

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

Eighteenth Congress  
First Regular Session



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**COMMITTEE REPORT NO. 212**

Submitted by the Committees on Ways and Means and Appropriations on  
JAN 30 2020

Re: House Bill No. 6136

Recommending its approval in substitution of House Bills No. 1294, 3006, 3616, 4223 and 4695

Sponsors: Representative Joey Sarte Salceda and Representative Isidro T. Ungab

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Mr. Speaker:

The Committees on Ways and Means and Appropriations to which were referred House Bill No. 1294 introduced by Rep. Luis Raymund "LRay" F. Villafuerte, Jr., entitled:

"AN ACT AMENDING REPUBLIC ACT 8794 ENTITLED "AN IMPOSING A MOTOR VEHICLE USERS CHARGE ON OWNERS OF ALL TYPES OF MOTOR VEHICLES AND FOR OTHER PURPOSES";

House Bill No. 3006, introduced by Rep. Luis Raymund "LRay" F. Villafuerte, Jr., entitled:

"AN ACT AMENDING REPUBLIC ACT 8794 ENTITLED "AN ACT IMPOSING A MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF MOTOR VEHICLES AND FOR OTHER PURPOSES";

House Bill No. 3616, introduced by Rep. Alfred Vargas, entitled:

"AN ACT EXEMPTING GREEN VEHICLES FROM THE MOTOR VEHICLE USER'S CHARGE AMENDING FOR THE PURPOSE SECTION 2 OF REPUBLIC ACT NO. 8794, OTHERWISE KNOWN AS THE "MOTOR VEHICLE USER'S CHARGE ACT OF 2000";

House Bill No. 4223, introduced by Rep. Luis Raymund "LRay" F. Villafuerte, Jr., entitled:

"AN ACT AMENDING REPUBLIC ACT 8794 ENTITLED "AN ACT IMPOSING A MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF MOTOR VEHICLES AND FOR OTHER PURPOSES"; and

House Bill No. 4695, introduced by Rep. Joey Sarte Salceda, entitled:

"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".

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has considered the same and recommends that the attached House Bill No. \_\_\_\_\_, entitled:

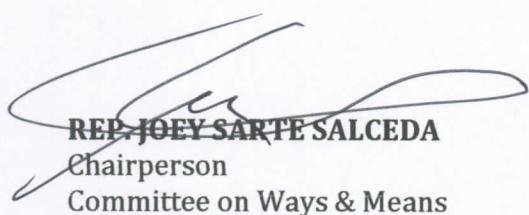
"AN ACT AMENDING REPUBLIC ACT NO. 8794, ENTITLED "AN ACT IMPOSING A MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF MOTOR VEHICLES AND FOR OTHER PURPOSES", AS AMENDED BY REPUBLIC ACT NO. 11239".

be approved in substitution of House Bills Numbered 1294, 3006, 3616, 4223 and 4695 with Representatives Joey Sarte Salceda, Luis Raymund "LRay" F. Villafuerte, Jr., Alfred Vargas, Bienvenido M. Abante Jr., Estrellita B. Suansing, Sharon S. Garin, Alyssa Sheena P. Tan, Kristine Singson-Meehan, Stella Luz A. Quimbo, Mohamad Khalid O. Dimaporo, Elpidio F. Barzaga, Jr., Wilton "Tonton" T. Kho, Faustino Michael Carlos T. Dy III, Paul Ruiz Daza, Jose "Jun" L. Ong, Jr., Joselito "Joel" S. Sacdalan, Cesar "Jawo" L. Jimenez, Jr., Emmarie "Lolypop" Ouano-Dizon, Eric Go Yap, Mark O. Go, Joy Myra S. Tambunting, Adriano A. Ebcas, Jose Enrique "Joet" S. Garcia III, Allan Benedict S. Reyes, Ronnie L. Ong, Isidro T. Ungab, Junie E. Cua, Jose "Pingping" I. Tejada, Micaela S. Violago, Greg G. Gasataya, Romeo M. Jalosjos Jr., Juan Miguel Macapagal Arroyo, Peter John D. Calderon, Manuel Jose "Mannix" M. Dalipe, Ed Christopher S. Go, Manual "Way" Kurat Zamora, Narciso R. Bravo, Jr., Glona G. Labadlabad, Francisco "Kiko" B. Benitez, Maximo Y. Dialog, Jr., Ramon V. Guico III, Tyrone D. Agabas, Abdullah D. Dimaporo, Yasser Alonto Balindong, Gabriel H. Bordado Jr., Isagani S. Amatong, Joel Mayo Z. Almario, Lorenz R. Defensor, Alfred C. Delos Santos, Ferdinand R. Gaite, and Rosanna "Ria" Vergara as authors.

