paid under protest, in accordance with the provisions of this article, shall be distributed as follows:

1. Province – Thirty-five percent (35%) shall accrue to the General Fund;
2. Municipality – Forty percent (40%) to the general fund of the municipality where the property is located;
3. Barangay – Twenty-five percent (25%) shall accrue to the barangay where the property is located.

The share of the barangay shall be released directly by the Municipal Treasurer to the barangay treasurer on a quarterly basis within fifteen (15) working days upon the receipt from the Provincial Treasurer, without need of any further action, and shall not be subject to any lien or holdback for whatever purpose subject to such rules as may be prescribed by the Commission on Audit for this purpose.

The proceeds of the additional one percent (1%) SEF tax shall be automatically released and shall be divided equally between the Provincial and Municipal School Boards for the operation and maintenance of public schools, construction and repair of school buildings, facilities and equipment, educational research, purchase of books and periodicals, and sports development as determined and approved by the Local School Board.

The proceeds of the real property tax due prior to the effectivity of the Local Government Code (RA 7160) shall be distributed in accordance with the scheme prevailing at the time the said taxes were due and payable.

**Section 2A.07. Administrative Provisions**

**(a) On the Collection of the Real Property Tax**

1. **Assessor to Furnish Treasurer with Assessment Roll.** – The Provincial Assessor shall prepare and submit to the Provincial Treasurer on or before the thirty-first (31st) day of December each year, an assessment roll containing a list of all persons whose real properties have been newly assessed or reassessed and the values of such properties.
2. **Assessor to Furnish Treasurer with Notice of Assessment** – The Provincial Assessor shall furnish the Provincial Treasurer a copy of a Notice of Assessment duly received by the property owner & certified photocopy of the Title after revision and in every newly assessed property.
3. **Notice of Time for Collection of Tax.** – The Provincial Treasurer shall, on or before the thirty-first (31st) day of January each year, in the case of basic real property tax and the additional tax for the SEF or on any other date to be prescribed by the *Sangguniang Panlalawigan* in the case of any other tax levied under this Article, post the notice of the dates when the tax may be paid without interest at a conspicuous and publicly accessible place at the Provincial Capitol of the Province of the Province of Leyte. Said notice shall likewise be published by the Provincial/City Treasurer in a newspaper of general circulation in the locality, once a week for two (2) consecutive weeks.
4. **Periods within Which to Collect Real Property Taxes** – The basic real property tax and any other tax levied under this Article shall be collected within five (5) years from the date they become due. No action for the collection of the tax, whether administrative or judicial, shall be instituted after the expiration of such period. In case of fraud or intent to evade payment of the tax, such action may be instituted for the collection of the same within ten (10) years from the discovery of such fraud or intent to evade payment. The period of prescription within which to collect shall be suspended for the time during which:
  1. The local treasurer is legally prevented from collecting the tax;
  2. The owner of the property or the person having legal interest therein requests for reinvestigation and executes a waiver in writing before the expiration of the period within which to collect; and
  3. The owner of the property or the person having legal interest therein is out of the country or otherwise cannot be located.

Tax delinquencies prior to the effectivity of the Local Government Code shall be collected within ten (10) years from the date they become due.

**5. Payment under Protest. -**

- a. No protest shall be entertained unless the taxpayers first pay the tax and other fees appurtenant thereto; there shall be annotated on the tax receipts the words "paid under protest." The protest in writing must be filed within thirty (30) days from payment of the tax to the Provincial Treasurer who shall decide the protest within sixty (60) days from receipt.

A protest fee of one percent (1%) of the total realty tax due computed at the time of payment and held in trust by the Provincial/Municipal Treasurer shall be charged against the taxpayer.

Fifty percent (50%) of the tax paid under protest shall be held in trust by the Provincial Treasurer. The other fifty percent (50%) shall form part of the proceeds to be distributed in accordance with Sec. 2A.06 of this Code.

- b. In the event that the protest is finally decided in favor of the taxpayer, the amount or portion of the tax protested shall be refunded to the protestant, or applied as tax credit against his existing or future tax liability.
  - c. In the event that the protest is denied or upon lapse of the sixty (60) day period prescribed in subparagraph a., the taxpayer may, within sixty (60) days from receipt of the written notice of assessment, appeal to the Provincial Board of Assessment Appeals by filing a petition under oath in the standard form prescribed therefore, together with copies of the tax declaration and such affidavits or documents in support of the appeal.
- 6. Repayment of Excessive Collections.** - When an assessment of basic real property tax, or any tax levied under this chapter is found to be illegal or erroneous, and the tax is accordingly reduced or adjusted, the taxpayer may file a written claim for refund or credit for taxes and interest with the Provincial Treasurer, within two (2) years from the date the taxpayer is entitled to such reduction or adjustment.

The Provincial Treasurer shall decide the claim for tax refund or credit within sixty (60) days from receipt thereof. In case the claim for tax refund or credit is denied, the taxpayer may, within sixty (60) days from the date of receipt of the written notice of assessment, appeal to the Provincial Board of Assessment Appeals by filing a petition under oath in the standard form prescribed therefore, together with copies of the tax declaration and such affidavits or documents in support of the appeal.

**7. Notice of Delinquency in the Payment of the Real Property Tax. –**

- (a) When the real property tax or any other tax imposed under this article become delinquent, the Provincial Treasurer shall immediately cause a notice of the delinquency to be posted at the main entrance of the Provincial Capitol of the Province Leyte and in a publicly accessible and conspicuous place in each barangay of the province. The notice of delinquency shall also be published once a week for two (2) consecutive weeks, in a newspaper of general circulation in the Province.
- (b) Such notice shall specify the date upon which the tax becomes delinquent, and shall state that personal property may be distrained to effect payment. It shall likewise state that at any time before the distraint of personal property, payment of the tax including surcharges, interest and penalties may be made in accordance with this Code, and unless the tax, surcharge and penalty are paid before the expiration of the year for which the tax is due, except when the notice of assessment or special levy is contested administratively or judicially pursuant to the Chapter 3, Book II of RA 7160, the delinquent real property will be sold at public auction, and the title to the property will be vested in the purchaser, subject, however, to the right of the delinquent owner of the property or any person having legal interest therein to redeem the property within one (1) year from the date of sale.

8. **Remedies for the Collection of Real Property Tax.** - For the collection of the basic real property tax and the additional SEF and any other taxes levied under this Article, the Province may avail of the remedies by administrative action through levy on real property and sale of real property at public auction or by judicial action.
9. **Local Government's Lien.** – The basic real property tax and the additional SEF and any other tax levied under this Article constitutes a lien on the property subject to tax, as this is superior to all liens, charges of encumbrances in favor of any person, irrespective of the owner or possessor thereof, enforceable by administrative or judicial action, and may only be extinguished upon payments of the tax and related interests, penalties and expenses.
10. **Levy on Real Property.** - After the expiration of the time required to pay the basic real property tax or any other tax levied under this Article, real property subject to such tax may be levied upon through issuance of a warrant on or before, or simultaneously with the institution of the civil action for the collection of the delinquent tax. The Provincial Treasurer when issuing a warrant of levy shall prepare a duly authenticated certificate showing the name of the delinquent owner of the property or person having legal interest therein, the description of the property, the amount of tax due, penalty and the interest thereon.

The warrant shall operate with the force of a legal execution throughout the Province. The warrant shall be mailed to or served upon the delinquent owner of the real property of person having legal interest therein, or in case he is out of the country or cannot be located to the administrator or occupant of the property. At the same time, written notice of the levy with the attached warrant shall be mailed to or served upon the Provincial Assessor and Register of Deeds of the Province, who shall annotate the levy on the tax declaration and certificate of title of the property, respectively.

The levying officer shall submit a report on the levy to the Sangguniang Panlalawigan within ten (10) days after receipt of the warrant by the owner of the property or person having legal interest therein.

11. **Penalty for Failure to Issue and Execute Warrant.** - Without prejudice to criminal prosecution under the Revised Penal Code and other applicable laws, the Provincial Treasurer or his deputy who fails to issue or execute the warrant of levy within one (1) year from the time the tax becomes delinquent or within thirty (30) days from the date of issuance thereof, or who is found guilty of abusing the exercise thereof in an administrative or judicial proceeding shall be dismissed from the service.
  - (a.) At any time before the implementation of the administrative or judicial proceeding, the delinquent taxpayer may stop the proceedings upon entering into a compromise agreement with the Provincial Treasurer or the deputized Municipal Treasurer of the concerned locality, upon payment of the fees and a portion of the basic and SEF tax, as may be determined by the Provincial Treasurer or his deputy, duly notarized by the proper authorities.
12. **Advertisement and Sale.** – Within thirty (30) days after the service of the warrant of levy, the Provincial Treasurer or his deputy shall proceed to publicly advertise for sale and auction the property or a usable portion thereof as may be necessary to satisfy the tax delinquency and expenses of sale. The advertisement shall be effected by posting a notice at the main entrance of the Provincial Capitol, Municipal Hall, and in a publicly accessible and conspicuous place in the barangay where the property is located, and by publication once a week for two (2) consecutive weeks in a newspaper of general circulation in the Province. The advertisement shall specify the amount of the delinquent tax, the interest due thereon and expenses of sale, the date and place of sale,

the name of the owner of the real property or person having legal interest therein, and a description of the property to be sold. At any time before the date fixed for the sale, the owner of the real property or person having legal interest therein may stay the proceedings by paying the delinquent tax, the interest due thereon and the expenses of sale. The sale shall be held either at the main entrance of the Provincial Capitol of the Province of Leyte or Municipal Hall, or at any other place as specified in the notice of sale.

Within thirty (30) days after the sale, the Provincial Treasurer or his deputy shall make a report of the sale to the Sangguniang Panlalawigan, which shall form part of his records. The Provincial Treasurer shall likewise prepare a certificate of sale which shall contain the name of the purchaser, a description of the property sold, the amount of the delinquent tax, the interest due thereon, the expenses of the sale and a brief description of the proceedings to the purchaser. Provided, however, that the proceeds of the sale in excess of the delinquent tax, the interest due thereon, and the expenses of sale shall be remitted to the owner of the real property or person having legal interest therein.

The Provincial Treasurer shall impose a Cost of Collection at the rate of twenty percent (20%) of the total tax due of the Delinquent Real Property. Half of which will go to the General Fund of the province to defray the cost of collection through the remedies provided for in this Article, including the expenses of advertisement of sale and the remaining half is to give as an incentive to Treasury Personnel who are actually involved in the conduct of Public Auction.

Likewise, the Provincial Treasurer shall impose a Legal Fee at the rate of five percent (5%) of the total tax due of the Delinquent Real Property and shall accrue to the Trust Fund of the Province to cover the cost of litigation and other related expenses.

- 13. Redemption of Property Sold.** - Within one (1) year from the date of sale, the owner of the delinquent real property or person having legal interest therein, or his representative, shall have the right to redeem the property upon payment to the Provincial Treasurer of the amount of the delinquent tax, including the interest due thereon, and the expenses of sale from the date of delinquency to the date of sale, plus interest of not more than two percent (2%) per month on the purchase price from the date of sale to the date of redemption and other miscellaneous expenses incurred during the conduct of sale, such as registration fee of the bidder. Such payment shall invalidate the certificate of sale issued to the purchaser and the owner of the delinquent real property or person having legal interest therein shall be entitled to a certificate of redemption, which shall be issued, by the Provincial Treasurer or his deputy.

From the date of sale, until the expiration of the period of redemption, the delinquent real property shall remain in the possession of the owner or person having legal interest therein who shall be entitled to the income and other fruits thereof.

The Provincial Treasurer or his deputy, upon receipt from the purchaser of the certificate of sale, shall forthwith return to the latter the entire amount paid by him, plus interest of not more than two (2) percent per month. Thereafter, the property shall be free from the lien of such delinquent tax, interest due thereon and expenses of sale.

- 14. Final Deed to Purchaser.** – In case the owner or person having legal interest therein fails to redeem the delinquent property as provided herein, the Provincial Treasurer shall execute a deed conveying to the purchaser said property, free from lien of the delinquent tax, interest due thereon and expenses of sale. The deed shall briefly state the proceedings upon which the validity of the sale rests.

**15. Purchase of Property by the Provincial Government for Want of Bidder.** - In case there is no bidder for the real property advertised for sale as provided herein, or if the highest bid is for an amount insufficient to pay the real property tax and the related interest and cost of sale, the Provincial Treasurer conducting the sale shall purchase the property in behalf of the Provincial Government to satisfy the claim and within two (2) days thereafter shall make a report of the proceedings which shall be reflected upon the records of his office. It shall be the duty of the Register of Deeds upon registration with his office of any such declaration of forfeiture to transfer the title of the forfeited property to the province without the necessity of an order from a competent court.

Within one (1) year from the date of such forfeiture, the owner of the delinquent real property or person having legal interest therein, or his representative, shall have the right to redeem the property upon payment to the province treasurer the full amount of the real property tax and the related interest, and the costs of sale. If the property is not redeemed as provided herein, the ownership thereof shall be fully vested to the province.

**16. Resale of Real Estate Taken for Taxes, Fees or Charges.** - The Sangguniang Panlalawigan may, through a separate ordinance and upon notice of not less than twenty (20) days, sell and dispose of the real property acquired under the preceding subsection at public auction. The proceeds of the sale shall accrue to the General Fund of the Province.

**17. Further Distraint or Levy.** - Levy maybe repeated if necessary until the full amount due, including all expenses, is collected.

**18. Collection of Real Property Tax Through the Courts.** - The Province may enforce the collection of the basic real property tax or any tax levied under this Article by civil action in any court of competent jurisdiction, as follows:

- a. The Provincial Treasurer shall furnish the Provincial Legal Office a certified statement of delinquency who, within fifteen (15) days after receipt, shall file the civil action in the name of the Province, in the proper court of competent jurisdiction. The jurisdiction of the court is determined by the amount sought to be recovered exclusive of interests and costs. Thus, where the delinquent tax due does not exceed Ten Thousand Pesos (Php10,000.00) the competent court is the Municipal Trial Court and where the amount is in excess of Ten Thousand Pesos (Php10,000.00), the proper court is the Regional Trial Court.
- b. Where cognizable in an inferior court, the action must be filed in the Province where the delinquent property is located and where the Regional Trial Court has jurisdiction, the plaintiff LGU shall file the complaint in the sala of the proper Regional Trial Court.
- c. In both cases, that is, where the claim is either cognizable by an inferior court or by the Regional Trial Court, the Provincial Treasurer shall furnish the Provincial Legal Officer the exact address of the defendant where he may be served with summons.

**19. Action Assailing Validity of Tax Sale.** - No court shall entertain any action assailing the validity of any sale at public auction of real property or rights therein under this Article until the taxpayer shall have deposited with the court the amount for which the real property was sold, together with interest of two percent (2%) per month from the date of sale to the time of the institution of the action. The amount so deposited shall be paid to the purchaser at the auction sale if the deed is declared invalid but it shall be returned to the depositor if the action fails.

Neither shall any court declare a sale at public auction invalid by reason of irregularities or informalities in the proceedings unless the substantive right of the delinquent owner of real property or the person having legal interest therein have been impaired.

**20. Payment of Delinquent Taxes on Property Subject of Controversy.** - In any action involving the ownership or possession of, or upon succession to real property, the court may *motu proprio* or upon representation of the Provincial Treasurer or his deputy, award such ownership, possession or succession to any party to the action upon payment to the court of the taxes with interest due on the property and all other costs that may have been incurred, subject to the final outcome of the action.

**21. Treasurer to Certify Delinquencies Remaining Uncollected.** - The Provincial Treasurer, or his deputy shall prepare a certified list of all real property tax delinquencies which remained uncollected or unpaid for at least one (1) year in his jurisdiction, and a statement of the reason or reasons for such non-collection or non-payment, and shall submit to the Sangguniang concerned on or before the thirty-first (31st) of December of the year immediately succeeding the year in which the delinquencies were incurred, with a request for assistance in the enforcement of the remedies for collection provided herein.

(b) **Special Provisions.**

**1. Appropriations for General Assessment Revisions.** - The Sangguniang Panlalawigan shall provide the necessary appropriations to defray the expenses incident to general revision of real property assessment, including the budgetary needs of the Provincial Treasurer to effect the tax collection enforcement phase.

**2. Condonation or Reduction of Real Property Tax and Interest** - In case of a general failure of crops or substantial decrease in the price of agricultural or agri-based products, or calamity in the Province, the Sangguniang Panlalawigan, by ordinance passed prior to the first (1st) day of January of any year, and upon recommendation of the Local Disaster Coordinating Council, may condone or reduce, wholly or partially, the taxes and interest thereon for the succeeding year or years in the municipality affected by the calamity.

**3. Condonation or Reduction of Tax by the President of the Philippines.** - The President of the Republic of the Philippines may, when public interest so requires, condone or reduce the real property tax and interest for any year in the province.

**4. Duty of Register of Deeds and Notaries Public to Assist the Provincial Assessor.** - It shall be the duty of the Register of Deeds and Notaries Public to furnish the Provincial Assessor with copies of all contracts selling, transferring, or otherwise conveying, leasing, or mortgaging real property received by, or acknowledged before them.

**5. Insurance Companies to Furnish Information.** - Insurance companies are hereby required to furnish the Provincial Assessor copies of any contract or policy insurance on buildings, structures and improvements insured by them or such other documents which may be necessary for the proper assessment thereof.

**6. Fees in Court Actions.** - As provided for in Sec. 280 of the Local Government Code, all court actions, criminal or civil, instituted at the instance of the Provincial Treasurer shall be exempt from the payment of court and sheriff's fees.

**7. Fees in Registration of Papers or Documents on Sale of Delinquent Real Property to the Province.** - As provided for in Section 281 of the Local Government Code, all certificates, documents, and papers covering the sale of delinquent property to the

province, if registered in the Registry of Property, shall be exempted from the documentary stamp tax and registration fees. All the documentary stamps and registration fees charged by the Registry of Deeds, however, when requested at the instance of the delinquent taxpayer, shall be shouldered by the concerned taxpayer.

8. **Real Property Assessment Notices or Owner's Copies of Tax Declarations to be Exempt from Postal Charges or Fees.** - As provided for in Sec. 282 of the Local Government Code, all real property assessment notices or owner's copies of tax declaration sent through mails by the assessor shall be exempt from the payment of postal charges or fees.
9. **Sale and Forfeiture before Effectivity of RA7160.** - Tax delinquencies incurred, and sales and forfeitures of delinquent real property effected, before the effectivity of RA 7160 shall be governed by the provisions of applicable ordinance or laws then in force.

**Section 2A.08. Interests on Unpaid Real Property Tax.** - Failure to pay the real property tax or any other tax levied under this Article upon the expiration of the periods as provided in Sec. 2A.04, shall subject the taxpayer to the payment of interest at the rate of two percent (2%) per month but not to exceed seventy two percent (72%) or 36 months on the unpaid amount or a fraction thereof, until the delinquent tax shall have been fully paid.

**Section 2A.09. Penalties for Omission of Property from Assessment or Tax Rolls by Officers and Other Acts.** - Any officer charged with the duty of assessing a real property who willfully fails to assess or who intentionally omits from the assessment or tax roll any real property which he knows to be taxable, or who willfully or negligently under-assesses any real property, or who intentionally violates or fails to perform any duty imposed upon him by law relating to the assessment of taxable real property shall, upon conviction, be punished, by a fine by imprisonment of not less than one (1) month nor more than six (6) months, or both such fine and imprisonment at the discretion of the court.

