

**[ DPWH DEPARTMENT ORDER NO. 109, s. 1993,  
May 04, 1993 ]**

**TAXES ON SAND, GRAVEL AND OTHER QUARRY SOURCES**

Under Section IB 9.2 of the Implementing Rules and Regulations, as amended, of PD 1594, it is the sole responsibility of the prospective bidder to determine and satisfy himself by such means as he considers necessary or desirable as to all matters pertaining to the project such as, among others, availability of materials, location and extent of aggregate source and other factors (underscoring supplied) that may affect the cost, duration, and execution of the work.

The phrase and other factors as interpreted includes taxes on sand, gravel and other quarry sources imposed by the province pursuant to Section 138 of the Local Government Code. The imposition of this tax is by means of a law passed by the province.

In this regard, all prospective bidders in DPWH infrastructure projects that will use sand and gravel are hereby required to have knowledge of the law imposing these taxes on sand, gravel and other quarry sources by the provincial government. As such, it is likewise conclusively presumed that these prospective bidders have incorporated in their unit cost analysis a sum to take care of these taxes if they are imposed. Bidders who failed to do so, do so at their own risk, thus they are not entitled to any relief.

Implementing Offices of this Department which are charged with the preparation of the Approved Agency Estimate (AAE) are also obliged to have knowledge of the existence of the taxes on sand, gravel and other quarry sources in the province where the project is to be implemented. They should therefore include these taxes in AAE unit cost.

This Department Order shall take effect immediately and shall form part of the bid/tender documents.

Adopted: 4 May 1993

(Sgd.) EDMUNDO V. MIR, CESO I  
*Acting Secretary*



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