



HOUSE OF REPRESENTATIVES

H. No. 6136

BY REPRESENTATIVES SALCEDA, VILLAFUERTE, VARGAS, ABANTE, SUANSING (E.), GARIN (S.), TAN (A.S.), SINGSON-MEEHAN, QIMBO, DIMAPORO (M.K.), BARZAGA, KHO (W.), DY (F.M.C.), DAZA, ONG (J.), SACDALAN, JIMENEZ, OUANO-DIZON, YAP (E.), GO (M.), TAMBUNTING, EBCAS, GARCIA (J.E.), REYES, ONG (R.), UNGAB, CUA, TEJADA, VIOLAGO, GASATAYA, JALOSJOS, MACAPAGAL ARROYO, CALDERON, DALIPE, GO (E.C.), ZAMORA (W.K.), BRAVO, LABADLABAD, BENITEZ, DALOG, GUICO, AGABAS, DIMAPORO (A.), BALINDONG, BORDADO, AMATONG, ALMARIO, DEFENSOR (L.), DELOS SANTOS, GAITE, VERGARA, CHIPECO, NIETO, SY-ALVARADO, SAVELLANO, ALONTE, ROBES, TAN (A.) AND ROMUALDEZ (F.M.), PER COMMITTEE REPORT NO. 212

AN ACT AMENDING REPUBLIC ACT NO. 8794, ENTITLED "AN ACT IMPOSING A MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF MOTOR VEHICLES AND FOR OTHER PURPOSES", AS AMENDED BY REPUBLIC ACT NO. 11239

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

1 SECTION 1. This Act shall be known as the "Motor Vehicle
2 Road User's Tax Act".

3 SEC. 2. Section 2 of Republic Act No. 8794, as amended by
4 Republic Act No. 11239, is hereby amended to read as follows:

5 "SEC. 2. *Coverage.* - [In lieu of the registration
6 fee under Section 8 of Republic Act No. 4136, as
7 amended by Batas Pambansa Bilang 74, and the Private
8 Motor Vehicle Tax under Executive Order No. 43, series

1 of 1986, there is hereby] **THE MOTOR VEHICLE ROAD**
2 **USER'S TAX SHALL BE** imposed on every motor vehicle,
3 whether for hire or for private use, including government
4 motor vehicles as [more fully] provided in Section 3
5 hereof, [a Motor Vehicle User's Charge (MVUC)] which
6 shall be collected from and paid by the owner of the
7 motor vehicle."

8 SEC. 3. Section 3 of Republic Act No. 8794, as amended by
9 Republic Act No. 11239, is hereby amended to read as follows:

10 "SEC. 3. [*Rates of the Motor Vehicle User's*
11 *Charge. -] RATES OF MOTOR VEHICLE ROAD USER'S*
12 *TAX. - [(a) For private passenger cars registered as of*
13 *the date of effectivity of this Act, the MVUC to be paid*
14 *shall be the private motor vehicle tax under Executive*
15 *Order No. 43, series of 1986, plus twenty-five percent*
16 *(25%) for the first year, fifty percent (50%) for the second*
17 *year, seventy-five percent (75%) for the third year, and*
18 *one hundred percent (100%) for the fourth year and*
19 *thereafter: Provided, however, That private passenger*
20 *cars to be registered for the first time after the effectivity*
21 *of this Act, shall be subject to the MVUC rates*
22 *prescribed in Section 3(b) hereof.]*

23 "[b) Except as provided under Section 3(a) hereof,
24 for each motor vehicle under each of the categories as
25 herein provided, the MVUC shall be collected from and
26 paid by the vehicle owner, at the following base rates
27 plus twenty-five percent (25%) in the first year from the

1 effectivity of this Act; the said base rates plus fifty
 2 percent (50%) in the second year from the effectivity of
 3 this Act; the said base rates plus seventy-five percent
 4 (75%) in the third year from the effectivity of this Act;
 5 and the said base rates plus one hundred percent (100%)
 6 in the fourth year from the effectivity of this Act and
 7 thereafter: *Provided*, That the MVUC for sports utility
 8 vehicles shall be fifteen percent (15%) higher than the
 9 MVUC herein set for private utility vehicles: *Provided*,
 10 *further*, That motorcycles for hire with sidecars shall not
 11 pay more than Three hundred pesos (P300).]

