



HOUSE OF REPRESENTATIVES

H. No. 9647

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BY REPRESENTATIVES SALCEDA, CO (E.), VILLAFUERTE (L.R.), VILLAFUERTE (M.L.), HORIBATA, ENCISO, BARBA, GUTIERREZ, CUA, TAMBUNTING, TULFO (R.W.), TULFO (J.), TULFO (E.), YAP (EDVIC), YAP (ERIC), VIOLAGO, SUANSING (M.A.), DIONISIO, HARESCO, LAGON (S.), TY, DAYANGHIRANG, MACAPAGAL-ARROYO, SINGSON-MEEHAN, FERRER (J.M.), VALMAYOR, BERNOS, CAGAS, VARGAS-ALFONSO, ORDANES, LUISTRO, CRUZ (A.), CAJAYON-UY, TARRIELA, BASCUG, SUAN, DAGOOC, LEE, VERZOSA, PALMA, ALVAREZ (J.), SALO, LOYOLA, REYES, CAMPOS, COLLANTES, SILVERIO, PADIERNOS, FUENTEBELLA, CUARESMA, AQUINO-MAGSAYSAY, PLEYTO, ANG, MARIANO-HERNANDEZ, ROBES, RODRIGUEZ (R.), SUANSING (H.), GORRICETA, LACSON-NOEL, CHUNGALAO, SALIMBANGON, CALDERON, TEVES, PANOTES, BOLILIA, GONZALEZ, UNGAB, TAN (S.J.), TAN (R.M.), NOEL, QUIMBO, GONZALES (A.), SINGSON (R.V.), DEL MAR, LARA, CABREDO, BONGALON, MOMO, TAN (J.), CRUZ (R.), MATIBAG, CHATTO, MACEDA, FRESNEDI, ADIONG, DY (F.M.C.), PANALIGAN, DIMAPORO (S.A.), ALBA, DOMINGO, EMANO, FLORES, MARIÑO, MIGUEL, ESPARES, GARCIA (D.), ALBANO, GARIN, DELOS SANTOS, DAZA, DALIPE, TAN-TAMBU, ROMUALDO, ESPINA, CO-PILAR, BAUTISTA-LIM, GARCIA (P.J.), CHAN, CARI, ACHARON, DY (F.) AND BULUT-BEGTANG

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**AN ACT**  
**RENAMING MOTOR VEHICLE USER'S CHARGE INTO MOTOR VEHICLE**  
**ROAD USER'S TAX AND INCREASING THE RATES FOR PUBLIC UTILITY**  
**VEHICLE MODERNIZATION AND ROAD SAFETY PROGRAMS, AMENDING FOR**  
**THIS PURPOSE REPUBLIC ACT NO. 8794, ENTITLED "AN ACT IMPOSING A**  
**MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF MOTOR**  
**VEHICLES AND FOR OTHER PURPOSES," AS AMENDED BY**  
**REPUBLIC ACT NO. 11239**

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

- 1           SECTION 1. Section 2 of Republic Act No. 8794, as amended by Republic Act No. 11239,  
2 is hereby amended to read as follows:

1           “SEC. 2. *Coverage.* – [In lieu of the registration fee under Section 8 of  
2           Republic Act No. 4136, as amended by Batas Pambansa Bilang 74, and the Private  
3           Motor Vehicle Tax under Executive Order No. 43, series of 1986, there is hereby]  
4           **THE MOTOR VEHICLE ROAD USER’S TAX SHALL BE** imposed on every  
5           motor vehicle, whether for hire or for private use, including government motor  
6           vehicles as [more fully] provided in Section 3 hereof [a Motor Vehicle User’s  
7           Charge (MVUC)], which shall be collected from and paid by the owner of the  
8           motor vehicle.”

