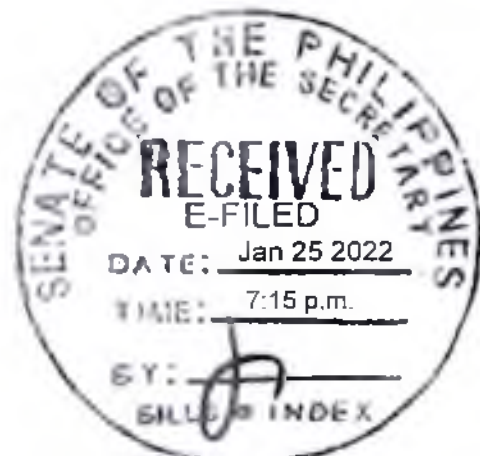


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)



SENATE

COMMITTEE REPORT NO. 534

Prepared and submitted by the Committee on Public Services [upon the recommendation of the Subcommittee on Vintage Vehicle Regulation Act (Senate Bill Nos. 2396 and 2402, and House Bill No. 9884)], on _____

Re: **Senate Bill No. 2493**

Recommending its approval in substitution of Senate Bill Nos. 2396 and 2402, taking into consideration House Bill No. 9884

Sponsor: **Senator Juan Miguel F. Zubiri**

Mr. President:

The Committee on Public Services (upon the recommendation of the Subcommittee on Vintage Vehicle Regulation Act (Senate Bill Nos. 2396 and 2402, and House Bill No. 9884), to which were referred **Senate Bill No. 2396**, introduced by **Sen. Gatchalian**, entitled:

AN ACT

REGULATING THE USE AND OTHER ACTIVITIES RELATED TO VINTAGE AUTOMOBILES AND OTHER HISTORICAL, CLASSIC, OR COLLECTOR MOTOR VEHICLES, AND PROVIDING FOR THEIR EXEMPTION FROM THE STANDARDS AND RESTRICTIONS SET BY LAWS ENACTED AND REGULATIONS ADOPTED AFTER THE DATE OF THEIR MANUFACTURE

Senate Bill No. 2402, introduced by **Sen. Zubiri**, entitled:

AN ACT

REGULATING THE USE AND OTHER ACTIVITIES RELATED TO VINTAGE AUTOMOBILES AND OTHER HISTORICAL, CLASSIC, OR COLLECTOR MOTOR VEHICLES, AND PROVIDING FOR THEIR EXEMPTION FROM THE STANDARDS AND RESTRICTIONS SET BY LAWS ENACTED AND REGULATIONS ADOPTED AFTER THE DATE OF THEIR MANUFACTURE

and **House Bill No. 9884**, introduced by **Reps. Daza, Gatchalian, Pineda, et. al.**, entitled:


AN ACT
REGULATING THE USE AND OTHER ACTIVITIES RELATED TO VINTAGE AUTOMOBILES AND OTHER HISTORICAL, CLASSIC, OR COLLECTOR MOTOR VEHICLES, AND PROVIDING FOR THEIR EXEMPTION FROM THE STANDARDS AND RESTRICTIONS SET BY LAWS ENACTED AND REGULATIONS ADOPTED AFTER THE DATE OF THEIR MANUFACTURE

has considered the same and has the honor to report back to the Senate with the recommendation that the attached **Senate Bill No. 2493**, entitled:

AN ACT
REGULATING THE USE AND OTHER ACTIVITIES RELATED TO VINTAGE AUTOMOBILES AND OTHER HISTORICAL, CLASSIC, OR COLLECTOR MOTOR VEHICLES, AND PROVIDING FOR THEIR EXEMPTION FROM THE STANDARDS AND RESTRICTIONS SET BY LAWS, AND REGULATIONS ISSUED AFTER THE DATE OF THEIR MANUFACTURE

be approved in substitution of **Senate Bill Nos. 2396** and **2402**, taking into consideration **House Bill No. 9884**, with **Senators Gatchalian, Zubiri** and **Tolentino** as authors thereof.

