AN ORDINANCE CREATING THE MANDALUYONG BOARD FOR THE COLLECTION OF DELINQUENT LOCAL TAXES, FEES AND CHARGES, INCLUDING THE LEVY UPON REAL PROPERTY PERTAINING TO SUCH DELINQUENCIES, AND FOR THE COLLECTION OF HOUSING AMORTIZATION ARREARAGES, AND FOR OTHER PURPOSES

WHEREAS, the power of taxation is essential because the government can neither exist nor endure without taxation. Taxes are the lifeblood of the government and their prompt and certain availability is an imperious need;

WHEREAS, the sources of revenues of the City include, among others, real property and business taxes, fees and charges, and the financing and other facilities in the City’s housing ventures;

WHEREAS, the housing, development, resettlement and other related activities for the underprivileged constituents of the City of Mandaluyong are being undertaken by the Mandaluyong Housing and Development Board (MHDB) as provided by Ordinance No. 159, S–1996;

WHEREAS, City’s revenue collections must be made with the least hindrance in sustaining its growth and enhancement of its governmental programs;

WHEREAS, the efficient and effective collection of real property and business taxes, fees and charges, and those of the amortizations of the beneficiaries of housing projects, as well as the uniform implementation of laws and ordinances governing the imposition of penalties on its delinquencies are the expressed policies of the Administration;

WHEREAS, a great deal of real property owners, business establishments, and housing project beneficiaries have failed and continue to fail to pay their tax dues and obligations for years thereby depriving this City of its much needed revenues and threatening the furtherance of its governmental functions;

WHEREAS, in keeping with the above policies and objectives, it has become necessary for the City to boost its revenue collections through more effective and vigorous efforts or by availing of civil remedies, including distraint of personal properties, levy upon real properties, or even judicial action, pertaining to tax delinquencies, and by putting into place other effectual and creative means of collecting housing amortization arrears, pursuant to the provisions of laws and ordinances, and with the end in view of collecting substantial delinquent local taxes, fees and charges, and housing beneficiaries’ obligations due the City;

WHEREAS, it is also but common that when the delinquency aggregates to substantial amounts, full or immediate payment of dues becomes too burdensome, if not, nearly impossible to be paid by the taxpayers and debtors concerned, thus, compromises may be considered or allowed for those who are willing and still able to comply with terms such as those imposed by lawful orders of authorities, such as the Assessment Regulation No. 20–83 of the Ministry of Finance, (now Department of Finance) dated January 19, 1983, on the subject of “Compromise Agreement on the Payment of Delinquent Real Property Taxes”;
WHEREAS, Republic Act 7160, as amended, and City Ordinance No. 169, S–1997, as amended, and City Ordinance No. 484, S–2011 empower the City Treasurer to avail of civil remedies, including levy real properties with tax delinquencies;

WHEREAS, said Ordinance No. 159, S–1996 empowers the Mandaluyong Housing and Development Board (MHDB), with the City Mayor as the Chairman: to develop and implement a comprehensive and integrated housing program; to formulate and enforce specific policies; to promulgate and adopt rules and regulations necessary to implement the intent and purpose of the said Ordinance, among others;

WHEREAS, in its implementation, it is of necessity that the City Treasurer and the MHDB be assisted by concerned offices and personnel who shall provide the needed counsel and technical, clerical assistance starting with the preparation of and implementation of the public auction, a reasonable means of collecting substantial past due accounts of local taxes, fees and charges, and the onerous responsibility of collecting delinquent amortizations of housing beneficiaries.

NOW, THEREFORE, BE IT ORDAINED, by the Sangguniang Panlungsod of Mandaluyong, in a session duly assembled:

SECTION 1. This Ordinance shall be known as the "Mandaluyong Board for the Collection of Delinquent Real Property Taxes, Business Taxes & Housing Amortization of 2014".

SECTION 2. There shall be created the Board for the collection of considerable delinquent local taxes and business taxes, and collection of substantial arrearages of amortizations of housing beneficiaries that shall:

a. determine the guidelines and procedures that will govern the levy of real properties with tax delinquencies, the collection of delinquent business taxes, and the collection of overdue obligations of housing beneficiaries with full authority to enter into compromise agreements under certain circumstances;

b. enforce other civil remedies as may be permitted by law and ordinance;

c. supervise the faithful compliance of such guidelines and procedures;

d. determine the schedule of the public auctions for the levy of tax delinquent real properties, and oversee the conduct of said auctions;

e. oversee that business tax delinquencies are dutifully settled; and

f. to be actively involved in the performance of collection functions of the MHDB, especially those that are substantial and past due, or as it may be duly delegated by the latter.

SECTION 3. In certain situations where the delinquency in real property taxes or business taxes aggregate to substantial amounts which shall make it burdensome for the concerned taxpayer to pay in lump sum, the Board, by way of a compromise agreement having sufficient securities, such as the subject delinquent real property or other properties, may consider allowing the liquidation of the total delinquent taxes and penalties, including expenses involved, in installments pursuant to the schedule indicated below, provided that twenty-five percent (25%) of the
aggregate amount or current year obligation, shall be remitted to the
City Treasurer, on the date the said agreement is signed by the
delinquent taxpayer, to wit:

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<th>TOTAL DELINQUENCY</th>
<th>BALANCE PAYABLE IN INSTALLMENTS</th>
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<tr>
<td>a. Less than P100,000.00</td>
<td>Not more than 12 months</td>
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<tr>
<td>b. P100,000.00 – P199,999.99</td>
<td>13-24 months</td>
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<tr>
<td>c. P200,000.00 or over</td>
<td>25-36 months</td>
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Provided, further, that in the event of force majeure or for
compelling reasons or circumstances beyond the control of the
delinquent taxpayer as may be satisfactorily proven by competent
evidence, the Board may give exceptions and adjust the terms and
conditions of payments on a case to case basis.

SECTION 4. After a compromise agreement has been entered into and the delinquent
taxpayer defaults in the remittance of three (3) consecutive installments
or for six (6) months, whichever comes first, the remaining balance of
the unpaid delinquency shall be due and demandable immediately.
Failure to fully satisfy the outstanding balance upon proper notice shall
cause the subject real property or other properties constituted as a
security or securities in the said agreement for sale at public auction or
for other civil remedies, at the option of the Board, in accordance with
the relevant provisions of Republic Act No. 7160, otherwise known as

SECTION 5. The Board shall have the power to recommend the implementation of
the collection of the ad valorem tax on idle lands if the need arises and
to promulgate the appropriate rules and regulations for its enforcement.
Further, the Board may enter into separate compromise agreements with
regard to the basic real property taxes due and the additional ad valorem
taxes on idle lands.

SECTION 6. The Board shall provide all the compromise agreements, contracts, and
all other documents and make modifications thereof from time to time
as it may deem necessary and proper depending on the surrounding
facts and prevailing circumstances.

SECTION 7. The Board is hereby given continuing delegated authority to initiate, file
and prosecute civil actions before any court of competent jurisdiction as
it enforces the collection of delinquent taxes, fees, and charges and
other revenues subject of this Ordinance, with the special power to
represent and act on behalf of the City and to appear at the court
hearings, and to settle, make admissions, compromise and arbitrate with
regard to the said legal claims, if still legally feasible, and to sign,
execute and deliver on behalf of the City agreements, documents, etc. in
connection with any settlement or compromise agreement thereof, and
such other powers and authority, suppletory in character, to those
expressly and impliedly provided to the local treasurer by law and
ordinance in relation thereof.