

Republika ng Pilipinas
SANGGUNIANG PANLUNGSOD NG MARIKINA



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06-0018049

ORDINANCE No. 62
Series of 2006

ORDINANCE GRANTING TAX EXEMPTIONS TO THE PROPERTIES OF MANILA
ELECTRIC COMPANY WHICH ARE USED AS ROADS AND SIDEWALKS

Introduced by: Councilor EVA AGUIRRE-PAZ
Councilor JOSE FABIAN I. CADIZ, M.D.
Councilor FRANKIE C. AYUSON
Councilor SERAFIN Y. BERNARDINO
Councilor WILFRED S. REYES
Councilor FERDIE D. MARCO
Councilor LEA F. CARLOS
Councilor VICTORIANO A. SABINIANO, Jr.
Councilor NIÑO MARTIN B. CRUZ
Councilor TITO F. ORTIZ
Councilor ANNA B. DAYAO
Councilor EFREN S. DE GUZMAN
Councilor ROBERTO C. PONCE
Councilor DONN CARLO B. FAVIS
And Vice-Mayor MARION S. ANDRES, M.D.

WHEREAS, Section 2 of the Local Government Code of 1991 provides that the Sangguniang Panlungsod, as the legislative body of the City shall generate and maximize the use of resources and revenues for the development plans, programs, objectives and priorities of the City as provided under Section 18 x x x and shall:

x x x" (ii) Enact ordinances levying, fees and charges, prescribing the rates thereof for general and specific purposes and granting tax exemptions, incentives or reliefs;" x x x

WHEREAS, Manila Electric Company (MERALCO), a public corporation duly organized and existing under Philippine Laws with office address at Lopez Building Ortigas Ave., Pasig City, is the owner of several real properties located at Urban Bliss Barangka and Loyola Grand Villas in Malanday all within the territorial jurisdiction of the City of Marikina and are actually used as roads and sidewalks;

WHEREAS, considering that these MERALCO properties had been and are continuously utilized for public use the grant of tax exemption for the same is just and equitable.

NOW THEREFORE, BE IT ORDAINED, AS IT IS HEREBY ORDAINED by the CITY COUNCIL of MARIKINA, in session duly assembled:

SECTION 1. The City Government of Marikina hereby grants tax exemption on MERALCO properties covered by the following technical description:

[Handwritten signatures]


COVERED BY TAX DECLARATION	AREA	USE
a. D-001-05635	4,014.83 sq. m.	City road and sidewalk
b. D-001-05633	804 sq. m.	Portion of Marcos Highway

SECTION 2. This Ordinance takes effect upon approval.

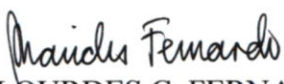
I hereby certify to the passage of the foregoing Ordinance, which was duly approved by the City Council of Marikina during its 19th Regular Session held on May 24, 2006.


LOLITA E. DE LEON
City Council Secretary

CERTIFIED & ATTESTED
TO BE DULY APPROVED:


MARION S. ANDRES, M.D.
City Vice-Mayor/Presiding Officer

Approved by the Honorable City Mayor on 05 SEP 2006


MA. LOURDES C. FERNANDO
City Mayor

efay

Republika ng Pilipinas
Pamahalaang Lungsod ng Marikina

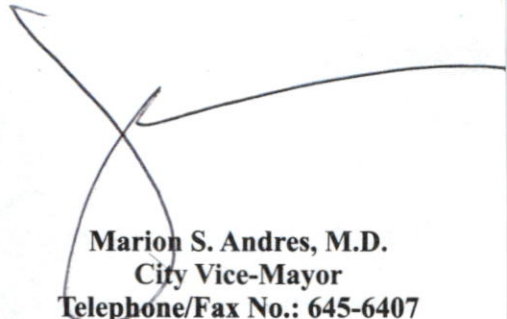


Mar Dulat

April 7 2006

PS

April 12

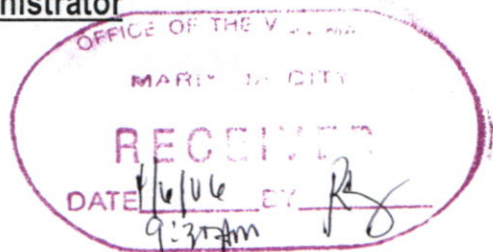


Marion S. Andres, M.D.
City Vice-Mayor
Telephone/Fax No.: 645-6407



Ord 62-06

Republic of the Philippines
CITY OF MARIKINA
Office of the City Administrator



5 April 2006

The Honorable Members
City Council
Marikina City

THRU: **Vice Mayor MARION S. ANDRES, M.D.**
Presiding Officer

Gentlemen:

May we respectfully request the honorable body for the **IMMEDIATE PASSAGE** of an ordinance granting tax exemptions to the properties of MERALCO which are used as roads and sidewalks by the city.

