

[DOF LOCAL ASSESSMENT REGULATIONS NO. 1-92, October 06, 1992]

**RULES AND REGULATIONS RELATIVE TO THE CONDUCT OF
GENERAL REVISION OF REAL PROPERTY ASSESSMENTS
PURSUANT TO SECTION 201 AND 219 OF R.A. 7160, OTHERWISE
KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991**

For the proper implementation of Section 219 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, and its Implementing Rules and Regulations issued by the Oversight Committee, particularly Articles 303 and 310 thereof, the following rules and regulations are hereby prescribed, in accordance with Section 201 of the said Code, for the guidance and compliance of all concerned.

SECTION 1. General Revision of Assessment and Property Classification - (a) The Provincial, city or municipal assessor shall undertake a general revision of real property assessments within two (2) years after the effectivity of the abovementioned Code and once every three (3) years thereafter.

(b) For this purpose, the provincial assessors, the city assessors and the municipal assessors of Metropolitan Manila Area shall prepare the schedule of fair market values for the different kinds and classes of real property within the territorial jurisdiction of the province, city or municipality within one (1) year from the effectivity of the Code in accordance with the herein rules and regulations.

(c) The general revision of assessments and property classification shall commence upon the enactment of the schedule of fair market values but not later than two (2) years from the effectivity of the Code. Thereafter, the provincial, city or municipal assessor shall undertake the general revision of real property assessment and property classifications once every three (3) years.

However, if there is no sufficient time or resources to finish simultaneously the general revision work for all real property units (RPU) within the territorial jurisdiction of a particular local government unit (LUG), a partial revision may be undertaken by kind or class of real property.

For example,

a. By Kind:

1st year — All lands

2nd year — All other real properties

b. By Class:

1st year — All Commercial and Industrial Properties

2nd year — All Other Classes of Properties

1. Purpose of general revision of real property — A general revision of property values serves two important purposes in addition to its primary purpose of equalizing and updating valuation. First, it brings to light again existing properties - rediscovers many properties which have been "lost" from the tax roll. Second, it enables the assessor to purge from the rolls the double assessments of properties which have been destroyed and that have accumulated through the years. It has the same purpose as the periodic physical inventory conducted by a business establishment.

2. A general revision of real property assessments shall be considered finished or completed when all field work in the municipality, province or city have been completed and corresponding field sheets (FAAS) of all properties within the municipality, province or city have been prepared and duly approved, and recorded in the record of assessments. Subsequently, written notices of revised assessments shall be sent to real property owners.

SECTION 2. Assessment Calendar — For the purpose of the general revision of property assessment as provided for herein, and once every three years thereafter, the assessment process and its component activities shall be governed by the assessment calendar herein prescribed, as follows:

ACTIVITY	BY WHOM	PERIOD
1. Acceptance of sworn statements declaring true values of real property to be filed by real property owners/administrators.	Offices of Provincial, City and Municipal Assessors	Jan. 1 to June 30 of the first year.
2. Gathering and analysis of data and preparation of preliminary Schedule of Market Values.	Offices of Provincial, City and Municipal Assessors	July 1 to September 30 of the first year
3. Preparation of final schedules of Market Values	Provincial and City Assessors and Municipal Assessors of municipalities within the Metropolitan Manila Area	Not later than October 15 of the first year
4. Submittal of schedules of Market Values to the Sanggunian concerned	Provincial and City Assessors and the Municipal Assessors of municipalities within the	Not later than October 31 of the first year

for enactment by Ordinance	Metropolitan Manila Area	
5. Enactment of Ordinance adopting the Schedules of Market Values	Sangguniang Panlalawigan or Panlungsod or Sangguniang Bayan of a municipality within the Metropolitan Manila Area	Not later than January 31, of the second year.
6. Publication of the Schedules in the newspaper of general circulation in the locality or Posting in the Provincial Capitol, City or Municipal Hall and in two other conspicuous public places.	Sanggunian concerned	Not later than February 29 of the second year.
7. Preparation of Field Sheets, Tax Declarations and Notices of Assessments, and mailing or delivery of said notices to property owners.	Provincial, City or Municipal Assessors	Not later than September 31 of the second year.
8. Preparation of Assessment Rolls and accomplishment of Real Property Tax Orders of Payment (RPTOP) (Part A) by Provincial and City Assessors and the Municipal Assessors of municipalities within MMA copies thereof sent to Provincial, City and Municipal Treasurers.	Provincial, City or Municipal Assessors	Not later than November 30 of the second year.
Accomplishment of Part B of RPTOPs and delivery thereof to property owners.	Provincial, City and Municipal Treasurers	Not later than December 31 of the second year
9. Effectivity of the revised new Real Property Assessments.		Not later than January 1st of the third year

SECTION 3. General Assessment Revision, Expenses Incident thereto — The sanggunian of provinces, cities and municipalities within the Metropolitan Manila Area shall provide the necessary appropriations to defray the expenses incident to the general revision of real property assessment.