Respectfully submitted,



**REP. ISIDRO T. UNGAB**  
Chairperson  
Committee on Appropriations



**REP. JOEY SARTE SALCEDA**  
Chairperson  
Committee on Ways & Means

THE HONORABLE SPEAKER  
HOUSE OF REPRESENTATIVES  
QUEZON CITY

Republic of the Philippines  
House of Representatives  
Quezon City

Eighteenth Congress  
First Regular Session

6136

HOUSE BILL NO. \_\_\_\_\_

(In substitution of House Bills No. 1294, 3006, 3616, 4223 and 4695)

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Introduced by Representatives Joey Sarte Salceda, Luis Raymund "LRay" F. Villafuerte, Jr., Alfred Vargas, Bienvenido M. Abante Jr., Estrellita B. Suansing, Sharon S. Garin, Alyssa Sheena P. Tan, Kristine Singson-Meehan, Stella Luz A. Quimbo, Mohamad Khalid O. Dimaporo, Elpidio F. Barzaga, Jr., Wilton "Tonton" T. Kho, Faustino Michael Carlos T. Dy III, Paul Ruiz Daza, Jose "Jun" L. Ong, Jr., Joselito "Joel" S. Sacdalan, Cesar "Jawo" L. Jimenez, Jr., Emmarie "Lolypop" Ouano-Dizon, Eric Go Yap, Mark O. Go, Joy Myra S. Tambunting, Adriano A. Ebcas, Jose Enrique "Joet" S. Garcia III, Allan Benedict S. Reyes, Ronnie L. Ong, Isidro T. Ungab, Junie E. Cua, Jose "Pingping" I. Tejada, Micaela S. Violago, Greg G. Gasataya, Romeo M. Jalosjos Jr., Juan Miguel Macapagal Arroyo, Peter John D. Calderon, Manuel Jose "Mannix" M. Dalipe, Ed Christopher S. Go, Manual "Way" Kurat Zamora, Narciso R. Bravo, Jr., Glona G. Labadlabad, Francisco "Kiko" B. Benitez, Maximo Y. Dialog, Jr., Ramon V. Guico III, Tyrone D. Agabas, Abdullah D. Dimaporo, Yasser Alonto Balindong, Gabriel H. Bordado Jr., Isagani S. Amatong, Joel Mayo Z. Almario, Lorenz R. Defensor, Alfred C. Delos Santos, Ferdinand R. Gaite, and Rosanna "Ria" Vergara as authors.

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**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:*

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

**SEC. 2.** Section 2 of Republic Act No. 8794, as amended by Republic Act

No. 11239, is hereby amended to read as follows:

"SEC. 2. Coverage. - [In lieu of the registration fee under Section 8 of Republic Act No. 4136, as amended by Batas Pambansa Bilang 74, and the Private Motor Vehicle Tax under Executive Order No. 43, series of 1986, there is hereby] **THE MOTOR VEHICLE ROAD USER'S TAX SHALL BE** imposed on every motor vehicle, whether for hire or for private use, including government motor vehicles as [more fully] provided in Section 3 hereof [a Motor Vehicle User's Charge (MVUC)], which shall be collected from and paid by the owner of the motor vehicle."

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

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

[("b) Except as provided under Section 3(a) hereof, for each motor vehicle under each of the categories as herein provided, the MVUC shall be collected from and paid by the vehicle owner, at the following base rates plus twenty-five percent (25%) in the first year from the effectivity of this Act; the said base rates plus fifty percent (50%) in the second year from the effectivity of this Act; the said base rates plus seventy-five percent (75%) in the third year from the effectivity of this Act; and said base rates plus one hundred percent (100%) in the fourth year from the effectivity of this Act and thereafter: Provided, That the MVUC for sports utility vehicles shall be fifteen percent (15%) higher than the MVUC herein set for private utility vehicles: Provided, further, That motorcycles for hire with sidecars shall not pay more than Three-hundred pesos (300.00).]

