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Province of Cagayan
City of Tuguegarao

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OFFICE OF THE SECRETARY TO THE SANGGUNIANG

March 26, 2015

Dr. Rosalinda P. Callang
Secretary to the Sanggunian
Sangguniang Panlalawigan, Province of Cagayan
Capitol Hills, Tuguegarao City

Madam:

Pursuant to Section 54 of the Local Government Code, we are now submitting for review and action the attached legislative measures enacted by the Sangguniang Panlungsod on February 24, 2015 and March 17, 2014, respectively:

1. **CITY ORDINANCE NO. 01-2015 – “AN ORDINANCE ADOPTING THE BARANGAY MICRO BUSINESS ENTERPRISES (BMBEs) PROGRAM OF REPUBLIC ACT 9178 AND FOR OTHER PURPOSES”**
2. **CITY ORDINANCE NO. 02-2015 – “CITY ORDINANCE RECLASSIFYING FROM AGRICULTURAL ZONE TO RESIDENTIAL ZONE OF LOT NO. 9355-G, TCT NO. 032-100214; LOT NO. 9355-H, TCT NO. 032-t-100215; LOT NO. 9355-I, TCT NO. 032-T-100538 COVERING AN AREA OF 3,036.30 SQUARE METERS, LOCATED AT CARIG NORTE, TUGUEGARAO CITY”**

Thank you.

Yours truly,

Editha M. Supena 3/26/15
Editha M. Supena
Acting Assistant Secretary to the Sanggunian
Records Officer III

Republic of the Philippines
PROVINCE OF CAGAYAN
City of Tuguegarao

SIXTH CITY COUNCIL

EXCERPTS FROM THE MINUTES OF THE REGULAR SESSION
OF THE SANGGUNIANG PANLUNGSOD OF TUGUEGARAO CITY, CAGAYAN
HELD ON FEBRUARY 24, 2015, 9:00 A.M., TUESDAY,
AT THE SANGGUNIANG PANLUNGSOD SESSION HALL

PRESENT:

Hon. Bienvenido C. De Guzman II	City Vice Mayor, Presiding Officer
Hon. Rosauro G. Resuello	Sangguniang Panlungsod Member
Hon. Perla C. Tumaliuan	-do-
Hon. Maila Rosario T. Que	-do-
Hon. Noel A. Mora	-do-
Hon. Jude T. Bayona	-do-
Hon. Loreto B. Valdepeñas	-do-
Hon. Kendrick S. Calubaquib	-do-
Hon. Estelita U. Dayag	-do-
Hon. Aurora A. Ave	-do-
Hon. Anthony C. Tuddao	-do-

ABSENT:

Hon. Ronald S. Ortiz	Sangguniang Panlungsod Member
Hon. Hilario Larry S. Ting	-do-

CITY ORDINANCE NO. 01-2015

**AN ORDINANCE ADOPTING THE BARANGAY MICRO BUSINESS ENTERPRISES (BMBEs)
PROGRAM OF REPUBLIC ACT 9178 AND FOR OTHER PURPOSES**

Sponsor: **HON. ROSAURO G. RESUELLO**

Co-Sponsors: **HON. BIENVENIDO C. DE GUZMAN II
HON. ANTHONY C. TUDDAO
HON. NOEL A. MORA
HON. AURORA A. AVE
HON. PERLA C. TUMALIUAN
HON. MAILA ROSARIO T. QUE
HON. JUDE T. BAYONA
HON. ESTELITA U. DAYAG
HON. LORETO B. VALDEPEÑAS
HON. KENDRICK S. CALUBAQUIB
HON. RONALD S. ORTIZ
HON. HILARIO LARRY S. TING**

WHEREAS, Republic Act 9178, otherwise known as Barangay Micro Business Enterprises (BMBEs) Act of 2002, was passed into law in order to hasten the country's economic development through the intervention of the local government units for the ultimate objective of alleviating poverty;

WHEREAS, the City Government is responsible in the implementation of Republic Act 9178 and its Implementing Rules and Regulations, the acceptance and registration of BMBEs, the collection of necessary fees for the administration of the BMBEs, and for other purposes;

WHEREAS, there is a need to integrate micro business enterprises into the mainstream of the economy for they serve as seedbeds of Filipino entrepreneurial talent that will give more jobs, livelihood and better quality of life for Filipinos.

NOW THEREFORE, be it **ORDAINED** by the Sixth City Council of Tuguegarao in session **ASSEMBLED** to enact:

CHAPTER I

SHORT TITLE AND DECLARATION OF INVESTMENT POLICIES

SECTION 1. SHORT TITLE. This Ordinance shall be known and cited as the **“THE BARANGAY MICRO BUSINESS ENTERPRISES ORDINANCE OF 2015.”**

SECTION 2. DECLARATION OF POLICY. It is a declared policy of Tuguegarao City to hasten economic development by encouraging the formation and growth of barangay micro business enterprises which effectively serve as seedbeds of Filipino entrepreneurial talents, and integrating those in the informal sector with the mainstream economy, through the rationalization of bureaucratic restrictions, the active intervention of the government specially in the local level, and the granting of incentives and benefits to generate much needed employment and alleviate poverty.

