ORDINANCE NO. 03-117

AN ORDINANCE IMPOSING A FRANCHISE TAX ON BUSINESS ENJOYING A FRANCHISE AT THE RATE OF SEVENTY FIVE PERCENT (75%) OF ONE PERCENT (1%) OF THE GROSS ANNUAL RECEIPTS FOR THE CALENDAR YEAR BASED ON THE INCORPOR RECEIPT OR REALIZED BY SUCH BUSINESS.

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Sponsored by:  
Hon. Atty. Raul B. Corro
Hon. Dr. Nicanor L. Echavez
Hon. Allan Ray A. Camilon
Hon. Melchor B. Teves
Hon. Atty. Jovissiano M. Dea Rea
Hon. Elmer S. Espeleta
Hon. Francis Ian T. Bagatoring
Hon. Lucio B. Constantino
Hon. Mario E. Bulay, Jr.
Hon. M. mero T. Sevilla, Jr.
Hon. Raffio B. Joaquin
Hon. Santiago V. Carlos, Jr.
Hon. Artemio A. Simuedac  

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WHEREAS, Section 137 of the Local Government Code provides that, “the province may impose the Franchise Tax or the tax on business enjoying a franchise, at a rate not exceeding fifty percent (50%) of one percent (1%) of the gross annual receipts for the preceding calendar year based on the income receipt or realized, by such business within its territorial jurisdiction”;

WHEREAS, Section 151 of the Local Government Code provides that, “the city may levy the taxes, fees and charges which the province or municipality may impose, and that the rates of taxes that the city may levy may exceed the maximum rates allowed for the province or municipality by not more than fifty percent (50%)”;

WHEREAS, Ordinance No. 93-35 otherwise known as the Muntinlupa Revenue Code was enacted in 1993 when Muntinlupa was still a municipality;

WHEREAS, Section 25 of the aforementioned Muntinlupa Revenue Code, already provided, “for the imposition of the Franchise Tax on operation of public utilities at the rate of fifty percent (50%) of one percent (1%) of the gross annual receipts for the preceding year based on the income receipt or realized within Muntinlupa”;

WHEREAS, under the Local Government Code, “only provinces and cities are given the authority to impose the franchise tax”;

City Hall of Muntinlupa
WHEREAS, there are conflicting views on the issue whether or not a municipality within the Metropolitan Manila Area may impose the Franchise Tax, thereby stalling the collection efforts of the city to collect the franchise tax from public utilities:

WHEREAS, in order that the City Treasurer may be able to collect the franchise tax, without legal impediment or question, it is imperative that a city ordinance imposing a tax on private persons or corporations operating public utilities and enjoying franchise, be approved and passed;

NOW, THEREFORE, BE IT ENACTED AS IT IS ENACTED, by the Sangguniang Panlungsod of Muntinlupa assembled, the ordinance imposing the Franchise Tax on businesses enjoying franchise, at a rate of not exceeding Seventy Five Percent (75%) of one percent (1%) of the gross annual receipts for the preceding year based on the incoming receipt, or realized within the City of Muntinlupa.

ENACTED, by the Sangguniang Panlungsod of Muntinlupa this 23rd day of October 2005, on its 92nd Regular Session.

CONCURRED:

DR. NICANOR L. ECHAVEZ
Councilor

EIMER S. ESPELETA
Councilor

ATTY. PATRICIO L. BONCAO, JR.
Councilor

FRANCIS T. BAGATSING
Councilor

ALLAN REY A. CAMILON
Councilor

LUCIO B. CONSTANTINO
Councilor

ATTY. RAUL R. CORRO
Councilor

MARIO E. BULAY, JR.
Councilor

MELCHOR R. TEVES
Councilor

MAMERTO T. SEVILLA, JR.
Councilor

ATTY. ICASIANO M. DELA REY
Councilor

RUPINO B. JOAQUIN
Councilor
Page 3
Ordinance No. 03-117

SANTIAGO V. CARLOS, JR.
Councilor

ARTEMIO A. SIMUNDAC
Sectoral Representative
President
Association of Barangay Captains

RENE CARL S. CAYETANO
Councilor

ABSENT:

ALBREH L. SAN PEDRO
Councilor

CHRISTIAN GLENN D. LORICA
Sectoral Representative
President
Federation of Sangguniang Kabataan

I HEREBY CERTIFY, as to the correctness of the foregoing ordinance:

ATTY. ISIDORO L. SORIANO, JR.
Secretary
SANGGUNIANG PANLUNGSOD

ATTESTED:

ATTY. JOELYN T. ALCARAZ
City Vice Mayor/Presiding Officer

APPROVED:

ATTY. JAYM. R. FRESNEDI
City Mayor
Date: __________