Attached are pertinent documents for your reference and perusal.

For your favorable action. Thank you.

Respectfully,

MELVIN A. CRUZ
City Administrator



LUNGSOD NG MAY MABUTING UGALI
(CITY OF GOOD CONDUCT)

file
FOR FOLLOW-UP



Republic of the Philippines
CITY OF MARIKINA

City Legal Office

CITY GOVERNMENT OF MARIKINA
GENERAL SERVICES DIVISION

*Reanna/Diane
Could you
pls look to
this. Aida*

FOR : Mayor MA. LOURDES C. FERNANDEZ
City Mayor

RECORDED
Number: 106-0005448
Date: 2/13/06
Received By: *[Signature]*

Thru: Mr. Melvin A. Cruz
City Administrator

FROM : Atty. NANCY VILLANUEVA TEYLAN
Acting City Attorney

DATE : January 31, 2006

SUBJECT : SUMMARY REPORT ON THE MEMORANDUM OF
AGREEMENT WITH MERALCO - LOCAL BOARD OF
ASSESSMENT APPEAL

On 2002 properties of the Manila Electric Company (MERALCO) located at Urban Bliss, Barangka and Loyola Grand Villas, Malanday were assessed with Real Estate tax by the City Treasurer's Office. These taxes were paid under protest and Meralco filed an action against City Assessor Santiago Ramos, to contest the same before the Local Board of Assessment Appeal.

Through a series of negotiation mutually convened by the parties, a proposed revaluation of the subject properties was established and is hereby discussed:

1. Properties covered by ARPN E-005-00348, 00314, 00315, 00317, 00318, E-01-00051 and 02902 are extended with a net of 60% discount each on the reason that these properties are "sunken and undeveloped" (Ordinance No. 223, S. 2001)
2. 3,415.08 square meters of the parcel of land under ARPN E-001-0290 is now valued at 30% of the base value since the subject area is now used as a park. (Ord. No. 223, S. 2001)
3. 4,914.83 square meters of the parcel of land under ARPN E-001-0290 is proposed for exemption from Real Estate Tax on the reason that it is actually used as a City Road and Sidewalk.
4. The 804.20 square meters lot covered by ARPN No. E-001-05633, being part of Marcos Highway within our territorial jurisdiction is likewise proposed for exemption from being a road lot.

LUNGSOD NG MAY MABUTING UGALI
(CITY OF GOOD CONDUCT)

[Signature]

The basis for the re-allocation of properties under (1) and (2) is the Schedule of Market Values For All Classes Of Real Property in Marikina City prepared by the Local Treasury and Assessment Districts of Metropolitan Manila in accordance with R.D. 9-1 and in relation to the Local Government Code, Ordinance No. 223 Series of 2001.

The tax exemption is based on the actual public use of the Meralco properties under Nos. (3) & (4). A City Council Ordinance is to be enacted for this purpose as required under the Local Government Code.

In view of the foregoing may we request that the attached Compromise Agreement be endorsed to the City Council for the passage of an Ordinance on the tax exemption on the property used as public park and road lot.

Very truly yours,



ATTY. NANCY VILLANUEVA TEYLAN
Acting City Attorney

Republic of the Philippines
LOCAL BOARD OF ASSESSMENT APPEALS
Marikina City

MANILA ELECTRIC COMPANY,
Petitioner,

-versus-

CITY ASSESSOR, CITY OF MARIKINA,
Respondent.

X-----X

LBAA Case Nos. _____
In Re: Notice of Assessment
(a) Tax Dec. Nos. ARPN E-005-00348; E-005-00314; E-005-00315; E-005-00317; E-005-00318; E-011-00051; and, (b) Tax Declaration Nos. D-001-05637 (as revised by E-001-02902); and, D-001-05635 (as revised by E-001-02900.