Respectfully submitted,


SEN. JUAN MIGUEL F. ZUBIRI
Majority Leader and Chairperson,
Subcommittee on Vintage Vehicle
Regulation Act (SBN 2396 and 2402,
and House Bill No. 9884)


SEN. GRACE POE
Chairperson

Vice-Chairpersons:


SEN. RAMON BONG REVILLA JR.

SEN. PANFILO M. LACSON


SEN. EMMANUEL "MANNY" D. PACQUIAO

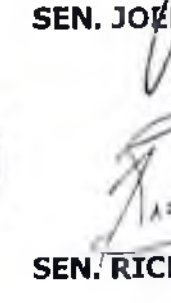
SEN. WIN GATCHALIAN

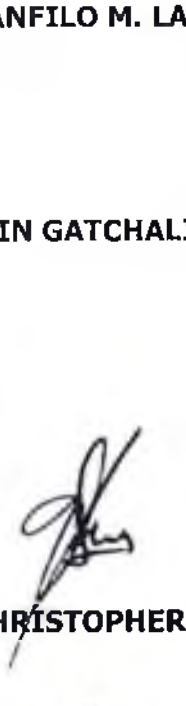
Members:

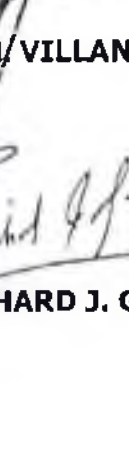

SEN. MARIA LOURDES NANCY S. BINAY


SEN. CHRISTOPHER BONG GO


SEN. FRANCIS "TOL" N. TOLENTINO


SEN. JOEL VILLANUEVA

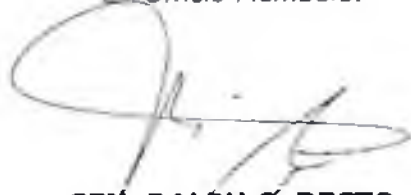

SEN. MANUEL "LITO" M. LAPID


SEN. RICHARD J. GORDON

SEN. FRANCIS "KIKO" N. PANGILINAN


SEN. RISA HONTIVEROS

Ex-Officio Members:



SEN. RALPH G. RECTO
Senate President Pro-Tempore



SEN. JUAN MIGUEL F. ZUBIRI
Majority Leader



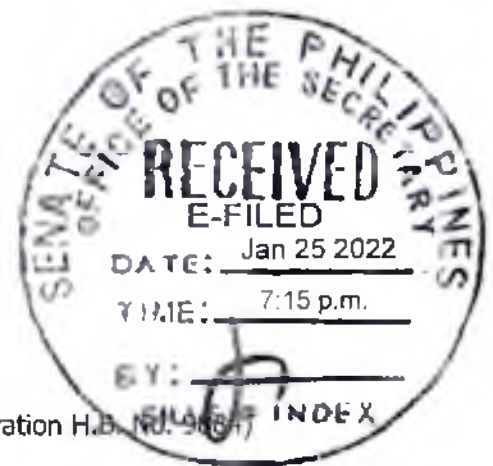
SEN. FRANKLIN M. DRILON
Minority Leader

HON. VICENTE C. SOTTO III
Senate President

EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session

SENATE
S. NO. 2493

(In Substitution of S.B. Nos. 2396 and 2402, taking into consideration H.B. No. 9087)



Prepared and submitted by the Committee on Public Services (upon the recommendation of the Subcommittee on Vintage Vehicle Regulation Act) with Senators Gatchalian, Zubiri and Tolentino as authors thereof

AN ACT
REGULATING THE USE AND OTHER ACTIVITIES RELATED TO VINTAGE AUTOMOBILES AND OTHER HISTORICAL, CLASSIC, OR COLLECTOR MOTOR VEHICLES, AND PROVIDING FOR THEIR EXEMPTION FROM THE STANDARDS AND RESTRICTIONS SET BY LAWS, AND REGULATIONS ISSUED AFTER THE DATE OF THEIR MANUFACTURE

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1. Short Title.** – This Act shall be known as the "Vintage Vehicle
2 Regulation Act".

