


14<sup>th</sup> Congress of the Republic )  
of the Philippines )  
First Regular Session )

7 JUL -4 P5:00

SENATE

RECEIVED BY: 

S. No. 1146

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*Introduced by Senator Aquilino Q. Pimentel, Jr.*

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**EXPLANATORY NOTE**

This bill seeks to amend the provisions on Family Home as embodied in Executive Order 209, otherwise known as the Family Code of the Philippines.

The main feature of this bill is the exemption of the family home from the payment of real property taxes.

This kind of property tax imposes undue burdens upon the family that is the core unit of society. It is submitted that imposing real property tax on the family home violates the constitutional mandate that ensures the protection of the Filipino's welfare.

The purpose of the family home is to provide shelter, which is a basic family need. The imposition of a real property tax on the family home makes it difficult for many individuals maintain a shelter for their families.

Another feature of this bill is the increase of the value of each family home exempt from execution, forced sale, attachment, and from the payment of real property taxes.

More than a decade has passed since the enactment of the Family Code. Since then, there has been a dramatic drop in the value of the Philippine peso. Thus, the need to adjust the value of the family home exempt from such impositions in conformity with the changing times.

This bill, if enacted, will alleviate the plight of many Filipinos who have found it almost impossible to build a home of their own.

For the reasons stated above, the early passage of this bill is earnestly requested.

  
AQUILINO Q. PIMENTEL, JR.

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AN ACT  
AMENDING CHAPTER 2, TITLE V OF EXECUTIVE ORDER NO. 209 OTHERWISE  
KNOWN AS THE FAMILY CODE OF THE PHILIPPINES

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

SECTION 1. Article 153 of the Family Code is hereby amended and shall read as  
follows:

“Article 153. The Family home is deemed constituted on a house and lot from the  
time it is occupied as a family residence. From the time of its constitution and so long as  
any of its beneficiaries actually resides therein, the family home continues to be such and  
is exempt from execution, forced sale, except as hereinafter provided and to the extent of  
the value allowed by law.

NOTWITHSTANDING ANY LAW TO THE CONTRARY, THE FAMILY  
HOME, WHILE REMAINING AS SUCH, SHALL LIKEWISE BE EXEMPT FROM  
THE PAYMENT OF REAL PROPERTY TAX OR ANY OTHER TAX ON REAL  
PROPERTY.

SEC. 2. Article 155 of the Family code is hereby amended and shall read as follows:

“Article 155. The family home shall be exempt from execution, forced sale or attachment except:

For nonpayment of taxes OTHER THAN TAXES ON REAL PROPERTY;

For debts incurred prior to the constitution of the family home;

For debts secured by mortgages on the premises before or after such constitution;

and

For debts due to laborers, mechanics, architects, builders, materials, men and others who have rendered services or furnished material for the construction of the building.”

SEC. 3 Article 157 of the Family Code is hereby amended to read as follows:

“Article 157. The value of the family home shall not exceed, at the time of its constitution, the amount of THREE MILLION pesos in urban areas, and TWO MILLION pesos in rural area, or such amount as may hereafter be fixed by law.

In any event, if the value of the currency changes after the adoption of this code, the value most favorable for the constitution of a family home shall be the basis of the evaluation. For purposes of this Article, urban areas are deemed to include chartered cities and municipalities whose annual income at least equals that legally required of COMPONENT cities.

All others are deemed to be rural areas.”

SEC. 4. All laws, decrees, executive orders, proclamations, rules and regulations, or parts thereof inconsistent herewith are repealed or modified accordingly.

SEC. 5. This Act shall take effect fifteen (15) days after its publication in at least two national newspapers of general circulation.

*Approved,*