COMPROMISE AGREEMENT

COME NOW, the parties, **MANILA ELECTRIC COMPANY (Meralco)**, represented by **ATTY. GIL S. SAN DIEGO**, and **MR. SANTIAGO SP. RAMOS, City Assessor of Marikina City**, to buy peace and end litigation, respectfully manifest that they agreed on the complete settlement of the above-entitled case and have in fact settled the above-captioned case, in the following manner:

1. The instant case arose when in 2002 the City Assessor of Marikina City assessed the following properties of Meralco, located at Urban Bliss, Barangka and Loyola Grand Villas, Malanday, both in Marikina, with the following valuation:

<u>Tax Declaration</u>	<u>Kind of Property/area</u>	<u>Unit value</u>	<u>MARKET VALUE</u>	<u>Assessment level</u>	<u>Assessed Value</u>	<u>Tax Due</u>
ARP E-005-00348	958 Residential lot	P6,000	P 5,749,000.00	20%	P 1,149,600.00	P 28,740.00
E-005-00314	85 Residential lot	6,000	510,000.00	20%	102,000.00	2,550.00
E-005-00315	23 Residential lot	6,000	138,000.00	20%	27,600.00	690.00
E-005-00317	1,259 Residential lot	6,000	7,554,000.00	20%	1,510,800.00	37,770.00
E-005-00318	335 Residential lot	6,000	2,010,000.00	20%	402,000.00	10,050.00
E-011-00051	435 Residential lot	6,000	2,610,000.00	20%	522,000.00	13,050.00
D-001-05637 (as revised by E-001-02902)	6,696.40 Commercial lot	5,000	33,482,000	50%	16,741,000.00	418,525.00
D-001-05635 (as revised by E-001-02900)	27,387.50 Commercial lot	5,000	P 136,939,000	50%	68,469,500.00	1,711,737.50
TOTAL					<u>P 88,924,500.00</u>	<u>2,223,112.50</u>

2. Contending that the above assessments are arbitrary, unjust, excessive and contrary to declared economic policy, not being based on the properties' actual use, Meralco protested the same but nevertheless paid under protest the alleged realty taxes due thereunder, and still paying under protest up to this time.

3. Recently, the parties agreed to settle the cases amicably to put an end thereto and just to buy peace of mind. For purposes thereof but without necessarily admitting liability, the parties hereby agree that the valuation of the above-mentioned properties beginning taxable year 2002 shall be as follows:

<u>Tax Declaration</u>	<u>Kind of Property/area</u>	<u>Unit value</u>	<u>MARKET VALUE</u>	<u>Assessment level</u>	<u>Assessed Value</u>	<u>Tax Rate 2005</u>	<u>Recomputed Tax</u>	<u>Original Tax</u>
ARNP								
E-005-00348	958 Residential lot	P2,400*	P2,299,200.00	20%	P 459,840.00	2.5 %	P 11,496.00	P 28,740.00
E-005-00314	85 Residential lot	2,400*	204,000.00	20%	40,800.00	2.5 %	1,020.00	2,550.00
E-005-00315	23 Residential lot	2,400*	55,200.00	20%	11,040.00	2.5 %	276.00	690.00
E-005-00317	1,259 Residential lot	2,400*	3,021,600.00	20%	604,320.00	2.5 %	15,108.00	37,770.00
E-005-00318	335 Residential lot	2,400*	804,000.00	20%	160,800.00	2.5 %	4,020.00	10,050.00
E-011-00051	435 Residential lot	2,400*	1,044,000.00	20%	208,800.00	2.5 %	5,220.00	13,050.00
D-001-05637 (as revised by E-001-02902)	6,696.40 Commercial lot	2,000*	13,392,800.00	20%	2,678,560.00	2.5 %	66,964.00	418,525.00
D-001-05635 (as revised by E-001-02900)	18,815.80** Commercial lot	3,500	65,855,300.00	50%	32,927,650.00	2.5 %	823,191.25	1,711,737.50
	1,142.09 Transmission line	3,500	3,997,315.00	50%	1,998,657.50	2.5%	49,966.44	
	3,415.08 Park	1,050***	3,585,834.00	50%	1,792,917.00	2.5%	44,822.93	
	4,014.83 City roads & pedestrian	Exempt						
TOTAL					<u>P 40,883,384.50</u>		<u>P 1,022,084.62</u>	<u>P 2,223,112.50</u>

- N.B.:
- * - net of 60% discount because the property is "sunken and undeveloped"
 - ** - net of area of 8,572 sq. m. which consists of :
 - (i) area occupied by transmission line (1,142.09 sq. m.)
 - (ii) area used as city roads and pedestrian (4,014.83 sq. m) which is exempt from real property tax
 - (iii) area used as city park (3,415.08 sq. m.)
 - *** - 30% of unit value (P3,500.00 per sq. m.) because the property is used as city park.

