

Republic of the Philippines
Province of Ilocos Norte
SOLSONA

EXCERPTS FROM THE MINUTES OF THE REGULAR SESSION HELD BY
THE SANGGUNIANG BAYAN OF SOLSONA, ILOCOS NORTE, IN ITS
SESSION HALL ON FEBRUARY 17, 1992.

PRESENT:

Hon. Pablito R. Cabacungan,	Vice-Mayor/ Presiding Officer,
Hon. Henry Batara,	Member,
Hon. Benito Salvador,	Member,
Hon. Bienvenido Guillermo,	Member,
Hon. Agripino Estavillo,	Member,
Hon. Conrado Castueras,	Member,
Hon. Jose Bernardino,	Member,
Hon. Domingo de Lara,	Member, and
Hon. Andresito Luis,	Member, ABC President

ABSENT:

Hon. Alma B. Manuel,	Member.
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MUNICIPAL ORDINANCE NO. 42

ENACTING A LOCAL TAX ORDINANCE LEVYING A COMMUNITY TAX
PURSUANT TO SECTION 156 OF REPUBLIC ACT 7160 OTHERWISE
KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991.

WHEREAS, Administrative Order No. 260 of the
President of the Philippines, directed all cities and
municipalities to enact an Ordinance levying a Community
Tax pursuant to Section 156 of the Local Government Code
of 1991;

NOW THEREFORE, on motion of Hon. Henry Batara,
duly seconded, be it

ENACTED, by the Sangguniang Bayan of Solsona,
Ilocos Norte, that:

Section 1 - SHORT TITLE - This Ordinance shall be
referred to as the "COMMUNITY TAX";

Section 2 - LEVY OR IMPOSITION - The levy or im-
position of this Community Tax shall be governed by the follow-
ing rules and procedural guidelines:

(a) Individuals liable to the payment of the Commu-
nity Tax -

1. Every inhabitant of the Philippines 18 years
of age or over who has been regularly employed
on a wage or salary basis for at least thirty
(30) consecutive working days during any ca-
lendar year;
2. An individual who is engaged in business or
occupation;
3. An individual who owns real property with an
aggregate assessed value of one thousand pesos
(P1,000.00) or more;
4. An individual who is required by law to file
an income tax return;

(Municipal Ordinance No. 42 Continuation)

(b) Rate of Community Tax payable by individuals:

1. The rate of the annual Community Tax that may be levied and collected from said individuals shall be FIVE PESOS (P5.00) plus an annual additional tax of ONE PESO (P1.00) for every ONE THOUSAND PESOS (P1,000.00) of income regardless of whether from business, exercise of profession or from property but which in no case shall exceed FIVE THOUSAND PESOS (P5,000.00);
2. In case of husband and wife, each of them shall be liable to pay the basic annual tax of FIVE PESOS (P5.00) but the additional tax imposable on the husband and wife shall be ONE PESO (P1.00) for every ONE THOUSAND PESOS (P1,000.00) of income from the total gross receipts or earnings derived by them;

(c) Juridical persons liable to the payment of the Community Tax - Every corporation, no matter how created or organized, whether domestic or resident foreign, engaged in or doing business in the Philippines shall pay an annual Community Tax of FIVE HUNDRED PESOS (P500.00) and an annual additional tax, which in no case shall exceed TEN THOUSAND PESOS (P10,000.00) in accordance with the following schedules:

1. For every FIVE THOUSAND PESOS (P5,000.00) worth of real property in the Philippines owned by the Juridical entity during the preceding year, based on the assessed value used for the payment of the real property tax under existing laws - Two Pesos (P2.00);
2. For every FIVE THOUSAND PESOS (P5,000.00) of receipts or earnings derived from the business in the Philippines during the preceding year - Two Pesos (P2.00).

The dividends received by a corporation from another corporation shall, for the purpose of the additional tax, be considered as part of the gross receipts or earnings of said corporation;

(d) Exemptions - The following are exempt from the payment of the Community Tax:

1. Diplomatic and consular representatives, and
2. Transient visitors when their stay in the Philippines does not exceed three (3) months;

(e) Place of Payment -

1. The Community Tax shall be paid in the city or municipality where the residence of the individual is located, or in the city or municipality where the principal office of Juridical entity is located;

2. It shall be unlawful for any city or Municipal Treasurer to collect the Community Tax outside the territorial jurisdiction of the city or municipality;
3. In case of branch sales office or warehouse where sales are made and recorded, the corresponding Community Tax shall be paid to LGU where such branch sales office or warehouse is located;
4. Any person, natural or juridical, who pays the annual community tax to a city or municipality where his residence or principal office in the case of juridical persons, is located shall remain liable to pay the tax to the city or municipality concerned;

(f) Time of Payment -

1. The Community Tax shall accrue on the first day of January of each year and shall be paid not later than the last day of February of each year;
2. If a person reaches the age of eighteen (18) years or otherwise loses the benefit of exemption on or before the last day of June, he shall be liable for the community tax on the day he reaches such age or upon the exemption ends. However, if a person reaches the age of eighteen (18) years or loses benefit of exemption on or before the last day of March, he shall have twenty (20) days to pay the Community Tax without becoming delinquent;
3. Persons who come to reside in the Philippines or reach the age of eighteen (18) or loses the benefit of exemption on or before the last day of July of any year, or who cease to belong to an exempt class on or after the same date, shall not be subject to the Community Tax for that year;
4. Corporations established and organized on or before the day of June shall be liable for the Community Tax for that year. But corporations established and organized on or before the last day of March shall have twenty (20) days within which to pay the Community Tax for that year. But corporations established and organized on or before the last day of March shall have twenty (20) days within which to pay the Community Tax without becoming delinquent. Corporations established and organized on or after the first day of July shall not be subject to the Community Tax for that year;