The same penalty shall be imposed upon any officer of the province charged with the duty of collecting the tax due on real property who willfully or negligently fails to collect the tax and institute the necessary proceedings for the collection of the same.

Any other officer of the province required in this article to perform acts relating to the administration of the real property tax or to assist the Provincial Assessor or Provincial Treasurer in such administration, who willfully fails to discharge such duties shall, upon conviction, be punished by a fine of not less than One Thousand Pesos (Php1,000.00) nor more than Five Thousand Pesos (Php5,000.00) or imprisonment of not less than one (1) month nor more than six (6) months, or both such fine and imprisonment at the discretion of the court.

**Section 2A.10. Penalties for Delaying Assessment of Real Property and Assessment Appeals.** - Any official who intentionally and deliberately delays the assessment of real property or the filing of any appeal against its assessment shall, upon conviction, be punished by a fine of not less than Five Hundred Pesos (Php500.00) nor more than Five Thousand Pesos (Php5,000.00) or imprisonment of not less than one (1) month nor more than six (6) months, or both such fine and imprisonment at the discretion of the court.

**Section 2A.11. Penalties for Failure to Dispose the Delinquent Real Property at Public Auction.** - The Provincial Treasurer who fails to dispose of delinquent real property at public auction in compliance with the pertinent provisions of this Article and any other local official or employee whose acts hinder the prompt disposition of delinquent real property at public auction shall, upon conviction, be subject by a fine of One Thousand Pesos (Php1,000.00) nor more than Five Thousand Pesos (Php5,000.00), or by imprisonment of not less than one (1) month nor more than six (6) months, or both such fine and imprisonment at the discretion of the court.

ARTICLE B

TAX ON IDLE LANDS

**Section 2B.01. *Idle Lands, Coverage.*** - For purposes of real property taxation, idle lands shall include the following:

- (a) Agricultural lands, more than one (1) hectare in area, suitable for cultivation, dairying, inland fishery, and other agricultural uses, one-half (1/2) of which remain uncultivated or unimproved by the owner of the property or person having legal interest therein. Agricultural lands planted to permanent or perennial crops with at least fifty (50) trees to a hectare shall not be considered idle lands. Lands actually used for grazing purposes shall likewise not be considered idle lands.
- (b) Lands, other than agricultural, located in the Province, more than one thousand (1,000) square meters in area, one-half (1/2) of which remain unutilized or unimproved by the owner of the property or person having legal interest therein.

Regardless of land area, this Article shall likewise apply to residential lots in subdivisions duly approved by proper authorities, the ownership of which has been transferred to individual owners, who shall be liable for the additional tax. Provided, however, that individual lots of such subdivisions, the ownership of which has not been transferred to the buyer shall be considered as part of the subdivision, and shall be subject to the additional tax payable by subdivision owner or operator.

**Section 2B.02. *Imposition of Tax.***— There is hereby levied an annual tax on idle lands at the rate of five percent (5%) of the assessed value of the real property which shall be in addition to the basic real property tax. Idle lands coverage shall be governed and as defined by the herein succeeding section.

**Section 2B.03. *Exemptions.*** The idle land tax shall not apply to idle lands wherein the owner of the property or person having legal interest therein is physically or legally prevented from improving, utilizing or cultivating the same by reason of force majeure, civil disturbance, natural calamity or any justifiable cause or circumstance.

Any person having legal interest on the land desiring to avail of the exemption under this section shall file the corresponding application with the Provincial Treasurer. The application shall state the ground(s) under which the exemption is being claimed.

**Section 2B.04. *Collection and Accrual of Proceeds.*** - The annual tax on idle lands shall be collected at the same time and in the same manner as that of the basic real property tax. The proceeds shall accrue to the General Fund of the Province.

**Section 2B.05. *Listing of Idle Lands by the Assessor.*** - The Provincial/Municipal Assessor shall make and keep an updated record of idle lands located within his area of jurisdiction. For purposes of collection, the Provincial/Municipal Assessor shall furnish a copy thereof to the Provincial/Municipal Treasurer who shall notify, on the basis of such record, the owner of the property or person having legal interest therein of the imposition of the additional tax.

**Section 2B.06. *Notice of Assessments of Idle Land.***

a. The written notice of assessment together with the owner's copy of the tax declaration shall be addressed to the person in whose name the property is declared idle. It may be delivered personally or to the occupant in possession of the property, or by mail to the last known address of the owner or thru the assistance of the punong barangay.

b. If personally delivered to the owner or person in possession of the property, the person serving the notice of assessment shall secure the signature of the owner or occupant

on the duplicate copy of the notice, with a notation of the date when notice was served and whether recipient is the owner or occupant of the property. If assistance of the punong barangay is secured, the signature should appear on the duplicate copy of the notice.

- c. If the notice of assessment is sent through the mail, the notice of assessment and owners copy of the tax declaration shall be registered with a return card. The duplicate copies of the notice of assessments signed by owners or occupants of the property and the return registry returned cards shall be filed in the office of the provincial, city or municipal assessor. These are important in ascertaining whether appeals filed by owners of real property are filed within the reglamentary period of sixty days from date of receipt of such notices.
- d. The notice of assessment and owner’s copy of the tax declaration shall be delivered or mailed to property owners within thirty days from the entry of the tax declarations covering the assessment of property in the records of assessment.
- e. The sending of the notice of assessment to the taxpayers is mandatory to include the validity of the assessment made.

**Section 2B.07. Protest of Assessments of Idle Lands** – Within sixty (60) days from the receipt of the notice of assessment, the taxpayer may file a written protest with the local treasurer contesting the assessment; otherwise, the assessment shall become final and executory. The local treasurer shall decide the protest within sixty (60) days from the time of its filing. If the local treasurer finds the protest to be wholly or partly meritorious, he shall issue a notice canceling wholly or partially the assessment. However, if the local treasurer finds the assessment to be wholly or partly correct, he shall deny the protest wholly or partly with notice to the taxpayer. The taxpayer shall have thirty (30) days from the receipt of the denial of the protest or from the lapse of the sixty (60) day period prescribed herein within which to appeal with the court of competent jurisdiction otherwise the assessment becomes conclusive and unappealable.

## ARTICLE C

### SPECIAL LEVY ON LANDS

**Section 2C.01 Special Levy; its Meaning.** - Special levy is a form of taxation based on the benefit principle. The land upon which it is imposed is supposed to have derived some special benefits in terms of higher values from the improvements introduced by the government.

**Section 2C.02. Imposition of Special Levy.** – The Province may, by ordinance, impose a special levy on the lands specially benefited by public works projects or improvements funded by the Province at a rate of not exceeding sixty percent (60%) the actual cost of such projects and improvements, including the cost of acquiring land and such other real property in connection therewith.

**Section 2C.03 Exemptions.** - The special levy shall not apply to lands owned by:

- (a) The Republic of the Philippines or any of its political subdivisions except when the beneficial use thereof has been granted for consideration or otherwise to a taxable person.
- (b) Charitable institutions, churches, parsonages or convents appurtenant thereto, and all lands exclusively used for religious, charitable or educational purposes; and
- (c) Duly registered cooperatives as provided for under RA 6938.

**Section 2C.04. Time of Payment.** - The special levy shall be paid within the quarter following the effectivity of the ordinance imposing such levy.

**Section 2C.05. Collection and Accrual of Proceeds.** - Collection of special levy on land shall be the responsibility of the Provincial Treasurer. The proceeds of the special levy on lands benefited by public works projects or other improvements enhanced by the Province shall accrue to the General Fund of the Province.

**Section 2C.06. Administrative Provisions.**

(a) **Ordinance Imposing a Levy.** - The tax ordinance imposing a special levy shall describe with reasonable accuracy the nature, extent, and location of the public work projects or improvements to be undertaken, state the estimated cost thereof, specify metes and bounds by monuments and lines and the number of annual installments for the payment of the special levy which in no case shall be less than five (5) nor more than ten (10) years. The Sangguniang Panlalawigan shall not be obliged, in the apportionment and computation of the special levy, to establish a uniform percentage of all lands subject to the payment of the tax for the entire district, but it may fix different rates for different parts or sections thereof, depending on whether such land is more or less benefited by the project.

The ordinance shall likewise specify the appropriate penalty for noncompliance or violations of the provisions of the said ordinance.

(b) **Publication of Proposed Ordinance Imposing Special Levy.** Before the enactment of an ordinance imposing a special levy, the Sangguniang Panlalawigan shall conduct a public hearing thereon; notify in writing the owners of real property to be affected or the persons having legal interest therein as to the date and place thereof and afford the latter the opportunity to express their positions or objections relative to the proposed ordinance.

(c) **Fixing the Amount of Special Levy.** The special levy authorized herein shall be apportioned, computed, and assessed according to the assessed valuation of the lands affected as shown by the books of the Provincial Assessor, or its current assessed value as fixed by said assessor if the property does not appear of record in his books. Upon the effectivity of the ordinance imposing special levy, the Provincial Assessor shall forthwith proceed to determine the annual amount of special levy assessed against each parcel of land comprised within the area especially benefited and shall send to each landowner a written notice thereof by mail, personal service or publication in appropriate cases.

(d) **Taxpayer's Remedies Against Special Levy.** Any owner of real property affected by a special levy or any person having a legal interest therein may, within sixty (60) days from the date of receipt of the written notice of assessment of the special levy, appeal to the provincial board of assessment appeals by filing a petition under oath in the form for the purpose, together with copies of the tax declarations and such affidavits or documents in support of the appeal.

## ARTICLE D

### TAX ON TRANSFER OF REAL PROPERTY OWNERSHIP

**Section 2D.01. Imposition of Tax.** – There is hereby levied a tax on the sale, donation, barter, or on any other mode of transferring ownership or title of real property at the rate of not more than fifty percent (50%) of one percent (1%) of the total consideration involved in the acquisition of the property, or of the fair market value, whichever is higher.

The fair market value as used herein shall be that reflected in the prevailing schedule of fair market values enacted by the Sangguniang Panlalawigan. Said tax shall also be imposed on the same transaction which may be undertaken by any government office or entity.

**Section 2D.02. Exemptions.** - The sale, transfer or other disposition of real property pursuant to RA 6657 shall be exempt from this tax.

**Section 2D.03. Time of Payment.** - It shall be the duty of the seller, donor, transferor, executor or administrator to pay to the Provincial Treasurer the tax herein imposed within sixty (60) days from the date of the execution of the deed or from the date of the property owner's death.

**Section 2D.04. Surcharge and Penalties for Late Payment.** - Failure to pay the tax within the period of sixty (60) days as herein provided shall be subject to a surcharge of twenty-five percent (25%) and an interest of two percent (2%) per month from the date of the execution of the deed or from the date of the property owner's death including surcharges until it is paid, but in no case shall the total interest on the unpaid amount or portion thereof exceed thirty-six (36) months.

#### **Section 2D.05. Administrative Provisions.** –

- (a) The Registry of Deeds of the Province shall, before registering any deed, require the presentation of evidence of payment of this tax and the up-to-date payment of real property tax. The Provincial Assessor shall likewise make the same requirement before cancelling an old tax declaration and issuing a new one. The Provincial Treasurer shall also make the same requirement before issuing tax clearances and other treasury records.
- (b) The Registry of Deeds of the Province shall, before releasing certificate of title, require the presentation of the new tax declaration issued by the Provincial Assessor in the name of the transferee.
- (c) Notaries public shall furnish the Provincial Treasurer with a copy of any deed transferring ownership or title to any real property within thirty (30) days from the date of notarization.

## ARTICLE E

### TAX ON BUSINESS, PRINTING AND PUBLICATION

**Section 2E.01. Imposition of Tax.** There is hereby levied a tax at the rate of fifty percent (50%) of one percent (1%) of the gross annual receipts for the preceding calendar year on the business of persons engaged in the printing and/or publication of books, cards, posters, leaflets, handbills, certificates, receipts, pamphlets, graphics and laser printing on shirts, canvass and memorabilia, photocopying, stickers, tarpaulin printing, table marker, plaques, printed mugs or any other souvenir items which involves printing and others of similar nature.

In the case of a newly started business, the tax shall not exceed one-twentieth (1/20) of one percent (1%) of the capital investment. In the succeeding calendar year, regardless of when the business started to operate, the tax shall be based on the gross receipts for the preceding calendar year, or any fraction thereof, as provided herein.

**Section 2E.02. Exemptions.** - The receipts from the printing and/or publishing of books or other reading materials prescribed by the Department of Education as school texts or references shall be exempt from the tax herein imposed.

**Section 2E.03. Time, Place and Manner of Payment.** - The tax shall be paid to the Provincial Treasurer or his duly authorized deputies within the first twenty (20) days of January of every year.

The tax imposed in this Article shall be due and payable in quarterly installments to the Provincial Treasurer within the first twenty (20) days following each quarter. In the case of a newly started business, the tax shall be paid before the business starts to operate.

**Section 2E.04. Surcharge and Penalties for Late Payment.** - Failure to pay the tax on the date due shall be subject to a surcharge of twenty five percent (25%) plus interest of two percent (2%) per month from the date it is due including surcharges until it is paid, but in no case shall the total interest on the unpaid amount or portion thereof exceed thirty six (36) months.

**Section 2E.05. Distribution of Proceeds** – The collection on tax on business, printing and publication will be distributed as follows:

Collection	Share
Province	80%
Municipality	20%

Provided however, that the Municipal Treasurer has able to collect the tax on business, printing and publication for and behalf of the Provincial Treasurer.

## ARTICLE F

### FRANCHISE TAX

**Section 2F.01. Definition.** - When used in this Article, *franchise* is a right or privilege, affected with public interest, which is conferred upon private persons or corporation, under such terms, and conditions as the government and its political subdivision may impose in the interest of public welfare, security and safety.

**Section 2F.02. Imposition of Tax.** –Notwithstanding any exemption granted by any law or other special laws, there is hereby imposed a tax on the following businesses enjoying a franchise and exercising its rights and privileges under this franchise within the territorial jurisdiction of the Province, at a rate of fifty percent (50%) of one percent (1%) of the gross annual receipts, which shall include both cash sales and sales on account realized during the preceding calendar year within the Province.

1. Electric cooperatives and other power distribution utilities;
2. Telecommunication businesses, film and television productions, radio and television stations, internet service providers, cable television providers and other cable services;

3. Money remittances, payment centers, pawnshops, lending organizations and other accounting firms;
4. Water distribution utilities and water refilling stations;
5. Cockpits / cockfighting arena and similar gambling establishments;
6. Cargo or freight forwarders, logistics service providers and the like;
7. Power plants: Geothermal, Coal or Thermal, Solar, and Wind; and other power generation utilities;
8. Other businesses enjoying a secondary or special franchise.

In the case of a newly started business, the tax shall not exceed one-twentieth (1/20) of one percent (1%) of the capital investment. In the succeeding calendar year, regardless of when the business started to operate, the tax shall be based on the gross receipts for the preceding calendar year, or any fraction thereof, as provided herein.

The capital investment to be used as basis of the tax of a newly started business as herein provided shall be determined in the following manner:

1. In the locality where the principal office of the business is located, the paid-up capital stated on the articles of incorporation, in case of business organizations or enterprises, shall be considered as the capital investment.
2. Where there is a branch or sales office which commence operations during the same year as the principal office but which is located in another province or in a city outside the province, the paid-up capital referred to above shall be reduced by the amount of capital investment made for the said branch or sales office which shall be taxable instead by the province or city where it is located.
3. Where the newly-started business is a branch or sales office commencing business operations at a year later than that of the principal office, capital investment shall mean the total funds invested in the branch or sales office. (IRR)

**Section 2F.03. Administrative Provision.** – There is hereby imposed a Governor’s Permit Fee at a rate of Five Hundred Pesos (Php 500.00) on businesses holding a franchise which shall be in addition to the franchise tax. The proceeds thereof shall be distributed in accordance with Section 2F.07.

**Section 2F.04. Exemptions.** – The term businesses enjoying franchise shall not include holders of certificates of public convenience for the operation of public vehicles for reason that such certificates are not considered as franchises.

**Section 2F.05. Time of Payment.** – With the exception of newly-started business, the tax imposed herein shall accrue on the first (1<sup>st</sup>) day of January each year and shall be paid within the first twenty (20) days of January following the end of the preceding year or, at the option of the taxpayer, it may be paid in four (4) equal quarterly installments within the first twenty (20) days of each quarter.

**Section 2F.06. Surcharges and Interest on Unpaid Tax.** – Failure to pay the franchise within the time required shall subject the taxpayer to a surcharge of twenty five percent (25%) of the amount of tax due, plus an interest, upon the unpaid amount at the rate of two percent (2%) per month of delinquency, but in no case shall the total interest or portion thereof exceed thirty-six (36) months.

**Section 2F.07 Disposition of Proceeds.** – The proceeds of the franchise tax shall be distributed as follows:

COLLECTION	SHARE
a. Province	Eighty percent (80%); and
b. Municipality	Twenty percent (20%).

Provided however, that the Municipal Treasurer was able to collect the franchise tax.

## ARTICLE G

### TAX ON SAND, GRAVEL AND OTHER QUARRY RESOURCES

**Section 2G.01. Imposition of Tax.**– There is hereby imposed a tax on quarry resources, extracted from public and private lands, or from the bed of seas, lakes, rivers, streams, creeks and other public waters, within the territorial jurisdiction of the Province, at the following rates:

Quarry Resources	Rate Per Cubic Meter (cu.m.)
a. Sand and Gravel	50.00
b. Ordinary Earth	40.00
c. Guano	50.00
d. Gemstone	1000.00
f. Other Quarry Resources	1000.00
g. Limestone (Raw)	50.00

The tax herein levied on quarry resources shall be subject to periodic review by the Sangguniang Panlalawigan.

For purposes of the imposition of the above tax rates, the Provincial Treasurer shall determine the fair market value in the locality of the above quarry resources.

For purpose of establishing the fair market value per cubic meter of sand, gravel and other quarry resources on an annual basis, a committee is hereby created composed of:

Provincial Treasurer	- Chairman
Provincial Engineer	- Member
Provincial Environment and Natural Resources Officer	- Member
Provincial Assessor	- Member

**Section 2G.02. Issuance of Permit.** - Every person who shall extract sand and gravel and other quarry resources shall secure a permit from the Provincial Governor, pursuant to Section 43, Chapter VIII of R.A. 7942 and Section 71, Chapter VIII of DENR Administrative Order No. 96-40.

**Section 2G.03. Exemptions.** - Any government agency that has been granted a gratuitous permit to extract the above-mentioned materials for the purpose of government projects within the Province shall be exempt from the payment of the tax herein prescribed.

**Section 2G.04. Manner of Payment.** - The tax imposed under Section 18 shall be paid in advance to the Provincial Treasurer or his duly authorized deputies.

**Section 2G.05. Surcharge for Late Payment.** – Failure to pay the tax imposed under Section 2G.01 shall subject the taxpayer to a surcharge of twenty-five percent (25%) of the amount of tax due. Such surcharge shall be paid at the same time, and in the same manner as the tax due.