4. It is further agreed that the "payments under protest" made by Meralco from 2002 up to the present shall now be considered as regular payments of the taxes due for the corresponding year, with any excess payments to be applied to its future tax liability.

5. In addition, the parties agreed that petitioner's lot designated as Lot No. 49-C-3-D-1 having an area of 804.20 square meters covered by Tax Declaration ARPN No. D-001-05633 and presently being used as part of Marcos Highway shall likewise be exempted from the payment of taxes starting the taxable year 2002. The annual tax payment of P 45,236.25 or a total payment amounting to P180,945.00 for this particular lot since 2002 will be applied against petitioner's other properties' realty taxes starting taxable year 2006.

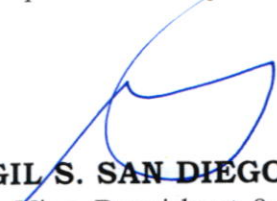
WHEREFORE, it is respectfully prayed to this Honorable Board that the foregoing compromise agreement submitted by the parties, duly assisted by their respective counsel, be approved and that the Honorable Board renders judgment on the basis thereof.

Respectfully submitted. December 8, 2005.

MANILA ELECTRIC COMPANY
(Petitioner)


SANTIAGO SP. RAMOS
Marikina City Assessor
(Respondent)

Represented by:


GIL S. SAN DIEGO
Vice-President &
Head, Legal Services

Assisted by:

RAUL G. CORALDE
Counsel for Plaintiff-Appellant
8th Flr., Lopez Building
Ortigas ave., Pasig City
PTR No
IBP No.
Pasig City Chapter
Roll No. 35522
MCLE No. I-0009490

NANCY V. TEYLAN
Counsel for Respondent
City Legal Officer
City Hall, Marikina City

NOTICE

LBAA Secretary

Greetings:

Kindly submit the foregoing COMPROMISE AGREEMENT for the consideration and approval of the Honorable Board upon receipt hereof.

RAUL G. CORALDE

NANCY V. TEYLAN

ORDINANCE GRANTING TAX EXEMPTIONS TO THE PROPERTIES OF MANILA
ELECTRIC COMPANY WHICH ARE USED AS ROADS AND SIDEWALKS
Resolution No. _____, Series of 2005

WHEREAS, Section 2 of the Local Government Code of 1991 provides that the Sangguniang Panglungsod, as the legislative body of the City shall "generate and maximize the use of resources and revenues for the development plans, programs, objectives and priorities of the City as provided under Section 18 x x x and shall

(ii) xxx enact ordinances levying taxes, fees and charges, prescribing the rates thereof for general and specific purposes and granting tax exemptions, incentives or reliefs."

WHEREAS, Manila Electric Company (MERALCO), a public corporation duly organized and existing under Philippine Laws with office address at Lopez Building, Ortigas Ave., Pasig City, is the owner of several real properties located at Urban Bliss, Barangka and Loyola Grand Villas, Mandalay all within the territorial jurisdiction of the Government of Marikina,

WHEREAS, among these properties are lands which are actually used by the City as roads and sidewalks;

WHEREAS, considering that these MERALCO properties had been and are continuously utilized for the benefit of the Marikina constituents as a whole, a grant of tax exemption for the same is just and equitable.

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED by the CITY COUNCIL of MARIKINA, in session duly assembled:

SECTION 1. That the City Government of Marikina shall grant a tax exemption on the following MERALCO properties:

COVERED BY TAX DECLARATION	AREA	USE
a. D-001-05635	4,014.83 sq.m	City road and sidewalk
b. D-001-05633	804 sq.m.	Part of Marcos Highway

SECTION 2. That copies of this Resolution be furnished to the office of the Honorable City Mayor Ma. Lourdes C. Fernando, and all concerned offices of the City Government of Marikina for their information and appropriate action.

APPROVED by the
SANGGUNIANG PANLUNGSOD OF
MARIKINA on this _____

I hereby certify to the passage of the
foregoing Resolution, which was duly
approved by the City Council of Marikina
during its Regular Session held on _____

LOLITA E. DE LEON
City Council Secretary

CERTIFIED & ATTESTED
TO BE DULY APPROVED

MARION S. ANDRES, M.D.
City Vice-Mayor/Presiding Officer

Approved by the Honorable City Mayor on _____

MA. LOURDES C. FERNANDO
City Mayor