



SENATE
P.S. Res. No. 948

'18 NOV 21 P5:12

Introduced by Senator Grace Poe

RESOLUTION

DIRECTING THE SENATE COMMITTEE ON PUBLIC SERVICES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE PROPOSED INCREASE IN THE MOTOR VEHICLE USERS CHARGE (MVUC), AND RECOMMENDING THAT SUCH INCREASE BE HELD IN ABEYANCE SO AS NOT TO ADD TO THE BURDEN ALREADY BEING EXPERIENCED BY MOTORISTS DUE TO HIGH INTERNATIONAL OIL PRICES, AS WELL AS THE EXCISE TAXES ON GASOLINE AND ON AUTOMOBILES UNDER REPUBLIC ACT NO. 10963, OTHERWISE KNOWN AS THE "TAX REFORM FOR ACCELERATION AND INCLUSION (TRAIN)" LAW

1 WHEREAS, on 27 June 2000, Republic Act No. 8794, or "AN ACT IMPOSING A
2 MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF MOTOR
3 VEHICLES AND FOR OTHER PURPOSES" was enacted to provide for and ensure the
4 adequate maintenance of national and provincial roads through sufficient funding
5 the purpose;

6 WHEREAS, R.A. No. 8794 imposes a "Motor Vehicle Users Charge" (MVUC) on
7 all motor vehicles which shall be collected from and paid by their owners, and which
8 rates are set in Section 3 of the law thereof;

9 WHEREAS, the final paragraph of the same section provides that the
10 President of the Philippines "...may adjust the rates contained in Section 3 which
11 shall be reflected but shall not exceed the annual rates of the Consumer Price Index
12 (CPI)";

13 WHEREAS, pursuant to the above provisions, the Department of Finance
14 (DOF) is reportedly drafting an executive order which will increase the MVUC;

15

1 WHEREAS, reportedly, under the DOF proposal, there will be imposed a MVUC
2 of Php 2.50 per kilogram of Gross Vehicle Weight for private and government
3 vehicles, and Php 1.25 per kilogram of Gross Vehicle Weight for vehicles-for-hire;

4 WHEREAS, consider the existing possible increase in the MVUC if the DOF's
5 Php 2.50 proposal is enacted:

Type of Vehicle	MVUC under current rates (in pesos)	Amount to be paid under DOF Proposal (in pesos)
Passenger Car, Light (1,075 GVW)	1,600	2,688
Sport Utility Vehicle (1,910 GVW)	2,300	4,775
Utility Vehicle (2,850 UVW)	2,060	7,125
Trailer (45,000 GCW)	10,800	36,000
Truck (4,000 GVW)	2,112	10,000
Bus (17,000 GVW)	5,232	42,500

6
7 WHEREAS, although the proposed increase in MVUC has a noble intentions, it
8 will in the present merely add to the burden experienced by motorists;

9 WHEREAS, Filipino motorists are currently suffering from a triple whammy of
10 high international oil prices, as well as excise taxes imposed on gasoline and on
11 automobiles under Sections 43 and 45 of R.A. No. 10639, respectively;

12 WHEREAS, further, in the case of the logistics industry, the proposed increase
13 in the MVUC may create disruption, while also creating a perverse incentives for
14 investors to not invest in newer trucks and trailers;

15 NOW THEREFOR BE IT RESOLVED, as it is hereby resolved by the Senate of
16 the Philippines, to direct the Senate Committee on public services to conduct an
17 inquiry, in aid of legislation, on the proposed increase in the Motor Vehicle Users
18 Charge (MVUC), and recommending that such increase be held in abeyance so as
19 not to add to the burden already being experienced by motorists due to high
20 international oil prices, as well as the excise taxes on gasoline and on automobiles

- 1 under Republic Act No. 10963, otherwise known as the "*Tax Reform for Acceleration*
- 2 *and Inclusion (TRAIN)*" Law;

Adopted,


GRACE POE