**Section 2G.06. Interest on Unpaid Tax.** - In addition to the surcharge for the late payment, there shall be imposed upon the unpaid amount an interest of two percent (2%) per month from the date until the taxes is fully paid but in no case shall the total interest on the unpaid amount or a portion thereof exceed thirty-six (36) months.

**Section 2G.07. Distribution of Proceeds.** –The proceeds of the tax imposed under Section 2G.01 shall be distributed as follows:

a. Province	Thirty Percent (30%)
b. Municipality	Thirty Percent (30%)
c. Barangay	Forty Percent (40%)

*Provided that*, ten percent (10%) from the share of the Province shall be allocated as cash incentive for the Provincial Treasury Operations Monitoring Team. The amount shall be retained by the Provincial Treasurer and released only upon submission of their monthly accomplishment reports.

**Section 2G.08. Quarry Permit.** – No person shall be allowed to extract quarry resources from public lands, beds of seas, lakes, rivers, streams, creeks and other public waters within the jurisdiction of the Province, without a permit issued under this Code.

**Section 2G.09. Application for Permit.** – Any qualified person may apply to the PMRB for a permit for the extraction of quarry resources from public lands, beds of seas, lakes, rivers, streams, creeks and other public waters within the jurisdiction of the Province, specifically as follows:

- (a) *Quarry Permit* - is one granted to a qualified person for the extraction and utilization of quarry resources in public land.
- (b) *Commercial Sand and Gravel Permit* – is one granted for the removal of Sand and Gravel and other loose or unconsolidated materials which are used in their natural state without undergoing processing in public waters, public and private lands covering an area or not more than five (5) hectares and in such quantities as may be warranted. Only one permit shall be granted to every municipality at any time for a period of one (1) year or less renewable for like period.
- (c) *Industrial Sand and Gravel Permit under 5 hectares* – is one granted for the removal of sand and gravel and other loose and unconsolidated materials that necessitate the use of mechanical processing such as rock crusher and the like, in public waters, public and private lands covering an area of not more than five (5) hectares and only one permit is granted to every municipality at any time for a period of one (1) year or less renewable for like period.
- (d) *Industrial Sand and Gravel Permit over 5 hectares* – is one granted for the removal of sand and gravel and other loose and unconsolidated materials that necessitate the use of mechanical processing such as rock crusher and the like, in public waters, public and private lands covering an area of more than five (5) hectares.

- (e) *Government Gratuitous Permit* – maybe granted to any government entity/ instrumentality in need of quarry resources, sand and gravel or loose/ unconsolidated materials in construction of building and/or infrastructure of a public and of other purposes covering an area of not more than two (2) hectares in public/private land(s) for a period conterminous with the government project.
- (f) *Private Gratuitous Permit* – maybe granted to landowner applying to extract quarry resources, sand and gravel or loose or unconsolidated materials from his/her land provided there is adequate proof of ownership for a non-renewable period of 60 days.
- (g) *permit for the extraction of guano and/or other organic fertilizer materials* – by any person in the municipality where he has established domicile, for specific caves and/or confined sites, with locations verified in accordance with applicable rules and regulations, for a period of one (1) year, or upon the extraction of the quantity as specified in the permit. *Provided*, that only one (1) guano permit shall cover the same cave or area, and *provided further*, that the maximum area that a person may hold at any one time, shall not be more than five hectares (5 has.);
- (h) *black sand gathering permit* – for gathering of black sand, for a period of not exceeding one (1) year from the issuance, and renewable for like period.
- (i) *gemstone & other metallic or non-metallic minerals gathering / extraction permit* – for gathering of loose stones useful as gemstones and other metallic or non-metallic minerals, for a period not exceeding one (1) year from issuance, and renewable for like period.
- (j) *Ore permit* – for gathering natural mineral containing a valuable constituent, for a period of not exceeding one (1) year from the issuance, and renewable for like period.

The applicant or permit holder may be represented by another person, provided that the authority to represent is contained in a public instrument.

The applicant shall secure a Cash Bond amounting to Five Hundred Thousand Pesos (Php 500,000.00) to be deposited to the Trust Fund of the Provincial Treasurer. That in case the permittee violates any provision/s provided in this article, the Provincial Treasurer may recommend to the Provincial Governor for the cancellation of the permit and forfeiture of the cash bond in favor of the Province.

**Section 2G.10. Issuance of Permit.** – Every quarry permit shall be issued by the Provincial Governor, subject to this Ordinance, and other ordinances of the Sangguniang Panlalawigan. *Provided* that, no permit shall be issued without a resolution of conformity from the affected barangay, and the favorable endorsement of the Municipal Mayor of the Municipality where the area covered by the quarry permit application is located. *Provided further* that no permit shall be issued without the conduct of a public hearing in the affected barangay/s.

**Section 2G.11. Permit Requirements.** – In addition to the payment of the administrative fees, a quarry permit applicant shall submit the following requirements, in so far as they are applicable to the kind of permit applied for:

- (a) Survey plan of the proposed permit area, duly prepared, signed and sealed by a deputized geodetic engineer, *Provided* that the name/s of the known registered owner/s of adjacent lots to the applied area shall be indicated in the survey plan;

- (b) Work program duly prepared, signed and sealed by a licensed mining engineer or geologist;
- (c) For juridical persons, articles of incorporation/partnership/association, by-laws and certificate of registration, duly certified by the SEC, or concerned authorized government agency;
- (d) Proof of technical competence including, among others, *curricula vitae*, list of machineries, heavy equipment and other vehicles that are actually, directly and exclusively used in the conduct of business, and track record in mining or quarry operations;
- (e) Proof of financial capability to undertake the quarry operation, such as but not limited to the following:
  - 1. For individuals – statement of assets and liabilities and net worth (SALN), duly sworn in accordance with existing laws, income tax return for the preceding three (3) years, proof of credit, and latest bank statement for three (3) consecutive months; and
  - 2. For juridical persons – latest audited financial statement, and where applicable, annual report for the preceding year, proof of credit, bank guarantees and/or negotiable instruments.
- (f) Initial environmental examination;
- (g) Area verification/inspection by the PENRO ;
- (h) Area clearance from the concerned government agency/local government units, that may be affected by the permit application, or written permission from the landowner and/or surface owner of the area applied for;
- (i) Certificate of payment from the Provincial Treasurer of the contingent liability Rehabilitation Fund in the amount of Ten Pesos (Php 10.00) per cubic meter; (*Sec. 32, IRR Environmental Code Province of Leyte*)
- (j) Certificate of environmental management record and community relations record;
- (k) ECC;
- (l) A resolution from the Barangay where the area covered by the quarry permit application is located, showing conformity to the approval of the application, and the minutes and record of attendance of the public hearing conducted;
- (m) Endorsement from the Municipal Mayor of the Municipality where the area covered by the quarry permit application is located;
- (n) Proof of business registration;
- (o) Delivery Receipts;
- (p) Book of Accounts;
- (q) Order of Payment;

- (r) Certified True Copy of the Tax Declaration and Tax Clearance on all real properties used in the conduct of business; and
- (s) Such other requirements as the concerned government agency may require;

The Delivery Receipts, mentioned under (o) and the Book of Accounts, mentioned under (p), shall be issued and purchased respectively at the Office of the Provincial Treasurer. Such Book of Accounts (p) and Delivery Receipts (o) are serially numbered and considered Accountable Forms subject to COA auditing rules and regulations.

The Office of the Provincial Governor shall issue Order of Payment to the Provincial Treasurer, mentioned under (q), upon complying the abovementioned requirements. Order of Payment must indicate the name of the permittee and the corresponding taxes, fees and penalties to be paid.

**Section 2G.12. *Requirements for Renewal.*** – In the application for renewal of quarry permit, the following additional requirements shall be submitted to the Provincial Governor thru PENRO:

- (a) Compliance report of multi-partite monitoring team;
- (b) Certificate of compliance to reportorial obligations; and
- (c) Proof of payment of excise tax, where applicable.

**Section 2G.13. *Additional Requirement for Government Gratuitous Permit.*** – In the application for gratuitous permit, the applicant shall submit a certification that the infrastructure project has minimal or no funding from the implementing government entity or instrumentality.

**Section 2G.14. *Additional Requirement for Private Gratuitous Permit.*** – In the application for private gratuitous permit, the applicant shall submit the following:

- (a) Land title and tax declaration covering the permit area;
- (b) Certificate of non-coverage from the concerned government agency;
- (c) Project proposal;
- (d) Bill of materials; and
- (e) Real Property Tax Clearance of the current year.

**Section 2G.15. *Additional Requirements for Guano Permit.*** – In the application for guano permit, the applicant shall submit the following additional requirements:

- (a) Proof that the applicant has established domicile in the area covered by the application; and
- (b) Declaration of the approximate quantity of guano available in the permit area.

**Section 2G.16. *Additional Requirement for Gemstone, Metallic or Non-Metallic Gathering / Extraction Permit.*** – In the application for gemstone gathering permit, the applicant shall submit a declaration of the approximate quantity of gemstone, metallic or non-metallic minerals available in the permit area.

**Section 2G.17. General Terms and Conditions of a Quarry Permit.** – The following are the terms and conditions of a quarry permit:

- (a) No extraction, removal and/or disposition of quarry resources shall be allowed within a distance of one (1) kilometer, upstream or downstream, from the boundaries of reservoirs established for public water supply, archaeological and historical sites, or of any public or private works or structures, unless the prior clearance of the concerned government agency or owner is obtained. No extraction, removal and/or disposition of quarry resources shall be allowed in offshore areas within a distance of five hundred (500) meters from the coast, and two hundred (200) meters from the mean low tide level along the beach;
- (b) The extraction, removal and/or disposition of quarry resources shall be confined within the area specified in the permit, the boundaries of which, are established on the ground with the prominent marks;
- (c) The permit holder shall be responsible and liable to public property for damage occasioned by his operations;
- (d) The permit holder shall manage his operation in a technically and environmentally responsible manner to achieve a safe, non-polluting and self-sustaining post disturbance landform;
- (e) The permit holder shall not discriminate on the basis of gender, and shall respect the rights of women workers to participate in policy and decision-making processes;
- (f) The permit holder shall not interfere with the rights of other permit holders, operators, and/or contractors;
- (g) The permit holder shall recognize and respect the rights, customs and traditions of local communities, particularly, indigenous cultural communities; and
- (h) The permit holder shall immediately stop extracting the moment man-made articles or artifacts are found. It shall notify the director of the National Museum of such findings, in which case, the extraction shall be under the supervision of the National Museum, until said artifacts are recovered.

**Section 2G.18. Additional Terms and Conditions of a Commercial, Industrial and Private Gratuitous Permit.** – The following are additional terms and conditions for commercial, industrial, ordinary earth, and private gratuitous permit:

- (a) The permit shall be for the exclusive use and benefit of the permit holder, and shall not be transferred or assigned without prior written approval of the Provincial Governor;
- (b) Unless renewed or amended, the permit shall *ipso facto* terminate after the whole quantity assigned and kind of quarry resources specified therein have been extracted, or upon the death of or judicial declaration of incapacity of the permittee;
- (c) The permit holder shall file monthly with the PMRB a sworn statement of the quantity of quarry resources extracted, removed and/or disposed, and the amounts of fees paid, under the permit. At the end of the term, the permit holder shall submit to the PMRB a final report, with the detailed list of activities and the corresponding expenditures;

- (d) The permit holder shall furnish the government with books of account and records of operation, and such books and records shall be open for inspection by the government;
- (e) The permit/permit area may be inspected and examined at any time by the concerned government agency and/or office;
- (f) The permit holder shall not acquire any title over the permit area, by virtue of the permit, without prejudice to any acquisition of the land/surface rights, through any mode of acquisition provided by law;
- (g) The permit holder shall pay fees, taxes and other obligations in accordance with the existing laws and regulations;
- (h) The permit holder shall comply with obligations under the ECC; and
- (i) The term of the permit shall be for a period as specified therein. Provided, that non-compliance with the terms and conditions and violation of any provision of applicable laws and regulations shall be grounds for non-renewal of permit.
- (j) The permit holder shall inform in writing the Office of the Provincial Governor thru PENRO, stating the quantity of undisposed aggregates / minerals in his possession after the expiration of the permit.

**Section 2G.19. Additional Terms and Conditions for Gratuitous Permit.** – The following are additional terms and conditions for gratuitous permit:

- (a) The period of the permit shall be coterminous with the term of the construction of the infrastructure, but not to exceed three (3) years;
- (b) The concerned government office shall, whenever practicable, use and utilize its own vehicles and equipment in extraction, removal and/or disposition of quarry resources. Provided, that the permit holder may enter into a contract with a private person/entity for the purpose of disposition of such quarry resources;
- (c) The quarry resources to be removed shall be strictly for infrastructure project, and in no case, shall the same be disposed commercially;
- (d) Unless amended, the permit shall *ipso facto* terminate after the whole quantity and kind of quarry resources specified therein have been extracted;
- (e) The permit holder shall file monthly with the concerned government office, a sworn statement of the quantity of quarry resources extracted, the amount of fees paid. At the end of the term, the permit holder shall submit to the concerned government office, a final report with the detailed list of activities and corresponding expenditures;
- (f) The permit/permit area may be inspected at any time by the concerned government office; and
- (g) The permit holder shall comply with obligations under the ECC.
- (h) The permit holder shall inform in writing the Office of the Provincial Governor thru PENRO, stating the quantity of undisposed aggregates / minerals in his possession after the expiration of the permit.

**Section 2G.20. Additional Terms and Conditions for Guano Permit.** -The following are additional terms and conditions for guano permit:

- (a) The permit shall be for the exclusive use and benefit of the permit holder, and shall not be transferred or assigned without prior written approval of the Provincial Governor;
- (b) No explosives shall be used in the extraction of guano;
- (c) The permit holder shall file monthly with the concerned government office, a sworn statement of the quantity of guano extracted, and the amount of fees paid. At the end of the term, the permit holder shall submit to the PMRB a final report, with the detailed list of activities and the corresponding expenditures;
- (d) The permit/permit area may be examined at any time by the concerned government office;
- (e) The permit holder shall not acquire any title over the permit area, virtue of the permit, without prejudice to the acquisition of the land/surface rights through any mode of acquisition provided by law;
- (f) The permit holder shall pay fees, taxes and other obligation in accordance with existing laws and regulations;
- (g) The permit holder shall comply with the obligations under the ECC;
- (h) The term of the permit shall be of one (1) year from the issuance thereof, or upon the extraction of the quantity of quarry resource specified therein; and
- (i) The permit holder shall comply with applicable laws and regulations.
- (j) The permit holder shall inform in writing the Office of the Provincial Governor thru PENRO, stating the quantity of undisposed aggregates / minerals in his possession after the expiration of the permit.

**Section 2G.21. Additional Terms and Conditions for Gemstone Permit** – The following are additional terms and conditions for gemstone permit:

- (a) The permit shall be for the exclusive use and benefit of the permit holder, and shall not be transferred or assigned without prior written approval by the Provincial Governor;
- (b) Gemstone gathering shall be allowed in rivers and other locations, except in areas which are expressly prohibited by law;
- (c) The removal/gathering of gemstone shall be conducted manually without the aid of any tools or mechanized equipment;
- (d) No explosives shall be used in the removal of gemstone;
- (e) Unless otherwise renewed or amended, the permit shall *ipso facto* terminate after the whole quantity of gemstone specified therein have been removed/gathered;
- (f) The permit holder shall file monthly with the PMRB a sworn statement of the quantity of gemstone removed/gathered under the permit, the amount of fees paid,

the quantity of gemstone sold/disposed of during the period covered by the report, their selling prices, the names and addresses of the persons to whom the same were sold, and the quantity of materials left in the stock. At the end of the term, the permit holder shall submit to the PMRB a final report with the detailed list of activities and the corresponding expenditures;

- (g) The permit/permit area may be inspected and examined at all times by the Provincial Governor;
- (h) The permit holder shall not acquire any title over the permit area, by virtue of the permit, without prejudice to any acquisition of the land/surface rights, through any mode of acquisition provided by law; and
- (i) The permit holder shall pay fees, taxes and other obligation in accordance with existing laws, rules and regulations.
- (j) The permit holder shall inform in writing the Office of the Provincial Governor thru PENRO, stating the quantity of undisposed aggregates / minerals in his possession after the expiration of the permit.

**Section 2G.22. Application Involving the Same Areas.** – In case of applications involving the same areas, the application first registered, accompanied by standard requirements, shall be preferred.

**Section 2G.23. Assignment and Transfer.** – An application or permit may be assigned or transferred by the applicant or by the permit holder, to any qualified person by public instrument duly filed and registered with the PENRO. The transfer or assignment shall not be effective unless approved by the Provincial Governor.

**Section 2G.24. Suspension, Cancellation and Revocation of Permit.** - Without prejudice to other pertinent provisions hereof, any permit maybe suspended or revoked by the Provincial Governor on any of the following grounds:

- (a) Failure to comply with the terms and conditions of the permit and ECC;
- (b) Violation of any provision of this Chapter;
- (c) Material misrepresentation in the application for a permit, and/or presentation/submission of false or falsified documents required in the application or permit;
- (d) If the quantity of quarry resource specified in the permit has been exhausted before the expiry date thereof;
- (e) Failure to rehabilitate the quarry area as required under Section 64;
- (f) Failure to pay the balance of the extraction fees, within six (6) months from the date of the issuance of the permit;
- (g) Failure to operate within six (6) months from the date of the issuance of permit;
- (h) Failure to operate for more than one (1) year for ISAG and Ordinary Earth Permit;
- (i) Failure to submit the required reports; and
- (j) When national interest and public welfare so require, or for environmental protection or ecological reasons.

Upon cancellation of the permit, the area covered shall automatically revert to its original status. Suspension or revocation of permit shall not release the permit holder from the obligations due under the permit.

**Section 2G.25. *Withdrawal of the Permit.*** – The permit holder may, by giving due notice at anytime during the term of the permit, apply with the PMRB for the withdrawal of the permit due to causes, which in the opinion of the permit holder, make quarry operation no longer feasible. *Provided*, that a permit holder may only be allowed to withdraw if all obligations due under the permit at the time of the withdrawal have been met. The PMRB shall consider the notice and issue its decision within a period of thirty (30) calendar days.

**Section 2G.26. *Renewal of Permit.***–Within sixty (60) calendar days before the expiration of the permit, the permit holder may submit to the PMRB through the PENRO, an application to renew the permit accompanied with two (2) sets of the following requirements:

- (a) Letter of intent to renew;
- (b) Justification for the renewal;
- (c) Comprehensive and validated technical report on the outcome of the operations, including their environmental effects, by a licensed mining engineer or geologist;
- (d) Audited report of expenditures incurred during the operations period;
- (e) Work program duly prepared, signed and scaled by a licensed mining engineer or geologist;
- (f) Environmental protection and enhancement program;
- (g) Certificate of environmental management and community relations record; and
- (h) Other supporting documents as the PMRB may require for the applicant to submit.

**Section 2G.27. *Amendment of Volume.*** – Notwithstanding the provisions of this Ordinance on expiration of the permit, if the capacity of the area subject of the permit has been determined by the PENRO to be in excess of the quantity specified in the permit, the permit holder may apply with the PMRB for an amendment of the permit so as to increase the volume, which in no case, shall exceed the volume allowed in the ECC. *Provided*, however, that corresponding taxes imposed in this Ordinance shall be paid on the additional quantity. *Provided* however, that the request for amendment of volume shall be made two (2) months prior to the expiration of the permit.

