



Republic of the Philippines  
**CITY OF MANDAUE**  
Sangguniang Panlungsod

Twelfth SP

53<sup>rd</sup>

Session

**EXCERPT FROM THE JOURNAL OF THE 47<sup>TH</sup> REGULAR  
SESSION HELD BY THE SANGGUNIANG PANLUNGSOD  
AT THE VICE MAYOR'S OFFICE ON JULY 20, 2011**

**PRESENT:**

Hon. Glenn O. Bercede	Vice Mayor/Presiding Officer
Hon. Diosdado P. Suico	Majority Floor Leader
Hon. Beethoven C. Andaya	Asst. Majority Floor Leader
Hon. Demetrio C. Cortes, Jr.	Pro Tempore President
Hon. Jose Jefferson C. Ceniza	SP Member
Hon. Jimmy C. Lumapas	SP Member
Hon. Nenita Ceniza-Layese	SP Member
Hon. Emmarie M. Ouano-Dizon	SP Member
Hon. Elstone C. Dabon	SP Member
Hon. Editha F. Cabahug	SP Member
Hon. Ernie N. Manatad	President/Liga ng mga Barangay
Hon. Jeric Mikhail Cuizon	President/Pederasyong Panlungsod ng SK

**ABSENT:**

Hon. Benjamin H. Basiga	SP Member
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**ORDN. # 12-2011-640**

**AN ORDINANCE FURTHER AMENDING AND MODIFYING  
SECTIONS 28 AND 83 OF ORDINANCE NO. 99/051  
OTHERWISE KNOWN AS THE REVENUE CODE OF THE  
CITY OF MANDAUE AS AMENDED**



07/28/2011

The TWELFTH SANGGUNIANG PANLUNGSOD of MANDAUE, with members in session duly assembled, hereby ORDAINS that:

SECTION 1. Section 28 of Ordinance No. 99/051 as amended is hereby further amended and modified to read as follows:

*“There shall be imposed a graduated tax similar to the tax specified under Section 18 of the Revenue Code on the gross receipts from sales of goods, commodities, merchandise and other articles of commerce of the preceding calendar year on owners or operators of privately-owned public markets and shopping centers or malls.*

*Gross receipts from cafés, cafeterias, ice cream and other refreshment parlors, restaurants, soda fountains, carenderias, or food caterers, including clubs, shall be imposed a tax similar to the rates prescribed under Section 26 of the Revenue Code.*

*Gross Receipts derived exclusively from lease or rental of rooms, stalls or store spaces, premises, shall be imposed a tax of forty percent (40%) of one percent (1%) thereof per annum on owners or operators of privately-owned public markets and shopping centers or malls.”*

SECTION 2. Section 83 of Ordinance No. 99/051 as amended, is likewise further amended and modified to read as follows:

*“Effective January 1, 2006, all taxes, fees and charges under this ordinance shall be increased by ten percent (10%) every five (5) years thereafter, without any further need of an enabling ordinance authorizing such increase.”*

SECTION 3. All Ordinances or parts thereof that are inconsistent with the provisions of this Ordinance are hereby amended, modified or repealed accordingly.



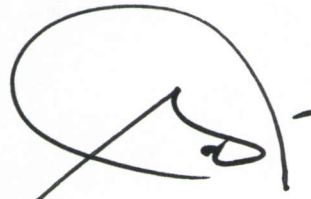
07/28/2011

SECTION 4. This Ordinance shall take effect immediately after its approval by the City Mayor and publication in a newspaper of general circulation.

ENACTED without objection after its second and final reading on July 20, 2011; as proposed and motioned by Honorable Beethoven C. Andaya, duly seconded by Honorables Demetrio C. Cortes, Jr. and Nenita Ceniza-Layese, with favorable recommendation from the referee-Committee on Laws and Ordinances.