3 **SEC. 2. Declaration of Policy.** – Section 14 Article XIV of the Constitution
4 declares that the State shall foster the preservation, enrichment, and dynamic evolution
5 of a Filipino culture based on the principle of unity in diversity in a climate of free artistic
6 and intellectual expression. Section 16 of the same Article declares that the country's
7 artistic and historic wealth constitutes the cultural treasure of the nation and shall be
8 under the protection of the State which may regulate its disposition.

9 The State recognizes that motor vehicles are integral part of Philippine culture,
10 embedded in its history and chronicles of government, transportation, industry, social life,
11 and popular culture. The State acknowledges that surviving vintage vehicles, as well as
12 their related tools, equipment, accessories, buildings, literature, and collectible ephemera,
13 deserve and require sustainable conservation, and that motoring heritage aids
14 contextualization, documentation, interpretation, and understanding of the development
15 of the nation's way of life and how it continues to transition. Within this context, the
16 preservation of vintage vehicles is in accord with policy of the State to preserve its
17 heritage and patrimony.

1 The State recognizes the large and expanding international markets for the
2 restoration of these vintage vehicles. The State is keenly aware that the country's unique
3 conditions, the capability of its small and medium industries, and the quality of its human
4 resource make it competitive in those markets. It is therefore the declared policy of the
5 State to provide an environment that will encourage its entrepreneurs and industries to
6 participate in those markets and permit its businessmen, technicians, and workforce to
7 acquire the knowledge and skills necessary for the purpose. In furtherance of such
8 policies, the State shall pursue the following objectives:

- 9 (i) protect, preserve, enhance, and promote the nation's heritage by
10 preserving vintage vehicles and in furtherance thereof permit the
11 importation of such vehicles in historically correct condition;
12 (ii) establish and strengthen regulatory policies that encourage their
13 preservation, maintenance, occasional use, and registration;
14 (iii) increase economic opportunities by creating conditions favorable to small
15 and medium industries that may participate in the international markets for
16 the restoration and repair of vintage vehicles and the manufacture of their
17 spare and replacement parts; and
18 (iv) encourage tourism through the promotion of automobile tours,
19 establishment of vintage vehicle or car museums, exhibits, vintage
20 motorsports, and similar events.

21 **SEC. 3. Coverage.** – This Act shall apply to all aspects of the regulation of the
22 importation and exportation, registration, and use of vintage vehicles.

23 **SEC. 4. Definition of Terms.** – As used in this Act:

- 24 (a) *Authentic Spare Part* refers to a replacement part, whether old or newly
25 produced, that is identical in appearance and function to an original component
26 installed in the vehicle or in vehicles belonging to the same model line as the
27 vehicle at the time of manufacture, but not necessarily made of the same
28 material, including chassis and monocoque shell and subframe replacements
29 of the same pattern as the original. This will include spare parts from the
30 manufacturer's stock intended for the later servicing or repair of vehicles of
31 the same model line as the vehicle.
32 (b) *Concours D 'Elegance or Concours* refers to a vintage vehicle which condition
33 is for exhibition or contest.