**Section 2G.20. *Special Permit to Transport and Dispose.*** – In the case of expiration of permit, the Provincial Governor may issue a special permit for the transportation and/or disposal of any remaining quantity of quarry resource, which have been extracted prior to such expiration, but not transported and/or disposed of. *Provided*, that the quantity to be transported and/or disposed shall not exceed that stipulated in the ECC. The period for disposal of the quarry resource covered by the special permit is thirty (30) days from issuance of the same.

**Section 2G.29. *Posting of Permit.*** – Upon verification of the area covered by the application, the PMRB shall issue the notice of application for permit for posting.

The notice must contain, among others, the nature of the permit, name and complete address of the applicant, survey plan of the proposed permit area, and index map relative to major environmental features and projects, and the nearest municipalities. The notice shall be in a language generally understood in the locality where it will be posted.

The PMRB shall cause the posting for two (2) consecutive weeks of the notice on the bulletin board of the Province, and the affected Barangay/s and Municipality/s. The posting of the application shall be within fifteen (15) working days from receipt of the notice.

Within five (5) calendar days from the last date of posting, the PMRB shall issue a certification that the posting has been complied with.

**Section 2G.30. Area Clearance and Field Verification.** – Within fifteen (15) working days from receipt of the permit application, the PENRO shall conduct area and field verification, and submit a verification report to the MGB for the issuance of the area clearance.

**Section 2G.31. Administrative Fees** – The following fees shall be paid before the approval of the permit and shall be non-refundable.

(a) **Permit Fees.** –A Permit Fee of Eighteen Thousand Pesos (18,000.00) per annum or One thousand Five Hundred (1,500) per Month.

(b) **Application Fee.** –An Application Fee of One Thousand Five Hundred Pesos (1,500).

(c) **Area field verification fee.** –The following area field verification fees are hereby imposed:

Area Field Verification Fee	Rate (Php)
a) Quarry	3,000.00
b) Commercial Sand and Gravel	3,000.00
c) Industrial Sand and Gravel Permit under 5 has.	3,000.00
d) Industrial Sand and Gravel Permit over 5 has.	5,000.00
e) Government Gratuitous Permit	3,000.00
f) Private Gratuitous Permit	3,000.00
g) Permit for the extraction of guano	3,000.00
h) Gemstone, Metallic & Non-Metallic Gathering Permit	5,000.00
i) Black Sand gathering permit	5,000.00
j) Ore Permit	5,000.00

(d) **Processing fee.** – A Processing Fee of One Thousand Pesos (1,000.00) shall be collected.

(e) **Monitoring Fee.** – A Monitoring Fee of Three Thousand Pesos (3,000.00) shall be collected.

(f) **Other Administrative Fees.** –The following administrative fees are hereby imposed:

Other Administrative Fees	Rate (Php)
1. Certification/Certified True Copy	100.00
2. Delivery Receipt (50 Pcs/Stub)	200.00
3. Book of Accounts	500.00

(g) **Rehabilitation Fund** – The following Rehabilitation Fund shall be collected to following permittees:

Area Field Verification Fee	Rate (Php)
a) Quarry	100,000.00
b) Commercial Sand and Gravel	200,000.00

c) Industrial Sand and Gravel Permit under 5 has.	300,000.00
d) Industrial Sand and Gravel Permit over 5 has.	500,000.00
e) Government Gratuitous Permit	50,000.00
f) Black Sand gathering permit	500,000.00
g) Ore Permit	500,000.00

**Section 2G.32. Provincial Mining Regulatory Board.**

(a) **Composition.** – There shall be a Provincial Mining Regulatory Board composed of the following:

1. The Regional Director of the MGB or his authorized representative, as chairman;
2. The Provincial Governor, or his duly authorized representative, as vice-chairman;
3. Small-scale mining representative;
4. Large-scale mining representative;
5. Quarry permit holders representative; and
6. Representative of environmental non-government organization duly accredited by the concerned government agency.

(b) **Appointment and Tenure.** – Except for the chairman, the members of the PMRB shall be appointed by the Secretary of the DENR from the nominees submitted by the Provincial Governor. The members shall serve for a term of three (3) years, and may be re-appointed upon the recommendation of the Provincial Governor. No member shall, however, serve for a total term in excess of six (6) years. *Provided, however,* that those members who serve the unexpired term of another, who fails to finish the same, shall be considered to be serving a full term. The members may be replaced by the Secretary of the DENR, with the concurrence of the Provincial Governor.

(c) **Functions of the Provincial Mining Regulatory Board.** – The PMRB shall have the following functions:

1. Accept, process and evaluate applications for quarry and small-scale mining permits;
2. Recommend fees and other charges for quarry and small-scale mining permits;
3. Declare and segregate existing gold-rush areas for small-scale mining;
4. Reserve future gold and other mining areas for small-scale mining;
5. Award small-scale mining contracts;
6. Formulate and implement rules and regulations related to small-scale mining;
7. Settle disputes over conflicting small-scale mining claims; and

8. Perform such other functions as may be necessary to achieve its goal.

- (d) **Provincial Mining Regulatory Board Secretariat.** – The PENRO shall serve as the secretariat of the PMRB. The secretariat shall accept and process quarry and small-scale mining permit applications. The secretariat shall assist the members of the PMRB during deliberation for quarry and small-scale mining permit applications.
- (e) **Honoraria of the Members of the Provincial Mining Regulatory Board.** – The members and the secretariat of the PMRB shall receive *honorarium* in the amount of One Thousand Pesos (Php1,000.00) each, for attendance in one meeting. The support staff of the secretariat shall receive *honorarium* in the amount of Two Hundred Pesos (Php200.00) each, for attendance in one meeting.

The *honoraria* shall be disbursed from the administrative fees paid by the permit applicant/permit holder.

### Section 2G.33. Quarry Operations.

- (a) **Records of Operation.** –The permit holder shall keep a Book of Accounts, wherein there shall be entered daily, the quantity of quarry resources extracted, the quantity disposed of or sold, during the day, their selling prices, the names and addresses of the persons or parties to whom the same were sold or disposed of.

In case the permit holder maintains a stockpile yard for the extracted quarry resources, a separate book of accounts shall be kept to record the volume stockpiled, disposed and/or sold from such stockpile.

All records required to be kept in the preceding paragraph shall be open at all times for the inspection of the Provincial Treasurer or his duly authorized representatives. The refusal of the permit holder to allow inspection without justifiable reason shall be sufficient ground for the cancellation / revocation of the permit.

- (b) **Periodic Inspection.** – All operations conducted under a permit shall be subject to periodic inspection of the Provincial Governor or his duly authorized representatives for the purpose of ensuring:
1. That the operation is confined within the permit area;
  2. That the quarry resources removed are in accordance with the terms and conditions of the permit;
  3. That the aesthetic and ecological value of the permit area is not damaged;
  4. That the operation does not threaten the ground stability of any public or private structure; and
  5. That peace and order is maintained in the area.
- (c) **Failure to keep Books of Accounts and to submit Quarterly Report** – Failure of the permittee, as required in this ordinance, to keep Book of Accounts containing records of transactions related to the materials removed and disposed of and repeated failure to submit the Quarterly Report without justifiable reasons shall be sufficient ground for the suspension or revocation of the permit and confiscation of the bond and forfeiture of all payments made by the permittee without prejudice to the penalty imposed upon the permittee who fails to surrender the record pursuant to Sec. 2H.34 (e).

- (d) **Integrated Annual Report.** – A permit holder or its operator shall submit to the Provincial Governor, copy furnished other concerned government agencies, a sworn integrated annual report, within thirty days after the end of each permit period.
- (e) **Other Reports.** – A permit holder, is required to submit the reports under Section 2G.33 (c and d), in so far as they are applicable, even when there is no production for a given period. The report, however, shall indicate the causes or reasons why there was no production for the period.
- (f) **Delivery Receipts.** –The permit holders shall at all time issue to driver of vehicle engaged in hauling from the permit area, Delivery Receipts for the purpose of inspection by the duly authorized representatives of the Provincial Treasurer. The original of the receipts shall be issued to, and carried by, the said drivers while in transit, and shall be shown upon demand. The duplicate copy shall be attached to the Book of Accounts and monthly report required by Section 2G.33 (c), and made available at all times for inspection by proper authorities.

The failure of the vehicle drivers to present the Delivery Receipts upon demand shall subject them to the penalty imposed in Section 2G.35 (e), and shall be a cause for the impounding of the materials and vehicles which shall be released only upon the order of the Provincial Governor after payment has been made, or upon order of the court.

- (g) **Rehabilitation of Permit Areas.** – A Permit holder shall rehabilitate the permit area in accordance with his annual environmental protection program and enhancement program.

To guarantee the faithful compliance herewith, the permit applicant shall be required to pay the Rehabilitation Fee as stated in this Article, Section 2G.33 (g).

#### **Section 2G.34. Enforcement, Penalties and Fines.**

- (a) **Deputies of the Provincial Governor.** –The PENRO, the Provincial Treasurer, the Provincial Legal Officer, the Municipal Mayors, the elements of the Philippine National Police and the Punong Barangays shall be the deputies of the Provincial Governor, in the implementation and enforcement of the provisions of this Chapter.
- (b) **Prohibited Acts and Omissions.**
  - 1. Extract quarry resources covered by this Ordinance, without first securing a permit;
  - 2. Misrepresent a material matter in the application for a permit, and/or present/submit false or falsified documents;
  - 3. Knowingly apply for a permit over an area already covered by an existing permit;
  - 4. Transfer, assign or convey a permit to another, without prior authority of the Provincial Governor;
  - 5. Extract quarry resources in excess of the quantity allowed under the permit;
  - 6. Extract quarry resources from an area, other than that covered by the permit;
  - 7. Participate in quarry operations, as contractor, extractor, operator and/or hauler without a contract;

8. Knowingly transferring, assigning or conveying a false permit;
  9. Using dummy/ies in securing a permit.
  10. Fail or refuse to erect a vertical marker in the premises of an area covered by a foreshore permit, or ground markers in the case of other quarry permits;
  11. Remove or destroy, without authority or permission of the Provincial Governor, the aforementioned vertical or ground markers;
  12. Fail, or refusal to place or erect, sign board in the premises of the area covered by the permit;
  13. Fail or refuse to keep or open for inspection by proper authorities, Book of Accounts;
  14. Falsifying Book of Accounts or entries therein;
  14. Fail or refuse to submit reports under Sections 2H.34 (c) and 2H.34 (d);
  15. Fail or refuse to issue to drivers, haulers and extractors, Delivery Receipts;
  16. Forged or use forged Delivery Receipts;
  17. Fail or refuse to present on inspection or demand, Delivery Receipts while extracting, hauling or transporting quarry resources;
  18. Issue and/or present a tampered, incompletely filled up, with misdeclared entries, or open dated delivery receipt;
  19. Selling or conveying, for a price or consideration, quarry resources extracted under a gratuitous permit;
  20. Extract quarry resources from beaches;
  21. Obstruct, hinder or prevent, through force and/or intimidation, the Provincial Governor or his deputy/representative, as mentioned in Sec. 2H.34 (a), from the performance of their functions and duties under this Ordinance; and
  22. Obstruct, prevent or hinder, by force and/or intimidation, any permit holder from extracting, hauling, transporting, and otherwise using and disposing of quarry materials, under a duly issued permit.
  23. Threatening or making any form of intimidation, bribery or coercion to enforcers or other duly authorized personnel performing duties in connection with the enforcement of this ordinance.
- (c) **Prosecution.**—In case of violation of the provisions of this Chapter, the Provincial Governor or his deputies shall cause the investigation and prosecution of the administrative case before the PMRB, and/or criminal case before the proper court. The Provincial Legal Officer shall cause the filing and prosecution of the appropriate action before the court.

- (d) **Administrative Fine.** –In case of violation of the provisions of Section 2G.35 (b), without the necessity of, and prejudice to, any criminal case, the Provincial Governor may impose an administrative fine, on the basis of the following:

Offense	Fine (Php)
1. First (1 <sup>st</sup> ) offense	5,000.00
2. Second (2 <sup>nd</sup> ) offense	10,000.00
3. Third (3 <sup>rd</sup> ) offense	Revocation or Perpetual Disqualification to hold permit

- (e) **Penalty.** –In case of violation of Section 2G.34 (b), the penalty, if applicable, is imprisonment not exceeding one (1) year, and/or a fine not exceeding Five Thousand Pesos (Php 5,000.00), upon the discretion of the court.

If the violation involves quarry resources, the same shall be forfeited in favor of the Province, Municipality and Barangay from where the quarry resources were extracted, and if the same were disposed of at public auction for consideration, the proceeds shall be shared in the following manner:

1. Thirty percent (30%)	to the PNP station which affected the apprehension of the offender;
2. Thirty percent (30%)	to the Province;
3. Twenty percent (20%)	to the Municipality of origin of the quarry resources; and
4. Twenty percent (20%)	to the Barangay of origin of the quarry resources.

The same manner of sharing shall apply in case of fine.

- (f) **Surcharges and Penalties for Volume Extracted in Excess of that Stipulated in the Permit.** – In case of extraction of volume in excess of that stipulated in the permit, and without the necessity of a formal charge for violation of Section 2G.34 (b), the Provincial Governor may impose a fine not exceeding Ten Thousand Pesos (Php10,000.00).

The violator is given the period of five (5) days from the date of imposition to pay fine. Failure to pay the fine within the period prescribed shall cause the filing of the criminal complaint against the violator.

- (g) **Custody of the Seized Quarry Resources and Quarry Operation Equipment.** – In case of apprehension for violation of Section 2G.34 (b), the quarry resources and/or quarry operation equipment seized shall be placed under the custody of the Local Government Unit through the Office of the Municipal Mayor of the Municipality where the violator has been apprehended.
- (h) **Liability of Owners of Hauling and Transporting Vehicles.** – Owners/operators of hauling and transporting vehicles used for illegal extraction or transport of quarry resources shall be jointly and severally liable with the drivers.
- (i) **Late Submission and Failure to Submit Report.** – In case of late submission of report required under Section 2G.33 (c and d), including copies furnished to the concerned government agencies, the following fine is hereby imposed:

Violation	Basic Fine (Php)	Daily Fine (Php)
1. First (1 <sup>st</sup> ) violation	1,000.00	10.00
2. Second (2 <sup>nd</sup> ) violation	3,000.00	30.00
3. Third (3 <sup>rd</sup> ) violation and subsequent violations	5,000.00	50.00

- (j) **Provincial Treasury Operations Monitoring Team** –The Provincial Governor shall form a Provincial Treasury Operations Monitoring Team headed by the Provincial Treasurer or his duly authorized representative/s in coordination with the Local Philippine National Police of the Municipality and Municipal Treasury Personnel and other local personnel that may be assigned by the Local Chief Executive in the locality. The Provincial Treasury Operations Monitoring Team shall be assisted by the Barangay Monitoring Team, mentioned under this Article, Section 2G.34 (k).
- (k) **Barangay Monitoring Team.** – The Punong Barangay, with the assistance of the Municipal Monitoring Committee, shall form a Barangay Monitoring Team, which shall be composed of at least two (2) members of the barangay council, representatives of non-government organizations, and assisted by elements of the civilian volunteer organization. The Barangay Monitoring Team shall perform the following functions:
1. Establish check points at the ingress and egress of the quarry permit area, or at a strategic point, as determined by the Barangay Monitoring Committee;
  2. Inspect all hauling or transporting vehicles, and check permit related and required documents and apprehend violators;
  3. Keep a logbook/ledger for the plate number and load capacity of hauling/transporting vehicles, delivery receipt control numbers, date and time of hauling and name of inspector; and
  4. Submit a monthly monitoring report to the PENRO, copy furnished the Provincial Treasury Operations Monitoring Team.

## ARTICLE H

### PROFESSIONAL TAX

**Sec. 2H.01 Tax on Profession** – There is hereby levied an annual Professional Tax on all persons engaged in the exercise or practice of their profession requiring government examination classified and with corresponding rates as follows:

- (a) Five Hundred Pesos (P 500.00)
1. Lawyers
  2. Medical Practitioners/Physicians
  3. Architects
  4. Interior Decorators and/or Designers
  5. Landscape Architects
  6. Certified Public Accountants
  7. Civil Engineers
  8. Electrical Engineers
  9. Chemical Engineers
  10. Mechanical Engineers
  11. Agricultural Engineers
  12. Chemists
  13. Criminologists
  14. Foresters
  15. Geologists
  16. Librarians
  17. Medical Technologists
  18. Metallurgical Engineers

19. Registered Nurses
20. Midwives
21. Physical Therapists
22. Occupational Therapists
23. Social Workers
24. Aeronautical engineers
25. Industrial engineers
26. Geodetic Engineers
27. Electronics and Communication Engineers
28. Mining Engineers
29. Chief Motor Engineers and Master Engineers
30. Sanitary Engineers
31. Naval Architects
32. Pharmacists
33. Medical Food or Sugar Technologists, Nutritionists
34. Insurance Agents and Sub-Agents
35. Customs Broker
36. Real Estate Brokers
37. Estate Brokers
38. Marine Surveyors
39. Marine Deck Officer
40. Marine Engine Officers
41. Actuaries
42. Registered Master Plumbers
43. Registered Electricians, Registered Radio TV Technicians
44. Veterinarians
45. Dentists
46. Optometrists
47. Opticians
48. Commercial Aviators
49. Professional Appraisers or Connoisseurs of tobacco and other domestic or foreign products
50. Licensed Ship Masters
51. Marine Chief Engineers, naval architects, professional consultants
52. Teachers
53. Mechanical Plant Engineers, Junior Mechanical Engineers, and Certified Plant Mechanics, unless they are professional Mechanical Engineers and have paid the corresponding fixed professional tax for mechanical engineers

(b) Three Hundred Pesos (P 300.00)

1. Land Surveyors and Chief Mates
2. Marine Second Engineers
3. Licensed Midwives
4. Chiropodists
5. Tattooers
6. Masseurs
7. *Pelotaris*
8. Jockeys
9. Professional actors and actresses
10. Stage Performers
11. Hostesses
12. Statisticians
13. Commercial Stewards and Stewardesses
14. Flight Attendants
15. Insurance Adjusters
16. Hotel or Restaurant Chefs

17. Dietitians/Nutritionists
18. Embalmers
19. Certified Morticians, Club Floor Managers
20. Sales Supervisors and Managers
21. Foresters and Geologists
22. Midwives, unless he or she is a registered nurse and has paid the corresponding occupation tax for nurses if also registered nurses.
23. Notaries Public, unless he or she is a lawyer and has paid the corresponding occupation tax for members of the bar.
24. Chemists, unless he or she is a registered chemical engineer and has paid the corresponding occupation tax for chemical engineers and marine officers.
25. Associate and Assistant Electrical Engineers, unless he or she is a professional electrical engineer and has paid the corresponding occupation tax for electrical engineers.
26. Marine Officer, unless he is a marine engineer or second engineer and has paid corresponding occupation tax for marine or second electrical engineers; and
27. Therapists, unless he or she is a registered nurse and has paid the corresponding occupation tax for nurses.
28. Computer Technicians
29. Heavy Equipment Operators
30. Bartenders
31. Caregivers
32. Mason
33. Plumbers
34. Bookkeeper – unless not a registered Certified Public Accountant and has paid the corresponding occupational tax for Certified Public Accountant
35. Webpage Designers
36. Computer Programmers
37. Event Coordinators
38. Real Estate Sales Agents
39. Radio/TV Announcers
40. Beauticians and Manicurists

**Sec. 2H.02 *Where to Pay Tax*** – Every person legally authorized to practice his profession shall pay the professional tax to the Municipal Treasurer of the Municipality where he practices his profession or where he maintains his principal office in cases where said person practices his profession in several places.