[Type of Vehicle	Base Rates
I. Private and Government	
A. Passenger Cars	
(1) GVW up to 1,600 kgs.	P800
(2) GVW more than 1,600 kgs. – 2,300 kgs.	1,800
(3) GVW more than 2,300 kgs.	4,000
B. Utility Vehicles	
GVW up to 2,700 kgs.	P1,000
GVW more than 2,700 kgs. – 4,500 kgs.	P1,000 + P20 per 100 kgs. of GVW over 2,700 kgs.
C. Motorcycles	
without sidecar	P120
with sidecar	150
D. Buses	
GVW more than 4,500 kgs.	P900 + P12 per 100 kgs. of GVW over 2,700 kgs.

E. Trucks

GVW more than 4,500 kgs. P900 + P12 per 100 kgs.
of GVW over 2,700 kgs.

F. Trailers

GVW more than 4,500 kgs. P12 per 100 kgs.
of GVW

II. For Hire**A. Passenger Cars**

(1) GVW up to 1,600 kgs. P450

(2) GVW more than 1,600 kgs. – 2,300 kgs. 900

(3) GVW more than 2,300 kgs. 2,500

B. Utility Vehicles

GVW up to 4,500 kgs. P15 per 100 kgs.
of GVW

C. Motorcycles

without sidecar P150

with sidecar 240

D. Buses

GVW more than 4,500 kgs. P15 per 100 kgs.
of GVW

E. Trucks

GVW more than 4,500 kgs. P900 + P12 per 100 kgs.
of GVW over 2,700 kgs.

F. Trailers

GVW more than 4,500 kgs. P12 per 100 kgs.
of GVW]

- 1 “[After the fourth year from the effectivity of this
2 Act, the President of the Philippines may adjust the
3 rates contained in Section 3 which shall be reflective of
4 but shall not exceed the annual rate of increase of the

1 Consumer Price Index (CPI). The President may adjust
2 such rates not more than once every five (5) years.]

3 "THERE SHALL BE LEVIED, ASSESSED, AND
4 COLLECTED ON REGISTERED PRIVATE AND
5 GOVERNMENT VEHICLES, A MOTOR VEHICLE ROAD
6 USER'S TAX WHICH SHALL BE COLLECTED FROM AND
7 PAID BY THE OWNER OF THE MOTOR VEHICLE IN
8 ACCORDANCE WITH THE FOLLOWING SCHEDULE:

TYPE OF VEHICLE	2023 ONWARDS			
	2020	2021	2022	2023 ONWARDS
PRIVATE AND GOVERNMENT				
A. PASSENGER CARS:				
GROSS VEHICLE WEIGHT (GVW) UP TO 1,600 KILOGRAMS (KG)	2,080	2,560	3,040	5% INCREASE
GVW MORE THAN 1,600 KG UP TO 2,300 KG	4,680	5,760	6,840	
GVW MORE THAN 2,300 KG	10,400	12,800	15,200	
B1. UTILITY VEHICLES				
GVW UP TO 4,500 KG	1.40 PER KG OF GVW	2.50 PER KG OF GVW	3.40 PER KG OF GVW	5% INCREASE
B2. SPORTS UTILITY VEHICLES				
GVW UP TO 4,500 KG	1.40 PER KG OF GVW	2.50 PER KG OF GVW	3.40 PER KG OF GVW	5% INCREASE
C. MOTORCYCLES				
WITHOUT SIDECAR	0	0	0	0
WITH SIDECAR	0	0	0	0

D. BUSES				
TYPE OF VEHICLE				
	2020	2021	2022	2023 ONWARDS
GVW ABOVE 4,500 KG	1.40 PER KG OF GVW	2.50 PER KG OF GVW	3.40 PER KG OF GVW	5% INCREASE
E. TRUCKS				
GVW ABOVE 4,500 KG	1.40 PER KG OF GVW	2.50 PER KG OF GVW	3.40 PER KG OF GVW	5% INCREASE
F. TRAILERS				
GVW ABOVE 4,500 KG	1.40 PER KG OF GVW	2.50 PER KG OF GVW	3.40 PER KG OF GVW	5% INCREASE

