



Republic of the Philippines

DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT

DILG-NAPOLCOM Center, EDSA corner Quezon Avenue, West Triangle, Quezon City

http://www.dilg.gov.ph



SUSPENSION OF LGU IMPOSITION AND COLLECTION OF ILLEGAL FEES AND TAXES

Memorandum Circular No. 2017-23
February 6, 2017

1.0 Background

Pursuant to Sections 134, 142, 151 and 152 of the Local Government Code of 1991, local government units imposing various fees, taxes and other charges on transporting goods and passengers carried into or out, or passing through, their respective territorial jurisdictions, is beyond the scope of their taxing powers.

2.0 Scope/Coverage

All Provincial Governors, City and Municipal Mayors, Punong Barangays, DILG Regional Directors, DILG Field Officers, and all others concerned

3.0 Policy Content and Guidelines

3.1. General Guidelines

Pursuant to Section 133 (e) of the Code, all local chief executives are hereby enjoined to:

- 3.1.1. Refrain from enforcing any existing ordinance authorizing the levy of fees and taxes on inter-province transport of goods, regulatory fees from passengers in local ports, and other additional taxes, fees or charges in any form upon transporting goods and passengers; and
- 3.1.2. Cause the immediate repeal of the ordinance imposing the above-cited fees and taxes.

4.0 Penal Provision

Non-compliance with this Memorandum Circular shall be dealt with in accordance with pertinent laws, rules and regulations.

5.0 References

- 5.1. R.A. No. 7160 or the Local Government Code of 1991
- 5.2. DILG MC No. 2006-70, Suspension of LGU Imposition and Collection of Illegal Fees and Taxes
- 5.3. DILG MC No. 2009-76, Reiterating Strict Compliance to Pertinent Laws, Rules and DILG Circulars Prohibiting LGUs from Charging Fees on Passing through Vehicles, Especially Those Carrying Agricultural Goods and Products and Exempting Such Vehicles from Truck Ban Implementation

- 5.4. DILG MC No. 2011-122, Reiteration of DILG Memorandum Circulars on the Suspension of LGU Imposition and Collection of Pass through Fees
- 5.5. DILG MC No. 2011-151, Suspension of LGU Imposition and Collection of Illegal Fees and Taxes
- 5.6. DILG Unnumbered Memorandum from the Office of the Undersecretary for Local Government, dated June 25, 2014 re: Request for Local Ordinances on the Imposition and Collection of Toll Fees and Other Fees for the Use of Access Roads
- 5.7. Letter from the Department of Agriculture(DA) dated 06 January 2017, requesting the DILG for an issuance that shall support the suspension of fees and taxes and truck ban hours by LGUs

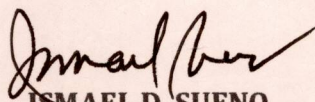
6.0 Effectivity

This Memorandum Circular shall take effect immediately.

7.0 Monitoring and Submission of Reports

- 7.1. In order to ensure that the pertinent provisions of the Local Government Code and this Memorandum Circular are strictly and faithfully observed, all DILG Regional Offices are enjoined to cause the submission of the following, starting February 20, 2017:
 - 7.1.1. Local ordinances on the imposition of toll fees and other fees for the use of access roads in .pdf format, to be submitted through e-mail at blgspcmd@gmail.com; and
 - 7.1.2. Regional Summary Form, to be filled out using a prescribed format, which is available in a Google Drive platform and can be accessed through the following link: <http://bit.ly/2a11pnH>. There is no need to download the forms, filling out of the monitoring report forms are to be done online.
- 7.2. The Regional Summary Form shall be updated as necessary. Kindly provide the Bureau of Local Government Supervision the official e-mail address of your respective Regional Offices, where the Summary Form will be shared.

8.0 Approving Authority


ISMAEL D. SUENO
Secretary

9.0 Feedback



For related queries, kindly contact the Policy Compliance Monitoring Division of the Bureau of Local Government Supervision at Tel Nos. (02) 928 9181 or (02) 925 0351 or email address at blgspcmd@gmail.com.

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