

[PRESIDENTIAL DECREE NO. 523, July 30, 1974]

FIXING THE YEARLY MAXIMUM INCREASE OF THE ASSESSED VALUE OF REAL PROPERTIES FOR A PERIOD OF NOT EXCEEDING FIVE YEARS BEGINNING WITH THE THIRD QUARTER OF CALENDAR YEAR 1974 AS BASIS FOR COLLECTING THE REAL PROPERTY TAX, AND FOR OTHER PURPOSES.

WHEREAS, the results of the general revision of real property assessments undertaken by Provincial and City Assessor throughout the country in 1973 pursuant to Presidential Decree No. 76, which took effect on January 1, 1974, showed marked increases in the assessed valuations of such properties as compared to those subsisting in 1973;

WHEREAS, the consequence of such increases in real property assessments was a concomitant increase in real property taxes which property owners, especially those belonging to, the low and middle-income groups, find burdensome in the face of the rising costs of living precipitated by worldwide inflation;

WHEREAS, confronted with such a dilemma, the taxpayers expect the government to adopt measures which would ease the burden of taxation and thereby alleviate the financial difficulties of the great majority;

WHEREAS, not unmindful of the situation, the financial and economic advisers of the country consider it imperative to recommend a gradual increase of the real property tax by delimiting the yearly maximum increase of real property assessments beginning with the third quarter of calendar year 1974;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me under the Constitution do hereby decree and order as part of the law of the land the following:

SECTION 1. Beginning with calendar year 1974, increases in the assessed valuation of real property effected pursuant to Presidential Decree. No.76, as amended, shall be gradual from 1974 to 1977 and in no case shall the increase in any year be more than 100% of the assessed valuation of the same property for the calendar year 1973: *Provided*, That effective in calendar year 1978, the full assessed valuation of the said real property as determined by the provincial or city assessor during the general revision in 1973 pursuant to Presidential Decree No. 76 shall be the basis for the computation of the real property tax due thereon.

SEC. 2. The real property tax due and payable beginning with the third quarter of calendar year 1974 shall be computed in accordance with Section 1 hereof: *Provided*, That any overpayment of real property tax made as a consequence of the adjustment authorized herein shall be applied to any future tax obligation on the same property of the taxpayer concerned.

SEC. 3. The Secretary of Finance shall issue the necessary rules and regulations to implement this Decree.

SEC. 4. This Decree shall take effect immediately.