9  
10           SEC. 2. Section 3 of Republic Act No. 8794, as amended by Republic Act No. 11239, is  
11 hereby amended to read as follows:

12           “SEC. 3. [*Rates of the Motor Vehicle User’s Charge.* –] **RATES OF**  
13 **MOTOR VEHICLE ROAD USER’S TAX.** – [(a) For private passenger cars  
14 registered as of the date of the effectivity of this Act, the MVUC to be paid shall  
15 be the private motor vehicle tax under Executive Order No. 43, series of 1986,  
16 plus twenty-five percent (25%) for the first year, fifty percent (50%) for the second  
17 year, seventy-five percent (75%) for the third year, and one hundred percent  
18 (100%) for the fourth year and thereafter: *Provided, however,* That private  
19 passenger cars to be registered for the first time after the effectivity of this Act,  
20 shall be subject to the MVUC rates prescribed in Section 3(b) hereof.]

21  
22           [(b) Except as provided under Section 3(a) hereof, for each motor vehicle  
23 under each of the categories as herein provided, the MVUC shall be collected from  
24 and paid by the vehicle owner, at the following base rates plus twenty-five percent  
25 (25%) in the first year from the effectivity of this Act; the said base rates plus fifty  
26 percent (50%) in the second year from the effectivity of this Act; the said base  
27 rates plus seventy-five percent (75%) in the third year from the effectivity of this  
28 Act; and the said base rates plus one hundred percent (100%) in the fourth year  
29 from the effectivity of this Act and thereafter: *Provided,* That the MVUC for  
30 sports utility vehicles shall be fifteen percent (15%) higher than the MVUC herein  
31

1 set for private utility vehicles: *Provided, further,* That motorcycles for hire with  
2 sidecars shall not pay more than Three-hundred pesos (P300).]

I Type of Vehicle	Base Rates
(I) Private and Government	
(A) Passenger Cars	
(1) GVW up to 1,600 kgs.	P800
(2) GVW more than 1,600 kgs. – 2,300 kgs.	1,800
(3) GVW more than 2,300 kgs.	4,000
(B) Utility Vehicles	
GVW up to 2,700 kgs.	P1,000
GVW more than 2,700 kgs. – 4,500 kgs.	P1,000 + P20 per 100 kgs. of GVW over 2,700 kgs.
(C) Motorcycles	
without sidecar	P120
with side car	150
(D) Buses	
GVW more than 4,500 kgs.	P900+P12 per 100 kgs. of GVW over 2,700 kgs.

1	(E) Trucks	
2		
3	GVW more than 4,500 kgs	P900+P12 per 100
4		kgs. of GVW over
5		2,700 kgs.
6		
7	(F) Trailers	
8		
9	GVW more than 4,500 kgs.	P12 per 100 kgs.
10		of GVW
11		
12	(II) For Hire	
13		
14	(A) Passenger Cars	
15		
16	(1) GVW up to 1,600 kgs.	P450
17		
18	(2) GVW more than 1,600	900
19	kgs. –2,300 kgs.	
20		
21	(3) GVW more than	2,500
22	2,300 kgs.	
23		
24	(B) Utility Vehicles	
25		
26	GVW up to 4,500 kgs.	P15 per 100 kgs.
27		of GVW
28		
29	(C) Motorcycles	
30		
31	without sidecar	P150
32		
33	with side car	240

1 (D) Buses

2  
3 GVW more than 4,500 kgs. P15 per 100 kgs.  
4 of GVW

5  
6  
7 (E) Trucks

8  
9 GVW more than 4,500 kgs P900+P12 per  
10 100 kgs. of GVW  
11 over 2,700 kgs.

12  
13 (F) Trailers

14  
15 GVW more than 4,500 kgs. P12 per 100 kgs.  
16 of GVW ]

17  
18 [After the fourth year from the effectivity of this Act, the President of the  
19 Philippines may adjust the rates contained in Section 3 which shall be reflective  
20 of but shall not exceed the annual rate of increase of the Consumer Price  
21 Index (CPI). The President may adjust such rates not more than once every  
22 five (5) years.]

