



REPUBLIC OF THE PHILIPPINES
SANGGUNIANG PANLUNGSOD
CITY OF MANDALUYONG

ORDINANCE NO. 907, S-2022



AN ORDINANCE AUTHORIZING THE CITY TREASURER TO ENTER INTO COMPROMISE AGREEMENT FOR THE SETTLEMENT OF REAL PROPERTY TAX DELIQUENCIES AS OF DECEMBER 1, 2022, AND PRESCRIBING THE GUIDELINES THEREOF

WHEREAS, the Local Government Code of 1991 vests upon every city within the Metropolitan Manila Area the power to levy real property tax such as lands, buildings, machineries, and other improvements, with a uniform rate of two percent (2%) of the assessed value of such real property, as well as the duty for the proper, efficient, and effective administration of the real property tax;

WHEREAS, the responsibility for the collection of the real property tax with the corresponding interests and other related penalties and the enforcement of the remedies provided for under the Local Government Code or other applicable laws for the said purpose is thus imposed upon the local government units concerned, with such tax accruing on the first (1st) day of January of each year;

WHEREAS, the collection of real property tax deficiencies accruing from several real properties within the City of Mandaluyong has been an on-going concern for the City Government of Mandaluyong, as taxpayers continuously fail to settle this mandated levy on their respective properties thus affecting its scheme of tax collection;

WHEREAS, the City of Mandaluyong intends to devise means to aid taxpayers in settling their unpaid real property taxes in the form of compromise agreements, which sets out the particular obligations of both the taxpayers and the City of Mandaluyong for the collection of these unpaid taxes;

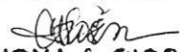
WHEREAS, towards this goal, it is imperative to establish that the Local Government Code of 1991 empowers every local government unit, as a corporation, to enter into contracts and to exercise such other powers as are granted to corporations, subject to the limitations provided for by the said Code and other laws;

WHEREAS, the same Code provides that local government units may, through ordinances duly approved, grant tax exemptions, incentives, or reliefs under such terms and conditions as they may deem necessary;

WHEREAS, as further qualified by the same Code, no contract may be entered into by the local chief executive on behalf of the Local Government unit without prior authorization by the Sanggunian concerned;

WHEREAS, the need to devise this scheme is in fact timely, as the City of Mandaluyong, by way of Ordinance No. 905, Series of 2022, established a revised schedule of fair market values for different classes of real property within the City of Mandaluyong;

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CHONA A. SIOSON
SANGGUNIANG SECRETARIAT
City of Mandaluyong

WHEREAS, the City of Mandaluyong foresees the effects of the revisions introduced by Ordinance No. 905, Series of 2022 to the taxpayers, as such adjustments to the fair market value will inevitably affect the market values of all real properties in the City of Mandaluyong, and inevitably, the real property taxes levied on them;

WHEREAS, to administer the collection of the deficient real property taxes with the passage of Ordinance No. 905, Series of 2022 while affording and cushioning the taxpayers with a beneficial means to settle its respective real property tax deficiencies, the City of Mandaluyong expresses its intention and willingness to enter into compromise agreements with the taxpayers to concretize their respective commitments towards the full payment of real property tax deficiencies;

WHEREAS, due to the necessity of a compromise agreement, the said agreement shall be executed through the Local City Treasurer who shall represent the City of Mandaluyong in the enforcement of the provisions contained in the compromise agreements.

NOW, THEREFORE, BE IT ORDAINED, as it is hereby ORDAINED, by the Sangguniang Panlungsod of Mandaluyong, in session duly assembled:

SECTION 1. DEFINITION OF TERMS. – For purposes of this Ordinance, the following definitions shall be adopted:

- a. Real Property Tax – the annual ad valorem tax imposed by the City of Mandaluyong on real properties, including but not limited to residential, commercial, agricultural, and industrial lands.
- b. Assessed Value – the fair market value (FMV) of the real property multiplied by the assessed level as applicable and prescribed by law.
- c. Delinquent Tax – the tax due on a specific real property as determined by the assessed value and based on the authentic and genuine records of the City of Mandaluyong.

SECTION 2. COVERAGE – This Guidelines shall only cover real property taxpayers who failed to settle their respective real property tax due, Basic and Special Education Tax (SEF) as of December 1, 2022, are considered qualified to avail of the option to pay their delinquent taxes through the execution of a compromise agreement. Upon availing of the benefits under this Ordinance, the availing taxpayer shall not be subject to any discounts, reliefs, and other concessions until such time that any or all delinquencies have been settled through a Certification evidencing such settlement.

SECTION 3. PAYMENT SCHEME – To aid and assist delinquent taxpayers in the payment of delinquent real property taxes, the taxpayer may avail, by way of a compromise agreement having sufficient securities, the following payment schemes to cover the delinquent taxes and penalties, including expenses involved, in an installment basis, provided that twenty-five percent (25%) of the aggregate amount be initially paid, to wit: