

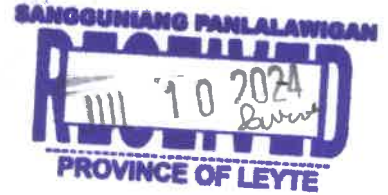


REPUBLIC OF THE PHILIPPINES
MUNICIPALITY OF SANTA FE
PROVINCE OF LEYTE

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SANGGUNIANG BAYAN

Item No.: 07
Date: 16 2024 JUL



July 08, 2024

Hon. LEONARDO "SANDY" M. JAVIER, JR.

Vice-Governor

Province of Leyte

By-Pass Road, Palo, Leyte

Thru: Hon. RONNAN CHRISTIAN "BOLINGLING" M. REPOSAR

Board Member, 1st District of Leyte

Chairperson, Committee on Rules, Laws and Privileges

Dear Hon. Javier:

I am seeking for your legal advice with regards to our Municipal Ordinance No. 2023-15 known as the Local Revenue Code of Santa Fe, Leyte, series of 2023. It seemed to me that there were provisions that have no corrections.

In this regards, I am humbly asking if we could proceed to collect taxes, fees, and charges that have no corrections or amendments from the Provincial Legal Office or from your good office actually, in order for us to have a bigger income this year and the years after.

Hoping for your immediate response on this matter.

Thank you.

Very truly yours,

HON. ALVIN D. PETILLA

SB Member

Chairperson, Committee on Ways and Means



Republic of the Philippines
PROVINCE OF LEYTE
Palo, Leyte
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OFFICE OF THE SANGGUNIANG PANLALAWIGAN

EXCERPTS FROM THE MINUTES OF THE 82nd REGULAR SESSION OF THE SANGGUNIANG PANLALAWIGAN OF LEYTE CONDUCTED AT THE SESSION HALL, LEYTE PROVINCIAL GOVERNMENT COMPLEX, PALO, LEYTE ON MARCH 19, 2024.

RESOLUTION NO. 2024-129

A RESOLUTION ADOPTING AND APPROVING THE COMMITTEE REPORT OF THE SANGGUNIANG PANLALAWIGAN COMMITTEE ON RULES, LAWS AND PRIVILEGES ON MUNICIPAL ORDINANCE NO. 2023-15 OF THE MUNICIPALITY OF SANTA FE, LEYTE.

WHEREAS, submitted to the Sangguniang Panlalawigan is the Committee Report of the Sangguniang Panlalawigan Committee on Rules, Laws and Privileges on Municipal Ordinance No. 2023-15 of Santa Fe, Leyte, Province of Leyte, Series of 2023;

WHEREAS, on January 23, 2024, the Sangguniang Panlalawigan referred to the Sangguniang Panlalawigan Committee on Rules, Laws and Privileges Municipal Ordinance No. 2023-15 of Santa Fe, Leyte, per SP Res. No. 2024-041;

WHEREAS, SP Committee on Rules, Laws and Privileges rendered its Committee Report, to wit:

COMMITTEE REPORT

No. ____ S. 2024

Referred to this committee is Municipal Ordinance No. 2023-15 of the Municipality of Sta. Fe, Leyte entitled, "The Local Revenue Code of the Municipality of Santa Fe, Province of Leyte, series of 2023".

The subject ordinance was reviewed by the Provincial Legal Office and was endorsed back to the Sangguniang Panlalawigan with several observations and comments, hereto attached and made an integral part of this report. It opined that some provisions of the Ordinance shall be reviewed and may be subject for amendments as some of the provisions are contrary to existing policies and laws.

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This Committee upon examination of the subject Ordinance finds the observation and comments of the Provincial Legal Office with merit and thereby adopts the same except for observation/comment No. 2 and 8, respectively.

As for observation No. 2 of the PLO, this Committee would like to note the Local Government Code authorizes the Local Government Units to adjust their tax rates, subject however to limitations set forth in Section 191 of the Code, which provides:

“Section 191. Authority of Local Government Units to Adjust Rates of Tax Ordinances. - Local government units shall have the authority to adjust the 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.” (Emphasis supplied)

Clearly, Section 191 of the Local Government Code allows the adjustment of the rates which may be higher than what the Code provides. It limits however, the amount of each adjustment and the frequency by which this authority may be exercised. Otherwise stated, Local Government Units can only adjust tax rates once every five (5) years and the amount of adjustment should not exceed ten percent (10%) of the rates fixed under the Local Government Code.

In view of the foregoing and considering the need for legal basis for the imposition of new tax rates, fees and charges, the Committee requests that a copy/copies of the previous local revenue measures or ordinances, be submitted, highlighting the specific provisions where adjustments were made.

For observation No. 8 of the PLO, the committee would like to note that pursuant to the Local Government Code of 1991, Section 143, (c), Local Government Units or the municipalities as the case herein, are granted with the authority to actually charge a local business tax which may be classified as local taxes, charges and fees imposable to mining operations or companies¹.

Sec. 143. Taxes and Business. The municipality may impose taxes on the following business:

xxx – xxx – xxx

(11) On any business, not otherwise specified in the preceding paragraphs, which the Sanggunian concerned may deem proper to tax: Provided, That on any business subject to the excise, value-added or percentage tax under the National Internal Revenue Code, as amended, the rate of tax shall not exceed two percent (2%) of gross sales or receipts of the preceding calendar year.

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¹ Congressional Policy and Budget research Department, House of Representatives; November 2018 (No. 42); Mining Act of 1995 (R.A. 7942) and the Local Government Code of 1991 (R.A. 7160)

However, the committee notes that the said provision, which is Article D Section 2D.2 of the subject ordinance may be rephrased to conform with the language of the above cited provision.

In view however of the other findings of the Provincial Legal Office, the committee is constrained to return the subject ordinance to the Sangguniang Bayan of origin to review the specific provisions cited by the latter and make the necessary amendments to conform with the provisions of the Local Government Code and existing policies.

Submitted this 14th day of March, 2024, Palo, Leyte


Hon. Atty. Ronnan Christian M. Reposar
Chairperson

(Original Signed)
Hon. Atty. Carlo P. Loreto
Vice Chairperson

(Original Signed)
Hon. Wilson S. Uy
Member

(Original Signed)
Hon. Michael L. Cari
Member

(OB – Metro Manila)
Hon. Ma. Martina L. Gimenez
Member

NOW, THEREFORE, on motion presented by Atty. Ronnan Christian M. Reposar, duly seconded by Atty. Carlo P. Loreto and Honorable Vincent L. Rama, be it

RESOLVED, as it is hereby resolved, **TO ADOPT AND APPROVE THE COMMITTEE REPORT OF THE SANGGUNIANG PANLALAWIGAN COMMITTEE ON RULES, LAWS AND PRIVILEGES.**

RESOLVED FURTHER TO RETURN MUNICIPAL ORDINANCE NO. 2023-15 OF THE MUNICIPALITY OF SANTA FE, LEYTE TO THE SANGGUNIANG BAYAN OF ORIGIN TO REVIEW THE SPECIFIC PROVISIONS CITED BY THE PROVINCIAL LEGAL OFFICE AND MAKE THE NECESSARY AMENDMENTS TO CONFORM WITH THE PROVISIONS OF THE LOCAL GOVERNMENT CODE AND EXISTING POLICIES.

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Page 4/4 – Res. No. 2024-129 dated March 19, 2024
approving and adopting the Com. Report of the
SP Com. on Rules, Laws and Privileges and returning
Sta. Fe Ordinance No. 2023-15 to the SB of origin


Approved unanimously.

I HEREBY CERTIFY to the correctness of the foregoing resolution.

ATTESTED:



HON. LEONARDO M. JAVIER, JR.
Vice Governor/Presiding Officer



FLORINDA J. S. UYVICO
Secretary to the Sanggunian

Copy furnished:

Atty. Ronnan Christian M. Reposar
Chairperson – Committee on Rules, Laws and Privileges
Sanggunian Panlalawigan
Province of Leyte

LCE and Sangguniang Bayan
of Santa Fe, Leyte

FJSU: ASS
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