Such persons who have paid the corresponding professional tax as herein fixed shall be entitled to practice his profession in any part of the Philippines without being subjected to any other local or national tax, license or fee for the practice of such profession.

**Sec. 2H.03 *Duty of Employers*** – Any individual or corporation employing a person subject to professional tax shall first require payment by that person of the tax on his profession before employment and annually thereafter, otherwise such employer shall be held personally liable for the payment of said tax.

**Sec. 2H.04 *Time, Manner of Payment, Surcharge & Interest*** –The professional tax shall be payable annually, on or before the thirty-first (31st) day of January. Any person before starting to practice his profession must pay the tax in full. A line of the profession does not become exempt even if conducted with some other profession for which the tax has been paid.

Failure to pay the Professional Tax on or before the thirty first (31<sup>st</sup>) day of January shall subject the taxpayer to a surcharge of twenty-five percent (25%) of the amount of tax due, plus any interest, upon the unpaid amount at the rate of two percent (2%) per month of delinquency, but in no case shall the total interest or portion thereof exceed thirty-six (36) months.

**Sec. 2H.05 Duty of Persons subject to the Professional Tax** – All persons subject to the professional tax shall write or print on deeds, receipts, prescription, reports, books of accounts, plans, and designs, surveys and maps, as the case may be, the number and a corresponding amount of the current year's official receipt issued to him.

**Sec. 2H.06 Collection and Disposition of Proceeds of Tax** – The professional tax shall be collected by the Municipal Treasurer concerned and remitted entirely (less 20 percent share of the municipality) to the Provincial Treasurer within ten (10) days following the end of the month of collection.

**Sec. 2H.07 Disposition of Proceeds.** – The proceeds of the professional tax shall be distributed as follows:

COLLECTION	SHARE
a. Province	Eighty percent (80%); and
b. Municipality	Twenty percent (20%).

Provided however, that the Municipal Treasurer was able to collect the Professional Tax for and on behalf of the Provincial Treasurer.

**Sec. 2H.08 Exemption** – Professionals exclusively employed in the government shall be exempt from the payment of this tax.

## ARTICLE J

### AMUSEMENT TAX ON ADMISSION

**Section 2I.01. Definitions.** - When used in this article:

- (a) *Amusement* is a pleasurable diversion and entertainment. It is synonymous to relaxation, avocation, past time or fun.
- (b) *Amusement places* include theaters, cinemas, concert halls, circuses, cockpits, “gallera”, “online sabong”, online gaming and other places of amusement where one seeks admission to entertain oneself by viewing the show or performances.

**Section 2I.02. Imposition of Tax.** – There is hereby levied an amusement tax to be collected from the proprietors, lessees, or operators of theaters, cinemas, concert halls, circuses, boxing stadia, and other places of amusement at a rate of not more than ten percent (10%) of the gross receipts from admission fees. *See RA 9640*

**Section 2I.03. Manner of Computing Tax.** – In the case of theaters or cinemas, the tax shall first be deducted and withheld by their proprietors, lessees, or operators and paid to the Provincial Treasurer or the Municipal Treasurer concerned before the gross receipts are divided between said proprietors, lessees, or operators and the distributors of the cinematographic films.

**Section 2I.04. Exemption.** – The holding of operas, concerts, dramas, recitals, painting and art exhibitions, flower shows, musical programs, literary and oratorical presentations, except pop, rock or similar concerts shall be exempt from the payment of the tax herein imposed.

**Section 2I.05. Time and Place of Payment.** - The amusement tax on admission herein imposed shall be due and payable by the proprietor, lessee or operator concerned, within the first twenty (20) days of the month next following that for which they are due to the

Provincial/Municipal Treasurer before the gross receipts are divided between the proprietors, lessees, or operator and the distributors of the cinematographic films.

In the case of itinerant operators of similar modes of amusement, the tax herein prescribed shall be paid immediately after the last full show or performance.

**Section 2L06. Administrative Fees**

- (a) Tax on Cockfights- The following Tax on Cockfights are hereby imposed for cockfighting that is held other than Sunday and in different categories, viz:

Tax on Cockfights	Rate (Php)
Pintakasi and other cockfighting events	P5,000.00/day
2-4 Cock Derby	P10,000.00/day
5-7 Cock Derby	P15,000.00/day
8-12 Cock Derby	P20,000.00/day

**Section 2L07. Collection Incentives.** – The proceeds of the Amusement Tax and Tax on Cockfights shall be distributed as follows:

COLLECTION	SHARE
a. Province	Fifty percent (50%); and
b. Municipality	Fifty percent (50%).

**Section 2L08. Administrative Provisions.**

- (a) **Filing of return.** Upon payment of the tax due, the proprietors, lessees, or operators of theaters, cinemas, concert halls, circuses, boxing stadia, and other places of amusement, shall attach a true and complete sworn return showing the gross receipts from admission fees during the preceding month.
- (b) **Forms of tickets.** The proprietor, lessee or operator of an amusement place where payment of a fee is required for admission, shall provide for himself with tickets which shall be serially numbered indicating therein the name of the amusement place and the admission price. The serial number must be printed on both ends of tickets such that when divided into two upon being presented for admission, the serial number shall appear on both parts. The gatekeeper shall drop one-half of the torn ticket in a locked box or receptacle and the other half to be returned to the customer. The box or receptacle shall only be opened in the presence of a representative from the office of the Provincial/Municipal Treasurer.
- (c) **Registration of tickets.** All admission tickets, which shall be sold to the public, must first be registered with the office of the Provincial/Municipal Treasurer and shall be stamped with the seal of said office. It shall be unlawful for any proprietor, operator and lessee of an amusement place to keep on his possession or have unregistered tickets in the amusement place.
- (d) **Verification of tickets.** The Provincial Governor or Provincial/Municipal Treasurer shall, whenever they deem it necessary for the good of the service, post their duly authorized inspectors at the gates of amusement places for the purpose of verifying all tickets sold thereat.

Said duly authorized inspectors shall have access to all admission tickets being sold to the public from opening time of the amusement place up to closing time.

**Section 21.09. Procedure in Exemption from Amusement Tax.**

- (a) **Prior Notice.** – The sponsoring person or entity should give prior notice to the Provincial Governor and the Provincial Treasurer of the intention to hold the desired benefit film exhibition or any performance where admission therein requires the payment of the corresponding tax on paid admissions. The notice should indicate the name of the film to be shown or the performance to be held, the inclusive dates of the film benefit or performance, and the name of the theater or place of performance. Sample tickets to be used for the film exhibition or performance should be transmitted together with said notice.
- (b) **Printing of Tickets.** – The sponsoring person or entity should print its own admission tickets serially numbered for the film exhibition or performance indicating the admission prices; the name of the theater and/or place where the film exhibition or performance is to be held; the title of the film or show; the inclusive dates of the exhibition or performance, and the words “*tax free*” printed thereon.
- (c) **Withholding and Remittance.** – If the benefit is a film exhibition, the sponsoring person or entity shall in no case, use the theater’s own tickets. If, however, the aforesaid theater tickets are used, and the tax indicated thereon are paid by the movie patrons, then the owners or operators of the theaters concerned shall withhold the tax as prescribed in this Code, and remit the amount to the Provincial Treasurer, and not to the sponsoring agency, otherwise the theater owner or operator shall be held liable for the amount of taxes collected during the period of exemption.
- (d) **Registration of Tickets and Invoice.** – All printed tickets together with the corresponding receipt or sales/commercial invoice issued by the printer of the tax-exempt sponsoring entity should be presented for registration/recording to the Provincial Treasurer before the start of the activity or benefit and in no case shall unregistered tickets be offered for sale. The sponsoring entity should also submit to the Provincial Treasurer a copy of the original of its contract and/or agreement with the owner or operator of the theater or amusement place, as the case may be.
- (e) **Report.** – The sponsor of the benefit film or exhibition or performance shall file with Provincial Treasurer, copy furnished the BIR, within ten (10) days from the last exhibition or performance, a report in triplicate on the following;
  - 1. The number of tickets sold, classified according to the prices thereof; and
  - 2. The gross receipts or income derived from the exhibition or performance; the expenses incurred in connection therewith, and the resulting net income duly certified jointly by responsible officials of the sponsoring person or entity, and the owner or operator of the amusement place.
- (f) **Disposition of the Unsold Tickets.** – The unsold tickets together with inventory duly signed by the official of the sponsoring person or entity shall be surrendered to the Provincial Treasurer. The unsold tickets shall be destroyed by burning in the presence of a representative of the Provincial Treasurer.
- (g) **Duration of Exemption.** – In case of benefit film exhibitions, the number of days of exemption shall be decided upon by the Provincial Governor, upon the recommendation of the Provincial Treasurer.

**ARTICLE J**

**ANNUAL FIXED TAX FOR EVERY DELIVERY TRUCK OR VAN OF MANUFACTURERS OR PRODUCERS, WHOLESALERS OF, DEALERS OR RETAILERS IN, CERTAIN PRODUCTS/SERVICES**

**Section 2J.01. Imposition of Tax.** – There is hereby levied an annual fixed tax on all Delivery/Hauling trucks or Vans of Manufacturers or Producers, Wholesalers of, Dealers, or Retailers In, Certain Products/Services with the corresponding rates as follows:

Classification	Annual Fixed Tax
Multicab or other similar types of vehicles engaged in the delivery of Sand and Gravel or other commodities within the commerce of man.	P550.00
Closed Van/Panel and vehicles involved in the delivery of other commodities within the commerce of man.	P600.00
Mini Dump Truck or other similar types of vehicles with a capacity of 3 cubic meters but not to exceed 5 cubic meters, engaged in the delivery of Sand and Gravel or other commodities within the commerce of man.	P700.00
Dump Truck or other similar types of vehicles with a capacity of more than 5 cubic meters but not to exceed 10 cubic meters, engaged in the delivery of Sand and Gravel or other commodities within the commerce of man.	P900.00
Dump Truck or other similar types of vehicles with a capacity of more than 10 cubic meters but not to exceed 15 cubic meters, engaged in the delivery of Sand and Gravel or other commodities within the commerce of man.	P1,200.00
Dump Truck or other similar types of vehicles with a capacity of more than 15 cubic meters engaged in the delivery of Sand and Gravel or other commodities within the commerce of man.	P1,500.00
All other vehicles not mentioned above engaged in the delivery of goods/services.	P1,500.00

Those delivering any goods / services under the commerce of man including those rented or not rented by any private individual / organization and government organizations, to deliver goods / services in behalf of them, whether directly or indirectly, within the Province of Leyte.

- (a) Distilled spirits, fermented liquors, soft drinks, cigars, and cigarettes;
- (b) Ordinary earth and other inset filling materials, guano, gemstones, sand, gravel, boulders, pebbles, and other loose or unconsolidated materials and minerals extracted from beds of seas, lakes, rivers, streams, creeks, and other public water, and from public or private land, and products made either wholly or partially there from;
- (c) Abaca, rice, corn, sugar, copra, sugarcane, coffee, vegetables, and other farm or agricultural products, whether in their natural, semi-processed or processed forms and other materials or products used in agriculture;
- (d) Fish, prawns, crabs, or any other crustaceans, shells, mollusks, and other marine or aquatic products, whether cultured or gathered from their natural

habitat, in their natural, semi-processed or processed forms, and other materials or products used in the industry;

- (e) Logs, wood, lumber, and other forestry products, whether in their natural, sized or cut, semi-processed or processed forms;
- (f) Hardware, electrical and telecommunication materials, and such other materials used in building or construction projects, installations of electrical and telecommunication devices and the like;
- (g) Livestock, beef, pork, poultry, eggs of fowls, and other products or materials used in the industry; and
- (h) Essential commodities and any other kind of products within the commerce of man.

**Section 2J.02. Surcharge & Interest on Unpaid Tax** - In addition to the surcharge for late payment which is twenty-five percent (25%) of the tax due, there shall be imposed upon the unpaid amount an interest of two percent (2%) per month from the due date until the tax is fully paid but in no case shall the total amount on the unpaid amount or portion thereof exceed thirty - six (36) months or seventy-two percent (72%).

**Section 2J.03. Time and Place of Payment.** - The tax must be paid on or before the twentieth (20<sup>th</sup>) day of January of the following year, otherwise, it shall be subject to a surcharge and interest imposed on this Ordinance, payable to the Provincial/Municipal Treasurer.

**Section 2J.04. Collection Incentives.** – The proceeds of the annual fixed tax on delivery trucks and vans shall be distributed as follows:

a. Province	Seventy percent (70%); and
b. Municipality	Thirty percent (30%).

Provided, that the collection is made by the Municipal Treasurer or his duly authorized representative.

**Section 2J.06. Penalty for Failure or Refusal to Pay the Tax.** – Failure or refusal to pay the herein imposed tax shall be considered as a basis for the Provincial / Municipal Treasurer, through his duly authorized representatives to seize, apprehend, take into custody and or impound the subject vehicle in the local government unit under the custody of the Office of the Municipal Mayor where the apprehension is made.

**CHAPTER III**

**ARTICLE A**

**STICKER FEE**

**Section 3A.01. Imposition of Fees.** –The Provincial Treasurer shall collect a sticker fee of One Hundred Pesos (Php100.00) per annum in addition to the annual fixed tax imposed by the Province for every delivery truck, van, or any other vehicle used by manufacturers, producers, wholesalers, dealers, or retailers, contractors or sub-contractors and by individual/company delivering all kinds of goods/services under the commerce of man regardless if they are just being rented or not, assigned to deliver such goods or services.

**ARTICLE B**

**SECRETARY’S FEE**

**Section 3B.01. Imposition of Secretary’s Fees.** – There is hereby imposed secretary’s fees for the issuance of copies of official records and documents as follows:

<b>Documents / Services</b>	<b>Rate (Php)</b>
a) <b>Property Certification &amp; Verification</b>	<b>300.00</b>
b) <b>Certified Xerox Copy (CXC) / per page</b>	<b>80.00</b>
c) <b>History Tracing</b>	<b>340.00</b>
d) <b>Annotations / Cancellations</b>	<b>70.00</b>
e) <b>Sand &amp; Gravel Clearance</b>	<b>300.00</b>
f) <b>Tax Clearance</b>	<b>100.00</b>
g) <b>Transfer Tax Certificate</b>	<b>100.00</b>
h) <b>Tax Computation Fee</b>	<b>50.00</b>
i) <b>Certificate of Redemption</b>	<b>100.00</b>
j) <b>Certificate of Sale</b>	<b>100.00</b>
k) <b>Final Deed of Sale to Purchaser</b>	<b>100.00</b>
l) <b>INSERT SP FEES &amp; CHARGES</b>	
m) <b>INSERT SP FEES &amp; CHARGES</b>	
n) <b>INSERT SP FEES &amp; CHARGES</b>	

**Section 3B.02 Time and Manner of Payment.** – The fees shall be paid to the Provincial Treasurer at the time of the request, written, or otherwise, for the issuance of a copy of any document is made.

**ARTICLE C**

**CHAPTER IV – RENTALS**

**INSERT PROPERTIES OWNED BY THE PROVINCE & ITS PROPOSED FEES & CHARGES  
C/O PGSO**

**INSERT FACILITIES OWNED BY THE PROVINCE & ITS PROPOSED FEES & CHARGES  
C/O PGSO &/ LSA**

**CHAPTER V- PROVINCIAL CHARGES**

**ARTICLE A**

**RENTALS OF EQUIPMENT**

**Section 5A.01. Imposition of Rental.** – There is hereby imposed a regulatory fee in the form of rental for the use of infrastructure equipment owned by the Province at the following rate: viz,

**INSERT RATES OF RENTALS OF EQUIPMENTS OWNED BY THE PROVINCE & PROPOSED FEES & CHARGES  
C/O PEO**

**ARTICLE B**

**PROVINCIAL VETERINARY SERVICES**

**Section 5B.01. Imposition of Fees.** – There is hereby imposed the following fees for the issuance of veterinary health certificate and inspection:

- |   |   |
|---|---|
| a) Provincial Veterinary Quarantine<br>Inspection Clearance | - 5.00 / Head of livestock<br>- 200.00 / truckload of poultry |
| b) Veterinary Health Certificate                            | - 150.00  |

**Section 5B.02 Veterinary Health Certificate** – No person shall be allowed to transport animals, animal products, and by-products within the territorial jurisdiction of the Province, without a veterinary health certificate issued by the Provincial Veterinarian or his duly authorized representative.

**ARTICLE C**

**OFFICE OF THE PROVINCIAL AGRICULTURIST SERVICES**

**Section 5C.01. Imposition of Fees.** – There is hereby imposed the following fees for the issuance of provincial agriculture certificate:

- |   |          |
|---|----------|
| a) Provincial Agriculture Certification | - 914.69 |
|---|----------|

**Section 5C.02 Time and Manner of Payment.** – The fee shall be paid to the Provincial Treasurer at the time of the issuance of a copy of the certification made.

**ARTICLE D**

**HOSPITAL FEES**

**INSERT EXISTING HOSPITAL FEES & CHARGES ON ITS SERVICES**

**CHAPTER VI - MISCELLANEOUS PROVISIONS**

## ARTICLE A

### NECESSITY OF PERMIT AND/OR LICENSE

**Section 6A.01. *Necessity of Permit and/or License.***– It shall be unlawful for any person to engage in any business, trade or profession in the Province, for which taxes, fees or charges are authorized to be levied and collected under this Code, without first paying and/or obtaining the required permit and/or license.

**Section 6A.02. *Invalid Payments.***– Any tax, fee or charge paid in any locality outside the Province for any business, trade or profession, which is required to be paid in the Province under the provisions of this Code, shall be invalid.

**Section 6A.03. *Separate Permit and/or License for Different Business, Trade or Profession.***– If a person desires to engage in more than one (1) kind of business, trade or profession, he shall pay the tax, fee or charge imposed on each separate or different kind of business, trade, or profession, notwithstanding the fact that he may conduct or operate all such businesses, trade, or profession in one establishment only.

**Section 6A.04. *Registration of Name or Style With the Provincial Treasurer.***– Every person shall, in addition to the payment of the required tax, fee, or charge, register with the Provincial Treasurer, before the commencement of business, trade or the conduct of profession, or the renewal of any permit and/or license. The registration shall contain his name or style, place of residence, business, the place where such business is carried on, and such other information as may be required by the Province in the form prescribed therefor. In case of a juridical entity, the name and residences of the various persons constituting the same shall also be registered. The Provincial Treasurer, after taking into consideration the volume of sales, financial condition and other relevant factors, may require the registrant to guarantee the payment of taxes, fees or charges by way of advance payment, or the posting or filing of a security, guarantee or collateral acceptable to the Provincial Treasurer.