	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 side car	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 side car	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 ]

[After the fourth year from the effectivity of this Act, the President of the Philippines may adjust the rates contained in Section 3 which shall be reflective of but shall not exceed the annual rate of increase of the Consumer Price Index (CPI). The President may adjust such rates not more than once every five (5) years.]

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

TYPE OF VEHICLE	2020	2021	2022	2023 ONWARDS
<b>PRIVATE AND GOVERNMENT</b>				
<b>A. PASSENGER CARS:</b>				
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	
<b>B1. UTILITY VEHICLES</b>				
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
<b>B2. SPORTS UTILITY VEHICLES</b>				
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
<b>C. MOTORCYCLES</b>				
WITHOUT SIDECAR	0	0	0	0
WITH SIDECAR	0	0	0	0
<b>D. BUSES</b>				
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

TYPE OF VEHICLE				
	2020	2021	2022	2023 ONWARDS
<b>E. TRUCKS</b>				
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
<b>F. TRAILERS</b>				
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

***"PROVIDED, THAT FOR HIRE VEHICLES SHALL BE SUBJECT TO 50% OF THE ABOVE TAX RATES. PROVIDED, HOWEVER, THAT IN THE EVENT THE ABOVE TAX RATE WILL RESULT IN DOWNWARD ADJUSTMENT OF TAX RATES, THE APPLICABLE MOTOR VEHICLE ROAD USER'S TAX OF THE PRECEDING YEAR SHALL BE APPLIED.***

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

***"AS USED IN THIS SECTION –***

***"(A) MOTOR VEHICLE SHALL MEAN ANY VEHICLE PROPELLED BY ANY POWER OTHER THAN MUSCULAR POWER USING THE PUBLIC HIGHWAYS BUT EXCEPTING AIRCRAFT, MOTOR BOATS, ROAD ROLLERS, TROLLEY CARS, STREET SWEEPERS, SPRINKLERS, LAWN MOWERS, BULLDOZERS, GRADERS, FORK LIFTS, AMPHIBIAN TRUCKS, AND CRANES NOT USED IN PUBLIC HIGHWAYS, VEHICLES WHICH RUN ONLY ON RAILS OR TRACKS, TRACTORS AND TRAILERS AND TRACTION ENGINES OF ALL KINDS USED EXCLUSIVELY FOR AGRICULTURAL PURPOSES.***

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

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

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

**"SEC. 4. PAYMENT OF MOTOR VEHICLE ROAD USER'S TAX. –**

**"(A) MANNER OF PAYMENT – THE MOTOR VEHICLE ROAD USER'S TAX SHALL BE PAID TO THE LTO ANNUALLY UPON REGISTRATION, CONFORMABLY WITH THE REGULATIONS ISSUED JOINTLY BY THE DEPARTMENT OF FINANCE (DOF) AND DEPARTMENT OF TRANSPORTATION (DOTr).**

"The manner of payment of the [user's charge] **MOTOR VEHICLE ROAD USER'S TAX** on government motor vehicles shall be in accordance with the procedure that shall be promulgated by the Secretary of the Department of Budget and Management (DBM).

**"(B) MANNER OF COLLECTION OF REVENUES – THE MOTOR VEHICLE ROAD USER'S TAX SHALL BE COLLECTED BY THE LTO AS PART OF THE ANNUAL VEHICLE REGISTRATION IN ACCORDANCE WITH THE RATES SET FORTH IN SECTION 3 HEREOF. THE DATES OF ANNUAL REGISTRATION OF MOTOR VEHICLES SHALL BE BASED ON THE REGISTRATION SCHEME PROVIDED BY THE LTO.**

**"(C) EFFECT OF FAILURE TO PAY MOTOR VEHICLE ROAD USER'S TAX – ANY REGISTRATION OF MOTOR VEHICLES NOT RENEWED ON OR BEFORE THE DATE FIXED BY THE LTO SHALL BE CONSIDERED DELINQUENT AND INVALID."**

