## REPUBLIKA NG PILIPINAS SANGGUNIANG PANLUNGSOD LUNGSOD NG ORMOC



City Vice Mayor & Presiding Officer

Majority Floor Leader, SP Member

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE FIFTEENTH SANGGUNIANG PANLUNGSOD NG ORMOC HELD AT THE SANGGUNIANG PANLUNGSOD SESSION HALL, ORMOC CITY HALL BUILDING

ON APRIL 27, 2021

## PRESENT:

Leo Carmelo L. Locsin, Jr.

Roiland H. Villasencio,

Tomas R. Serafica, Nolito M. Quilang,

Eusebio Gerardo S. Penserga,

Jasper M. Lucero,

Peter M. Rodriguez,

Vincent L. Rama,

Gregorio G. Yrastorza III,

Lalaine A. Marcos,

Esteban V. Laurente,

Ex-Officio SP Member, Chapter President,

Liga ng mga Barangay ng Ormoc Joan Marbie C. Simbajon, Ex-Officio SP Member, Chapter President,

Panlungsod na Pederasyon ng mga Sangguniang Kabataan ng Ormoc

ON LEAVE:

Benjamin S. Pongos, Jr.,

SP Member

## PREFATORY STATEMENT

WHEREAS, a civil case for "Tax Protest and Nullity of Assessment" was filed against the LGU Ormoc in 2008, and is presently pending with the Regional Trial Court- Branch 35 of Ormoc City, docketed as Civil Case No. R-ORM-08-00034-CV and entitled "LEYTE V ELECTRIC COOPERATIVE (LEYECO V), represented by General Manager, JOVENAL R. ALESNA, Plaintiff vs. ANGELO I. ROMAN, in his capacity as The City Treasurer of Ormoc";

WHEREAS, the LEYECO V contested the assessment by the LGU Ormoc for franchise tax covering the periods 2001 to 2005;

WHEREAS, on January 29, 2010 and during the pendency of the case, the LEYECO V paid the amount of ONE MILLION FOUR HUNDRED NINETY-NINE THOUSAND NINE HUNDRED NINETY-FIVE PHILIPPINE PESOS and 52/100 centavos (PHP1,499,995.52) representing the principal amount of the franchise tax due to the LGU Ormoc and made the subject of the controversy, leaving the surcharges and penalties due therein unpaid;

WHEREAS, the distribution line poles of the LEYECO V are situated along the streets and roads from Barangay Simangan (Junction) to Barangay Milagro (Junction), all areas affected by the road widening proposed to be undertaken in Ormoc;

WHEREAS, to cause the removal and relocation of the LEYECO V distribution line poles, the LGU Ormoc was assessed the amount of SEVEN MILLION FOUR HUNDRED FIFTY-THREE THOUSAND FOUR HUNDRED SEVENTY-ONE PHILIPPINE PESOS and .0460/100 centavos (PHP7,453,471.0460), exclusive other costs;

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WHEREAS, to expedite the settlement of issues, satisfaction of overdue and pending accounts and facilitate the availability of local government resources for projects, the LGU Ormoc and the LEYECO V resolved to apply the charges of Php7,453,471.0460 to the surcharges and penalties due on the franchise tax to the LGU Ormoc totalling ONE MILLION THREE HUNDRED SEVENTY-THREE THOUSAND TWO HUNDRED SEVENTY-TWO PHILIPPINE PESOS and 80/100 centavos (PHP1,373,272.80), as of April 5, 2021;

WHEREAS, the set off will avoid protracted litigation and will result in the immediate removal of the distribution line poles to ease traffic and enhance road safety and security;

WHEREAS, Article 2208 of the Civil Code the Philippines states, that "A compromise is a contract whereby the parties, by making reciprocal concessions, avoid a litigation or put an end to one already commenced";

WHEREAS, Section 192 of the Local Government 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";

FOREGOING PREMISES CONSIDERED, on joint motion of SP Member Jasper M. Lucero, Chairman, Committee on Good Government & Oversight and SP Member Tomas R. Serafica, Chairman, Committee on Ways & Means, severally seconded by SP Members Eusebio Gerardo S. Penserga, Peter M. Rodriguez, Gregorio G. Yrastorza III, Lalaine A. Marcos, Vincent L. Rama, Joan Marbie C. Simbajon and Esteban V. Laurente; be it

RESOLVED, to enact:

## ORDINANCE NO. 061 (Series of 2021)

AN ORDINANCE WAIVING AND CONDONING SURCHARGES AND PENALTIES ON THE FRANCHISE TAX DUE FROM THE LEYECO V FOR THE PERIOD 2001 TO 2005 INTERESTS.

BE IT ENACTED, by the 15<sup>th</sup> Sangguniang Panlungsod ng Ormoc in Regular Session assembled, That:

**SECTION 1.** In view of the services to be rendered by the LEYECO V, surcharges and penalties imposed on the franchise tax due from the company for the periods 2001 to 2005 are waived and condoned.

**SECTION 2. EFFECTIVITY.** This Ordinance takes effect following required publication in a newspaper of local circulation or posting the same in conspicuous places in the City of Ormoc as mandated under the Local Government Code.

ENACTED, April 27, 2021.

RESOLVED, FURTHER, that copies of this ordinance be furnished one each to the City Mayor Richard I. Gomez; the City Administrator; the City Legal Officer; the City Treasurer; the City Budget Officer; the City Accountant; the City Auditor; LEYCO V; RTC-Branch 35, Ormoc City; the City Local Government Operations Officer-DILG; and other offices concerned;

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CARRIED UNANIMOUSLY.

I HEREBY CERTIFY to the correctness of the above ordinance.

MARIA ANTONIETA G. CO HAT Secretary to the Sangguniang Panlungsod

ATTESTED:

LEO CARMELO L. LOCSIN, JR. City Vice Mayor & Presiding Officer

APPROVED:

RICHARD I. GOMEZ City Mayor

30 APR 2021

(Date)