

SEVENTEENTH CONGRESS OF THE]
REPUBLIC OF THE PHILIPPINES]
First Regular Session]



'16 AUG -8 P1:37

RECORDED BY: *AS*

SENATE

S.B. No. 991

Introduced by SEN. WIN GATCHALIAN

AN ACT
AMENDING SECTIONS 2 AND 3 (B) OF REPUBLIC ACT NO. 8794,
OTHERWISE KNOWN AS "AN ACT IMPOSING A MOTOR VEHICLE USER'S
CHARGE ON OWNERS OF ALL TYPES OF MOTOR VEHICLES AND FOR
OTHER PURPOSES"

EXPLANATORY NOTE

The Road Board, which collects at least P10 billion a year from motor vehicle owners and acts as the "road maintenance arm" of the Department of Public Works and Highways (DPWH) has always been found by the Commission on Audit as lacking in adequate evaluation standards which has led to an increased risk of misallocation of funds. In the same manner that it has neglected its mandate of pollution control. In 2013, 43 LGUs were unable to access their share of the SLRF as the DILG management excluded them from the SLRF share of P322,070,717 for not passing the SGH requirements which are contrary to the Road Board Policy and MVUC Law. These, and other factual practices have hounded the management of the Road Board Funds.

In the perspective of a humble and destitute tricycle driver the amount exacted from them for the Motor Vehicle User's Charge already cuts a big chunk of the earning that could have fed their family for a day. The comparison to what the Board receives

from other sources and the amount it disburses to fund questionable projects trivializes the contributions from all of these tricycle drivers. The pittance which these people earn to bring home to their families should have been a shameful reminder to the Road Board Management when these funds are irregularly spent with reckless impunity.

As a humanitarian consideration in view of the rising cost of living and the inability of the Road Board to efficiently exercise their mandate to the detriment of these tricycle drivers, the added burden of the MVUC charge to **motorcycles with sidecar (tricycle)** is hereby sought to be deleted and therefore exempted from the coverage of Republic Act 8794 in order to lessen the financial burden of the daily earners.

The immediate approval of this bill is earnestly sought.



WIN GATCHALIAN

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

1 SECTION 1. Section 2 of Republic Act No. 8794, otherwise known as "An
2 Act Imposing a Motor Vehicles User's Charge on Owners of All types of Motor
3 Vehicles and for Other Purposes" is hereby amended to read as follows:

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Section 2. Coverage. - In lieu of the registration fee under section 8 Republic Act No. 4136, as amended by Batas Pambansa Bilang 74, and the Private Motor Vehicle Tax under Executive Order No. 43, series of 1986, there is hereby imposed on every motor vehicle, whether for hire or for private use, including government motor vehicles as more fully provided in section 3 hereof, a Motor Vehicle User's Charge (MVUC) which shall be collected from and paid

1 by the owner of the motor vehicle, EXCEPT MOTORCYCLES
2 FOR HIRE WITH SIDECAR USED AS A MEANS OF
3 LIVELIHOOD.
4

5 SEC. 2. Section 3 (b) of RA No. 8794 is hereby amended to read as
6 follows:

7 b) Except as provided under Section 3(a) hereof, for each
8 motor vehicle under each of the categories as herein
9 provided, the MVUC shall be collected from and paid by the
10 vehicle owner, at the following base rates plus twenty-five
11 percent (25%) in the first year from the effectivity of this Act;
12 the said base rates plus fifty percent (50%) in the second year
13 from the effectivity of this Act; the said base rates plus
14 seventy-five percent (75%) in the third year from the
15 effectivity of this Act; and the said base rates plus one
16 hundred percent (100%) in the fourth year from the effectivity
17 of this Act and thereafter: Provided, That the MVUC for
18 sports utility vehicles shall be fifteen percent (15%) higher
19 than the MVUC herein set for private utility vehicles.
20 **[Provided, further, That motorcycles for hire with**
21 **sidecars shun not pay more than three-hundred pesos**
22 **(300.00).]**
23

24 Type of Vehicle	Base Rates
26 I. Private and Government	
27 A. Passenger Cars	
28 (1)GVW up to 1,600 kgs.	P800
29 (2)GVW more than 1,600 kgs.-2,300 kgs.	P1,800
30 (3)GVW more than 2,300 kgs.	P4,000

1	B. Utility Vehicles	
2	GVW up to 2,700 kgs.	P1,000
3	GVW more than 2,700 kgs.-4,500 kgs.	P1,000 + 20
4	per 100 kgs. of	
5	GVW over	
6	2,700 kgs.	
7	C. Motorcycles	
8	without sidecar	P120
9	[with sidecar	P150]
10	D. Buses	
11	GVW more than 4,500 kgs.	P900 + 12 per 100
12		kgs. Of GVW over
13		2,700 kgs.
14	E. Trucks	
15	GVW more than 4,500 kgs.	P900 + 12 per 100
16		kgs. Of GVW over
17		2,700 kgs.
18		
19	F. Trailers	
20	GVW more than 4,500 kgs.	P12 per 100 kgs. of
21		GVW
22	II. For Hire	
23	A. Passenger Cars	
24	(1)GVW up to 1,600 kgs.	P450
25	(2)GVW more than 1,600 kgs.-2,300 kgs.	P900

1	(3)GVW more than 2,300 kgs.	P2,500
2		
3		
4	B.Utility Vehicles	
5	GVW up to 4,500 kgs.	P15 per 100 kgs. of
6		GVW
7		
8	C.Motorcycles	
9	without sidecar	P150
10	[with sidecar	P240]
11		
12		
13	D.Buses	
14	GVW more than 4,500 kgs.	P15 per 100 kgs. of
15		GVW
16		
17	E.Trucks	
18	GVW more than 4,500 kgs.	P900 + 12 per 100 kgs.
19		Of GVW over 2,700 kgs.
20		
21	F.Trailers	
22	GVW more than 4,500 kgs.	P12 per 100 kgs. of GVW
23		

24 SEC. 2, **Separability Clause** - If any provision or part hereof is held
25 invalid or unconstitutional, the remainder of the law or the provision not
26 otherwise affected shall remain valid and subsisting.

27
28 SEC. 3 **Repealing Clause** - Any law, presidential decree or issuance,
29 executive order, letter of instruction, administrative order, rule or regulation
30 contrary to or inconsistent with the provision of this act is hereby repealed,
31 modified or amended accordingly.

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2 SEC. 4. **Effectivity Clause** - This Act shall take effect fifteen (15) days
3 from the date of its complete publication in the Official Gazette or in at least two (2)
4 newspapers of general circulation.

Approved,