CHAPTER II

SCOPE AND COVERAGE

SECTION 3. SCOPE AND COVERAGE. This Ordinance shall apply to all entities and enterprises under the jurisdiction of the City of Tuguegarao that meet the qualifications provided therein.

CHAPTER III

DEFINITION OF TERMS

SECTION 4. DEFINITION OF TERMS. When used herein, the following terms shall mean:

- a. **ASSETS** – shall mean all kinds of properties, real or personal, owned by the BMBEs and used in the conduct of its business, including those arising from loans but exclusive of the land on which the particular entity’s office plant and equipment are situated.
- b. **BARANGAY MICRO BUSINESS ENTERPRISE (BMBE)** – shall refer to any business entity or enterprise engaged in the production, processing or manufacturing of products or commodities, including agro-processing, trading and services, whose total assets including those arising from loans but exclusive of the land on which the particular business entity’s office, plant and equipment are situated, shall not be more than Three Million Pesos (P3,000,000.00). A BMBE shall include any individual owning such business enterprise, partnership, cooperative, corporation, association or other entities incorporated or organized and existing under Philippine laws. Services shall exclude those rendered by any one, who is duly licensed by the government after having passed a government licensure examination, in connection with the exercise of one’s profession.
- c. **BMBE REGISTRATION OFFICER** – shall refer to an employee assigned in the Office of the Treasurer duly appointed by the City Mayor who is tasked to implement the BMBE registration and who shall establish within its unit appropriate procedures for the registration of BMBEs.
- d. **CERTIFICATE OF AUTHORITY (CA)** – shall refer to the certificate issued to an applicant authorizing the same to operate as a BMBE and to be entitled to the benefits and privileges accorded to a registered BMBE.
- e. **COOPERATIVES** – shall refer to duly registered associations of persons, with a common bond of interest, who have voluntarily joined together to achieve a lawful common social or economic end and who contribute equitably to the capital required and accept a fair share of the risks and benefits of the undertaking in accordance with universally accepted cooperative principles.
- f. **Non-Government Organizations (NGOs)** – shall refer to non-stock, non-profit corporations, foundations, business associations and civic groups organized purposely for the benefit of their



respective members or to enhance the development of a community through socio-economic development projects like community organization and/or lending to income generating projects.

- g. **ORDINANCE** –shall refer to the “Barangay Micro Business Enterprises Ordinance of 2015.”
- h. **REGISTRATION** – shall mean the inclusion of a BMBE in the BMBE Registry of Tuguegarao City.

CHAPTER IV

REGISTRATION AND OPERATION OF BMBE

SECTION 5. REGISTRATION. The Office of the City Treasurer shall register qualified BMBEs and issue a Certificate of Authority (CA) to enable the BMBE to avail of incentives under this Ordinance and R.A. 9178.

SECTION 6. WHO ARE ELIGIBLE TO REGISTER. Any person, natural or juridical, cooperative or association, existing having the qualifications herein below enumerated, may apply for registration as BMBE:

- a. One who has an asset size of not more than Three Million Pesos (P3,000,000.00) excluding land before applying for BMBE registration; and,
- b. One who engages solely in business activities as defined in Section 4 (b) of this Ordinance.

SECTION 7. REQUIREMENTS FOR REGISTRATION. The applicant for BMBE registration shall submit the following:

- a. Duly filled-up application form in triplicate, signed by the owner or manager of the entity for registration;
- b. Three (3) passport size ID pictures;
- c. Certificate of Registration from Security and Exchange Commission (SEC) or Department of Trade and Industry (DTI);
- d. Taxpayer Identification Number (TIN);
- e. Certificate of Registration from the Bureau of Internal Revenue (BIR);
- f. For existing establishments, Income Tax Return (ITR) with proof that it has been duly filed with BIR, including attachments such as latest audited financial statement;
- g. Latest Mayor’s Permit issued by the Tuguegarao City Business Permits and Licensing Office (BPLO);
- h. Sworn affidavit executed by the sole proprietor or the president of the enterprise, as the case maybe, that the enterprise is barangay-based and micro business in nature and scope;
- i. Sworn statements of Assets and Liabilities showing the values of assets owned and to be used in the conduct of business, which shall be supported by pertinent information such as the date of acquisition cost and depreciated value. In case of asset acquired during the year of registration, it shall be supported by any of the invoices, official receipts and contract document or deed;
- j. Location/Sketch and pictures of the place of business and its assets, other than cash receivables and intangibles.
- k. Copy of Loan Contract/s, if any, and Duly-Notarized Certification of Amortization Payments of the Loan.

SECTION 8. FEES AND CHARGES. There shall be imposed a registration fee of Three Hundred Pesos (P300.00) to defray the administrative costs of registering and monitoring the BMBEs. All fees and charges derived from the registration of BMBEs shall accrue exclusively to the City and shall be used for the administration of this Ordinance.