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

"**SEC. 7. Disposition of Monies Collected. - All monies collected under this Act shall be remitted to the National Treasury under a special**

account in the General Fund to be earmarked solely for the construction, upgrading, repair and rehabilitation of roads, bridges, and road drainage to be included in the annual General Appropriations Act: **PROVIDED, THAT FIFTY PERCENT (50%) OF THE INCREMENTAL REVENUES COLLECTED UNDER THIS ACT SHALL BE ALLOCATED AND USED EXCLUSIVELY FOR THE FOLLOWING PURPOSES:**

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

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

- a) THE IMPROVEMENT OF EXISTING DRIVERS’ EDUCATION PROGRAMS, TRAINING ACADEMIES AND DRIVERS’ LICENSE EXAMINATIONS BY THE LTO;
- b) THE ESTABLISHMENT OF ADDITIONAL MOTOR VEHICLE INSPECTION CENTERS BY THE LTO;
- c) THE IMPROVEMENT OF ROAD

**MANAGEMENT SYSTEMS BY THE DOTR;**

**d) THE PROVISION OF SUPPLEMENTAL HOSPITALIZATION COVERAGE BY THE PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH) FOR VICTIMS OF ROAD ACCIDENTS;**

**e) THE PROVISION BY THE EMPLOYEES' COMPENSATION COMMISSION OF WORKMEN'S COMPENSATION FOR VICTIMS OF ROAD ACCIDENTS WHO ARE UNABLE TO BE GAINFULLY EMPLOYED FOR A CONTINUOUS PERIOD DUE TO DISABILITY, PURSUANT TO THE PROVISIONS OF REPUBLIC ACT NO. 772, AS AMENDED OR THE WORKMEN'S COMPENSATION ACT; AND**

**f) THE ESTABLISHMENT BY THE DEPARTMENT OF HEALTH (DOH) OF EMERGENCY CARE FACILITIES IN AREAS THAT HAVE HIGH INCIDENCE OF ROAD ACCIDENTS.**

**SEC. 6. *Implementing Rules and Regulations.*** - The DOTR, in coordination with the DOF, the DOH, and the LTFRB shall promulgate the rules and regulations to implement this Act within thirty (30) days from its effectivity.

**SEC. 7. *Repealing Clause.*** - All laws, orders issuance, circulars, rules and regulation or parts thereof, which are inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

**SEC. 8. *Separability Clause.*** - If any provision of this Act is declared unconstitutional or invalid, other parts or provision hereof not affected thereby shall continue to be in full force and effect.

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

Approved,

**FACT SHEET**

**House Bill No. 6136**

(In substitution of House Bills No. 1294, 3006, 3616, 4223 and 4695)

**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**

Introduced by Representatives Joey Sarte Salceda, Luis Raymund "LRay" F. Villafuerte, Jr., Alfred Vargas, Bienvenido M. Abante Jr., Estrellita B. Suansing, Sharon S. Garin, Alyssa Sheena P. Tan, Kristine Singson-Meehan, Stella Luz A. Quimbo, Mohamad Khalid O. Dimaporo, Elpidio F. Barzaga, Jr., Wilton "Tonton" T. Kho, Faustino Michael Carlos T. Dy III, Paul Ruiz Daza, Jose "Jun" L. Ong, Jr., Joselito "Joel" S. Sacdalan, Cesar "Jawo" L. Jimenez, Jr., Emmarie "Lolypop" Ouano-Dizon, Eric Go Yap, Mark O. Go, Joy Myra S. Tambunting, Adriano A. Ebcas, Jose Enrique "Joet" S. Garcia III, Allan Benedict S. Reyes, Ronnie L. Ong, Isidro T. Ungab, Junie E. Cua, Jose "Pingping" I. Tejada, Micaela S. Violago, Greg G. Gasataya, Romeo M. Jalosjos Jr., Juan Miguel Macapagal Arroyo, Peter John D. Calderon, Manuel Jose "Mannix" M. Dalipe, Ed Christopher S. Go, Manual "Way" Kurat Zamora, Narciso R. Bravo, Jr., Glona G. Labadlabad, Francisco "Kiko" B. Benitez, Maximo Y. Dalog, Jr., Ramon V. Guico III, Tyrone D. Agabas, Abdullah D. Dimaporo, Yasser Alonto Balindong, Gabriel H. Bordado Jr., Isagani S. Amatong, Joel Mayo Z. Almario, Lorenz R. Defensor, Alfred C. Delos Santos, Ferdinand R. Gaite, and Rosanna "Ria" Vergara as authors.

