

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City, Philippines

**EIGHTEENTH CONGRESS**  
First Regular Session

HOUSE BILL NO. 3616



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**INTRODUCED BY REPRESENTATIVE ALFRED VARGAS**

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**EXPLANATORY NOTE**

Based on the Philippine Statistics Authority survey, in the National Capital Region alone almost ninety percent (90%) or 90 million, constitute the daily Passengers/Commuters. However, the registered public utility vehicles are not enough to cater to such voluminous amount of passenger/commuters. In the coming years, it is predicted, that the number of commuters will even drastically increase the volume of Public Utility Vehicles (PUVs) to keep pace.

However, there is a high operating cost in the maintenance of a PUV, due to oil price hikes, road taxes and toll fees. Moreover, said costs affects not only the operators in terms of their operating expenses, but also the millions of commuters who ultimately carry the burden of road taxes and toll fee increases.

Hence, this bill. This measure seeks to amend the Motor Vehicle User's Charge particularly Section 2 and Section 3 thereof, as there is a need to revitalize public transport, by exempting PUVs from paying road users taxes.

In view of the foregoing, the immediate enactment of this measure is earnestly sought.

  
ALFRED VARGAS

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**AN ACT EXEMPTING GREEN VEHICLES FROM THE MOTOR VEHICLE  
USER'S CHARGE AMENDING FOR THE PURPOSE SECTION 2 OF REPUBLIC  
ACT NO. 8794, OTHERWISE KNOWN AS THE "MOTOR VEHICLE USER'S  
CHARGE ACT OF 2000"**

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

**SECTION 1. Short Title.** -Section 2 of Republic Act (R.A.) No. 8794, otherwise known as  
the "Motor Vehicle User's Charge Act of 2000" is hereby amended to read as follows:

*Sec 2. Coverage - In lieu of the registration fee under Section 8 of R.A. 4136, as  
amended by Batas Pambansa Bilang 74, and the Private Motor Vehicle Tax under  
Executive Order No. 43, series of 1986, there is hereby imposed on every motor  
vehicle, whether for hire or for private use, including government motor vehicles,  
as more fully provided in Section 3 hereof, a Motor Vehicle User's Charge (MVUC)  
which shall be collected from and paid by the owner of the motor vehicle [.]:  
PROVIDED THAT ALL GREEN VEHICLE SHALL BE EXEMPT FROM THE PAYMENT  
OF MVUC: PROVIDED, FURTHER, THAT FOR PURPOSES OF THIS ACT, GREEN  
VEHICLES SHALL MEAN ANY VEHICLE THAT IS CONSIDERED TO BE  
ENVIRONMENTALLY FRIENDLY AND HAS LESS OF A DAMAGING IMPACT ON THE  
ENVIRONMENT THAN CONVENTIONAL CARS; USES CLEAN ENERGY SOURCES TO  
FUEL ITS ENGINE, SUCH AS BUT NOT LIMITED: ELECTRICITY, HYBRID, SOLAR,  
WIND, HYDROGEN FUEL CELL, COMPRESSED NATURAL GAS (CNG) OR LIQUEFIED  
PETROLEUM GAS (LPG) OTHER THAN THE CONVENTIONAL SOURCES OF ENERGY  
LIKE PETROLEUM AND GASOLINE FOR PROPULSION.*

**SECTION 2. Implementing Rules and Regulations.** The Secretary of the Department of  
Transportation and the Assistant Secretary for the Land Transportation Office shall  
provide the necessary implementing rules and regulations within ninety (90) days from  
the affectivity of this Act.

**SECTION 3. Repealing Clause.** All laws, rules and regulations or parts thereof  
inconsistent with the provisions of this Act are hereby repealed or modify accordingly.

**SECTION 4. Separability Clause.** If any part, section or provision of this Act shall be  
held invalid or unconstitutional, no other part, section or provisions thereof shall be  
affected thereby.

**SECTION 5. Effectivity.** This Act shall take effect fifteen (15) days following the completion of its publication in the Official Gazette or two (2) newspapers of general circulation.

*Approved,*