1 **"PROVIDED, THAT FOR HIRE VEHICLES SHALL BE**
2 **SUBJECT TO FIFTY PERCENT (50%) OF THE ABOVE TAX**
3 **RATES: PROVIDED, HOWEVER, THAT IN THE EVENT THE**
4 **ABOVE TAX RATE WILL RESULT IN DOWNWARD**
5 **ADJUSTMENT OF TAX RATES, THE APPLICABLE MOTOR**
6 **VEHICLE ROAD USER'S TAX OF THE PRECEDING YEAR**
7 **SHALL BE APPLIED.**

8 **"PROVIDED, FURTHER, THAT THE RATES OF**
9 **MOTOR VEHICLE ROAD USER'S TAX SHALL BE**
10 **INCREASED BY FIVE PERCENT (5%) ANNUALLY**
11 **EFFECTIVE JANUARY 1, 2023 THROUGH REVENUE**
12 **REGULATIONS TO BE ISSUED BY THE SECRETARY OF**
13 **FINANCE.**

14 **"AS USED IN THIS SECTION -**

15 **"(A) MOTOR VEHICLE SHALL MEAN ANY VEHICLE**
16 **PROPELLED BY ANY POWER OTHER THAN MUSCULAR**
17 **POWER USING PUBLIC HIGHWAYS BUT EXCEPTING**

1 AIRCRAFTS, MOTOR BOATS, ROAD ROLLERS, TROLLEY
2 CARS, STREET SWEEPERS, SPRINKLERS, LAWN MOWERS,
3 BULLDOZERS, GRADERS, FORKLIFTS, AMPHIBIAN
4 TRUCKS, AND CRANES NOT USED IN PUBLIC HIGHWAYS,
5 VEHICLES WHICH RUN ONLY ON RAILS OR TRACKS,
6 TRACTORS AND TRAILERS, AND TRACTION ENGINES OF
7 ALL KINDS USED EXCLUSIVELY FOR AGRICULTURAL
8 PURPOSES.

9 "TRAILERS HAVING ANY NUMBER OF WHEELS,
10 WHEN PROPELLED OR INTENDED TO BE PROPELLED BY
11 ATTACHMENT TO A MOTOR VEHICLE SHALL BE
12 CLASSIFIED AS SEPARATE MOTOR VEHICLE WITH NO
13 POWER RATING.

14 "(B) *GROSS VEHICLE WEIGHT* SHALL MEAN THE
15 MEASURED WEIGHT OF A MOTOR VEHICLE AS SPECIFIED
16 BY THE MANUFACTURER PLUS THE MAXIMUM
17 ALLOWABLE CARRYING CAPACITY IN MERCHANDISE,
18 FREIGHT, OR PASSENGER AS DETERMINED BY
19 THE ASSISTANT SECRETARY OF THE LAND
20 TRANSPORTATION OFFICE (LTO).

21 SEC. 4. Section 4 of Republic Act No. 8794, as amended by
22 Republic Act No. 11239, is hereby amended to read as follows:

23 "[SEC. 4. *GOVERNMENT MOTOR VEHICLES.* -]
24 SEC. 4. *PAYMENT OF MOTOR VEHICLE ROAD*
25 *USER'S TAX.* - The manner of payment of the [user's
26 charge] MOTOR VEHICLE ROAD USER'S TAX on
27 government motor vehicles shall be in accordance with
28 the procedure that shall be promulgated by the

1 Secretary of the Department of Budget and
2 Management (DBM)[.]:

3 “(A) *MANNER OF PAYMENT.* - THE MOTOR
4 VEHICLE ROAD USER’S TAX SHALL BE PAID TO THE LTO
5 ANNUALLY UPON REGISTRATION, CONFORMABLY WITH
6 THE REGULATIONS ISSUED JOINTLY BY THE
7 DEPARTMENT OF FINANCE (DOF) AND DEPARTMENT
8 OF TRANSPORTATION (DOTr).