Referred to the Committee on Ways and Means

Committee Chairperson: **Hon. Joey Sarte Salceda**

**OBJECTIVES:**

- To optimize the utilization of the Motor Vehicle Road User's Tax
- To raise additional revenues to help fund government programs for the prevention of deaths due to road accidents, to provide assistance to victims of accidents, and to help finance the Public Utility Vehicle Modernization Program (PUVMP) of the government

## KEY PROVISIONS:

- Imposes the motor vehicle road user's tax (MVRUT) in lieu of the motor vehicle user's charge (MVUC) on private and government vehicles, as follows:

Type of Vehicle	Base Rates				
	Current (RA 8794)	2020	2021	2022	2023 onwards
<b>Private and Government</b>					
<b>A. Passenger Cars:</b>					
Gross Vehicle Weight (GVW) up to 1,600 kilograms (kg)	1,600	2,080	2,560	3,040	5% increase
GVW more than 1,600 kg – 2,300 kg	3,600	4,680	5,760	6,840	
GVW more than 2,300 kg	8,000	10,400	12,800	15,200	
<b>B1. Utility Vehicles</b>					
GVW up to 2,700 kg	2,000	2,000 + 40 per 100 kg of GVW over 2,700 kg	1.40 per kg of GVW	2.50 per kg of GVW	3.40 per kg of GVW
GVW up to 4,500 kg					
<b>B2. Sports Utility Vehicles</b>					
GVW up to 2,700 kg	2,300	2,300 + 46 per 100 kg of GVW over 2,700 kg	1.40 per kg of GVW	2.50 per kg of GVW	3.40 per kg of GVW
GVW more than 2,700 kg – 4,500 kg					
<b>C. Motorcycles</b>					
Without sidecars	240	0	0	0	0
With sidecars	300	0	0	0	0
<b>D. Buses</b>					
GVW above 4,500 kg	1,800 + 24 per 100 kg of GVW over 2,700 kg	1.40 per kg of GVW	2.50 per kg of GVW	3.40 per kg of GVW	5% increase
<b>E. Trucks</b>					
GVW above 4,500 kg	1,800 + 24 per 100 kg of GVW over 2,700 kg	1.40 per kg of GVW	2.50 per kg of GVW	3.40 per kg of GVW	5% increase
<b>F. Trailers</b>					
GVW above 4,500 kg	24 per 100 kg of GVW	1.40 per kg of GVW	2.50 per kg of GVW	3.40 per kg of GVW	5% increase

- Decreases the road user's tax rate for vehicles for hire, at 50% of the MVRUT rate for private and government vehicles; and
- Allocates the incremental revenue from MVRUT to the following:
  - 45% to finance the modernization of public utility vehicles
  - 5% for government programs to be undertaken for prevention of deaths due to road accidents and for accident victims' assistance such as:
    - Improvement of existing drivers' education programs, training academies and drivers' license examinations by the Land Transportation Office (LTO);
    - Provision of additional motor vehicle inspection centers by the LTO;
    - Improvement of existing road networks by the Road Management Systems of the Department of Transportation;
    - Provision of supplemental hospitalization coverage by the Philippine Health Insurance Corporation;
    - Provision by the Employees' Compensation Commission of workmen's compensation for victims of road accidents who are unable to perform any gainful occupation due to disability; and
    - Establishment by the Department of Health of emergency care facilities in areas with high incidence of road accidents

#### **RELATED LAWS:**

1. 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" and
2. Republic Act No. 11239, entitled "An Act Abolishing the Road Board and Providing for the Disposition of the Motor Vehicle User's Charge Collections, Amending for the Purpose 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"