



Republic of the Philippines
Province of Bulacan
Municipality of Bulakan

PROVINCE OF BULACAN
OFFICE OF THE SECRETARY
OFFICIAL RECEIVED

OFFICE OF THE SANGGUNIANG BAYAN

DATE: 10/13/22

BY: [Signature]

EXCERPT FROM THE MINUTES OF THE 4TH SPECIAL SESSION OF THE 11TH SANGGUNIANG BAYAN, HELD LAST SEPTEMBER 13, 2022 AT THE GEN. GREGORIO DEL PILAR HALL, MUNICIPALITY OF BULAKAN, BULACAN.

PRESENT:

Hon. Atty. Reina Rica C. Sanchez ----- Municipal Vice Mayor
Presiding Officer

Municipal Councilors

Hon. Aubrhie Cindylene D. Carpio	Hon. Bienvenido M. Cruz Jr.
Hon. Jose Antonio V. Lava	Hon. Atty. Ana Marie V. Pagsibigan
Hon. Christopher Aron C. Del Rosario	Hon. Richie E. San Jose
	Hon. Miguel Leonardo (SK)

ABSENT:

Hon. Aron Ronald R. Cruz ----- Councilor
Hon. Marbin J. Garcia ----- Councilor

MUNICIPAL ORDINANCE NO. 2022 - 317

"AN ORDINANCE ALLOWING CONSTRUCTION CONTRACTORS AND SUB-CONTRACTORS ENGAGED IN CONSTRUCTION, GENERAL ENGINEERING, GENERAL BUILDING DOING BUSINESS WITHIN THE MUNICIPALITY OF BULAKAN TO PAY IN ADVANCE THE BUSINESS TAX AS STATED IN SECTION 7(E) OF MUNICIPAL ORDINANCE NO. 17-238, OTHERWISE KNOWN AS THE "REVENUE CODE OF THE MUNICIPALITY OF BULAKAN" AND PROVIDING INCENTIVES THERETO"

Authored By: Hon. Atty. Ana Marie V. Pagsibigan

SECTION 1. Short Title. - The short title of this Ordinance shall be known as the "Voluntary Payment in Advance of the Business Tax for Contractors".

SECTION 2. Coverage. - This ordinance shall apply only to contractors and subcontractors engaged in construction, general engineering, general building and specialty contractors.

SECTION 3. Definition of Terms. - The terms listed below are hereby defined as follows:

- a. **Contractor** - shall include persons, natural or juridical, not subject to professional tax under Sec. 139 of "The Local Government Code of 1991" as amended, whose activity consists essentially of the sale of all kinds of construction service for a fee, regardless of whether or not the performance of the service calls for the exercise or use of the physical or mental faculties of such construction contractor or his employees.
- b. **Construction Contractor** - shall refer to the principal contractor who has direct contract with the contractee for a specific domestic project within the Municipality of Bulakan.

- c. **General Engineering Contractor** – is a person whose principal contracting business is in connection with fixed works requiring specialized engineering knowledge and skill, including the following divisions or subjects: irrigation, drainage, water power, water supply, flood control inland waterways, harbors, docks and wharves, shipyards and ports, dams hydroelectric projects, levees, river control and reclamation works, railroads, highways, streets and roads, tunnels, airports and airways, waste reduction plants, bridges, overpasses, underpasses, and other similar works, pipelines and other system for the transmission of petroleum and other liquid or gaseous substances, land levelling and earth moving projects, excavating, grading, trenching, paving and surfacing work.
- d. **General Building Construction Contractor** – is a person whose principal contracting business is in connection with any structure built, for the support, shelter and enclosure of persons, animals, chattels or movable property of any kind, requiring in its constructing the use of more than two unrelated building trades or crafts, or to do or superintend the whole or any part thereof. Such structure includes sewers and sewerage disposal plants and systems, parks, playgrounds and other recreational works, refineries, chemical plants and similar industrial plants requiring specialized engineering knowledge and skill, powerhouses, power plants and other utility plants and installations, mines and metallurgical plants, cement and concrete works in connection with the abovementioned fixed works.
- e. **Gross Sales or Receipts** – shall include the total money or its equivalent representing the contract price, compensation or service fee, including the amount charged or materials with the services and deposits or advance payments actually or constructively received during the taxable quarter for the services performed or to be performed for another person excluding discounts if determinable at the time of sales, sales return, excise tax and value added tax (VAT) paid by the taxpayer.
- f. **Subcontractor** – is a person whose operations pertain to the performance of construction work requiring special skills and whose principal contracting business involves the use of specialized building trades or crafts.

SECTION 4. Business Tax – Under Section 7(e) of the “Revenue Code of the Municipality of Bulakan”, a graduated business tax is imposed on contractors and other independent contractors who establish, operate, conduct or maintain their business within the territory of the Municipality of Bulakan, in accordance with the rates as provided for in Section 7(e) of the “Revenue Code of the Municipality of Bulakan, Bulacan”. The rates are:

“(e) On contractors and other independent contractors, in accordance with the following schedule:

With gross sales or receipts for the preceding calendar year in the amount of:	Amount of Tax Per Annum
Less than P 5,000.00	P 27.50
P 5,000.00 or more but less than P 10,000.00	P 61.60
P 10,000.00 or more but less than P 15,000.00	P 104.50
P 15,000.00 or more but less than P 20,000.00	P 165.00

