


THIRTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)

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SENATE
RESOLUTION NO. 341

RECEIVED BY: 

RESOLUTION TO INVESTIGATE THE IMPORTATION OF SECOND HAND MOTOR VEHICLES AND TO ENSURE THAT THE GOVERNMENT COLLECTS ALL PROPER TAXES AND DUTIES DUE THEREON

Introduced by Senator Richard J. Gordon

WHEREAS, the last few years have seen a surge in the entry of imported second-hand motor vehicles in the country with a significant number of these vehicles entering through the ports of Subic and Cebu;

WHEREAS, majority of these second-hand vehicles enter the country as right hand drive vehicles in open violation of Republic Act No. 8506, the Right-Hand Drive Law, which prohibits the importation, use and registration of such vehicles;

WHEREAS, the introduction of right-hand drive motor vehicles into the country exposes the public to a host of problems not limited to excess levels of smoke emissions while raising questions on safety and general roadworthiness;

WHEREAS, the smuggling of these vehicles into the country has been attended by the complicity of officials in different agencies of government while allowing the evasion in payment of the appropriate taxes and duties due on these importations;

WHEREAS, the aggregate revenue due the Philippine government for the years 2001 to 2004 and lost as a result of the smuggling operations in the port of Subic alone while enriching the select cabal who take part in this criminal syndicate has been estimated to be in amount between 12.9 to 45 Billion Pesos;

WHEREAS, at this time when additional taxes are being imposed on our already suffering people for the purpose of addressing the country's growing fiscal problem, it becomes the absolute moral duty of the government to exhaust all means to ensure that the proper taxes and duties are collected wherever due and that smugglers and tax evaders are held accountable and appropriately sanctioned;


RESOLVED BY THE SENATE, as it hereby resolves, to investigate in aid of legislation the importation of second hand vehicles into the country and to enjoin the government agencies hereafter designated to immediately act pursuant to their respective lawful mandates to address this matter as follows:

- (a) the Land Transportation Office to produce data on all cars imported through the port of Subic from 1992 to the present, as well as those introduced through the other entry points of the country;
- (b) The Bureau of Customs to re-compute the taxes and tariffs due on all of these imported motor vehicles based on the documents provided by the Land Transportation Office, to collect the tariffs and taxes evaded on account of fraud, and to file the necessary charges if any against those responsible;
- (c) The Bureau of Internal Revenue to conduct an audit of all businesses engaged in the importation of motor vehicles to determine if taxes had been evaded and to

collect such taxes and file necessary charges, if any, against the responsible persons;

- (d) The Ombudsman to investigate officials of the government agencies involved in the importation of these vehicles to determine if any laws had been violated and to file charges against any such officials found to be at fault; and
- (e) The Department of Justice to file the necessary charges for violation of Republic Act No. 8506, the Right-Hand Drive Law.

Adopted.



RICHARD J. GORDON