- (g) Penalties for late payment - If the tax is not paid within the time prescribed above, there shall be added to the unpaid amount an interest of twenty four percent (24%) per annum from due date until it is paid;

Section 3 - COMMUNITY TAX CERTIFICATE - A Community Tax Certificate shall be issued to every person or corporation upon payment of the community tax. A Community Tax Certificate may also be issued to any person or corporation not subject to the community tax upon payment of ONE PESOS (P1.00);

Section 4 - PRESENTATION OF COMMUNITY TAX CERTIFICATE ON CERTAIN OCCASIONS -

(a) When an individual subject to the Community Tax acknowledge an any document before a notary public, takes the oath of office upon election or appointment to any position in the government service; receives any license, certificate or permit from any public authority, pays any tax or fee receives any money from any public fund, transacts other official business or receives any salary or wage from any person or corporation, it shall be the duty of any person, officer or corporation, with whom such transaction is made or business done or from any salary or wage is received to require such individual to exhibit the Community Tax Certificate. The presentation of the community tax certificates shall not be required in connection with the registration of a voter;

(b) When, through its authorized officers, any corporation subject to the community tax receives any license, certificates, or permit from any public authority, pays any tax or fee, receive money from public funds, or transacts other official business, it shall be the duty of the public official with whom such transaction is made or business done, to require such corporation to exhibit the community tax certificate;

(c) The Community Tax Certificates required in the two preceding paragraphs shall be to the one issued for the current year, except for the period from January until the fifteenth (15th) of April each year, in which case, the certificates issued for the year shall suffice;

Section 5 - PRINTING OF COMMUNITY TAX CERTIFICATES AND DISTRIBUTION OF PROCEEDS. - The Bureau of Internal Revenue (BIR) shall cause the printing of community tax certificates and distribute the same to the cities and municipalities through the city and municipal treasurer in accordance with prescribed regulations. However, in order to facilitate distribution, the BIR may send on consignment to the Provincial Treasurers blank forms of the community tax certificates and the municipal treasurer, their respective requirements. The city or municipal treasurer concerned shall remit to the National Treasurer, For the Account of the BIR, the share of the National Government in the proceeds of the tax, representing the cost of printing and distribution, within ten (10) days after the end of each quarter. In cases where the certificates were secured or requisitioned from the provincial treasurer, the municipal treasurers shall remit payments to the provincial treasurer who shall, in turn, effect the remittance to the national treasurer as required.

Section 6 - COLLECTION OF THE COMMUNITY TAX BY THE BARANGAY TREASURERS. - The tax ordinance levying the community tax shall authorize the city or municipal treasurer to deputize the barangay treasurers to collect the

community tax in their respective jurisdictions. Said deputation, however, shall be limited to the community tax payable by individual taxpayers and shall be extended only to barangay treasurers who are properly bonded in accordance with existing laws.

Section 7 - ALLOCATION OF PROCEEDS OF THE COMMUNITY TAX. - The proceeds of the community tax actually and directly collected by the city or municipal treasurer shall accrue entirely to the general fund of the city or municipality concerned. However, proceeds of the community tax collected through the barangay treasurers shall be apportioned as follows:

- (a) Fifty percent (50%) shall accrue to the general fund of the city or municipality concerned; and
- (b) Fifty Percent (50%) shall accrue to the barangay where the tax is collected;

Section 8 - AUTHORITY TO USE BLANK FORMS OF RESIDENCE CERTIFICATES. - In order to facilitate the issuance of community tax certificates pursuant to Section 3 of this Rule, city and municipal treasurers are hereby authorized to use for the year 1992 blank forms of residence certificates still in their stock, pending the distribution by the BIR of the new form for the community tax certificate. Provided, however, that:

- (a) The word residence shall be cancelled and in its place, the word community shall be superimposed;
- (b) The maximum amount of additional tax payable by individual and corporate taxpayers shall be changed from ₱3,000.00 to ₱5,000.00, and from ₱6,000.00 to ₱10,000.00, respectively, in accordance with the foregoing schedules; and
- (c) Corresponding reports as to quantity and serial numbers of old blank forms used during the calendar year 1992 shall be submitted by the city and municipal treasurers to the Commissioner of Internal Revenue pursuant to existing rules and regulations;

Section 9 - Effectivity Clause - This Ordinance shall take effect on January 1, 1992.

In view of the urgency of the enactment of this Local Tax and considering that the rates of community taxes payable by individuals and corporations are fixed under Section 157 and 158 of the Code, no public hearing shall be required for the purpose.

Voting on the foregoing Ordinance as follows:

In favor - Members: Batara, Salvador, Guillermo, Estavillo, Castueras, Bernardino, de Lara and Luis;

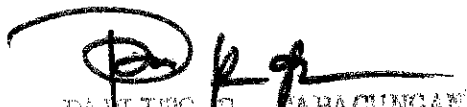
Against - 0

Copies of this Ordinance be furnished the Chairman, Committee on Laws, Sangguniang Panlalawigan, Laoag City, The Director, Department of Finance, Region I, San Fernando, La Union, the Provincial Treasurer, Laoag City and the Municipal Treasurer, Solsona, Ilocos Norte, for their information and consideration;

CARRIED UNANIMOUSLY.

CERTIFIED TRUE & CORRECT:

ATTESTED:


RAULITO R. CABACUNGAN
Vice-Mayor/Presiding
Officer


BARTOLOME Q. ALONCION
Municipal Secretary

OFFICE OF THE MAYOR
SOLSONA, ILOCOS NORTHE

APPROVED

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JOSEPH E. DE LARA