



Republic of the Philippines
City of Bago
OFFICE OF THE SANGGUNIANG PANLUNGSOD

ORDINANCE NO. 21-12

AN ORDINANCE GRANTING TAX RELIEF TO DELINQUENT REAL PROPERTY TAXPAYERS THROUGH PAYING THEIR DELINQUENT TAXES BY INSTALLMENT AND GRANTING AUTHORITY TO THE CITY TREASURER TO ENTER INTO COMPROMISE AGREEMENT WITH DELINQUENT TAXPAYERS SUBJECT TO CERTAIN TERMS AND CONDITIONS.

WHEREAS, the President of the Philippines declared Proclamation No. 929 placing the whole country under State of Calamity due to the rise of the COVID-19 pandemic;

WHEREAS, in view of the continued unabated spread of the COVID-19 virus and the ensuing economic disruption therefrom, the existence of a continued national emergency is hereby affirmed in Republic Act No. 11494, otherwise known as the “Bayanihan to Recover as One Act”;

WHEREAS, Section 3(e) of RA 11494 provides that the State shall establish mechanisms to mitigate the economic cost and losses stemming from the COVID-19 pandemic;

WHEREAS, due to the economic downturn caused by the COVID-19 pandemic, real property owners in the City of Bago were unable to pay their real property taxes on time which resulted in the continuous imposition of penalty on basic property tax and SEF tax. This in turn affected the tax collection efficiency of the local government units, the City Government of Bago in particular;

WHEREAS, the Provincial Government passed Provincial Ordinance No. 2021-004, Series of 2021 entitled “**THE TAX RELIEF ON DELINQUENT REAL PROPERTY TAXPAYERS IN THE PROVINCE OF NEGROS OCCIDENTAL**”, which in effect granted delinquent real property taxpayers the opportunity to pay their tax delinquencies in installments and authority to the Provincial Treasurer to enter into compromise agreements with delinquent taxpayers subject to certain terms and conditions, which said ordinance is the basis of the City Government of Bago in coming up with this legislation; and

WHEREAS, the City of Bago will be able to alleviate the economic and financial burden of Bagonhon real property taxpayers brought about by COVID-19 pandemic through the granting of tax relief to delinquent real property taxpayers through paying their delinquent taxes by installment.

NOW THEREFORE, on motion of SP Member Jozsef Mark Dexter M. Somcio, unanimously seconded by all the members present,

BE IT ENACTED by the Sangguniang Panlungsod of the City of Bago in a Regular Session duly assembled that:

SECTION 1. TITLE. This Ordinance shall be known and cited as the “**THE TAX RELIEF ON DELINQUENT REAL PROPERTY TAXPAYERS IN THE CITY OF BAGO.**”

SECTION 2. DEFINITION OF TERMS. The following words and phrases used in this Ordinance shall mean the following:

- a. Real Property Tax – is a tax levied by the local government on properties and should be paid by property owners. Properties that are taxable include land, building, improvements on the land and/or the building and the machinery.

- b. Delinquent Real Property Taxpayer – all real property taxpayers, whether natural or juridical, who have unpaid taxes, penalties, and surcharges due to the City Government.
- c. Compromise Agreement – is the tax relief accorded to delinquent real property taxpayers of the City that is designed to enable them to pay their delinquent real property tax by installment without succeeding penalties, interest and surcharges.

SECTION 3. OBJECTIVES. This ordinance is enacted for the following objectives:

- a. To give tax relief to real property taxpayers by enabling them to pay their delinquent real property tax by installment without further penalties, interest and surcharges;
- b. To encourage and motivate delinquent real property taxpayers to pay their taxes and forestall public auction of delinquent properties; and
- c. To hasten collection of real property delinquencies and generate much needed funds for the City.

SECTION 4. REAL PROPERTIES COVERED. The following properties are covered:

- a. Those which are undeclared and subject to real property tax;
- b. Those which are declared but the real property tax thereon has not been paid; and
- c. Those included in public auctions by the city government but were not purchased by private persons or entities and title thereto has not been transferred to the City.

SECTION 5. REAL PROPERTIES NOT COVERED. The following properties are not covered:

- a. Delinquent properties which have been disposed at public auction to satisfy the real property tax delinquencies and those which were purchased by the private person or entities;
- b. Real properties which are the subject of pending cases in court for real property tax delinquencies; and
- c. Real properties with tax delinquencies which are subject to a compromise agreement prior to the enactment of this ordinance.

SECTION 6. TAX RELIEF MECHANICS. The tax relief accorded to delinquent real property taxpayers of the City of Bago shall be carried out in the following manner:

1. Owners of real properties with tax delinquencies as of December 31, 2020 and prior years and are covered by Section 4 hereof shall have the option to enter into a Compromise Agreement with the City Treasurer and pay 20% of the tax delinquencies upon execution of the Agreement;
2. The delinquent real property taxpayer has the option to pay the balance of 80% of the tax delinquencies in twenty four (24) monthly installments or eight (8) quarterly installments;
3. Real Property Taxes for the Current year during the installment period shall be paid and updated; and
4. The real property or properties of the delinquent real property taxpayer shall not be subject to interests, penalties and surcharges for the period covered by the compromise agreement.

SECTION 7. DEFAULT OF PAYMENT IN THE COMPROMISE AGREEMENT. The Compromise Agreement shall be automatically cancelled and the total balance of the delinquent real property tax as well as the entire amount of interest, penalties and surcharges shall be automatically due and demandable in the event the delinquent real property taxpayer fails to pay six (6) successive monthly installments or two (2) successive quarterly installments as prescribed in the Compromise Agreement.

The delinquent real property taxpayer shall be subject to administrative or judicial action for collection of unpaid taxes, penalties, interest, and surcharges under existing laws and regulations.

SECTION 8. AUTHORITY CONFERRED TO THE CITY TREASURER TO ENTER INTO A COMPROMISE AGREEMENT. The City Treasurer is hereby authorized to enter into a Compromise Agreement with any delinquent real property taxpayer or his duly authorized representative based on the provisions/conditions set forth.

SECTION 9. PERIOD OF AVAILABILITY OF THE TAX RELIEF. Delinquent real property taxpayers who want to avail of the benefits herein may apply and enter into Compromise Agreement with the City Treasurer upon approval of this ordinance until December 31, 2021.

SECTION 10. SEPARABILITY CLAUSE. If any provision of this Ordinance is declared invalid or unconstitutional, the other provisions unaffected thereby shall remain valid and subsisting.

SECTION 11. REPEALING CLAUSE. All other ordinances, rules, and regulations or parts thereof which are inconsistent with this Ordinance are hereby revoked, amended or modified accordingly.

SECTION 12. EFFECTIVITY. This Ordinance shall take effect immediately upon approval hereof.

Enacted, April 7, 2021.

I hereby certify to the correctness of the foregoing Ordinance which was duly enacted by the Sangguniang Panlungsod during its Regular Session held on April 7, 2021.

(SGD.) VICENTE D. MESIAS

City Environment and Natural Resources Officer I/
Secretary to the Sangguniang Panlungsod-Designate

ATTESTED:

(SGD.) RAMON D. TORRES

City Vice Mayor-Presiding Officer

Approved this 27th day of April 2021.

(SGD.)NICHOLAS M. YULO

City Mayor