**Section 6A.05. *When Ownership of Business is transferred.*** – When the ownership of a business already existing and operating under permit changes in form, as from single proprietorship to partnership or corporation, or whenever the business is carried under a new name and style, or the business is transferred to a different owner, but is continued or carried on its entirety, or in part, as the original or the same business establishment, the same shall not be considered as a new business for purposes of enabling the owner or operator thereof to pay a lower rate of tax, fee or charge, but shall be deemed as a continuation of, and subject to the rates of taxes, fees or charges applicable to, the original or existing business.

**Section 6A.06. *Removal or Transfer of Business to Other Location.***– Any business, trade, or profession, for which taxes, fees or charges have been paid pursuant to the provisions of this Code, may be moved to and continued in another place within the Province, without payment of additional taxes during the term for which payment has already been made. *Provided*, however, that the taxpayer concerned shall first secure approval of the Provincial Governor, and notify the Provincial Treasurer, in writing of such approved removal or transfer at least forty-eight (48) hours before the transfer or removal. Proper notation of such transfer shall be made by the Provincial Treasurer or his deputy on the face of the official receipt, privilege tax receipt or other records involved.

**Section 6A.07. *Continuation of Business of Deceased Person.***– When any person paying a business tax dies and the same business is continued by the person interested in his estate, no additional payment shall be required for the residue of the term for which the tax was paid. *Provided*, however, that the person interested in the estate should within thirty (30) days

from the death of the decedent submit to the Provincial Treasurer inventories of goods or stocks at the time of such death.

The requirement under this section shall also be applicable in the case of transfer of ownership or change of name of a business establishment.

**Section 6A.08. Duration of Permits.** – Permits shall be granted annually and shall expire on the thirty first (31<sup>st</sup>) day of December of the year of issuance thereof.

**Section 6A.09. Revocation of Permit.**– (a) Notwithstanding kindred provisions applicable to specific chapters, the Provincial Governor shall have the power to revoke a permit for:

- (a) Violation of law; and
- (b) Upon recommendation of the Provincial Treasurer,
  - (1) For persistent or habitual delinquency in the payment of taxes, fees or charges; or
  - (2) For fraudulent business practices which may result in revenue loss to the Province.

The revocation of a permit and/or the issuance of an order closing the business by the Provincial Governor automatically cancels the license and/or permit of the business involved, and under this circumstance, the taxpayer shall not be entitled to any tax, fee or charge refund for the unexpired portion of the year or quarter for which payment had been made in full.

**Section 6A.10. Renewal of Permits.** – Every permit shall be renewed within the first twenty (20) days of January following its expiration.

## ARTICLE B

### PROCEDURE FOR THE ISSUANCE OF PERMITS/LICENSES AND CLOSURE OF BUSINESS

**Section 6B.01. Requirements.** –All applicants for permits and/or licenses, or renewals of the same, shall comply with all the following requirements:

- (a) **Provincial Assessor’s office** –
  - (1) Sworn Statement of Property(s)
  - (2) Certificate of real property ownership;
- (b) **Provincial Treasurer’s office,**
  - (1) real property tax clearance;
  - (2) computation of payments;
  - (3) recording of the permittee’s business and the complete address and location sketch, where necessary;
  - (4) signature of the provincial treasurer; and
  - (5) issuance of official receipt after payment.
- (c) **Permit Unit** – Provincial Governor’s office,
  - (1) issuance of payment number; and
  - (2) signature of the Provincial Governor, and release of the permit.

**Section 6B.02. Action on Application for Permit.** – Notwithstanding kindred provisions applicable to specific chapters, upon compliance with all the requirements, the application for new license and/or permit or renewal thereof shall be acted upon within seventy two (72) hours from the time the same is actually submitted, either favorably or unfavorably. If the action is unfavorable, written reasons shall be submitted to the applicant within the said period of time, in order that he can comply with the requirements or cure the defect. In the event that no action is taken thereon within the said period; it is deemed that such application has been favorably acted upon and the actual issuance of the license and/or permit, or renewal thereof shall be ministerial.

**Section 6B.03. Grounds for Denial of Permit.** – Notwithstanding kindred provisions applicable to specific chapters, the following shall be considered as grounds for denial and/or revocation of permit and/or license or renewal thereof:

- (a) Violation of law;
- (b) When the owner/operator of the business abuses the privilege to the injury of the public moral and peace;
- (c) Upon recommendation of the Provincial Treasurer,
  - (1) For persistent or habitual delinquency in the payment of taxes, fees or charges;
  - (2) For fraudulent business practice which may result in revenue loss to the Province;
- (d) When the business is conducted in a disorderly manner;
- (e) When the business is used for illegal activities;
- (f) When the business is conducted in a way contrary to the character of the business applied for;
- (g) When the business is permitted to be used as a resort for disorderly characters, criminals or women of ill-repute;
- (h) Willful neglect of the owner/operator to comply with any of the requirements set forth for such business; and
- (i) Violation of any other ordinance in connection with, or related to such business.

**Section 6B.04. Written Notice Before Actual Closure.** – In case of revocation of permits and/or licenses and/or closure of business, the owner/operator of such business shall be given written notice of revocation and/or closure at least ten (10) days before the date of actual revocation and/or closure, except when the business involves illegal activities under the Revised Penal Code or other penal laws or fraud, in which case the provision of this section shall not apply.

**Section 6B.05. Notice of Revocation.** – Any notice of revocation and/or closure under Section 191 made without complying with the ten (10) days notice provided shall be null and void.

The notice of revocation and/or closure shall state all violations of laws, ordinances or conditions of the permit and/or license, including the date of the violation by the owner/operator of the business concerned.

Within the ten (10) days period, the owner/operator of the business shall be given a grace period to comply with all the requirements and/or deficiencies which are the grounds for such

revocation and/or closure, except on ground of fraud or habitual delinquency in the payment of taxes, fees or charges. In case the owner/operator of the business complies with all requirements and deficiencies within the prescribed period hereof, then the notice or revocation and/or closure shall be nullified and shall automatically become inoperative. Failure on his part to comply with all the requirements and/or deficiencies within the grace period herein provided, the owner shall be required to submit his written explanation within seventy-two (72) hours. After an answer has been filed, the Provincial Governor shall indorse the letter to the Provincial Legal Officer and Provincial Treasurer for proper hearing and investigation, in which case, the aggrieved party shall be allowed to present witnesses and evidence, and cross-examine the witnesses against him. After the hearing is conducted, the Provincial Legal Officer and the Provincial Treasurer shall submit their verified written recommendation to the Provincial Governor within a period of forty-eight (48) hours from the time the hearing is concluded. The Provincial Governor shall then proceed with the matter in accordance with the recommendation of the Provincial Legal Officer and the Provincial Treasurer. The business shall remain open while the hearing is being conducted until final action is made by the Provincial Governor. *Provided*, however, that the recommendations of the Provincial Legal Officer and the Provincial Treasurer shall be limited to the violations and/or deficiencies included in the notice of revocation and/or closure.

## ARTICLE C

### COLLECTION OF TAXES

**Section 6C.01. *Collection of Local Revenue by Provincial Treasurer.***— All local taxes, fees or charges shall be collected by the Provincial Treasurer or his duly authorized deputies. The Provincial Treasurer, may designate the Municipal Treasurer and/or the Barangay Treasurer, as the case may be, to act as his deputy to collect local taxes, fees or charges. In case a bond is required for the purpose, the Province shall pay the premium thereon, in addition to the premiums of bond that may be required under RA 7160.

**Section 6C.02. *Tax Period and Manner of Payment.*** — The tax period of all local taxes, fees and charges imposed under this Code, shall be the calendar year; such taxes, fees and charges may be paid in quarterly installments.

**Section 6C.03. *Accrual of Tax.***— All taxes, fees or charges shall accrue on the first (1<sup>st</sup>) day of January of each year. However, new taxes, fees or charges imposed under this Code, in the rates thereof, shall accrue on the first (1<sup>st</sup>) day of the quarter next the following the effectivity of the ordinance imposing such new levies or rates.

**Section 6C.04. *Time of Payment.***— Notwithstanding kindred provisions applicable to specific chapters, taxes, fees or charges imposed under this Code, shall be paid within the first twenty (20) days of January of each subsequent quarter, as the case may be. The Sangguniang Panlalawigan may, for justifiable reason or cause, extend the time for payment of taxes, fees or charges without surcharge or penalties, but only for a period not exceeding six (6) months.

**Section 6C.05. *Payment on Combined or Related Businesses.*** —

- (a) The taxes imposed under Chapters III to VIII, shall be payable for every separate or distinct establishment or place where business subject to the tax is conducted, and one line of business, does not become exempt by being conducted with some other business for which such tax has been paid. The tax on business must be paid by the person conducting the same.
- (b) In cases where a person conducts or separates two (2) or more businesses mentioned in this section, which are subject to the same rate of tax, the tax shall be computed on the combined total gross sales or receipts of the two (2) or more related businesses.

- (c) In cases where a person conducts or operates (2) or more businesses mentioned in this section, which are subject to different rates of tax, the gross sales or receipts of each business shall be separately reported for the purpose of computing the tax due from each business.

**Section 6C.06. Surcharges and Penalties on Unpaid Taxes, Fees or Charges.**– There is hereby imposed a surcharge not exceeding twenty five percent (25%) of the amount of taxes, fees or charges not paid on time, and an interest at the rate not exceeding two percent (2%) per month of the unpaid taxes, fees or charges, until such amount is fully paid, but in no case, shall the total interest on the unpaid amount or portion thereof exceed thirty six (36) months.

**Section 6C.07. Interest on Other Unpaid Revenues.**– Where the amount of any other revenue due the Province, except voluntary contribution or donation, is not paid on the date fixed in this Code, or in the contract, expressed or implied, or upon the occurrence of the event which has given rise to its collection, there shall be collected as part of that amount, an interest at the rate not exceeding two percent (2%) per month from the date it is due, until it is paid, but in no case shall the total interest on the unpaid amount or a portion thereof exceed thirty six (36) months.

## ARTICLE D

### MISCELLANEOUS PROVISIONS

**Section 6D.01. Power to Levy Other Taxes, Fees or Charges.** - The Province may exercise the power to levy taxes, fees or charges on any base or subject not otherwise specifically enumerated herein or taxed under the provisions of the National Internal Revenue Code, as amended, or other applicable laws: Provided, that the taxes, fees or charges shall not be unjust, excessive, oppressive, confiscatory or contradictory to declared national policy. Provided, further that the ordinance levying such taxes, fees or charges shall not be enacted without any prior public hearing conducted for the purpose.

**Section 6D.02. Publication of the Revenue Code.** - Within ten (10) days after its approval, a certified copy of this Ordinance shall be published in full for three (3) consecutive days in a newspaper of local circulation. Provided, however, that in cases where there are no newspapers of local circulation, the same may be posted in at least two (2) conspicuous and publicly accessible places.

**Section 6D.03. Public Dissemination of This Code.** Copies of this Revenue Code shall be furnished to the Provincial Treasurer for public dissemination.

**Section 6D.04. Authority to Adjust Rates.** The Sanguniang Panlalawigan shall have the sole authority to adjust tax rates as prescribed herein not oftener than once every five (5) years, but in no case shall such adjustment exceed ten percent (10%) of the rates fixed under this Code.

**Section 6D.05. Withdrawal of Tax Exemption Privileges.** Unless otherwise provided in this Revenue Code, tax exemptions or incentives granted to, or presently enjoyed by all persons, whether natural or juridical, including Government-Owned or Controlled Corporations, except local water districts, cooperatives duly registered under RA 6938, non-stock and non-profit hospitals and educational institutions, business enterprises certified by the Board of Investments (BOI) as pioneer or non-pioneer for a period of six (6) and four (4) years, respectively, from the date of registration, business entity, association, or cooperatives registered under RA 6810, and printer and/or publisher of books or other reading materials prescribed by DepEd as school texts or references, insofar as receipts from the printing and/or publishing thereof are concerned, are hereby withdrawn.

## ARTICLE E

## SITUS OF THE TAX

**Section 6E.01. Definitions of Terms.** – The definition of the different terms in relation to the situs of the tax contained in Article 243 (a) to (5) of the IRR of RA 7160 are hereby adopted.

**Section 6E.02. Sales Allocations.** – For purposes of determining the tax payable to the Province, where business sales or receipts allocation is necessary; the provisions of Article 242 (b) (1) to (7) and Article 243 (c) of the IRR of RA 7160 shall apply.

## ARTICLE F

### INCENTIVES

**Section 6F.01. Authority to Grant Tax Exemption, Privileges, or Incentives.** –

- (a) While the Province may grant tax exemption, tax incentives or tax relief, such grant shall not apply to regulatory fees which are levied under the police power of the Province. Tax exemptions shall be conferred through the issuance by the Provincial Treasurer of a tax exemption certificate based on ordinance which shall be non-transferable.
- (b) The ordinance granting tax exemptions, tax incentives or tax relief shall be guided by the following:
  - (1) On the grant of tax exemptions or tax relief:
    - (i) Tax exemption or relief may be granted in case of natural calamities, civil disturbance, general failure of crops, or adverse economic conditions, such as substantial decrease in the prices of agricultural or agricultural-based products;
    - (ii) The grant of tax exemption or relief shall be through an ordinance;
    - (iii) Any tax exemption or relief granted to a type or kind of business shall apply to all businesses similarly situated; and
    - (iv) Any tax exemption or relief granted shall take effect only during the next calendar year for a period not exceeding twelve (12) months, as may be provided in the ordinance. In the case of shared revenues, the tax exemption or relief, shall only extend to the share of the Province.
  - (2) On the grant of tax incentives:
    - (i) Incentives shall be granted only to new investments in the Province, and the ordinance shall prescribe the terms and conditions therefor;
    - (ii) Grant of tax incentives shall be for a definite period not exceeding one (1) calendar year;
    - (iii) The grant of tax incentives shall be by ordinance, passed prior to the first (1<sup>st</sup>) day of January of any year; and
    - (iv) Tax incentive granted to a type or kind of business, shall apply to all businesses similarly situated.

**Section 6F.02. *Withdrawal of Tax Exemption, Privileges or Incentives.***– Unless otherwise provided in this Code, beginning January 1, 1992, all local tax exemptions, privileges or incentives granted to, and presently enjoyed by, any person, whether natural or juridical, including government-owned or controlled corporations, are considered withdrawn, except the following:

- (a) Local water district;
- (b) Cooperatives duly registered under RA 6938;
- (c) Non-stock and non-profit hospitals and educational institutions;
- (d) Business enterprises certified by the BOI as pioneer or non-pioneer, for a period of six (6) years and four (4) years, respectively, from the date of registration;
- (e) Business entity, association, or cooperative registered under RA 6810; and
- (f) Printer and/or publisher of books or other reading materials prescribed by the DepEd, as school texts or references, in so far as receipts from the printing and/or publishing thereof are concerned.

Unless otherwise repealed by law, business and economic enterprises operating within Special Economic Zones administered by the Philippine Economic Zone Authority, shall continue to enjoy the tax exemption, privileges and tax incentives granted.

## ARTICLE G

### RETIREMENT OF BUSINESS

**Section 6G.01. *Submission of Sworn Statement.*** – Any person, natural or juridical, with business subject to the tax on businesses under this Code shall, upon termination of the business, submit a sworn statement of the gross sales or receipts for the calendar year.

For purposes hereof, termination shall mean that business operations are stopped completely. Any change in ownership management and/or name of the business shall not constitute termination as contemplated under this section. Unless stated otherwise, assumption of the business by new owner or manager, or registration of the same business under new name will only be considered by the Province for record purposes.

**Section 6G.02. *Business Retirement Procedures.*** – The Provincial Treasurer shall ensure that the payment taxes of business are not avoided by simulating the termination or retirement thereof. For this purpose, the following procedural guidelines shall be strictly observed:

- (a) The Provincial Treasurer shall assign every application for the termination or retirement of business to an inspector in his office, who shall go to the address of the business on record to verify if it is no longer operating. If the inspection finds that the business is simply placed under a new owner, the Provincial Treasurer shall recommend the disapproval of the application for the termination or retirement of said business. Accordingly, the business continues to become liable for the payment of all the taxes, fees or charges imposed under this Code;
- (b) In the case of a new owner to whom the business was transferred by sale or other forms of conveyance, said owner shall be liable to pay the tax or fee or charge for the transfer of the business pursuant to the provisions of this Code on transfer tax;

- (c) If it is found that the termination or retirement of the business is legitimate, and the tax due shall be less than the tax due for the current year based on the gross sales or receipts, the difference in the amount of the tax, shall be paid before the business is considered officially terminated or retired; and
- (d) The permit issued to a business terminating or retiring its operations, shall be surrendered to the Provincial Treasurer, who shall cancel the same, and record such cancellation in his books. The Provincial Governor shall be informed accordingly.

**Section 6G.03. Final Tax Determination.** –In determining the final tax to be paid by terminating or retiring business, the Provincial Treasurer may resort to the examination of its books of accounts and other related records.

## ARTICLE H

### PRINTING AND ISSUANCE OF RECEIPTS OR SALES/COMMERCIAL INVOICES

**Section 6H.01. Printing of Receipts or Sales of Commercial Invoices.** – All persons who print receipts or sales/commercial invoices shall, for every job order, secure from the BIR an authority to print the same. A copy of the authority shall be furnished the Provincial Treasurer.

No authority to print receipts or sales/commercial invoices shall be granted unless they are serially numbered and shall show, among others, the name, business style, taxpayer identification number and business address of the person or entity to use the same.

Owners and/or operators of amusement places shall secure also from the Provincial Treasurer authority to print tickets, and must register the same with the latter, prior to the use or issuance thereof.

Within twenty (20) days from the end of every calendar quarter, the printer shall submit to the Provincial Treasurer, a report containing the following information:

- (a) names, address, taxpayer identification number of the persons or entity for whom the amusement ticket is printed during the preceding quarter; and
- (b) quantity of tickets printed and serial numbers of the tickets in each roll.

**Section 6H.02. Issuance of Receipts.**– All persons subject to tax under this Code, shall for transactions or for services rendered valued at Twenty-Five Pesos (Php25.00) or more, issue receipts or sales/commercial invoices, prepared at least in duplicate, showing the date of transaction, quantity, cost and description/nature of service description. *Provided*, that in the case of sales, or transfers in the amount of One Hundred Pesos (Php100.00) or more, or regardless of amount where the sale or transfer is made by persons subject to fixed or percentage tax under this Code, or where the receipt is issued to cover payment for rentals, commission, compensation or fees, receipts or sale/commercial invoices, shall be issued indicating the name, business style, if any, and address of the purchaser, customer or client. The original of each receipt or sale/commercial invoice shall be issued to the purchaser, customer or client at the time the transaction is effected, while the duplicate shall be kept and preserved by the issuer in his place of business for a period of three (3) years from the close of the taxable year in which such receipt or sale/commercial invoice was issued.

**Section 6H.03. *Specific Violations.***– In addition to failure or refusal to pay or remit the taxes, fees or charges imposed in this Code, the following acts or omissions shall constitute grounds for application of penalties provided for in this Code, *to wit*:

- (a) Non-issuance, or for failure to issue BIR registered receipts or sale/commercial invoices;
- (b) Issuing only delivery receipts, order slips, and the like, other than the BIR registered receipts or sales/commercial invoices for transactions or services rendered;
- (c) Misdeclaration or undervaluation of services rendered. There is misdeclaration when the goods or services rendered as reflected in the duplicate, or stub copy of such receipt, or sales/commercial invoice is different from that of the original. There is undervaluation where the amount in such duplicate or stub copy is less than the amount in the original invoice;
- (d) Erasure and deliberate change in the amount reflected in such duplicate or stub;
- (e) Issuance of unregistered movie house ticket;
- (f) Issuance of recycled movie house ticket; and
- (g) Other practices through which the taxpayer may evade payment of the correct amount of tax due as determined by the Provincial Treasurer.

