

# [ PRESIDENTIAL DECREE NO. 145, March 08, 1973 ]

## **AMENDING THE PENULTIMATE AND ULTIMATE PARAGRAPHS OF SECTION 2 OF REPUBLIC ACT NO. 2264, OTHERWISE KNOWN AS "THE LOCAL AUTONOMY ACT"**

**WHEREAS**, Section 2 of Republic Act No. 2264, otherwise known as "The Local Autonomy Act," vests in the Secretary of Finance the authority to suspend the effectivity of any local tax ordinance within one hundred twenty days after its passage, if, in his opinion, the tax or fee therein levied or imposed is unjust, excessive, oppressive, or confiscatory;

**WHEREAS**, experience has shown that due to certain defects and ambiguities in the existing law, the authority of the Secretary of Finance to suspend local tax ordinances cannot be effectively and judiciously exercised, thereby nullifying the intent of the law to protect taxpayers adversely affected and the public in general against the detrimental effects of unjust taxation; and

**WHEREAS**, it has become imperative and necessary to amend the existing provisions of law in order to ensure the sound and lawful exercise of the local taxing powers;

**NOW, THEREFORE, I, FERDINAND E. MARCOS**, President of the Philippines, by virtue of the powers in me vested by the Constitution as Commander-in-Chief of the Armed Forces of the Philippines, and pursuant to Proclamation No. 1081, dated September 21, 1972, and General Order No. 1, dated September 22, 1972, as amended, and Proclamation No. 1103, dated January 17, 1973, do hereby decree that the penultimate and ultimate paragraphs of Section 2 of Republic Act No. 2264 be amended, as they are hereby amended, to read as follows:

"A tax ordinance shall go into effect on the fifteenth day after its passage, unless the ordinance shall provide otherwise: *Provided, however,* That the Secretary of Finance shall have authority to suspend the effectivity of any ordinance within one hundred and twenty days after receipt by him of a copy thereof, if, in his opinion, the tax or fee therein levied or imposed is unjust, excessive, oppressive, or confiscatory, or when it is contrary to declared national economy policy, and when the said Secretary exercises this authority the effectivity of such ordinance shall be suspended, either in part or as a whole, for a period of thirty days within which period the local legislative body may either modify the tax ordinance to meet the objections thereto, or file an appeal with a court of competent jurisdiction; otherwise, the tax ordinance or the part or parts thereof declared suspended, shall be considered as revoked. Thereafter, the local legislative body may not reimpose the same tax or fee until such time as the grounds for the suspension thereof shall have ceased to exist.

"Certified true copies of all city, municipal and municipal district tax ordinances shall be furnished the Secretary of Finance by the respective city, municipal or municipal district council, within ten days after passage and if within one hundred and twenty days after receipt by him, the