All expenses incident to a general revision of real property assessments shall, by ordinance of the sangguniang panlalawigan be apportioned equally between the province and the municipality. The share of each municipality shall be based on the taxable area of the municipality concerned in proportion to the entire area of the province.

SECTION 4. Valuation of Real Property — In cases where (a) real property is declared for the first time; (b) there is an on-going general revision of property classification and assessment; or (c) a request is made by the person in whose name the property is declared, the provincial, city or municipal assessor or his duly authorized deputy shall, in accordance with the provisions of this Regulations make a classification, appraisal and assessment of the real property listed and described in the declaration irrespective of any previous assessment or taxpayer's valuation thereon: Provided, however, That the assessment of real property shall not be increased oftener than once every three (3) years except in case of a new improvement substantially increasing the value of the said property or of any change in actual use.

1. Undeclared real property found at any time or during a general revision of real property assessments shall be listed, classified, and valued like similar property in the locality on the basis of the schedule of base market values, or on the schedule of base unit construction cost in force, and assessed also like similar properties in the locality and shall be subject to back taxes of not exceeding ten (10) years from the initial assessment.

2. Owners of real property may request the provincial or city assessor or the municipal assessors of municipalities within the Metropolitan Manila Area to revise the assessment of real property, regardless of existing assessments or valuations declared by the owner under the following circumstances:

a. If real property has suffered permanent loss of value by reason of typhoon, flood, fire or other calamity.

b. If improvements have been introduced to real property or there has been change in the classification or use of property, such as agricultural lands converted into urban subdivisions, or residential to commercial. In the absence of such new improvements or change of use, the assessment of real property shall not be changed during the three-year period.

c. Effectivity of assessment under the foregoing cases shall be as follows:

(1) Cancellation or reduction of assessment shall be made effective the quarter next following the quarter during which the cause or ground for cancellation or reduction has occurred.

(2) Increased assessment shall be made effective the year following the year of re-assessment, i.e., revised assessment made this year

(1992) shall be made effective in 1993.

(3) No re-assessment of real property should be made in the absence of any circumstances aforementioned.

SECTION 5. Date of Effectivity of Assessment or Re-Assessment — All assessments made after the first day of January of any year shall take effect on the first day of the succeeding year: Provided, however, That the re-assessment of real property due to its partial or total destruction, or to a major change in its actual use, or to any great and sudden inflation or deflation of real property values, or to the gross illegality of the assessment when made, or to any other abnormal causes, shall be made within ninety days from the date any such cause or causes occurred, the same to take effect at the beginning of the quarter next following the re-assessment.

a. Revision of Assessment

1. An assessment revised this year 1992 takes effect the following year 1993; that in 1993 takes effect in 1994.

b. Total or partial destruction of real property refers to the destruction on individual property or property within an area affected but not on the basis of a general revision.

1. Cancellation or reduction of assessments caused by total or partial destruction of property takes effect on the first day of the quarter following the quarter in which the total or partial destruction occurred. Thus, if property was totally or partially destroyed on July 5, 1990, its assessment shall be cancelled or reduced effective October 1, 1990 (fourth quarter). Accordingly, if the same property was totally destroyed, only the first to the third installments of the taxes due for the first to the third quarters of that year on the basis of the cancelled assessment are collectible; if partially destroyed, only the first to the third installments of the taxes due for the first to the third quarters of that year on the basis of the cancelled assessment; and the fourth installment of the taxes due for the fourth quarter of that year on the basis of the reduced assessment effective October 1, 1990, are collectible.

2. When the property is totally destroyed, its assessment shall be cancelled by Notice of Cancellation of Assessments; when property is partly destroyed, a revised tax declaration shall be prepared and issued to cancel the tax declaration covering the original assessment. On the reverse side of the revised tax declaration, state the quarter and year instead of year only as the effectivity of the tax.

SECTION 6. Assessment of Property Subject to Back Taxes — Real property declared for the first time shall have back taxes assessed against it for the period during which it would have been liable if assessed from the first in proper course but in no case for more than ten years prior to the year of initial assessments: Provided, however, That the back taxes shall be computed on the basis of the applicable schedule of values in force during the corresponding period.

a. Basis for computation of back taxes not exceeding ten years — Undeclared property if assessed is subject to back taxes for not exceeding ten years. Thus, if an undeclared real property has never been assessed since 1980 and if assessed today,