


FOURTEENTH CONGRESS OF THE REPUBLIC)  
OF THE PHILIPPINES )  
First Regular Session )

7 AUG -6 P4:22

RECEIVED BY: 

SENATE  
P.S. Resolution No. 58

Introduced by Senator Lacson

RESOLUTION

DIRECTING THE APPROPRIATE SENATE COMMITTEE TO REVIEW THE PROPOSED REVENUE REGULATION INCREASING THE MINIMUM MONTHLY/QUARTERTLY GROSS RECEIPTS IN COMPUTING THE PERCENTAGE TAX OF DOMESTIC CARRIERS AND KEEPERS OF GARAGES

**Whereas**, reports had it that the budget deficit at the end of the first semester of this year had already reached P41 Billion pesos, making it difficult for the government to maintain its budget deficit target of P63 Billion by the end of the year;

**Whereas**, during said period, the government's non-tax revenues stood at P78.3 Billion, which was P3.4 Billion higher than the P74.9 Billion target of the Department of Finance (DOF); while the revenue collection for the same period stood at P510.3 Billion, which was P47.7 Billion lower than the P558 Billion target;

**Whereas**, in an attempt to make up for its tax collection shortfall, the Bureau of Internal Revenue, with the approval of Secretary Margarito Teves of the Department of Finance, issued last August 1, 2007 BIR Revenue Regulation 9-2007;

**Whereas**, Revenue Regulation 9-2007, updated the minimum monthly/quarterly gross receipts of domestic carriers and keepers of garage subject to the three percent (3%) percentage tax as provided for in Section 117 of the National Internal Revenue Code of 1997;

**Whereas**, said Revenue Regulation will effectively increase the present tax being imposed on common carriers like jeepneys, taxi cabs and buses to a maximum of 2,600% as follows:

**Jeepney for hire –**

	From	To
1. Manila and other Cities	P288	P7, 884
2. Provincial	P144	P3, 948

**Public Utility Bus –**

	<b>From</b>	<b>To</b>
Not exceeding 30 passengers	P432	P11, 832
Exceeding 30 but not more than 50	P720	P19, 704
Exceeding 50 passengers	P864	P23, 652

**Taxis –**

1. Manila and other cities	P432	P11, 832
2. Provincial	P288	P7, 884

**Whereas**, while it is true that the minimum gross receipts per unit of carrier set under Section 117 of the NIRC, which was based on the 1978 Consumer Price Index, are no longer reflective of the true value of the minimum gross receipts today, to impose said increase at this point will result in undue burden to the owners/operators and drivers of common carriers who will have to cope not only with the rising costs of fuel and spare parts but also with the other exigencies in their daily routine like the exactions being required of them by some unscrupulous uniformed personnel of the PNP and the MMDA;

**Whereas**, the one who will ultimately bear the brunt of this tax hike are the riding public as this will undoubtedly result in fare increases and consequent rise in the price of basic commodities;

**Whereas**, this planned increase was evidently arrived at hastily by the Department of Finance just to meet the deficit target by the end of the year and their shortcoming in the tax collection effort as they failed to take into account the above-mentioned factors in arriving at the proposal;

**Whereas**, as a result, the proposed increase appears to be short-sighted and unconscionable; **NOW, THEREFORE, BE IT**

**RESOLVED** as it is hereby resolved to direct as it hereby directs the appropriate Senate Committee to exercise its oversight function for purposes of reviewing the reported tax hike on the transport sector to assist Congress in coming up with legislation that will properly strike a balance between the concerns of government and the transport sector.

Adopted,

  
**PANFILO M. LACSON**  
Senator