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CERTIFIED TRUE AND CORRECT.  
Mandaue City, Philippines, 07/28/2011



**GLENN O. BERCEDE**  
Vice Mayor and Presiding Officer

ATTESTED:



**FRELYN F. MABANAG**  
City SP Secretary



**VETOED**

APPROVED:  
AUG 19 2011

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\_\_\_\_\_  
**JONAS C. CORTES**  
City Mayor

# CITY OF MANDAUE

MAYOR JONAS C. CORTES

Cebu, Philippines 6014

E-mail: [jonascortes@yahoo.com.ph](mailto:jonascortes@yahoo.com.ph)

Web Page: [www.mandauecity.gov.ph](http://www.mandauecity.gov.ph)



August 19, 2011

**HON. VICE MAYOR GLENN O. BERCEDE and  
THE HONORABLE MEMBERS**  
Sangguniang Panlungsod  
Mandaue City

OFFICE OF THE SANGGUNIANG PANLUNGSOD  
MANDAUE CITY

RECORDED

Ladies and Gentlemen:

DATE/TIME: AUG 19 2011 3 pm  
NAME/SIGN: [Signature]  
OFFICE: \_\_\_\_\_

Greetings!

I am exercising my veto on Ordinance No. 12-2011-640 based on the reason stated in a letter addressed to the undersigned dated Aug. 19, 2011 by the City Attorney.

Although it is the thrust of this administration to be a premiere business destination of Central Philippines, it behooves upon me to exercise the powers of veto, due to the substantial decrease on the taxes prescribed by the said Ordinance.

For your information, guidance and appropriate action.

Done this 19<sup>th</sup> day of August 2011 at Mandaue City, Philippines.

Very truly yours,

**JONAS C. CORTES**  
City Mayor



Republic of the Philippines

## MANDAUE CITY LEGAL OFFICE

City of Mandaue, Cebu, Philippines 6014 Tel # 3458899

August 19, 2011

**HON. JONAS C. CORTES**  
City Mayor

**RE: ORDINANCE NO. 12-2011-640 (AN ORDINANCE FURTHER AMENDING AND MODIFYING SECTIONS 28 AND 83 OF ORDINANCE NO 99/051 OTHERWISE KNOWN AS THE REVENUE CODE OF MANDAUE AS AMENDED)**

Sir:

This ordinance is a further amendment to Section 28 and likewise amends Section 83 of the Revenue Code of Mandaue City as amended (Revenue Code).

The previous (before the amendment) Section 28 states:

**"Section 28. Tax on Privately Owned Public Markets and Shopping Centers.**

There is hereby imposed a tax of One and one-half percent (1½ %) of the gross receipt of the preceding calendar year on owners or operators of privately-owned public markets and shopping centers.

For newly started privately-owned public markets and shopping centers, the tax shall be one-half of one percent of the capital investment."

An amendment to the above section was made on February 10, 2010 by the Eleventh Sangguniang Panglungsod. The Amending ordinance (Ordinance No. 11-2010-543) clarified and implemented the provisions of Section 28 of the Revenue Code and implemented the one and one-half (1½ %) percent of the gross receipts of the preceding year.

At present, the ordinance under review substantially decreases the business tax rates set forth in the Revenue Code. The decrease is from the current one and one-half (1½ %) percent of the gross receipts to that of the graduated rates granted under Section 18 (Tax on Retailers) of the Revenue Code.

It is our opinion that the substantial decrease in the taxes prescribed in the existing Section 28 of the Revenue Code is too high. It operates to deprive the City of the necessary public funds and is evidently disadvantageous to the local government. There is a reason why Retailers and Operators of privately-owned public market and shopping centers have been validly distinguished by

the Revenue Code. The present ordinance, while it attempts to obliterate such distinction, may effectively work towards the inequality which the above distinction has sought to prevent.

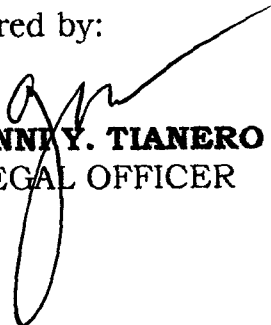
However, in giving due consideration to the tax payers subjected to these provisions, it is recommended that a uniform compromise rate of point forty-four (.44) percent of the gross receipts of the preceding calendar year be imposed on the operators of privately-owned public markets and shopping centers or malls. Likewise, a point forty-four (.44) percent of the gross receipts derived exclusively from lease or rental of rooms, stalls, store spaces, premises on owners and operators of privately-owned public markets and shopping centers or malls is also recommended.

In view of the foregoing, it is recommended that City Ordinance 12-2011-640 be vetoed and revised to take the above matters into consideration.

Respectfully,

  
**ATTY. JAMAAL JAMES R. CALIPAYAN**

Concurred by:

  
**GIOVANNI Y. TIANERO**  
CITY LEGAL OFFICER

