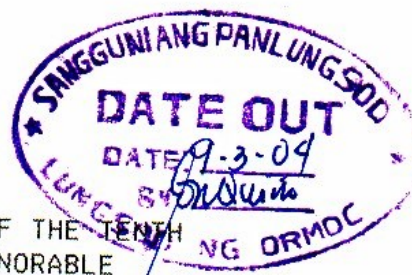


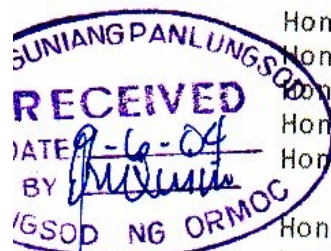
REPUBLIKA NG PILIPINAS
SANGGUNIANG PANLUNGSOD
LUNGSOD NG ORMOC



SEP 03 2004

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE Tenth
SANGGUNIANG PANLUNGSOD NG ORMOC HELD AT THE HONORABLE
PLACIDO ENECIO HALL, SANGGUNIANG PANLUNGSOD
BUILDING ON SEPTEMBER 02, 2004

PRESENT:



Hon. Nepomuceno P. Aparis I, Vice Mayor & 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, Assist. Majority
Floor Leader, (Acting Majority Floor Leader)
Hon. Mariano Y. Corro, City Councilor
Hon. Fe S. Lladoc, City Councilor
Hon. Gregorio A. Yrastorza, Jr., City Councilor
Hon. Sotero M. Pepito, City Councilor
Hon. Jose C. Alfaro, Jr., City Councilor
Hon. Cheryl L. Alfaro, Ex-Officio City Councilor,
SK Federation President

ABSENT:

Hon. Emeterio Y. Larrazabal, Jr., (O.B. - Manila), Ex-Officio
City Councilor, Chapter President, Liga ng mga Barangay ng Ormoc

RESOLUTION NO. 2004-058

A RESOLUTION RESPECTFULLY REQUESTING MADAM MA.
PRESENTACION R. MONTESA, EXECUTIVE DIRECTOR, BUREAU OF
LOCAL GOVERNMENT FINANCE, DEPARTMENT OF FINANCE, TO
COMMENT/RECOMMEND PARTICULARLY ON THE
VALIDITY/LEGALITY/SOUNDNESS OF PARAGRAPHS TWO AND THREE
OF THE LEGAL ADVISORY NO. 01, DATED 15 JUNE 2004 OF
ATTY. HON. JOSEPH M. MAGTULOY, CPA, OF THE NATIONAL
ELECTRIFICATION ADMINISTRATION, MACHINE COPY OF
AFOREMENTIONED LEGAL ADVISORY HERETO ATTACHED FOR READY
REFERENCE.

WHEREAS, this Sanggunian is in possession of BLGF MEMORANDUM
CIRCULAR NO. 13-2003, dated August 13, 2003, issued by Executive
Director MA. PRESENTACION R. MONTESA of the BUREAU OF LOCAL GOVERNMENT
FINANCE, DEPARTMENT OF FINANCE;

WHEREAS, aforementioned BLGF MEMORANDUM NO. 13-2003 pertains to the
EN BANC Decision of the Supreme Court re. G.R. No. 143076, entitled
"PHILIPPINE RURAL ELECTRIC COOPERATIVES ASSOCIATION, INC. (PHILRECA), ET
AL Petitioners versus THE SECRETARY, DEPARTMENT OF INTERIOR AND LOCAL
GOVERNMENT and THE SECRETARY, DEPARTMENT OF FINANCE, Respondents."

WHEREAS, it is the understanding of this Sanggunian that the
purpose for the issuance of said BLGF MEMORANDUM CIRCULAR NO. 13-2003,
is for LGUs to collect the taxes, particularly real property taxes due
the LGUs; from electric cooperatives which are not registered with the
CDA;

WHEREAS, the LEGAL ADVISORY NO. 01, dated 15 June 2004 of the National Electrification Administration minimizes the real property taxes due the LGC by contending that electric cooperatives currently registered with NEA are government-controlled corporations, and as such, their real properties fall under special classes which are entitled to an assessment level of only 10%; and moreover, it is claimed that their electric cooperatives are not subject to the local franchise tax;

WHEREAS, this Sanggunian wishes to seek an opinion on the validity/legality/soundness of LEGAL ADVISORY NO. 1 of NEA, from the BUREAU OF LOCAL GOVERNMENT FINANCE, especially that for the present, the City Government of Ormoc, does not have a Legal Officer;

WHEREFORE, on MASS MOTION of the Body;

RESOLVED, AS IT IS HEREBY RESOLVED, to pass a resolution RESPECTFULLY REQUESTING MADAM MA. PRESENTACION R. MONTESA, EXECUTIVE DIRECTOR, BUREAU OF LOCAL GOVERNMENT FINANCE, DEPARTMENT OF FINANCE, TO COMMENT/RECOMMEND PARTICULARLY ON THE VALIDITY/LEGALITY/SOUNDNESS OF PARAGRAPHS TWO AND THREE OF THE LEGAL ADVISORY NO. 01, DATED 15 JUNE 2004 OF ATTY. HONY JOSEPH M. MAGTULOG, CPA, OF THE NATIONAL ELECTRIFICATION ADMINISTRATION, MACHINE COPY OF AFOREMENTIONED LEGAL ADVISORY HERETO ATTACHED FOR READY REFERENCE;

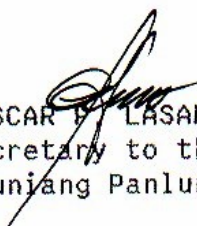
RESOLVED, FURTHER, to express the thanks and gratitude of this Sanggunian, to Executive Director MA. PRESENTACION A. MONTESA of the BUREAU OF LOCAL GOVERNMENT FINANCE, Department of Finance, in anticipation for her favorable action to the request contained in this Resolution;

ADOPTED, September 02, 2004.

RESOLVED, FINALLY, to furnish copies, one each to His Honor, the City Mayor, Eric C. Codilla, Madam Ma. Presentacion R. Montesa, Executive Director Bureau of Local Government Finance, Department of Finance, and others concerned;

CARRIED UNANIMOUSLY.

I HEREBY CERTIFY to the correctness of the foregoing resolution.


OSCAR B. LASAM
Secretary to the
Sangguniang Panlungsod

ATTESTED:


NEPOMUCENO R. APARIS I
Vice Mayor & Presiding Officer