23  
24 **“THERE SHALL BE LEVIED, ASSESSED, AND COLLECTED ON**  
25 **REGISTERED PRIVATE AND GOVERNMENT VEHICLES, A MOTOR**  
26 **VEHICLE ROAD USER’S TAX WHICH SHALL BE COLLECTED FROM**  
27 **AND PAID BY THE OWNER OF THE MOTOR VEHICLE IN**  
28 **ACCORDANCE WITH THE FOLLOWING SCHEDULE:**

TYPE OF VEHICLE				
	2024	2025	2026	2027 ONWARDS
<b>PRIVATE AND GOVERNMENT</b>				
<b>A. PASSENGER CARS AND MOTORCYCLES WITH ENGINE DISPLACEMENT OF 400CC AND ABOVE:</b>				
<b>GROSS VEHICLE WEIGHT (GVW) UP TO 1,600 KILOGRAMS (KG)</b>	<b>2,080</b>	<b>2,560</b>	<b>3,040</b>	<b>5% INCREASE</b>
<b>GVW MORE THAN 1,600 KG UP TO 2,300 KG</b>	<b>4,680</b>	<b>5,760</b>	<b>6,840</b>	
<b>GVW MORE THAN 2,300 KG</b>	<b>10,400</b>	<b>12,800</b>	<b>15,200</b>	
<b>B1. UTILITY VEHICLES</b>				
<b>GVW UP TO 4,500 KG</b>	<b>1.40 PER KG OF GVW</b>	<b>2.50 PER KG OF GVW</b>	<b>3.40 PER KG OF GVW</b>	<b>5% INCREASE</b>
<b>B2. SPORTS UTILITY VEHICLES</b>				
<b>GVW UP TO 4,500 KG</b>	<b>1.40 PER KG OF GVW</b>	<b>2.50 PER KG OF GVW</b>	<b>3.40 PER KG OF GVW</b>	<b>5% INCREASE</b>
<b>C. MOTORCYCLES</b>				
<b>WITHOUT SIDECAR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>WITH SIDECAR</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

TYPE OF VEHICLE				
	2024	2025	2026	2027 ONWARDS
<b>D. BUSES</b>				
GVW ABOVE 4,500 KG	1.40 PER KG OF GVW	2.50 PER KG OF GVW	3.40 PER KG OF GVW	5% INCREASE
<b>E. TRUCKS</b>				
GVW ABOVE 4,500 KG	1.40 PER KG OF GVW	2.50 PER KG OF GVW	3.40 PER KG OF GVW	5% INCREASE
<b>F. TRAILERS</b>				
GVW ABOVE 4,500 KG	1.40 PER KG OF GVW	2.50 PER KG OF GVW	3.40 PER KG OF GVW	5% INCREASE

1                   **“PROVIDED, THAT A PUBLIC UTILITY BUS OR JEEPNEY**  
2                   **SHALL ENJOY 50% DISCOUNT FROM THE ABOVE TAX RATES:**  
3                   **PROVIDED, HOWEVER, THAT THE RATES OF MOTOR VEHICLE**  
4                   **ROAD USER’S TAX SHALL BE INCREASED BY FIVE PERCENT (5%)**  
5                   **EVERY YEAR EFFECTIVE ON JANUARY 1, 2027 THROUGH**  
6                   **REVENUE REGULATIONS ISSUED BY THE SECRETARY OF**  
7                   **FINANCE.**

1                   **“AS USED IN THIS SECTION –**

2  
3                   **“(A) MOTOR VEHICLE SHALL MEAN ANY VEHICLE**  
4 **PROPELLED BY ANY POWER OTHER THAN MUSCULAR POWER**  
5 **USING THE PUBLIC HIGHWAYS BUT EXCEPTING AIRCRAFT,**  
6 **MOTOR BOATS, ROAD ROLLERS, TROLLEY CARS, STREET**  
7 **SWEEPERS, SPRINKLERS, LAWN MOWERS, BULLDOZERS,**  
8 **GRADERS, FORK LIFTS, AMPHIBIAN TRUCKS, CRANES NOT**  
9 **USED IN PUBLIC HIGHWAYS, VEHICLES WHICH RUN ONLY ON**  
10 **RAILS OR TRACKS, AND TRACTORS, TRAILERS, AND**  
11 **TRACTION ENGINES OF ALL KINDS USED EXCLUSIVELY FOR**  
12 **AGRICULTURAL PURPOSES.**

13  
14                   **“TRAILERS HAVING ANY NUMBER OF WHEELS, WHEN**  
15 **PROPELLED OR INTENDED TO BE PROPELLED BY ATTACHMENT**  
16 **TO A MOTOR VEHICLE SHALL BE CLASSIFIED AS SEPARATE**  
17 **MOTOR VEHICLE WITH NO POWER RATING.**