SECTION 9. APPROVAL OF APPLICATION FOR REGISTRATION AND ISSUANCE OF CERTIFICATE OF AUTHORITY (CA). Upon receipt of complete requirements for registration, the Office of the City Treasurer shall note the date of receipt in the application form. The BMBE application for registration shall be processed by the Registration Officer within fifteen (15) working days from receipt of complete registration requirements, after which, a Certificate of Authority (CA) shall be issued.



Applications not acted upon within the required fifteen (15) working days shall be deemed registered, provided that the BMBE has completely complied with all the requirements/documents necessary to process the registration. The CA shall be issued within five (5) working days after the lapse of the required fifteen (15) working days.

The BMBE Authority shall be valid for a period of two (2) years from date of registration, renewable for a period of two years for every renewal unless cancelled.

SECTION 10. DENIAL OF APPLICATION FOR REGISTRATION. The denial of any BMBE application shall be conveyed to the applicant within fifteen (15) working days from receipt of the same, stating the grounds for denial.

SECTION 11. CANCELLATION OF BMBE CERTIFICATE OF AUTHORITY. The BMBE Certificate of Authority may be cancelled by the City Treasurer's Office, based on any of the following grounds:

- a. When the BMBE transfers its place of business to another locality;
- b. When the value of its total assets as determined pursuant to this Ordinance exceeds Three Million Pesos (P3,000,000.00);
- c. When the BMBE voluntarily surrenders its Certificate of Authority to the Office of the City or Municipal Treasurer;
- d. In case of death of the registered individual owner of the BMBE, if it is a sole proprietorship;
- e. In case of merger or consolidation with any entity which is not eligible to be a BMBE; and,
- f. Submission of fake or falsified documents.

The City Treasurer's Office shall give written notification to the BMBE of the cancellation which must surrender its CA to the former.

SECTION 12. TRANSFER OF OWNERSHIP. The BMBE shall report within five (5) working days to the BMBE Registration Officer any change in the status of its ownership structure; Provided that in the case of an individual, he/she shall surrender the original copy of the BMBE Certificate of Authority for proper notation of the transfer.

SECTION 13. ESTABLISHMENT OF BRANCHES. For purposes of monitoring, registered BMBEs which have opened branch/es in the same city after the issuance of the BMBE Certificate of Authority shall notify the BMBE Registration Officer of such opening within five (5) working days from the establishment of such branch/es. The assets of such branch/es shall be considered as part of the assets of the registered BMBE.

CHAPTER V

INCENTIVES AND BENEFITS

SECTION 14. EXEMPTION FROM INCOME TAX. A registered BMBE shall be exempt from income tax on income arising purely from its registered operations pursuant to Section 7 of RA 9148.

SECTION 15. SUPPORT PROGRAM. The City Government of Tuguegarao shall provide the following support programs to BMBEs:

- a. Establishment of a One-Stop Business Registration to handle the efficient registration, processing and issuance of Certificate of Authority (CA) of BMBEs;
- b. Conduct of business counseling, skills and entrepreneurial trainings, product design and development, business management training and marketing assistance;
- c. Identification of sources of project financing in the form of loans or grants from the National Government Agencies (NGAs) or private institutions.
- d. Other programs and projects intended for the development of BMBEs.

SECTION 16. TRADE AND INVESTMENT PROMOTION. The data gathered from business registration shall be made accessible to and shall be utilized by private sector organizations and non-government organizations for purposes of business matching, trade and investment promotion.



Handwritten initials or signature.

CHAPTER VI

INFORMATION DISSEMINATION

SECTION 17. INFORMATION DISSEMINATION. The City Treasurer's Office in coordination with the Technology and Livelihood Development Office (TLDO), Business Permits and Licensing Office (BPLO), barangays, business organizations and other concerned offices shall ensure the proper and adequate information dissemination of the contents and benefits of this Ordinance to the general public especially to its intended beneficiaries in the barangay level.

CHAPTER VII

FINAL PROVISIONS

SECTION 18. APPROPRIATIONS. The amount necessary to implement the provision of this Ordinance shall be appropriated in the First Supplemental Budget and in the succeeding Annual Budgets of Tuguegarao City.

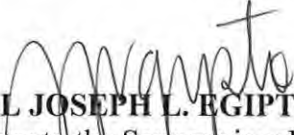
SECTION 19. SEPARABILITY CLAUSE. If any provision in this Ordinance, or application of such provision to any circumstance is held invalid, the remainder shall not be affected thereby.

SECTION 20. EFFECTIVITY CLAUSE. This Ordinance shall take effect immediately upon its approval.


On motion of Hon. Rosauro G. Resuello, duly seconded by Hon. Perla C. Tumaliuan and without any objection from the Body, **CITY ORDINANCE NO. 01-2015** was **UNANIMOUSLY APPROVED** under suspended rules.

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I HEREBY CERTIFY TO THE CORRECTNESS OF THE FOREGOING:


JOEL JOSEPH L. EGIPTO, Ph.D.
Secretary to the Sangguniang Panlungsod

ATTESTED:


HON. BIENVENIDO C. DE GUZMAN II
City Vice Mayor
Presiding Officer

APPROVED:


HON. ENGELBERT C. CARONAN, JR.
City Mayor

Date approved: 03/26/2015

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