## ARTICLE I

### INSPECTION OF BUSINESS ESTABLISHMENT AND EXAMINATION OF BOOKS OF ACCOUNT

**Section 6I.01. *Inspection for Tax Compliance.***–The Provincial Treasurer shall assign deputies to inspect business establishments or conduct surveillance activity to determine tax compliance with this Code.

**Section 6I.02. *Checking of Admission Tickets.***–It shall be unlawful for any owner or operator of cockpit, movie house, theatre, gymnasium or by the sponsor or promoter of any boxing exhibition or athletic game held for profit, amusement or fund raising purposes, by themselves or through their agents, sub-agents, to sell to the public unregistered ticket, or tickets which are registered but have already been previously sold to the public.

The Provincial Treasurer shall assign in every cockpit, movie house, theatre, gymnasium or any place of amusement selling tickets to the public, ticket checkers, who shall ensure that no unregistered tickets shall be sold, and that registered tickets sold to the public shall be broken in halves; one-half (1/2) to be deposited with the checkers of the Province in a box provided for such purpose, and the other half to be deposited in the box owned by the amusement place owner or operator.

It shall be the duty of the owner or operator of any place of amusement to provide the checkers of the Province, a strategic place where they can perform their assigned duties more effectively. *Provided*, however, that the owner or operator of any place of amusement, shall make accessible their places of business to deputies of the Provincial Treasurer authorized to check tickets or to supervise Province checkers.

**Section 6I.03. *Requirement to Keep Book of Accounts.***

- (a) All persons or entities required by this Code to pay taxes, fees or charges shall keep a journal and a ledger or their equivalents. *Provided*, however, that those whose quarterly sales, earnings, receipts, or output do not exceed Five Thousand Pesos (Php5,000.00), shall keep and use a simplified set of bookkeeping records duly authorized by the DOF Secretary, herein all transactions on sales and purchases are shown, and from which all taxes due the government may readily and accurately be ascertained and determined any time of the year. *Provided further*, that in the case of persons or entities whose gross quarterly sales, earnings, receipts or output exceed Twenty-Five Thousand Pesos (Php25,000.00), shall have their books of accounts audited and examined yearly by independent Certified Public Accountants, and their sworn statement of sales, earnings, receipts output are accompanied by certified statements, schedules, listings of income-producing properties, the corresponding income there from, and other relevant statements.
- (b) **Penal Provision.** – Any Certified Public Accountant employed to examine and audit books of account of taxpayers under sub-section (a) hereof, or any person under his direction, who willfully falsifies statements bearing on any examination or audit, or renders a report, including exhibits, statements, schedules or other forms of accountancy work, which has not been verified by him personally or under his supervision, or by a member of his firm, or by a member of his staff, in accordance with sound auditing practices, or certifies statements of a business enterprise containing an essential misstatement of fact or omission, in respect of the transactions of his client, or who not being an independent Certified Public Accountant, examines and audits books of taxpayers, or any person who offers any taxpayer to use wrong accounting or book keeping records shall be punished by a fine of not exceeding Five Thousand Pesos (Php5,000.00), or imprisonment of not more than six (6) months, or both. If the offender is a Certified Public Accountant, upon conviction, his certificate as a Certified Public Accountant shall be recommended for revocation or cancellation. In the case of foreigners, conviction under this Code shall constitute a ground for recommending deportation.

**Section 6I.04. *Subsidiary Books.*** –All persons or entities keeping the books of accounts mentioned in the preceding section may, at their option, keep subsidiary books as the needs of their business may require. *Provided*, that were such subsidiary books are kept, they shall form part of the accounting system of the taxpayer, and shall be subject to the same rules and regulations as to their keeping, translation, production and inspection, as are applicable to the journal and the ledger.

**Section 6I.05. *Sales and Purchases Book.*** –Among the subsidiary records that a person or entity shall keep are the sales book, which shall contain records of sales and receipts during the year, and a purchase book which shall contain records of all purchases of stock in trade during the year.

Entries in the purchase book shall be supported by receipts or sales/commercial invoice or advice issued by the supplier.

**Section 6I.06. *List of Suppliers, Their Address, and Sales Made in the Province.*** –It shall be the duty of any business establishment, through its owner, operator, manager or president, to submit inventory of stock in trade, and a list of its suppliers to the Provincial Treasurer, and if required by the latter, during the renewal of permit and/or license in January. *Provided*, however, that the list of suppliers shall include their complete addresses and amount of sales made to the particular business establishment.

Failure to furnish the Provincial Treasurer with the above-mentioned list or information, or inventory of stock in trade shall be punished by a fine not exceeding Five Thousand Pesos (Php5,000.00), or imprisonment of not more than six (6) months, or both.

**Section 6I.07. Language in Which Books are to be Kept.** – All such persons or entities shall keep the books or records mentioned in Section 6I.03, Section 6I.04, and Section 6I.05 hereof in Filipino or English.

**Section 6I.08. Preservation of Books of Accounts and Other Accounting Records.**– Notwithstanding kindred provisions applicable to specific chapters, all books, including the subsidiary books and other accounting records of persons or entities, shall be preserved by them for a period beginning from the last entry in each book, until the last day prescribed within which the Provincial Treasurer is authorized to make a tax assessment. The said books and records shall be subject to examination and inspection by the Provincial Treasurer. *Provided*, that for local taxation purposes, such examination and inspection shall be made only once in a taxable year or period, except in the following cases:

- (a) Fraud, irregularity or mistakes as determined by the Provincial Treasurer;
- (b) The taxpayer requests reinvestigation;
- (c) Verification of compliance with local tax laws and regulations;
- (d) Verification of tax liabilities; and
- (e) In the exercise of the Provincial Treasurer’s power under RA 7160 to obtain information from other persons, in which case, another separate examination and inspection may be made. Examination and inspection of books of accounts and other accounting records, shall be done in the taxpayer’s office or place of business, or in the office of the Provincial Treasurer. All persons or entities that retire from business, shall within ten (10) days from the date of retirement, or within such period of time as maybe allowed by the Provincial Treasurer in special cases, submit their books of account, including the subsidiary books and other accounting records to the Provincial Treasurer or any of his deputies, for examination, after which they shall be returned; persons or entities contemplating dissolution must notify the Provincial Treasurer, and shall not be dissolved until cleared of any tax liability.

The Provincial Legal Officer shall aid and assist the Provincial Treasurer in the institution of any legal representation or action to carry out the inspection or examination under this article.

**Section 6I.09. Support of Other National Government Agencies.** – National government agencies shall lend support to the Province’s tax collection efforts by requiring local tax clearance issued by the Provincial Treasurer before the issuance of documents, authority permit and/or license to operate business or in the exercise of profession.

## ARTICLE J

### CIVIL REMEDIES FOR COLLECTION OF REVENUE

**Section 6J.01. Provincial Government’s Lien.**– Local taxes, fees or charges, and other revenue constitute a lien, superior to all liens, charges or encumbrances in favor of any person, enforceable by appropriate administrative or judicial action, not only upon any property or rights therein, which may be subject to the lien, but also upon property used in business, trade or profession, with respect to which the lien is imposed. The lien may only be extinguished upon full payment of the delinquent taxes, fees or charges, including related penalties, interests and surcharges.

**Section 6J.02. Civil Remedies.**– The civil remedies for the collection of local taxes, fees or charges, and related surcharges and interest resulting from delinquency shall be:

- (a) By administrative action by way of distraint of goods, chattels, or effects, and other personal property of whatever character, including stocks and other securities, debts, credits, bank accounts, and interest in and rights to personal property, and by levy upon real property and interest in or rights to real property; and
- (b) By judicial action.

Either of these remedies, or all may be pursued concurrently or simultaneously.

**Section 6J.03. *Distraint of Personal Property.*** – The remedy by distraint shall proceed as follows:

- (a) **Seizure.**– Upon failure of the person owing any local tax, fee or charge to pay the same at the time required, the Provincial Treasurer or his deputy may, upon written notice, seize or confiscate any personal property belonging to that person or any personal property subject to the lien, in sufficient quantity to satisfy the tax, fee or charge in question, together with any increment thereto incident to delinquency and the expenses of seizure. In such case, the Provincial Treasurer or his deputy, shall issue a duly authenticated certificate based on the records of his office, showing the fact of delinquency and the amount of the tax, fee or charge, including related surcharge and interest due. Such certificate shall serve as sufficient warrant for the distraint of personal property, subject to the taxpayer's right to claim exemptions under the provisions of this Code and other existing laws. Distrainted personal property shall be sold at public auction in the manner herein provided for.
- (b) **Accounting of Distraint of Goods.**– The officer executing the distraint shall make or cause to be made an account of the goods, chattels or effect distrained, a copy of which, signed by himself, shall be left either with the owner or person from whose possession the goods, chattels or effects are taken, or at the dwelling or place of business of such person, and with someone of suitable age and discretion, to which list shall be added a statement of the sum demanded and a note of the time and place of sale.
- (c) **Publication.** – The officer shall forthwith cause a notification to be exhibited in not less than three (3) public and conspicuous places in the Province, specifying the time and place of sale, and the articles distrained. The time of sale shall not be less than twenty (20) days after notice to the owner or possessor of the property as above specified, and the publication or posting of the notice shall be at the office of the Provincial Governor.
- (d) **Release of Distraint Property Upon Payment Prior to Sale.** – Distraint property shall be released, if at any time prior to the consummation of the sale, all the proper charges are paid to the officer conducting the sale.
- (e) **Procedure of Sale.** – At the time and place fixed in the notice, the officer conducting the sale, shall sell the goods or effects so distraint at public auction to the highest bidder for cash. Within five (5) days after the sale, the Provincial Treasurer shall make a report of the proceedings in writing to the Provincial Governor.

Should the property distrained be not disposed of within one hundred and twenty (120) days from the date of distraint, the same shall be considered as sold to the Province for the amount of the assessment made thereon by the committee on appraisal, and to the extent of the same amount, the tax delinquencies shall be cancelled.

Said committee on appraisal shall be composed of the Provincial Treasurer as chairman, with a representative of the Commission on Audit and Provincial Assessor, as members.

- (f) **Disposition of Proceeds.** – The proceeds of the sale shall be applied to satisfy the tax, including surcharge and interest, and other penalties incident to delinquency, and the expenses of the distraint and sale. The balance over and above what is required to pay the entire claim shall be returned to the owner of the property sold. The expenses chargeable upon the seizure and sale shall embrace only the actual expenses of seizure and preservation of the property pending the sale, and no charge shall be imposed for the services of the local officer or his deputy. Where the proceeds of the sale are insufficient to satisfy the claim, other property may, in like manner, be distrained until the full amount due, including all expenses, is collected.

**Section 6J.04. Levy on Real Property.** – After the expiration of the time required to pay the delinquent tax, fee or charge, real property may be levied on or before, simultaneously, or after the distraint of personal property belonging to the delinquent taxpayer. To this end, the Provincial Treasurer, shall prepare a duly authenticated certificate showing the name of the taxpayer and the amount of the tax, fee or charge. Said certificate shall operate with the force of all legal execution throughout the Republic of Philippines. Levy shall be effected by writing upon said certificate the description of the property upon which levy is made. At the same time, written notice of the levy shall be mailed to, or served upon, the Provincial Assessor and the Registry of Deeds, who shall annotate the levy on the tax declaration and certificate of title of the property, respectively, and the delinquent taxpayer, or if he be absent from the Philippines, to his agent or the manager of the business in respect to which the liability arose, or if there be none, to the occupant of the property in question.

In the case the levy on real property is not issued before or simultaneously with the warrant of distraint on personal property, and the personal property of the taxpayer is not sufficient to satisfy his delinquency, the Provincial Treasurer, shall within thirty (30) days after execution of the distraint, proceed with the levy on the taxpayer's real property.

A report on any levy shall, within ten (10) days after receipt of the warrant, be submitted by the levying officer to the Sangguniang Panlalawigan.

**Section 6J.05. Advertisement and Sale.** – Within thirty (30) days after levy, the Provincial Treasurer shall proceed to publicly advertise for sale or auction the property or usable portion thereof, as may be necessary to satisfy the claim and cost of sale, and such advertisement shall cover a period of at least thirty (30) days. It shall be effected by posting a notice at the main entrance of the Leyte Provincial Capitol, and in a public and conspicuous place in the Barangay where the real property is located, and by publication once a week for three (3) weeks in a newspaper of general circulation in the Province. The advertisement shall contain the amount of taxes, fees or charges, including related surcharges, interest and penalties due thereon, and the time and place of sale, the name of the taxpayer against whom the taxes, fees or charges are levied, and a short description of the property to be sold. At any time before the date fixed for the sale, the taxpayer may stay the proceedings by paying the taxes, fees or charges, including related surcharges, interest and penalties. If he fails to do so, the sale shall proceed and shall be held either at the main entrance of the Leyte Provincial Capitol or on the property to be sold, or at any other place as determined by the Provincial Treasurer conducting the sale and specified in the notice of sale.

Within thirty (30) days after the sale, the Provincial Treasurer or his deputy, shall make a report of the sale to the Sangguniang Panlalawigan, and which shall form part of his records. After the consultation with the Sangguniang Panlalawigan, the Provincial Treasurer shall make and deliver to the purchaser a certificate of sale, showing the proceedings of the sale, describing the property sold, stating the name of the purchaser and setting out the exact amount of all taxes, fees, or charges including related surcharges, and interest or penalties. *Provided*, however, that

any excess in the proceeds of the sale over the claim and cost of sales shall be turned over to the owner of the property.

The Provincial Treasurer may advance from his tax campaign funds or any funds available in his office, appropriations or saving in an amount sufficient to defray the cost of collection by means provided for in this Code, including preservation or transportation expenses in case of personal and real property, including improvements thereon.

**Section 6J.06. Redemption of Property Sold.** – Within one (1) year from the date of sale, the delinquent taxpayer or his representative shall have the right to redeem the property, upon payment to the Provincial Treasurer of the total amount of taxes, fees or charges, including related surcharges, interest and penalties, from the date of delinquency to the date of sale, plus interest of not more than two percent (2%) per month on the purchase price, from the date of purchase to the date of redemption. Such payment shall invalidate the certificate of sale issued to the purchaser, and the owner shall be entitled to a certificate of redemption from the Provincial Treasurer or his deputy. The Provincial Treasurer or his deputy, upon surrender by the purchaser of the certificate of sale previously issued to him, shall forthwith return to the latter the entire purchase price paid by him, plus the interest of not more than two percent (2%) per month herein provided for; the portion of the cost of sale and other legitimate expenses incurred by him, and said property thereafter shall be free from the lien of such taxes, fees or charges, including surcharges, interest and penalties.

The owner shall not, however, be deprived of the possession of said property and shall be entitled to the rentals and other income thereof until the expiration of the time allowed for its redemption.

**Section 6J.07. Final Deed to Purchaser.** – In case the taxpayer fails to redeem the property, as provided herein, the Provincial Treasurer shall execute a deed conveying to the purchaser so much of the property as has been sold, free from liens of any taxes, fees, charges, including related surcharges, interests and penalties. The deed shall succinctly recite all the proceedings upon which the validity of the sale depends.

**Section 6J.08. Purchase of Property by the Province for Want of Bidder.** – In case there is no bidder for the real property advertised for sale as provided herein, or if the highest bid is for an amount insufficient to pay the taxes, fees or charges, including related surcharges, interest, or penalties and costs, the Provincial Treasurer conducting the sale, shall purchase the property in behalf of the Province to satisfy the claim, and within two (2) days thereafter, shall make a report of his proceedings, which shall be reflected upon the records of his office. It shall be the duty of the Registry of Deeds concerned, upon registration with his office of any such declaration of forfeiture to transfer the title of the forfeited property to the Province, without the necessity of an order from a competent court.

Within one (1) year from the date of such forfeiture, the taxpayer or any of his representative, may redeem the property by paying to the Provincial Treasurer the full amount of the taxes, fees or charges, including related surcharges, interest, or penalties, and the costs of sale. If the property is not redeemed as provided herein, the ownership thereof shall be fully vested in the Province.

**Section 6J.09. Resale of Real Estate Taken for Taxes, Fees or Charges.**– The Sangguniang Panlalawigan may, by ordinance duly approved, and upon notice of not less than twenty (20) days, sell and dispose of the real property acquired under the preceding section at public auction. The proceeds of the sale shall accrue to the general fund of the Province.

**Section 6J.10. Collection of Delinquent Taxes, Fees or Charges or Other Revenue Through Judicial Action.** – The Province may enforce the collection of delinquent taxes, fees,

charges, or other revenue by civil action in any court of competent jurisdiction. The civil action shall be filed by the Provincial Treasurer within the period prescribed by this Code.

**Section 6J.11. Further Distraint of Levy.**– The remedies by distraint and levy may be repeated if necessary until the full amount due, including all expenses, is collected.

**Section 6J.12. Personal Property Exempt from Distraint or Levy.**– The following property shall be exempt from distraint and levy, attachment or execution thereof for delinquency in the payment of any local tax, fee or charge, including the related surcharges, interest and penalties:

- (a) Tools and the implement necessarily used by the delinquent taxpayer in his trade or employment;
- (b) One (1) horse, cow, carabao, or other beast of burden, such as the delinquent taxpayer may select, and necessarily used by him in his ordinary occupation;
- (c) His necessities, clothing, and that of his family;
- (d) Household furniture and utensils necessary for housekeeping, and used for that purpose by the delinquent taxpayer, such as he may select, of a value not exceeding Ten Thousand Pesos (Php10,000.00);
- (e) Provision, including crops actually provided for individual or family use sufficient for four (4) months;
- (f) One fishing boat and net, not exceeding the total value of Ten Thousand Pesos (Php10,000.00), by the lawful use of which a fisherman earns his livelihood; and
- (g) Any material or article forming part of a house or improvement of any real property.

## ARTICLE K

### PENALTIES AND INTEREST

**Section 6K.01. General Provisions.** – In addition to the taxes, such interest, penalties and surcharges shall be collected with such taxes, fees or charges imposed in this Code, and in the manner, and as part of the tax, fee or charge.

**Section 6K.02. Civil Penalties.** –

- (a) There shall be imposed, in addition to the tax required to be paid, penalty equivalent to twenty-five percent (25%) of the amount due, in the following cases:
  - (1) Failure to file any sworn statement required under this Code or its regulations, on the date prescribed;
  - (2) Failure to pay the tax within the time prescribed for its payment; or
  - (3) Failure to pay the full amount of tax shown on any return or sworn statement, as required to be filed under the provisions of this Code or its regulations, or the full amount of tax due for which no return is required to be filed, on or before the date prescribed for its payment.
- (b) In case of willful neglect to file the sworn statement or return within the period prescribed by this Code or its regulations, or in case a false or fraudulent return is

willfully made, the penalty to be imposed shall be fifty percent (50%) of the tax, in case any payment has been made on the basis of such return before the discovery of the falsity or fraud.