18  
19                   **“(B) GROSS VEHICLE WEIGHT SHALL MEAN THE**  
20 **MEASURED WEIGHT OF A MOTOR VEHICLE AS SPECIFIED BY THE**  
21 **MANUFACTURER PLUS THE MAXIMUM ALLOWABLE CARRYING**  
22 **CAPACITY IN MERCHANDISE, FREIGHT, OR PASSENGER AS**  
23 **DETERMINED BY THE ASSISTANT SECRETARY OF THE LAND**  
24 **TRANSPORTATION OFFICE (LTO).”**

25  
26                   SEC. 3. Section 4 of Republic Act No. 8794, as amended by Republic Act No. 11239, is  
27 hereby amended to read as follows:

28  
29                   **“SEC. 4. [Government Motor Vehicles] PAYMENT OF MOTOR**  
30 **VEHICLE ROAD USER’S TAX. – The manner of payment of the [user’s**  
31 **charge] MOTOR VEHICLE ROAD USER’S TAX on government motor**  
32 **vehicles shall be in accordance with the procedure that shall be promulgated by**  
33 **the Secretary of the Department of Budget and Management (DBM)[.]:**



1           “(A) *MANNER OF PAYMENT – THE MOTOR VEHICLE ROAD*  
2 *USER’S TAX SHALL BE PAID TO THE LTO ANNUALLY UPON*  
3 *REGISTRATION, CONFORMABLY WITH THE REGULATIONS*  
4 *ISSUED JOINTLY BY THE DEPARTMENT OF FINANCE (DOF) AND*  
5 *THE DEPARTMENT OF TRANSPORTATION (DOTr).*

6           “(B) *MANNER OF COLLECTION OF REVENUES – THE MOTOR*  
7 *VEHICLE ROAD USER’S TAX SHALL BE COLLECTED BY THE LTO*  
8 *AS PART OF THE ANNUAL VEHICLE REGISTRATION IN*  
9 *ACCORDANCE WITH THE RATES SET FORTH IN SECTION 3*  
10 *HEREOF. THE DATES OF ANNUAL REGISTRATION OF MOTOR*  
11 *VEHICLES SHALL BE BASED ON THE REGISTRATION SCHEME*  
12 *PROVIDED BY THE LTO.*

13           “(C) *EFFECT OF FAILURE TO PAY MOTOR VEHICLE ROAD*  
14 *USER’S TAX – ANY REGISTRATION OF MOTOR VEHICLES NOT*  
15 *RENEWED ON OR BEFORE THE DATE FIXED BY THE LTO SHALL*  
16 *BE CONSIDERED DELINQUENT AND INVALID.”*

17           SEC. 4. Section 7 of Republic Act No. 8794, as amended by Republic Act No. 11239, is  
18 hereby further amended to read as follows:

19           “SEC. 7. Disposition of Monies Collected. – All monies collected under  
20 this Act shall be remitted to the National Treasury under a special account in the  
21 General Fund [to be earmarked solely] for the construction, upgrading, repair and  
22 rehabilitation of roads, bridges, and road drainage [to be included in the annual  
23 General Appropriations Act.]: *PROVIDED, THAT THE FUND*  
24 *ESTABLISHED UNDER THIS ACT SHALL BE DISTINCT AND*  
25 *SEPARATE FROM AND IN ADDITION TO ANY APPROPRIATION*  
26 *AUTHORIZED AND GRANTED ANNUALLY TO THE DEPARTMENT*  
27 *OF PUBLIC WORKS AND HIGHWAYS: PROVIDED, FURTHER, THAT*  
28 *FIFTY PERCENT (50%) OF THE INCREMENTAL REVENUES*

