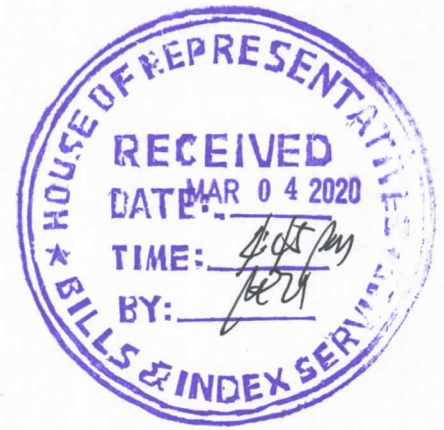




Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 6481



Introduced by Representatives Edgar Mary S. Sarmiento, Jorge Antonio P. Bustos and Presley C. De Jesus

EXPLANATORY NOTE

This bill seeks to require vendees of motor vehicles to effect the transfer of ownership to the new owner within fifteen days from the execution of the deed of sale, amending for the purpose Republic Act (RA) No. 4136, as amended, otherwise known as the "*Land Transportation and Traffic Code*."

Every motor vehicle shall be registered under Section 5 of RA 4136, as amended by Batas Pambansa Blg. 74. The primary purpose of motor vehicle registration is to identify the owner in case of any accident or when damage or injury is caused by the vehicle on public highways, responsibility therefor can be fixed on the registered owner.

The person registered on the certificate of registration can be held subsidiarily liable with the driver of the motor vehicle in case of an accident caused by the motor vehicle under the registered owner's name, although the registered owner has subsequently sold it to another. This happens when a motor vehicle owner sells the motor vehicle using an open deed of sale. In order to remedy this dilemma, the registered owner must make sure that ownership has been transferred to the buyer upon the sale of the motor vehicle so that the previous registered owner would be absolved of all liabilities that may be incurred after the deed of sale was executed.

On December 9, 1996, Land Transportation Office (LTO) Memorandum Circular No. 97-244 was issued requiring vendees to effect the transfer of ownership within thirty (30) days from the date of filing of the notice of sale, transfer or conveyance of motor vehicles with the LTO District Office. Subsequently, on July 17, 2016, RA 10883, otherwise known as the "*New Anti-Carnapping Act of 2016*" shortened the period for the transfer of ownership to twenty (20) days. Section 8 of RA 10883 reads:

“SEC. 8. Registration of Sale, Transfer, Conveyance of a Motor Vehicle, Substitution or Replacement of a Motor Vehicle Engine, Engine Block or Chassis. – Every sale, transfer, conveyance of a motor vehicle, substitution or replacement of a motor vehicle engine, engine block or chassis of a motor vehicle shall be registered with the LTO within twenty (20) working days upon purchase/acquisition of a motor vehicle and substitution or replacement of a motor vehicle engine, engine block or chassis. A motor vehicle, motor vehicle engine, engine block or chassis not registered with the LTO shall be presumed as a carnapped vehicle, an untaxed imported vehicle, or a vehicle proceeding from illegal sources unless proven otherwise and shall be confiscated in favor of the government.”

The proposed measure intends to easily identify the owner who can be held responsible for any accident, damage or injury caused by the motor vehicle. Likewise, it will prevent inconvenience and prejudice to a third party injured by one who is unknown or unidentified.

In view of the foregoing, approval of this bill is earnestly sought.



CONG. EDGAR MARY S. SARMIENTO



CONG. JORGE ANTONIO P. BUSTOS



CONG. PRESLEY C. DE JESUS



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HOUSE BILL NO. 6481

Introduced by Representatives Edgar Mary S. Sarmiento, Jorge Antonio P.
Bustos and Presley C. De Jesus

AN ACT

REQUIRING THE REGISTRATION OF THE SALE, TRANSFER, OR
CONVEYANCE OF A MOTOR VEHICLE WITH THE LAND
TRANSPORTATION OFFICE WITHIN FIFTEEN (15) DAYS FROM THE
SALE, TRANSFER OR CONVEYANCE OF THE MOTOR VEHICLE,
AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 4136, AS
AMENDED, OTHERWISE KNOWN AS THE "*LAND TRANSPORTATION
AND TRAFFIC CODE*"

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

SECTION 1. Section 5 of Republic Act No. 4136, as amended, by Batas
Pambansa Blg. 74, is hereby further amended to read as follows:

"SEC. 5. *Compulsory Registration of Motor Vehicles.* –

"(a) All motor vehicles and trailer of any type used or operated
on or upon any highway of the Philippines must be registered with the
~~[Bureau of Land Transportation]~~ **LAND TRANSPORTATION
OFFICE (LTO)** for the current year in accordance with the
provisions of this Act.

"**EVERY SALE, TRANSFER, OR CONVEYANCE OF A
MOTOR VEHICLE SHALL BE REGISTERED WITH THE
LTO WITHIN FIFTEEN (15) DAYS FROM THE ACTUAL
SALE, TRANSFER OR CONVEYANCE OF THE MOTOR
VEHICLE. FAILURE TO REGISTER THE SALE, TRANSFER,**

1 **OR CONVEYANCE WITHIN THE PRESCRIBED PERIOD**
2 **SHALL SUBJECT THE VENDOR AND THE VENDEE TO A**
3 **FINE OF FIVE THOUSAND PESOS (P5,000.00) EACH.”**

4 “XXX.”

5 SEC. 2. Section 8 of Republic Act No. 10883, otherwise known as the “*New*
6 *Anti-Carnapping Act of 2016*” is hereby amended. All laws, decrees, orders, rules
7 and regulations and other issuances, or parts thereof, which are inconsistent with
8 the provisions of this Act are hereby repealed, amended or modified accordingly.

9 SEC. 3. This Act shall take effect thirty (30) days after its publication in the
10 *Official Gazette* or in a newspaper of general circulation.

11 Approved,