P 20,000.00 or more but less than P 30,000.00	P 275.00
P 30,000.00 or more but less than P 40,000.00	P 385.00
P 40,000.00 or more but less than P 50,000.00	P 550.00
P 50,000.00 or more but less than P 75,000.00	P 880.00
P 75,000.00 or more but less than P 100,000.00	P 1,320.00
P 100,000.00 or more but less than P 150,000.00	P 1,980.00
P 150,000.00 or more but less than P 200,000.00	P 2,640.00
P 200,000.00 or more but less than P 250,000.00	P 3,630.00
P 250,000.00 or more but less than P 300,000.00	P 4,620.00
P 300,000.00 or more but less than P 400,000.00	P 6,160.00
P 400,000.00 or more but less than P 500,000.00	P 8,250.00
P 500,000.00 or more but less than P 750,000.00	P 9,250.00
P 750,000.00 or more but less than P 1,000,000.00	P 10,250.00
P 1,000,000.00 or more but less than P 2,000,000.00	P 11,500.00
P 2,000,000.00 or more at a rate not exceeding fifty percent (50%) of one percent (1%)	

SECTION 5. Voluntary Payment in Advance of Business Taxes by Contractors, Subcontractors, Construction Contractors, General Engineering Contractors, General Building Construction Contractors. – Construction contractors, general engineering contractors, general building construction contractors, and subcontractors may voluntarily pay their business taxes in advance for not more than three (3) years.

SECTION 6. Collection of Business Taxes– For purposes of collection of the business tax, the following rules shall apply:

- Computation of the business tax shall be based on all gross receipts realized from domestic projects or contracts undertaken by the construction contractors, general engineering contractors, general building construction contractors, or subcontractor.
- For purposes of computation of the gross tax receipts, business activities which are inherent, necessary or incidental to the business of construction contractor shall be treated as one business activity subject to the rate under Section 4 hereof. However, the amount of tax due from the contractor shall be computed on the basis of the combined gross receipts of all such related activities.
- The taxable gross receipts shall be the amounts received by the principal contractor as the total contract price less the amount paid to a sub-contract under a subcontract arrangement, if there is any. The said sub-contractor, however, shall also be subject to the business tax imposed herein.

SECTION 7. Tax Incentive, - Eligible contractors and sub-contractors who elect to voluntarily pay in advance the imposed business taxes may be granted a tax incentive, subject to the provisions of pertinent laws, rules and regulations.

SECTION 8. Examination of Books of Accounts and Pertinent Records. –

- (a) The Municipal Treasurer or through any of his deputies duly authorized in writing may examine the books of accounts and other pertinent records of contractors in order to ascertain, assess, and collect the correct amount of the tax due.
- (b) The examination shall be made during regular office hours not oftener than once a year for every tax period, which shall be the year immediately preceding the examination, and shall be limited to verifying the summary of transactions by the head office or branch office of the contractor being audited, upon which the declaration of gross receipts for the preceding calendar year has been based and the tax paid thereon, and shall be certified by the examining official, Such certification shall be made of record in the books of accounts of the contractor examined.

SECTION 9. Underpayment. – If there is underpayment of the business taxes paid in advance, the contractor shall immediately pay the deficiency within fifteen (15) days from notice of the underpayment.

SECTION 10. Overpayment. – If there is overpayment of the business taxes paid in advance, the difference between the amount assessed and the over payment shall be considered as a tax credit for the next succeeding taxable business year in favor of the contractor.

SECTION 11. Separability Clause – If any part of this Ordinance shall be declared unconstitutional or null and void by a Court of competent jurisdiction, all other sections not so declared shall not be affected and continue to be valid and with effect.

APPROVED.

I hereby certify that the foregoing Ordinance has been approved by the Sangguniang Bayan of Bulakan in session held for this purpose dated September 13, 2022.


JEFF C. TANSINSIN

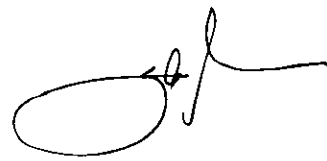
Secretary to the Sangguniang Bayan

ATTESTED AND SIGNED:

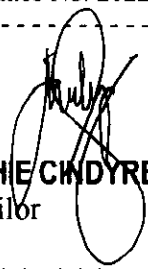

Atty. REINA RICA C. SANCHEZ
Municipal Vice Mayor
Presiding Officer

APPROVED BY:







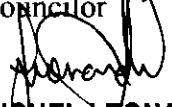

AUBRIE CHNDYRELLE D. CARPIO
Councilor

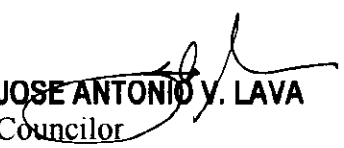
(Hindi Nakadalo)

ARON RONALD R. CRUZ
Councilor


CHRISTOPHER ARON C. DEL ROSARIO
Councilor


Atty. ANA MARIE V. PAGSIBIGAN
Councilor

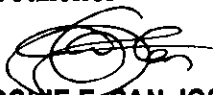

MIGUEL LEONARDO
Councilor (Ex-Officio-SK)


JOSE ANTONIO Y. LAVA
Councilor

(Hindi Nakadalo)

MARBIN J. GARCIA
Councilor


BIENVENIDO M. CRUZ JR.
Councilor


RICHE E. SAN JOSE
Councilor

APPROVED and SIGNED:


VERGEL C. MENESES
Municipal Mayor
09-14-22


JEFF C. TANSINSIN
SANGGUNIANG BAYAN SECRETARY

