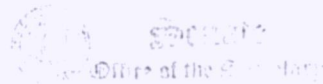


EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



'19 JUL 15 A10:02

**SENATE**

S. No. 460 RECEIVED 

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**Introduced by SENATOR RAMON BONG REVILLA, JR.**

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**AN ACT**  
**AMENDING SECTIONS 212 AND 214 OF REPUBLIC ACT NO. 7160, AS**  
**AMENDED, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF**  
**1991**

**EXPLANATORY NOTE**

This proposed measure seeks to amend Republic Act No. 7160, with regard to appraisal and assessment of real property.

It is common knowledge that real property tax is a single major source of income of local governments. However, there are several reasons why there is an apparent under collection of real property taxes:

- a. There is no uniform method of appraising real property among local governments;
- b. Revision or updating the schedule of fair market values is so infrequent, thus, resulting in a low tax base even as assets in the market continue to appreciate;
- c. The approval of the schedule of fair market values is vested in the Sangguniang Panlalawigan/Panlungsod. Considering the political nature of the local Sanggunian, the tendency is to forego revisions in the valuation schedule or to keep the property value understated.

Under this propose measure, a Technical Valuation Committee will be created which is tasked to formulate a uniform method of assessment and appraisal with the end in view of maximizing the potential tax collection from this source.

Foregoing considered, approval of this bill is earnestly urged.

  
**RAMON BONG REVILLA, JR.**

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S. No. 460

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**AN ACT**  
**AMENDING SECTIONS 212 AND 214 OF REPUBLIC ACT NO. 7160, AS**  
**AMENDED, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF**  
**1991**

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

1 Section 1. Section 212 of the Local Government Code of 1991 is hereby  
2 amended to read as follows:

3  
4 "Sec. 212. Preparation of Schedule of Fair Market Values. – Before any  
5 general revision of property assessment is made pursuant to the provisions of  
6 this Title, [there shall be prepared a schedule of fair market values by the  
7 provincial, city and the municipal assessors of the municipalities within the  
8 Metropolitan Manila Area] **A SCHEDULE OF FAIR MARKET VALUES SHALL**  
9 **BE PREPARED BY A TRECHNICAL VALUATION COMMITTEE OF EACH**  
10 **PROVINCE, CITY OR MUNICIPALITY** for the different classes of real  
11 property situated in their respected local government units for enactment by  
12 Ordinance of the Sanggunian concerned.

13  
14 **THE TECHNICAL VALUATION COMMITTEE SHALL BE COMPOSED**  
15 **OF THE PROVINCIAL, CITY OR MUNICIPAL ASSESSOR, PROVINCIAL,**  
16 **CITY OR MUNICIPAL PLANNING AND DEVELOPMENT OFFICER, A**

1           **REPRESENTATIVE FROM THE BUREAU OF INTERNAL REVENUE (BIR),**  
2           **A REPRESENTATIVE FROM THE BUREAU OF LOCAL GOVERNMENT**  
3           **FINANCE (BLGF), AND THE PRIVATE SECTOR. THE REPRESENTATIVE**  
4           **FROM THE PRIVATE SECTOR MUST BE DIRECTLY INVOLVED IN REAL**  
5           **ESTATE APPRAISAL.”**

6  
7           Sec. 2. Section 214 of the Local Government Code of 1991 is hereby amended  
8 to read as follows:

9  
10           “Sec. 214. Amendment of Schedule of Fair Market Values. – The  
11 [provincial, city or municipal assessor] **TECHNICAL VALUATION**  
12 **COMMITTEE** may recommend to the Sanggunian concerned amendments to  
13 correct errors in valuation of the schedule of fair market values. The  
14 Sanggunian concerned shall, by Ordinance act upon the recommendation  
15 within ninety (90) days from receipt thereof.

16  
17           *Sec. 3. Repealing Clause.* – All laws or parts thereof, decrees, orders, rules and  
18 regulations inconsistent with the provisions of this Act are hereby repealed or modified  
19 accordingly.

20  
21           *Sec. 4. Separability Clause.* – If any of the provisions of this Act is declared  
22 invalid, the other provisions not affected thereby shall remain in full force and effect.

23  
24           *Sec. 5. Effectivity.* – This Act shall take effect fifteen (15) days following its  
25 publication in two (2) newspapers of general circulation.

26  
27  
28           Approved,