- 1 (c) *Automobile Lineage Brand* refers to the original manufacturer's name or latest
2 brand name as a result of corporate merger or acquisition.
- 3 (d) *Motor vehicle* refers to any self-propelled vehicle designed to carry passengers
4 or goods, including automobiles, pick-up trucks, vans, sports utility vehicles,
5 Asian utility vehicles, and motorcycles. A trailer, caravan, or other vehicle
6 intended to be towed by attachment to a motor vehicle shall be deemed a
7 motor vehicle for purposes of this Act.
- 8 (e) *Original Components* refer to parts of the vehicle, including the motor, chassis,
9 and gearbox, that were originally installed by its manufacturer at the time of
10 its production.
- 11 (f) *Restoration Mode or RESTOMOD* refers to vintage car that has been restored
12 but modified with modern parts and technology.
- 13 (g) *Spare Parts* refer to component parts, sub-assemblies or complete assemblies,
14 identical to or interchangeable with original components of a vintage vehicle,
15 and accessories that are permitted to be installed on a vintage vehicle under
16 sec. 12 hereof.
- 17 (h) *Vintage vehicle* refers to a motor vehicle, whether powered by an internal
18 combustion engine, electricity, a combination of both, or other means, that is
19 at least forty (40) years old reckoned from the date of manufacture, whose
20 chassis, engine, steering assembly, and suspension assembly are either
21 original or authentic and whose body has not been altered in general
22 appearance, subject only to the exceptions in section 12 hereof. it shall exclude
23 replicas and reproductions of vintage vehicles.

24 **SEC. 5. Exemption.** – In recognition of their small number, their expected limited
25 use, and the historical fact that the technology available at the time of their manufacture
26 will not permit them to meet modern standards, vintage vehicles registered under this
27 Act shall not be required to meet clean-air, anti-pollution, safety, road-use, and other
28 standards that were not in force at the time of their manufacture, either as a condition
29 for their registration and use on public roads or otherwise, the provisions of the Clean Air
30 Act (RA 8749) and any other law or regulation notwithstanding. However, vintage vehicles
31 manufactured after December 31, 1967 must be fitted with safety belts as mandated by
32 Republic Act No. 8750 or the Seat Belts Use Act of 1999.

33 **SEC. 6. Importation.** – Vintage vehicles, whether concours, RESTOMOD and/or
34 for repair or restoration, authentic components, original or replica body shells, engines

1 and transmissions, spare parts and accessories may be imported into the Philippines by
2 any person or entity.

3 **SEC. 7. *Exportation.*** – A vintage vehicle may be exported without restriction:
4 *Provided,* That in the interest of preserving the cultural and historical heritage associated
5 with vintage vehicles, the exportation of vintage vehicles that have historical significance
6 to the country, such as vehicles of Presidents of the Philippines, as certified by the
7 National Historical Commission of the Philippines (NHCP) in accordance with rules and
8 guidelines, shall be prohibited, except for the purpose of repair or restoration abroad as
9 authorized by the NHCP.

10 **SEC. 8. *Valuation for Tariffs, Import Duties and other Taxes.*** – The Bureau
11 of Customs (BOC), for purposes of valuation for tariffs, import duties and other taxes of
12 imported vintage vehicle, shall differentiate concours, RESTOMOD and for restoration
13 vintage vehicle, restoration mode and for restoration shall have a lower valuation against
14 concours for the same make and model of vintage vehicle. for purposes of this section,
15 for restoration vintage vehicle shall mean a vintage vehicle, whether containing the
16 important parts such as engine, transmissions, chassis and body or just the body shell,
17 which is for further modification or restoration in the Philippines.

18
19 **SEC. 9. *Availment of Fiscal and Tax Incentives.*** – Restoration shops and
20 companies which are in the business of importation of vintage vehicles for restoration in
21 the Philippines and for export of the same, shall be eligible to avail themselves of the
22 fiscal and tax incentives provided in Republic Act No. 11534, otherwise known as “An Act
23 Reforming the Corporate Income Tax and Incentives System, Amending for the Purpose
24 Sections 20, 22, 25, 27, 28, 29, 34, 40, 57, 109, 116, 204 and 290 of the National Internal
25 Revenue Code of 1997, as Amended and Creating therein New Title XIII, and for Other
26 Purposes,” and other applicable laws. the restoration shops and companies shall comply
27 with all the requirements provided for by law in the availment of fiscal and tax incentives.

28
29 **SEC. 10. *Right-hand Drive Vehicles.*** – The prohibition on the importation,
30 registration, and use of right-hand-drive vehicles shall not apply to vintage vehicles
31 manufactured on or before December 31, 1970 or to vintage vehicles intended principally
32 for racing or other motorsport.

