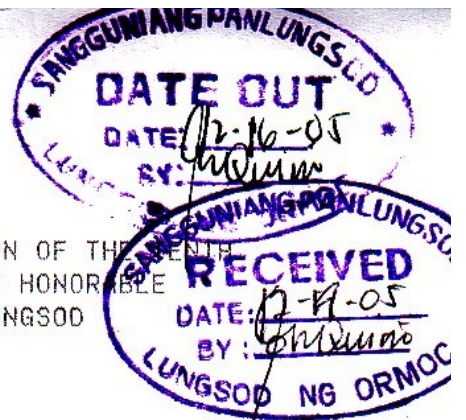


REPUBLIKA NG PILIPINAS  
SANGGUNIANG PANLUNGSOD  
Lungsod ng Ormoc



EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE  
SANGGUNIANG PANLUNGSOD NG ORMOC HELD AT THE HONORABLE  
PLACIDO ENECIO HALL, SANGGUNIANG PANLUNGSOD  
BUILDING ON DECEMBER 15, 2005

PRESENT:

Hon. Sotero M. Pepito,	City Councilor (Temporary Presiding Officer)
Hon. Jose S. Serafica,	City Councilor, Minority Floor Leader
Hon. Manuel T. Fiel,	City Councilor, Assist. Minority Floor Leader
Hon. Eduardo P. Tan,	City Councilor
Hon. Claudio P. Larrazabal,	City Councilor, Majority Floor Leader
Hon. Mariano Y. Corro,	City Councilor
Hon. Fe S. Lladoc,	City Councilor
Hon. Gregorio A. Yrastorza, Jr.,	City Councilor
Hon. Jose C. Alfaro, Jr.,	City Councilor
Hon. Ruben R. Capahi,	City Councilor
Hon. Emeterio Y. Larrazabal, Jr.,	Ex-Officio, City Councilor, Chapter President, Liga ng mga Barangay ng Ormoc
Hon. Cheryl A. Arcuino,	Ex-Officio City Councilor, SK Federation President

ABSENT:

Hon. Nepomuceno P. Aparis I,	(Acting City Mayor), Vice Mayor & Presiding Officer
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PREFATORY STATEMENT

The City of Ormoc, as with any government unit needs revenues to enable it to perform its duties to the public and to deliver vital services to its constituencies. This is the main reason the City has exerted every effort to make the City an attractive location for investors - to broaden its revenue base and generate more revenues for the City. Parallel to this, the City strenuously and diligently implements measures to ensure that taxes are collected and disbursed properly, and thereafter accounted for diligently.

Over the last five years, the City had not been able to collect taxes from power generation companies due to legal issues that pertain to obligations of government-owned or controlled corporations, which have made it difficult for the City to effectively apply administrative remedies. Moreover, these power generation companies have been very supportive of the City's various socio-civic projects, and have been otherwise good corporate residents of the City.

These power generation companies belong to an industry that is vital to both national interest and security. The generation and delivery of electricity is so vital to the country that it is quite imperative not only for the national government but also to the City to ensure that they continue to operate and generate electricity to serve the requirements of the nation.

Consistent with these parallel efforts, the City as allowed by the Local Government Code of 1991 (RA 7160), specifically Section 192 thereof, which provides: "Local government units may, through ordinances duly approved, grant tax exemptions, incentives or RELIEFS



under such terms and conditions as they may deem necessary.", may, from time to time grant tax reliefs as may be necessary for the effective collection of taxes.

In view of the foregoing and in furtherance of the revitalized efforts of the City to collect much needed revenues to support its various projects to develop the City and serve its constituencies, the City would like to encourage these power generating companies to pay their overdue local business taxes by giving them relief from the payment of surcharges, interest and penalties provided that they settle their total basic local business tax obligation on or before MARCH 31, 2006.

WHEREFORE, on motion presented by City Councilor Mariano Y. Corro, Chairman, Committee on Ways and Means, and Laws & Ordinances, duly seconded by City Councilor Gregorio A. Yrastorza, Jr.; be it

RESOLVED, to enact:

ORDINANCE NO. 126

AN ORDINANCE GRANTING TAX RELIEF ON SURCHARGES, INTEREST AND PENALTIES ON THE LOCAL BUSINESS TAXES OF POWER GENERATING COMPANIES OPERATING WITHIN THE TERRITORIAL JURISDICTION OF ORMOC CITY WHO WILL PAY ALL OVERDUE LOCAL BUSINESS TAXES ON OR BEFORE MARCH 31, 2006.

Be it enacted by the Tenth Sangguniang Panlungsod ng Ormoc, in session assembled, That:

SECTION 1. Power generating companies whose tax exemption period of six (6) years under the Omnibus Investments Code of 1987 had expired, and who are liable to pay the local business tax shall be given until March 31, 2006 to settle their overdue local business tax obligations.

SECTION 2. Power generating companies who will be able to settle their total overdue local business taxes on or before March 31, 2006, shall be given relief on the amount of surcharges, interests and penalties due on the basic local business tax, OTHERWISE, they shall be liable for the payment thereof.

SECTION 3. POWER GENERATING COMPANIES refer to any person (whether natural or juridical) which is engaged in the operation of an energy-generating facilities.

SECTION 4. Upon payment of the overdue local business taxes, all notices of collections and warrants issued by the City to power generating companies issued prior to the enactment of this Ordinance shall be deemed canceled and rendered without effect.


SECTION 5. The Ordinance shall take effect immediately upon approval thereof.

ENACTED, December 15, 2005.


RESOLVED, FURTHER, to furnish copies of this Ordinance, one each to the Honorable City Mayor; the City Administrator, the City Treasurer, the Business Permits, Licensing and Franchising Office, the City Auditor, and to all power generating companies operating within Ormoc City.

CARRIED UNANIMOUSLY.


I HEREBY CERTIFY to the correctness of the foregoing ordinance.

  
JOEL S. DUERO  
OIC - Secretary to the SP  
(Loc. Leg. Staff Officer V)

ATTESTED:

  
SOTERO M. PEPITO  
City Councilor  
(Temporary Presiding Officer)

APPROVED:

  
ERIC C. CODILLA  
City Mayor  
DEC 19 2005  
(Date)