9 “(B) *MANNER OF COLLECTION OF REVENUES.* -
10 THE MOTOR VEHICLE ROAD USER’S TAX SHALL BE
11 COLLECTED BY THE LTO AS PART OF THE ANNUAL
12 VEHICLE REGISTRATION IN ACCORDANCE WITH THE
13 RATES SET FORTH IN SECTION 3 HEREOF. THE DATES
14 OF ANNUAL REGISTRATION OF MOTOR VEHICLES SHALL
15 BE BASED ON THE REGISTRATION SCHEME PROVIDED BY
16 THE LTO.

17 “(C) *EFFECT OF FAILURE TO PAY MOTOR*
18 *VEHICLE ROAD USER’S TAX.* - ANY REGISTRATION OF
19 MOTOR VEHICLES NOT RENEWED ON OR BEFORE THE
20 DATE FIXED BY THE LTO SHALL BE CONSIDERED
21 DELINQUENT AND INVALID.”

22 SEC. 5. Section 7 of Republic Act No. 8794, as amended by
23 Republic Act No. 11239, is hereby further amended to read as
24 follows:

25 “SEC. 7. *Disposition of Monies Collected.* - All
26 monies collected under this Act shall be remitted to the
27 National Treasury under a special account in the
28 General Fund to be earmarked solely for the
29 construction, upgrading, repair, and rehabilitation of
30 roads, bridges, and road drainage to be included in the

1 annual General Appropriations Act[.]: *PROVIDED*,
2 **THAT FIFTY PERCENT (50%) OF THE INCREMENTAL**
3 **REVENUES COLLECTED UNDER THIS ACT SHALL BE**
4 **ALLOCATED AND USED EXCLUSIVELY FOR THE**
5 **FOLLOWING PURPOSES:**

6 “(1) FORTY-FIVE PERCENT (45%) FOR THE
7 MODERNIZATION OF PUBLIC UTILITY VEHICLES,
8 PARTICULARLY FOR THE EQUITY SUBSIDY OF PUBLIC
9 TRANSPORT OPERATORS CONSOLIDATED AS TRANSPORT
10 COOPERATIVES FOR THE ACQUISITION OF EURO-4
11 COMPLIANT PUBLIC UTILITY VEHICLES PLYING
12 AUTHORIZED ROUTES AS DETERMINED BY THE DOTr
13 AND THE LAND TRANSPORTATION FRANCHISING AND
14 REGULATORY BOARD (LTFRB): *PROVIDED*, THAT SAID
15 INCREMENTAL REVENUES SHALL BE EARMARKED UPON
16 APPROVAL OF THIS ACT UNTIL DECEMBER 31, 2024
17 FOR THE MODERNIZATION OF PUBLIC UTILITY
18 VEHICLES: *PROVIDED, FURTHER*, THAT THE
19 EARMARKED FUNDS SHALL REVERT TO THE SPECIAL
20 ACCOUNT IN THE GENERAL FUND EFFECTIVE JANUARY
21 1, 2025;

22 “(2) FIVE PERCENT (5%) FOR GOVERNMENT
23 PROGRAMS TO BE UNDERTAKEN FOR PREVENTION OF
24 DEATHS DUE TO ROAD ACCIDENTS, AND ACCIDENT
25 VICTIMS’ ASSISTANCE, INCLUDING THE FOLLOWING:

26 (a) THE IMPROVEMENT OF EXISTING DRIVERS’
27 EDUCATION PROGRAMS, TRAINING ACADEMIES AND
28 DRIVERS’ LICENSE EXAMINATIONS BY THE LTO;

29 (b) THE ESTABLISHMENT OF ADDITIONAL MOTOR
30 VEHICLE INSPECTION CENTERS BY THE LTO;

1 **SEC. 9. *Effectivity.*** – This Act shall take effect fifteen (15)
2 days after its publication in the *Official Gazette* or in at least one (1)
3 newspaper of general circulation.

Approved,

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