1 **SEC. 11. *Period Specification.*** – A vintage vehicle registered or otherwise
2 benefitting under this Act shall be preserved and maintained in a historically correct
3 condition, which, for purposes of this Act and subject to Section 12 hereof, shall mean
4 that (i) its chassis, engine, steering, and suspension shall not have been replaced or
5 modified except with original or authentic components, and (ii) its body has not been
6 changed in general appearance.

7 **SEC. 12. *Permitted Modifications.*** – The following modifications shall be
8 permitted on vintage vehicles:

- 9 (i) modifications of a type that can be demonstrated to have been made when
10 the vintage vehicle was in production or within ten (10) years of the end of
11 production;
- 12 (ii) modifications to brakes, suspension, axles and running gear to improve
13 efficiency or safety;
- 14 (iii) use of carburetors or fuel injection systems not original to the vintage
15 vehicle to improve efficiency, economy or environmental performance;
- 16 (iv) installation of a new, modern engine of the same brand or manufacture and
17 of the same general specification as the engine original to the vintage
18 vehicle or vehicles belonging to the same historic model line or automobile
19 brand lineage as the vintage vehicle; and
- 20 (v) installation of after-market accessories and equipment, such as radios, air-
21 conditioning, and directional lights, to permit the convenient or safe use of
22 the vehicle.

23 **SEC. 13. *Limited Use.*** – A vintage vehicle that (i) is imported after the effectivity
24 of this Act, or (ii) is registered under this Act, or (iii) otherwise benefits from any
25 exemption or privilege under this Act shall be used only for personal purposes and/or
26 leisure driving. A vintage vehicle shall in no event be used for commercial purposes,
27 except only for motion pictures, advertisements, pictorials, weddings, and motorcades.
28 In no event shall a vintage vehicle be used as a public utility vehicle or for the commercial
29 transport of persons or goods.

30 **SEC. 14. *Registration.*** – All vintage vehicles (i) imported after the effectivity of
31 this Act or (ii) benefiting from any exemption or privilege under this Act shall be registered
32 as a vintage vehicle with the Land Transportation Office (LTO) in order to benefit from
33 the provisions of this Act. Such registration shall be valid for three (3) years. The LTO is

1 not precluded to provide a longer validity of registration. For vintage vehicles which are
2 not regularly used, on permanent exhibit or in museums, the LTO shall provide a system
3 for onsite registration or where the vintage vehicle parked or exhibited, and may impose
4 additional fees for this purpose. In the case of vintage vehicle on permanent exhibit or
5 in museums, the registration with the LTO is at the option of the owner or museum if the
6 vintage vehicle is no longer in running condition.

7 **SEC. 15. License Plate.** – The LTO shall issue to each registered vintage vehicle
8 license plates that contain the words “vintage vehicle” in addition to the usual letters and
9 numerals appearing in license plates. The model year or year of manufacture shall be
10 indicated on any appropriate part of the plate.

11 **SEC. 16. Applicability of Prohibitions.** – The prohibitions set out in this Act
12 shall not apply to motor vehicles that are not registered under this Act or which do not
13 seek to benefit from any exemption or privilege under this Act. Such motor vehicles shall
14 be subject to all laws and regulations governing the registration and use of motor vehicles
15 in general, including all air emission, safety, roadworthiness and other standards.

16 **SEC. 17. Inspection.** – A vintage vehicle applying for registration or the renewal
17 of its registration under this Act shall be subject to inspection in compliance with Sections
18 11 and 12 hereof and, if manufactured after December 31, 1975, in compliance with the
19 minimum safety and roadworthiness guidelines established by the LTO in consultation
20 with stakeholders. In no event shall the standards for safety inspection for vintage
21 vehicles registered under this Act exceed or be more stringent than those that were in
22 force at the year the vehicle was manufactured.

23 As in the case of any motor vehicle and in the interest of public safety and
24 responsible ownership, the LTO shall conduct random inspection of registered vintage
25 vehicles on public roads and highways.

