



HOUSE OF REPRESENTATIVES

H. No. 6136

BY REPRESENTATIVES SALCEDA, VILLAFUERTE, VARGAS, ABANTE, SUANSING (E.), GARIN (S.), TAN (A.S.), SINGSON-MEEHAN, QUIMBO, 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 AND TAN (A.), 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

2

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

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
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

"PROVIDED, THAT FOR HIRE VEHICLES SHALL BE SUBJECT TO FIFTY PERCENT (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 PUBLIC HIGHWAYS BUT EXCEPTING

AIRCRAFTS, MOTOR BOATS, ROAD ROLLERS, TROLLEY CARS, STREET SWEEPERS, SPRINKLERS, LAWN MOWERS, BULLDOZERS, GRADERS, FORKLIFTS, 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. *GOVERNMENT MOTOR VEHICLES.* -]

SEC. 4. *PAYMENT OF MOTOR VEHICLE ROAD USER'S TAX.* - 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)[.]:

"(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).

"(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, 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, issuances,
circulars, rules and regulations 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 provisions hereof
not affected thereby shall continue to be in full force and effect.

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,

O