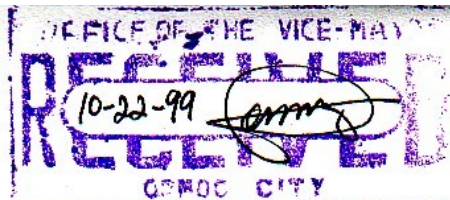
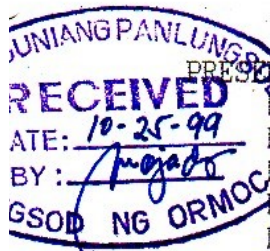


REPUBLIKA NG PILIPINAS
SANGGUNANG PANLUNGSOD
LUNGSOD NG ORMOC



EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE EIGHTH
SANGGUNANG PANLUNGSOD NG ORMOC HELD AT THE HONORABLE
PLACIDO ENECIO HALL, SANGGUNANG PANLUNGSOD
BUILDING ON OCTOBER 21, 1999



PRESENT:

Hon. Celso P. Adolfo,	City Vice Mayor & Presiding Officer
Hon. Nepomuceno P. Aparis I,	City Councilor, Assistant Floor Leader
Hon. Dennis Y. Capuyan,	City Councilor
Hon. Mariano Y. Corro,	City Councilor
Hon. Sotero M. Pepito,	City Councilor
Hon. Alfredo F. Capahi,	City Councilor
Hon. Eduardo P. Tan,	City Councilor
Hon. Claudio P. Larrazabal,	City Councilor

ABSENT:

Hon. Jose S. Serafica,	(O.B. Maasin, Leyte), City Councilor, Floor Leader
Hon. Jose C. Alfaro, Jr.,	(Sick Leave), City Councilor
Hon. Fernando P. Parrilla,	(Forced Leave), Ex-Officio City Councilor, Chapter President, Liga ng mga Barangay ng Ormoc
Hon. Chiqui B. Labagala,	(O.B. Olongapo City), Ex-Officio City Councilor, SK Federation President

RESOLUTION NO. 99-173

A RESOLUTION RESPECTFULLY REQUESTING THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT, THROUGH THE HONORABLE SECRETARY RONALDO V. PUNO, FOR AN OPINION ON WHETHER OR NOT LEYECO V, AN ELECTRIC COOPERATIVE CREATED UNDER PD # 269, AS AMENDED, BUT NOT REGISTERED UNDER R.A. # 6938, IS EXEMPTED FROM THE PAYMENT OF THE REAL PROPERTY TAX, OR SUGGESTIVELY TO REFER THIS QUERY TO THE DEPARTMENT OF JUSTICE AND THE DEPARTMENT OF FINANCE.

WHEREAS, LEYECO V, an electric cooperative created under the provisions of PD 269, as amended, is, up to the present, not registered under the provisions of R.A. # 6938 however, under the aforementioned PD 269, particularly Section 39 thereof, electric cooperatives organized thereunder are exempted from the payment of real property taxes;

WHEREAS, the Supreme Court in the case of MACTAN CEBU INTERNATIONAL AIRPORT AUTHORITY VS. HON. FERDINAND J. MARCOS, G.R. NO. 120882, ruled that tax exemption privileges have been withdrawn under Section 193, except those enumerated under Section 234 of the Local Government Code of 1991; (Please refer to the attached photocopy of the aforementioned case which appeared in the LAWYERS REVIEW, Vol. X, No. 10, pages 28 to 35)

WHEREAS, the City Legal Officer of Ormoc, is of the opinion that LEYECO V is exempted from the payment of real property taxes; (Please refer to the attached photocopy, 2nd Indorsement, dated August 23, 1999 of the City Legal Officer)

WHEREAS, the Chairman, Committee on Ways and Means of this Sanggunian, is of the position that Leyeco V is not exempted from the payment of the real property taxes; (Please refer to the attached photocopy of his position paper entitled: "IS LEYECO V EXEMPT FROM THE PAYMENT OF THE REAL PROPERTY TAX?"