- (c) The penalties imposed herein shall form part of the tax and the entire amount shall be subject to interest as prescribed in this Code.

**Section 6K.03. Interest in General–**

- (a) There shall be assessed and collected on unpaid amount of tax, interest at the rate of two (2%) percent per month not exceeding thirty-six (36) months from the date prescribed for payment until the amount is fully paid.
- (b) **Deficiency Interest** – Any deficiency in the payment of the tax due, shall be subject to the interest prescribed in paragraph (a) hereof, which interest shall be assessed and collected from the prescribed date for its payment until the full payment thereof.
- (c) **Delinquency Interest – in case of failure to pay:**
- (1) the amount of the tax due on any required date to be paid;
  - (2) the amount of the tax due for which no sworn statement is required; or
  - (3) a deficiency tax, or any surcharge or interest thereon, on the date due appearing in the notice and demand of the Provincial Treasurer, there shall be assessed and collected, on the unpaid amount of two percent (2%) interest per month, which interest shall form part of the tax.
- (d) **Interest on Extended Payment** – If any person required to pay the tax is qualified, and elects to pay the tax on installment under the provisions of this Code, but fails to pay the tax or any installment hereof, or any part of such amount of installment on or before the date prescribed for its payment, or where the Provincial Treasurer has authorized an extension of time within which to pay a tax or any part thereof, there shall be assessed and shall be collected interest at the rate of two percent (2%) per month or fraction thereof on the tax or deficiency tax, or any part thereof unpaid, from the date of notice and demand until it is paid, but not more than thirty-six (36) months.

**Section 6K.04. Failure to File Certain Information.** – In case of failure to file an information required by this Code or by the Provincial Treasurer, and such failure is due to reasonable cause and not to willful neglect, upon notice and demand by the Provincial Treasurer, there shall be paid by the person failing to file such information, One Thousand Pesos (Php1,000.00) for each failure. *Provided*, however, that the aggregate amount to be imposed for all such failure to file during a calendar year, shall not exceed Five Thousand Pesos (Php5,000.00).

**Section 6K.05. Declaration of Real Property.** – There is hereby imposed a fine to the owner or administrator of the real property, for failure to file within the prescribed period, the sworn statement declaring the true and current fair market value of real property under Section 202 of RA 7160, as follows:

- (a) A standard fine of Fifty Pesos (Php50.00), if the sworn declaration is filed within thirty (30) days from the deadline.
- (b) If the sworn declaration is not filed by the person concerned within thirty days (30) from the deadline, a fine equivalent to one-half (1/2) of one percent (1%) of the

entire assessed value of his property or properties located in the Province, in addition to the standard fine prescribed. Provided, however, that the standard and additional fines together, shall in no case be less than One Hundred Pesos (Php100.00), nor more than Two Thousand Pesos (Php2,000.00).

- (c) The proceeds of the fines thus collected shall accrue to the special trust fund of the Province and the municipality where the property is located with fifty percent (50%) share for the Province of Leyte and fifty percent (50%) share for the said municipality.
- (d) The provincial share proceeds shall be equally shared by the offices of the Provincial Assessor and the Provincial Treasurer for the special projects on real property assessment and collection activities.

The fines herein imposed shall be paid to the Provincial Treasurer upon certification of the true and current fair market value be paid to the Provincial Assessor.

**Section 6K.06. Failure of Accountable Officer or Employee to Collect or Remit Tax.**— Any officer or employee required to collect, withhold account for and/or remit any tax, who fails to perform such function, shall be liable to penalty equal to the total amount of the tax involved.

## ARTICLE L

### PENAL PROVISIONS

**Section 6L.01. Penalties for Violation of Tax Ordinances.**

- (a) Any person or persons who violates any of the provisions of this Ordinance or the rules or regulations promulgated by authority of this Ordinance shall, upon conviction, be punished by a fine of not less than One Thousand Pesos (Php1,000.00) nor more than Five Thousand Pesos (Php5,000.00), or imprisonment of not less than one (1) month nor more than six (6) months, or both, at the discretion of the court.

If the violation is committed by any juridical entity, the president, general manager, or the individual entrusted with the administration thereof at the time of the commission of the violation shall be held responsible or liable therefore.

Punishment by fine or imprisonment as herein provided for, shall not relieve the offender from the payment of the tax, fee or charge imposed under this ordinance.

- (b) Any person convicted of a crime penalized by this Code, shall in addition to being liable for the payment of the tax, penalties, interests and surcharges, be subject to the corresponding penal provisions in this Code. *Provided*, that the payment of the tax due after apprehension, shall not constitute a valid defense in any prosecution for the violation of any provision of this Code, or any action for the forfeiture of untaxed articles.
- (c) Any person who willfully aids or abets in the commission of a crime penalized under this Code, or who causes the commission of any such offense by another, shall be liable in the same manner as the principal.

- (d) If the offender is not a citizen of the Republic of the Philippines, he shall be recommended by the Provincial Treasurer for deportation, immediately after serving the sentence, without further proceedings for deportation. If the offender is a public officer or employee, the maximum penalty prescribed for the offense shall be imposed, and in addition, he shall be recommended for dismissal from public office. If the offender is a Certified Public Accountant, his certificate as a Certified Public Accountant shall, upon conviction, be automatically recommended for revocation or cancellation.
- (e) In the case of corporation, partnership or association, the penalty shall be imposed on the director, officer, or employee responsible for the violation.

**Section 6L.02. *Penalty for Second and Subsequent Offenses.***—In the case of subsequent violation, the maximum of the penalty prescribed for the offense shall be imposed, and the permit and/or license revoked.

**Section 6L.03. *Violations Committed by Government Enforcement Officers.***—Any official or employee of the Province charged with the enforcement of the provisions of this Code, who is guilty of any of the offenses herein below specified, shall upon conviction, be fined in a sum of not more than Five Thousand Pesos (Php5,000.00), or imprisoned for not more than six (6) months or both:

- (a) Those guilty of extortion or willful oppression through the use of his office;
- (b) Those who knowingly demand other or greater sums than are authorized by law, or receive any fees, compensation or reward, for the performance of any duty;
- (c) Those who willfully neglect to give receipts required for any sum collected in the performance of duty, or who willfully neglect to perform any other duties enjoined by law;
- (d) Those who conspire or collude with others to violate the provisions of this Code;
- (e) Those who by neglect or design permit the violation of the law by any other person;
- (f) Those who made or sign any false entry or entries in any books, or make or sign any false certificate or return;
- (g) Those who allow, or conspire or collude with another, to allow the unauthorized retrieval, withdrawal or recall of any return, statement or declaration, after the same has been officially received by the Provincial Treasurer;
- (h) Those who having knowledge or information of a violation of this Code, or of any fraud committed on the revenues collectible by the Provincial Treasurer, or fail to report such knowledge or information to their superior officer, or to report as otherwise required by law; and
- (i) Those who, without authority of law, demand or accept or attempt to collect, directly or indirectly, as payment or otherwise of any sum of money, or other thing of value for the compromise, adjustment, or settlement of any charge or complaint for any violation or alleged violation of this Code.

**Section 6L.04. *Declaration Under Penalties of Perjury.***—Any declaration, return and other statement required under this Code, shall, in lieu of an oath, contain a written statement

that they are made under the penalties of perjury. Any person who willfully files a declaration, return or statement containing information which is not true and correct as to any material matter shall, upon conviction, be imprisoned for not more than six (6) months, or fined not more than Five Thousand Pesos (Php5,000.00), or both.

**Section 6L.05. Failure to Pay Tax, Files Return, Keeps Record and Supply Information.**— Any person required under this Code or by regulations promulgated hereunder, who willfully fails to pay such tax, fees or charges hereunder, make such return, keep such records, or supply such information, or withhold or remit taxes withheld, at the time required by law or regulations, shall in addition to other penalties provided by law, upon conviction thereof, be fined not more than Five Thousand Pesos (Php5,000.00), or imprisoned for not more than six (6) months, or both.

Any person who attempts to make it appear for any reason that he or another has in fact filed a return or statement, or actually files a return or statement after securing the official receiving seal or stamp of receipt of the Provincial Treasurer where the same was actually filed, be fined not exceeding Five Thousand Pesos (Php5,000.00) or imprisoned for not more than six (6) months, or both.

**Section 6L.06. Failure to Obey Summons**—Any person who, being duly summoned by the Provincial Treasurer to appear to testify, or to appear and produce books of accounts, records, memoranda, or other papers, or to furnish information as required under the pertinent provisions of this Code, neglects to appear or produce such books of accounts, records, memoranda, or other papers, or to furnish such information before or to the Provincial Treasurer, shall be fined not more than Five Thousand Pesos (Php5,000.00) or imprisoned for not more than six (6) months or both.

**Section 6L.07. Attempt to Evade or Defeat Tax.**—Any person who wilfully attempts in any manner to evade or defeat any tax, fee or charge imposed under this Code, shall be fined not more than Five Thousand Pesos (Php5,000.00) or imprisoned for six (6) months, or both.

**Section 6L.08. Unlawful Pursuit of Business.**—Any person who carries on any business without paying the required tax, or obtaining the required permit and/or license, shall be fined not less than One Thousand Pesos (Php1,000.00), but not more than Five Thousand Pesos (Php5,000.00), or imprisoned for not less than one (1) month, but not more than six (6) months, or both.

**Section 6L.09. Failure or Refusal to Issue Receipts or Sales/Commercial Invoices, Violations Related to the Printing Thereof, and Other Violations.**—

- (a) Any person who, being required to issue receipts or sales/commercial invoices, fails or refuses to issue such sales/commercial invoices, issues receipts or sales/commercial invoices that do not truly reflect and/or contain all the information required to be contained therein, or uses multiple or double receipts or invoices or amusement tickets, shall be fined not less than One Thousand Pesos (Php1,000.00), but not more than Five Thousand Pesos (Php5,000.00), or imprisoned for not more than six (6) months, or both;
- (b) Any person who commits any of the acts enumerated hereunder, shall be penalized in the same manner, provided for in the preceding paragraph,
  - (1) Prints or issues amusement tickets without authority from the Provincial Treasurer;
  - (2) Prints or issues double or multiple sets of amusement tickets;
  - (3) Prints or issues unnumbered amusement tickets; and

- (4) Issues recycled or unregistered admission tickets.

**Section 6L.10. Government Agents Delaying Assessment of Real Property and Assessment Appeals.** –Any official of the Province who intentionally and deliberately delays the assessment of real property, or the filing or any appeal against its assessment, shall be punished by a fine of not less than One Thousand Pesos (Php1,000.00), but not more than Five Thousand Pesos (Php5,000.00), or by imprisonment of not less than one (1) month, but not more than six (6) months, or both.

**Section 6L.11. Omission of Property From Assessment or Tax Rolls by Officers and Other Acts.** –Any officer of the Province charged with duty of assessing real property, who willfully fails to assess, or who intentionally omits from the assessment or tax roll any real property, which he knows to be taxable, or who willfully or who intentionally violates or fails to perform any duty imposed upon him by law relating to the assessment of taxable real property, shall be punished by a fine of not less than One Thousand Pesos (Php1,000.00), but not more than Five Thousand Pesos (Php5,000.00), or by imprisonment of not less than one (1) month, but not more than six (6) months, or both.

The same penalty shall be imposed on any officer of the Province charged with the duty of collecting the tax due on real property, who willfully or negligently fails to collect the tax, and institute the necessary proceedings for the collection of the same.

Any other officer of the Province required by this Code to perform acts relating to the administration of the real property tax or to assist the Provincial Assessor or Provincial Treasurer in such administration, who willfully fails to discharge such duties, shall be punished by a fine of not less than One Thousand Pesos (Php1,000.00), but not more than Five Thousand Pesos (Php5,000.00), or imprisonment of not less than one (1) month, but not more than six (6) months, or both.

**Section 6L.12. Penalty for Failure to Issue and Execute Warrant of Distrain.**– Any official or employee under the Provincial Treasurer, who fails to issue or execute the warrant of distrain or levy after the expiration of the time prescribed in this Code, or who is found guilty of abusing the exercise thereof, shall be automatically dismissed from the service.

**Section 6L.13. Penalty for Selling, Transferring, Encumbering, or Any Way Disposing of Property Placed Under Constructive Distrain.**– Any taxpayer whose property has been placed under constructive distrain by the Provincial Treasurer who sells, transfers, encumbers or any way disposes of said property, or any part thereof, without the knowledge and consent of the Provincial Treasurer, upon conviction for each act or omission be fined in a sum of not less than twice the value of the property sold, encumbered or disposed of, but not more than Five Thousand Pesos (Php5,000.00) or punished with imprisonment for not more than six (6) months, or both.

**Section 6L.14. Penalty for Failure to Issue and Execute Warrant of Levy.** – The Provincial Treasurer or his deputy who fails to issue or execute the warrant of levy, within one (1) year from the time the tax becomes delinquent, or within thirty (30) days from the date of the issuance thereof, or who is found guilty of abusing the exercise thereof shall be dismissed from the service.

**Section 6L.15. Failure to Surrender Property Under Distrain and Levy.** – Any person having in his possession, or under his control any property or right to property, upon which a warrant of constructive distrain or of actual distrain and levy has been issued shall, upon demand by the Provincial Treasurer or any of his deputies executing such warrant, surrender such property or right to property to the Provincial Treasurer or any of his deputies, unless such property or right is, at the time of such demand, subject to an attachment or execution under any judicial process. Anyone who fails or refuses to surrender any such property or right shall be

liable in his own person and estate to the Province in a sum equal to the value of the property or right not so surrendered, but not exceeding the amount of the taxes, including penalties and interest, for the collection of which such warrant has been issued, together with costs and interest if any, from the date of such warrant. In addition, such person, shall be fined in a sum of not more than Five Thousand Pesos (Php5,000.00), or imprisoned for a term not more than six (6) months, or both.

**Section 6L.16. Failure to Dispose of Delinquent Real Property at Public Auction.** –The Provincial Treasurer or his deputy who fails to dispose of delinquent real property at public auction, in compliance with the pertinent provisions of this Code, and any other officer or employee, whose acts hinder the prompt disposition of delinquent real property at public auction, shall be fined not less than One Thousand Pesos (Php1,000.00), but not more than Five Thousand Pesos (Php5,000.00), or imprisonment of not more than six (6) months, or both.

**Section 6L.17. Confiscation and Forfeiture of the Proceeds or Instruments of Crime.** – In addition to the penalty imposed for the violation of the provisions of this Code, the same shall carry with it the confiscation and forfeiture in favor of the Province of the proceeds of the crime or value of the goods, and the instruments or tools used in the illicit act belonging to a third person. *Provided*, that the same shall be confiscated and forfeited in favor of the Province, after due notice and hearing in a separate proceeding in favor of the government, if such third person leased, let, chartered, or allowed the use of the instrument or tools to the offender. *Provided further*, that property of common carriers shall not be subject to forfeiture when used in the transaction of their business as such common carrier, unless the owner or operator of said common carrier was, at the time of the illegal act, a consenting party or privy thereto, without the prejudice to the owner's right of the recovery against the offender in a civil or criminal action. Articles which are not subject of lawful commerce shall be destroyed.

**Section 6L.18. Penal Liability Related to Books of Account.**–

(a) Any independent Certified Public Accountant engaged to examine and audit books of account of taxpayers, any person, bookkeeper, or business agent or employee under his direction, who:

(1) Wilfully falsifies any report or statement bearing on any examination or audit, or renders a report, including exhibits, statements, schedules or other forms of accountancy work which has not been verified by him personally, or under his supervision, or by a member of his firm, or by a member of his staff, in accordance with sound auditing practices; or

(2) Certifies financial statements of a business enterprise containing essential misstatements of facts or omissions, in respect of the transaction and income of his client; shall be punished by a fine of not more than Five Thousand Pesos (Php5,000.00), or imprisonment of not more than six (6) months;

(b) Any person who:

(1) Not being an independent Certified Public Accountant, examines and audits books of account of taxpayers;

(2) Offers to sign and certify statements without audit;

(3) Offers any taxpayer the use of accounting and book keeping records, for local tax purposes, not in the conformity with the requirements prescribed in this Code or regulations promulgated hereunder;

(4) Knowingly makes any false entry, or enters any false or fictitious name in the books of account or records;

- (5) Keeps two (2) or more sets of such books of account or records;
- (6) Fails to keep books of account or records in Filipino or English; shall be punished by a fine of not more than Five Thousand Pesos (Php5,000.00), or by imprisonment of not more than six (6) months, or both.

## ARTICLE M

### SPECIAL PROVISIONS

**Section 6M.01. Administrative Authority of the Provincial Treasurer.** – The Provincial Treasurer, shall determine from time to time, for purposes of recommending to the Sangguniang Panlalawigan, once every five (5) years, the necessity of revising any of the rates of taxes, fees or charges in this Code.

The Provincial Treasurer shall also promulgate, from time to time, such rules and regulations, subject to the approval of the Sangguniang Panlalawigan, as may be necessary in the effective implementation of any provision of this Code.

**Section 6M.02. Tax Base.** – In the study and determination of the provincial tax base, and the use for its adoption or adjustment of the tax rates, pursuant to the immediately preceding section, and as authorized by Section 191 of RA 7160, the Provincial Treasurer shall organize and conduct socio-economic profile survey in coordination with the Barangay Treasurers, and other barangay officials. Data gathered in the survey shall form part of the tax information system required under Section 470 (d) of RA 7160.

**Section 6M.03. Public Dissemination of Provincial and Barangay Tax Ordinances.** – Copies of all provincial and barangay tax ordinance and revenue measures shall be furnished to the Provincial and Barangay Treasurer, for public administration. *Provided*, however, that in the case of provincial tax ordinance or revenue measures, the secretary of the Sangguniang Panlalawigan shall, within ten (10) days after their approval, furnish the Provincial Treasurer certified true copies of all such tax ordinances or measures for publication in full for three (3) consecutive days in a newspaper of local circulation, as part of the provincial tax information system.

## CHAPTER VIII. FINAL PROVISIONS

### ARTICLE A

#### REPEALING, SEPARABILITY AND EFFECTIVITY CLAUSES

**Section 8A.01. Repealing Clause**– All ordinances, executive orders, resolutions and/or administrative regulations, or part or parts thereof which are inconsistent herewith are hereby repealed and/or modified accordingly.

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**Section 8A.02. Separability Clause.** – If, for any reason, any provision, section or part of this Code is declared not valid by a court of competent jurisdiction, such judgment shall not affect or impair the remaining provisions, sections, or parts which shall continue to be in force and effect.

**Section 8A.03. Effectivity Clause.** – This ordinance shall take effect, pursuant to Article 276 of the Implementing Rules and Regulations of RA 7160.

**RESOLVED FURTHER,** to furnish copies of this Ordinance to the Honorable Governor Leopoldo Dominico L. Petilla, to all Offices under the Provincial Government of Leyte, all Municipal Mayors, all Municipal Treasurers, all of the Province of Leyte, for their information and reference.

**APPROVED.”**

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**I HEREBY CERTIFY** to the correctness of the above-quoted Resolution.

Secretary to the Sanggunian

CONCURRED BY:

ATTESTED BY:

Floor Leader

Presiding Officer

APPROVED:

**LEOPOLDO DOMINICO L. PETILLA**  
Governor