26 **SEC. 18. Lost Papers.** – (a) A vintage vehicle that has no certificate of
27 registration, official receipt of registration payment, or other evidence of ownership or
28 registration may be registered as a vintage vehicle under this Act, subject to the
29 submission by the applicant of (i) a notarized affidavit that states that the applicant is the
30 owner, is in possession of the vehicle, knows of no claim on the vehicle, and which
31 describes the circumstances by which the applicant came to acquire the vehicle, (ii)

1 clearance from the relevant police agency that there is no record of the vehicle having
2 been stolen, and (iii) payment to the LTO of a one-time reconstitution fee of Ten thousand
3 pesos (Php 10,000.00) in addition to the regular fees and charges for the registration of
4 vintage vehicles.

5 (b) Publication of Notice of Application for Registration. The LTO shall publish a
6 notice of the application in a newspaper of general circulation once a week for three (3)
7 consecutive weeks at the expense of the applicant and on its website within three (3)
8 days from receipt of each complete application, describing the vehicle and stating that
9 the applicant has applied for registration. If the LTO receives no objection to the
10 application or claim by third parties on the vehicle within three (3) months from the date
11 of publication, it shall register the vehicle as a vintage vehicle under this Act. The
12 registration of a vintage vehicle shall be without prejudice to rights of persons who may
13 claim ownership of the vintage vehicle under applicable laws.

14 (c) Date of manufacture. The date of manufacture of a vintage vehicle with lost,
15 incomplete, or inconsistent papers may be ascertained through the car manufacturer or
16 the assistance of vintage car associations or interest groups. If details such as the exact
17 date of manufacture cannot be ascertained, the registration paper and entry in the
18 database of the LTO shall indicate this fact and an annotation that the "date of
19 manufacture is not available but has been estimated by [name of authority/association]."

20 **SEC. 19. *Vintage Vehicle Restoration Database; Education.*** - (a)
21 Recognizing the historical and cultural value and contribution of vintage vehicles to
22 employment and the industry in general, the LTO shall establish and maintain a national
23 database that lists and describes vintage vehicles in the country, which it shall share with
24 the NHCP for purposes of Section 7 hereof.

25 (b) To support the local restoration industry, the LTO shall include in its database
26 authorized and licensed companies and shops engaged in the repair or restoration of
27 vintage vehicles or in the manufacture of spare and replacement parts for vintage
28 vehicles, private sector associations and interest groups, and relevant government
29 agencies, such as the Technical Education and Skills Development Authority, and actively
30 engage them, in strengthening opportunities and programs for skills and technological
31 development in these and related industries.

32 (c) The LTO shall promote and encourage the conscientious, correct and safe
33 maintenance of vintage vehicles through consistent information and education campaigns
34 and other means.

1 **SEC. 20. *Implementing Rules and Regulations.*** – The LTO shall, after public
2 hearings and consultation with concerned sectors of society, including at least five (5)
3 vintage vehicle owners or representatives from owners’ groups or associations, formulate
4 and issue the necessary rules and regulations for the effective and speedy implementation
5 of this Act within sixty (60) days of its effectivity. Likewise, the LTO shall consult with
6 vintage vehicle owners or representatives from owners’ groups or associations in the
7 development of other relevant policies and issuances. Any draft issuance or policy shall
8 also be circulated electronically via email and other social media channels for meaningful
9 engagement of stakeholders especially owners, collectors, restorers, mechanics, and
10 enthusiasts.

11 **SEC. 21. *Separability Clause.*** – If any provision of this Act is declared invalid
12 or unconstitutional, such parts not affected by such declaration shall remain in full force
13 and effect.

14 **SEC. 22. *Repealing Clause.*** – All laws, orders, rules and regulations and other
15 issuances, or parts thereof, which are inconsistent with this Act are hereby repealed,
16 amended or modified accordingly.

17 **SEC. 23. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
18 publication in the Official Gazette or in a newspaper of general circulation.

Approved,