1 COLLECTED UNDER THIS ACT SHALL BE ALLOCATED AND USED  
2 EXCLUSIVELY FOR THE FOLLOWING PURPOSES:

3  
4 “(1) FORTY-FIVE PERCENT (45%) FOR THE  
5 MODERNIZATION OF PUBLIC UTILITY VEHICLES,  
6 PARTICULARLY FOR THE EQUITY SUBSIDY OF PUBLIC  
7 TRANSPORT OPERATORS CONSOLIDATED AS TRANSPORT  
8 COOPERATIVES FOR THE ACQUISITION OF EURO-4 COMPLIANT  
9 PUBLIC UTILITY VEHICLES PLYING AUTHORIZED ROUTES AS  
10 DETERMINED BY THE DOTr AND THE LAND TRANSPORTATION  
11 FRANCHISING AND REGULATORY BOARD (LTFRB): *PROVIDED*,  
12 THAT SAID INCREMENTAL REVENUES SHALL BE EARMARKED  
13 UPON APPROVAL OF THIS ACT UNTIL DECEMBER 31, 2028 FOR  
14 THE MODERNIZATION OF PUBLIC UTILITY VEHICLES: *PROVIDED*,  
15 *FURTHER*, THAT THE EARMARKED FUNDS SHALL REVERT TO  
16 THE SPECIAL ACCOUNT IN THE GENERAL FUND EFFECTIVE  
17 JANUARY 1, 2029;

18  
19 “(2) FIVE PERCENT (5%) FOR GOVERNMENT PROGRAMS TO  
20 BE UNDERTAKEN FOR PREVENTION OF DEATHS DUE TO ROAD  
21 CRASH, AND ACCIDENT VICTIMS’ ASSISTANCE, INCLUDING THE  
22 FOLLOWING:

23  
24 “(A) THE IMPROVEMENT OF EXISTING DRIVERS’  
25 EDUCATION PROGRAMS, TRAINING ACADEMIES AND DRIVERS’  
26 LICENSE EXAMINATIONS BY THE LTO;

27  
28 “(B) THE ESTABLISHMENT OF ADDITIONAL MOTOR  
29 VEHICLE INSPECTION CENTERS BY THE LTO;

30  
31 “(C) THE IMPROVEMENT OF ROAD MANAGEMENT  
32 SYSTEMS BY THE DOTr;

1                   **“(D) THE PROVISION OF SUPPLEMENTAL**  
2                   **HOSPITALIZATION COVERAGE BY THE PHILIPPINE HEALTH**  
3                   **INSURANCE CORPORATION (PHILHEALTH) FOR VICTIMS OF**  
4                   **ROAD CRASH;**

5  
6                   **“(E) THE PROVISION BY THE EMPLOYEES’ COMPENSATION**  
7                   **COMMISSION OF WORKMEN’S COMPENSATION FOR VICTIMS OF**  
8                   **ROAD CRASH WHO ARE UNABLE TO BE GAINFULLY EMPLOYED**  
9                   **FOR A CONTINUOUS PERIOD DUE TO DISABILITY, PURSUANT TO**  
10                   **THE PROVISIONS OF REPUBLIC ACT NO. 772, AS AMENDED**  
11                   **OTHERWISE KNOWN AS THE WORKMEN’S COMPENSATION**  
12                   **ACT; AND**

13  
14                   **“(F) THE ESTABLISHMENT BY THE DEPARTMENT OF**  
15                   **HEALTH (DOH) OF EMERGENCY CARE FACILITIES IN AREAS**  
16                   **THAT HAVE HIGH INCIDENCE OF ROAD ACCIDENTS.”**

17  
18                   **SEC. 5. *Implementing Rules and Regulations.*** – The DOTr, in coordination with the DOF,  
19 the DOH, the LTFRB and the Department of Public Works and Highways, shall promulgate the  
20 rules and regulations to implement this Act within thirty (30) days from its effectivity.

21  
22                   **SEC. 6. *Separability Clause.*** – If any provision of this Act is declared unconstitutional or  
23 invalid, other parts or provision hereof not affected thereby shall continue to be in full force  
24 and effect.

25  
26                   **SEC. 7. *Repealing Clause.*** – All laws, orders, issuances, circulars, rules and regulation or  
27 parts thereof, which are inconsistent with the provisions of this Act are hereby repealed or modified  
28 accordingly.

29  
30                   **SEC. 8. *Effectivity.*** – This Act shall take effect fifteen (15) days after its publication in the  
31 *Official Gazette* or in at least one (1) newspaper of general circulation.

Approved,