



Republika ng Pilipinas
SANGGUNIANG PANLUNGSOD
Lungsod Mandaluyong

ORDINANCE NO. 821, S-2021

AN ORDINANCE AMENDING SECTION 12, CHAPTER 3, TITLE 2 OF CITY ORDINANCE NO. 484, S-2011 AS AMENDED BY ORDINANCE NO. 553, S-2014, OTHERWISE KNOWN AS THE MANDALUYONG REVENUE CODE, BY PROVIDING THEREIN AN ADDITIONAL SECTION ON AD VALOREM TAX ON IDLE LANDS

WHEREAS, Section 239 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991 provides that, "a province or City or a municipality within the Metropolitan Manila Area, may levy an annual tax on idle lands at the rate not exceeding five percent (5%) of the assessed value of the property which shall be in addition to the basic real property tax";

WHEREAS, Section 12, Chapter 3, Title 2 of Ordinance No. 484, S-2011 as amended by Ordinance No. 553, S-2014, otherwise known as the Mandaluyong Revenue Code provides that the City of Mandaluyong may levy an annual tax on idle lands at the rate not exceeding five percent (5%) of the assessed value of the property which shall be in addition to the basic real property tax." which is couched in a manner making the imposition optional with the use of the word "may";

WHEREAS, the Department of Finance and the Department of the Interior and Local Government issued Joint Memorandum Circular No. 2010-02 entitled, "Guidelines in the Imposition of an "Additional Ad Valorem on Idle Lands" and Other Related Provisions of the Local Government Code (LGC) of 1991, by Provinces, Cities and Municipality within Metro Manila Area", for the uniform imposition of idle land tax";

WHEREAS, pursuant to the Joint Memorandum Circular No. 2010-02, the specific objectives of Section 239 of RA 7160 are to generate more revenues for the local government units (LGUs) and to enhance local economic development at the local levels through maximation of the idle lands for productive use;

WHEREAS, Section 129 of RA 7160 states that, "each local government unit shall exercise its power to create its own sources of revenue and to levy taxes, fees and charges subject to the provisions herein, consistent with the basic policy of local autonomy. Such taxes shall accrue exclusively to the local government units";

WHEREAS, there is an urgent need to amend Section 12, Chapter 3, Title 2 of Ordinance No. 484, S-2011 as amended by Ordinance No. 553, S-2014 to make the imposition mandatory or imperative for the benefit and interest of the City Government and property owners in the City of Mandaluyong.

NOW THEREFORE, BE IT ORDAINED AS IT IS HEREBY ORDAINED, by the 11th Sangguniang Panlungsod of the City of Mandaluyong in session duly assembled that:

Section 1. Imposition of Additional Ad Valorem Tax on Idle Lands. There is hereby imposed an annual tax on idle lands at the rate of 3% for residential and 4% for commercial land of the assessed value of the property which shall be in addition to the basic real property tax.

Section 2. Coverage. For the purpose of this Ordinance, idle lands shall include the following:

- a). Commercial lands located in the City more than one thousand (1,000) sq. meters in area, one half (1/2) of which remain unutilized or unimproved in accordance with the permitted or authorized use, That which is physically and financially viable and the most productive use by the owner of the Property or person having legal interest therein;

Provided further, that lands shall be considered unimproved where there are no buildings and residential units, walls, fences, structures or constructions of all kinds of a fixed character of which are adhered to the soil but shall not include trees, plants and growing fruits and other fixtures that are mere superimpositions on the land and where the value of the improvement is less than fifty percent (50%) of the assessed value of the land.

- b). Regardless of the land area, shall likewise apply to residential lots in subdivisions duly approved by proper authorities, the ownership of which has been transferred to individual owners who shall be liable for the additional tax provided, however, that individual lots of such subdivisions, the ownership of which has not been transferred to the buyer, shall be considered part of the subdivision, and shall be subject to the additional tax payable by subdivision owner or operator/developer.

Section 3. Idle Lands Exempt from Tax. The idle land tax shall not apply to idle lands where:

- a). The owner of the land is physically or legally prevented from improving or utilizing the same by reason of force majeure, civil disturbance, natural calamity or any justifiable cause or circumstance.
- b). There are informal settlers preventing the owner/s to introduce development or improvement thereof as certified by the Urban Poor Affairs Officer;
- c). There is a legal dispute to the subject property as to ownership as certified by the court where the case is pending;

- d). When the party's application for building permit has been officially received by the City Engineering Department and payment of corresponding fees thereof made, or a building permit has been issued and the construction's duration takes three (3) to five (5) years to complete;
- e). When the owner allowed its use for urban farming purposes to be conducted by the owner himself at his expense or if he so consents, allow the administration of urban farming activities to the barangay having jurisdiction over his idle land at the barangay's expense which shall be covered by a memorandum of agreement between the owner and the barangay;
- f). Where the owner allows the use of the idle land as a free parking area to be managed by the owner himself or, if he so consents, to the administration and management by the barangay which has jurisdiction over the idle land which shall be covered by a memorandum of agreement between the owner and the barangay.

Provided, however in cases (e) and (f) immovable structures shall not be erected and will leave the land as is. In case of damage to property incurred by the barangay, the latter is liable and responsible for its restoration and damages.

In the event that the owner will have to utilize the said idle lands, proper communication and turnover must be relayed to the barangay if such is under its care and management. The aforementioned conditions shall be stipulated in the memorandum of agreement between the owner and the barangay.

Owners or any person having legal interest on the land desiring to avail of the exemption stated herein may file the corresponding application with the City Treasurer stating the legal grounds under which the exemption is being claimed. Copy of the application shall be furnished to the Sangguniang Panlungsod. The City Assessor shall furnish the list of idle lands to the City Treasurer where the latter shall be the Collecting agency.

Section 4. Tagging System Develop. The Assessors Department and Information Technology Department should develop a tagging system that is included or programmed in the City's computer system to identify the properties which are vacant and idle and to enable the system to recognize the properties that are exempted from the idle land tax as per provisions provided for in the Idle Land Tax Ordinance. In the development of the tagging system the barangay's help may be secured.

Section 5. Collections. The computerized tagging system will enable the Land Tax Division of the Treasury Department to view the list of idle lands subject to the imposition of the additional idle land tax for collection by the City Treasurer.

Section 6. Payment of Tax. The tax derived under this Ordinance shall accrue on the first day of each year and payable on four (4) equal quarterly installments. However, upon the effectivity of the Ordinance for this year, only a proportionate idle land tax will be imposed on the remaining quarterly payments.

Section 7. Implementing Rules and Regulations. There shall be an Implementing Rules and Regulations (IRR) for the collection of Ad Valorem on idle lands within thirty (30) days from enactment of this Ordinance. It shall be drafted by the following:

- a.) City Administrator
- b.) City Treasurer
- c.) City Assessor
- d.) City Legal Officer

Section 8. Effectivity. This amendment shall take effect fifteen (15) days after its approval and publication in a newspaper of general circulation in Metro Manila.

ENACTED on this 22nd day of March, 2021 in the City of Mandaluyong.

I HEREBY CERTIFY THAT THE FOREGOING ORDINANCE WAS ENACTED AND APPROVED BY THE SANGGUNIANG PANLUNGSOD OF MANDALUYONG IN A REGULAR SESSION HELD ON THE DATE AND PLACE FIRST ABOVE GIVEN.


MA. TERESA S. MIRANDA
Sanggunian Secretary

ATTESTED BY:


ANTONIO DLS. SUVA
City Vice Mayor &
Presiding Officer

APPROVED:


CARMELITA A. ABALOS
City Mayor

Date: MAR 24 2021