Res. No. 99-173

WHEREAS, this Sanggunian on September 2, 1999 passed Resolution No. 99-150 requesting the City Legal Officer to comment on the position paper submitted by the Chairman, Committee on Ways and Means; (Please refer to the attached photocopy of aforementioned resolution)

WHEREAS, the City Legal Officer in his letter dated October 14, 1999 addressed to the Vice-Mayor & Presiding Officer has suggested that the issue on whether or not LEYECO V is exempted from the payment of the real property taxes, be elevated to the Department of Justice; (Please refer to the attached photocopy of aforesaid letter of the City Legal Officer)

WHEREAS, it is the observation of this Sanggunian that the Department of Justice declined to give opinions to queries referred to it by LGU's, hence this query is referred to your Department, especially that the legal question posed herein, refers to the proper implementation of the Local Government Code of 1991;

WHEREAS, attached hereto are photocopies of the pertinent/relevant papers consisting of 41 pages, for the information and guidance of the department concerned;

FOREGOING PREMISES CONSIDERED, on motion of Councilor Mariano Y. Corro, Chairman, Committee on Ways and Means, jointly seconded by Councilor Sotero M. Pepito and Alfredo F. Capahi; be it

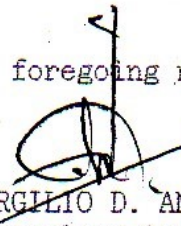
RESOLVED, as it is hereby resolved to pass a RESOLUTION RESPECTFULLY REQUESTING THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT, THROUGH THE HONORABLE SECRETARY RONALDO V. PUNO, FOR AN OPINION ON WHETHER OR NOT LEYECO V, AN ELECTRIC COOPERATIVE CREATED UNDER PD # 269, AS AMENDED, BUT NOT REGISTERED UNDER R.A. # 6938, IS EXEMPTED FROM THE PAYMENT OF THE REAL PROPERTY TAX, OR SUGGESTIVELY TO REFER THIS QUERY TO THE DEPARTMENT OF JUSTICE AND THE DEPARTMENT OF FINANCE;

ADOPTED, 21 October 1999.

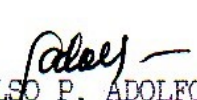
RESOLVED FURTHER, to furnish copies of this resolution to Honorable Ronaldo V. Puno, Secretary of the Department of the Interior and Local Government; Honorable Serafin Cuevas, Secretary, Department of Justice; Honorable Edgardo Espiritu, Secretary, Department of Finance; Honorable Leonilo B. Lariosa, Regional Director, DILG, Region 8; Honorable Eufrocino M. Codilla, Sr., City Mayor, Ormoc City; Atty Cleto L. Evangelista, Jr., City Legal Officer, Ormoc, and Mr. Rodolfo Torcende, City Director, DILG, Ormoc, -and others concerned in Ormoc City;

CARRIED UNANIMOUSLY.

I HEREBY CERTIFY to the correctness of the foregoing resolution.


VIRGILIO D. ANTIG
OIC Secretary to the SP
(Board Secretary IV)

ATTESTED:


CELSO P. ADOLFO
City Vice Mayor & Presiding Officer

Republic of the Philippines
OFFICE OF THE CITY LEGAL OFFICER
Ormoc City

October 14, 1999

Hon. Celso P. Adolfo
Vice-Mayor & Presiding Officer 8th SP

Honorable Members of the 8th SP

Dear Gentlemen:

Pursuant to SP Resolution No. 99-150, and considering that the opinion of Hon. Kag. Mariano Y. Corro, Chairman, Committee on Ways and Means, as contained in his position paper entitled: "IS LEYECO V EXEMPT FROM THE PAYMENT OF THE REAL PROPERTY TAX?" regarding the taxability of Leyeco V is diametrically opposed to the opinion of the undersigned in his 2nd Indorsement, dated August 23, 1999, to In-Charge of Office-City Treasurer, Salud A. Rivera, the undersigned hereby suggests that this issue be elevated to the Department of Justice.

Thank you.

Very truly yours,

CLETO L. EVANGELISTA, JR.
City Legal Officer