

**REPUBLIC OF THE PHILIPPINES  
BATANGAS CITY**

**OFFICE OF THE SANGGUNIANG PANLUNGSOD**

**EXCERPT FROM THE MINUTES OF THE REGULAR SESSION HELD BY THE  
MEMBERS OF THE SANGGUNIANG PANLUNGSOD OF BATANGAS CITY  
ON OCTOBER 24, 2017 AT THE SANGGUNIAN SESSION HALL**

**PRESENT:**

Hon. Emilio Francisco A. Berberabe Jr.,	Presiding Officer
Hon. Aileen Grace A. Montalbo,	Councilor
Hon. Glenn M. Aldover,	“
Hon. Sergie Rex M. Atienza,	“
Hon. Hamilton G. Blanco,	“
Hon. Oliver Z. Macatangay,	“
Hon. Armando C. Lazarte,	“
Hon. Karlos Emmanjuel A. Buted,	“
Hon. Gerardo A. Dela Roca,	“
Hon. Nestor E. Dimacuha,	“
Hon. Nelson J. Chavez,	“
Hon. Angelito “Dondon” A. Dimacuha,	(ABC-REP.)

**ABSENT:**

Hon. Alyssa Renee A. Cruz, (Study Leave)	Councilor
Hon. Julian B. Villena,	“

“On motion of Councilor Dela Roca seconded by Councilor Blanco, the following Resolution was Adopted:

**RESOLUTION NO. 315 S. 2017**

**ADOPTING EXECUTIVE ORDER NO. 19 S. 2017 OF THE PRESIDENT  
TO THE EXTENT APPLICABLE TO THE UNPAID TAXES OF KEPCO-ILIJAN  
CORPORATION FOR THE YEAR 2016**

**WHEREAS**, the KEPCO Ilijan Corporation requests for the recomputation of its real property tax obligations for the years 2015 and 2016 on the basis of Executive Order No. 19 S. 2017 of the Office of the President of the Republic of the Philippines;

**WHEREAS**, Executive Order No. 19 issued on April 27, 2017 orders the reduction and condonation of real property taxes and interests/penalties assessed on the power generation facilities of independent power producers under build-operate-transfer contracts with government-owned or controlled corporations;

**WHEREAS**, the City Legal Officer issued an opinion stating that condonation as a mode of termination of obligation applies only to existing or unpaid liabilities and therefore Executive Order No. 19 S. 2017 may be adopted to apply only to the unpaid last quarter of the taxable year 2016, not to the year 2015 as the taxes for that year had already been paid and appropriated by the City Government;

**WHEREAS**, the City Legal Officer likewise pointed out in his opinion that applying Executive Order No. 19 S. 2017 on the taxes already paid for 2015 will wreak havoc on the finances of the City Government for the ensuing years;

Continuation of Resolution No. 315 S. 2017

**ADOPTING EXECUTIVE ORDER NO. 19 S. 2017 OF THE PRESIDENT  
TO THE EXTENT APPLICABLE TO THE UNPAID TAXES OF KEPCO-ILIJAN  
CORPORATION FOR THE YEAR 2016**

NOW THEREFORE, be it resolved as it is hereby resolved by the Sangguniang Panlungsod in session assembled to adopt Executive Order No. 19 S. 2017 of the Office of the President to the extent applicable to the unpaid taxes of KEPCO-Ilijan Corporation for the year 2016.

**UNANIMOUSLY APPROVED.”**

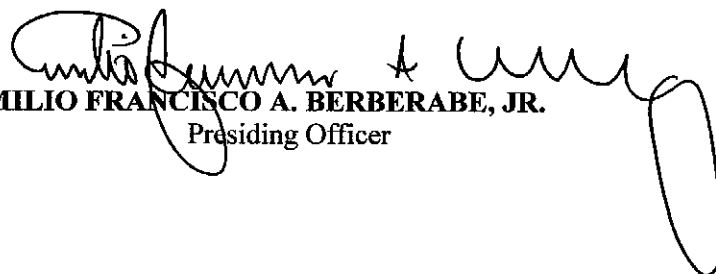
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**SPONSOR: COUN. GERARDO A. DELA ROCA**  
Committee on Ways and Means  
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I hereby certify that the foregoing Resolution No. 315 S. 2017 was approved by the Sangguniang Panlungsod of Batangas City during its Regular Session held on October 24, 2017.



**ATTY. OLIVA D. TELEGATOS**  
Secretary  
Sangguniang Panlungsod

ATTESTED:



**EMILIO FRANCISCO A. BERBERABE, JR.**  
Presiding Officer

ODT/pbcalleja...



Republic of the Philippines  
BATANGAS CITY

Office of the Sangguniang Panlungsod

Tel. No. 723-2175

COMMITTEE REPORT

TO : The Honorable Presiding Officer  
And Members of the Sangguniang Panlungsod

FROM : The Committee on Ways and Means

SUBJECT : Request of the KEPCO ILIJAN Corporation for the  
Recalculation of Real Property Tax Obligations  
for 2015 and 2016

The Committee on Ways and Means held a committee hearing on September 2, 2017. The City Treasurer and the City Administrator attended the hearing and the members of the Sangguniang Panlungsod.

The subject request of KEPCO-Ilijan Corporation involves the Real Property Tax liability of KEILCO for the years 2015 and 2016. The Corporation is requesting for the recomputation of its tax liability on the basis of the application of Executive Order No. 19 issued by the President of the Philippines in April, 2017.

KEILCO has paid its real property for the year 2015 and for the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> quarters of 2016. The corporation did not pay its liability for the 4th quarter of 2016 purposely to avail of the privilege under Executive Order 19, particularly quoted hereunder:

"Section. 1. Reduction and Condonation. All liabilities for real property tax, including any special levies accruing to the Special Education Fund, for the year 2015 and 2016, on property, machinery and equipment actually and directly used by IPPs for the production of electricity under Build-Operate-Transfer and similar contracts (whether denominated Power Purchase Agreements, Energy Conversion Agreements or other contractual agreements) with GOCCs, assessed by LGUs and other entities authorized to imposed real property tax, are hereby reduced to an amount equivalent to the tax due if computed based on an assessment level of fifteen percent (15%) of the fair market value of the said property, machinery and equipment depreciated at the rate of two percent (2%) per annum, less any amounts already paid by the IPPs. All interests on such "deficiency real property tax liabilities are also hereby condoned and the concerned IPPs are relieved from payment thereof."

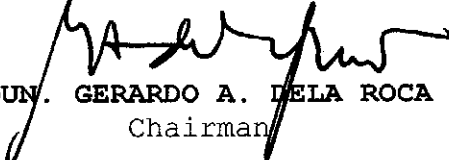
The City Legal Officer wrote a legal opinion on the issue, as requested by the ICO-City Treasurer, a copy of which is attached and made integral part of this Committee Report.

After considering the facts attendant to the tax liability of KEILCO, and the legal opinion of the City Legal Officer, the Committee recommends:

1. To approve a resolution in support of the stand of the City Treasurer and City Legal Officer denying the request of KEILCO for the recomputation of its real property tax liability for the years 2015 and 2016.
2. To adopt this Committee Report.

Submitted October 3, 2017.

COMMITTEE ON WAYS AND MEANS

  
COUN. GERARDO A. DELA ROCA  
Chairman

  
COUN. ALLEEN GRACE A. MONTALBO  
Member

  
COUN. GLENN M. ALDOVER  
Member