



Republic of the Philippines
 PROVINCE OF CAGAYAN
 City of Tuguegarao
EIGHTH CITY COUNCIL



MELVIN K. VARGAS
 OFFICE OF THE VICE
 MAYOR OF TUGUEGARAO CITY
 BY: *[Signature]*
 DATE: 8/27/20
 2:40pm

EXCERPTS FROM THE MINUTES OF THE 54th REGULAR SESSION
 OF THE EIGHTH CITY COUNCIL OF TUGUEGARAO CITY, CAGAYAN
 HELD ON AUGUST 25, 2020, TUESDAY, 9:00 A.M.,
 AT THE SANGGUNIANG PANLUNGSOD SESSION HALL

PRESENT:

- | | |
|-----------------------------------|--|
| Hon. Bienvenido C. De Guzman II | City Vice Mayor/Presiding Officer |
| Hon. Gilbert S. Labang | Sangguniang Panlungsod Member (via Teleconferencing) |
| Hon. Danilo L. Baccay | -do- |
| Hon. Ronald S. Ortiz | Sangguniang Panlungsod Member |
| Hon. Arnel T. Arugay | -do- |
| Hon. Mary Marjorie P. Martin-Chan | -do- (via Teleconferencing) |
| Hon. Grace B. Arago | Sangguniang Panlungsod Member |
| Hon. Raymund P. Guzman | -do- (via Teleconferencing) |
| Hon. Winnoco R. Abraham | Sangguniang Panlungsod Member |
| Hon. Karina S. Gauani | -do- |
| Hon. Victor Herbert N. Perez | -do- |
| Hon. Gil G. Pagulayan | Ex Officio Member (Liga ng mga Barangay President) |
| Hon. Karen L. Taguinod | Ex Officio Member (SK Federation President) |

ABSENT:

- | | |
|---------------------------------|--|
| Hon. Maila Rosario T. Que | Sangguniang Panlungsod Member (on Official Time) |
| Hon. Imogen Claire M. Callangan | -do- (on Leave) |

CITY ORDINANCE NO. 59-08-2020

**AN ORDINANCE AMENDING SECTION 21.01 OF CITY ORDINANCE NO. 07-2011
 TITLED "AN ORDINANCE ENACTING THE REVENUE CODE OF TUGUEGARAO CITY"
 SPECIFICALLY INCORPORATING PROVISIONS ON ONLINE SELLING TRANSACTIONS**

Sponsored by: Hon. Atty. Raymund P. Guzman
 Hon. Danilo L. Baccay
 Hon. Ronald Ortiz
 Hon. Mary Marjorie P. Martin-Chan

WHEREAS, the Local Government Code of 1991 provides that each local government unit shall exercise its power to create its own sources of revenue and has to levy taxes, fees and charges consistent with the basic policy of local autonomy;

WHEREAS, the Bureau of Internal Revenue (BIR) recently issued Revenue Memorandum Circular (RMC) 60-2020 re: "Obligations of Persons Conducting Business Transactions through Any Forms of Electronic Media, and Notice to Unregistered Businesses";

WHEREAS, in the said circular, all those who will register their business activities and/or update their registration status before the BIR on or before July 31, 2020 shall not be imposed with penalty for late registration;

WHEREAS, online transactions had significantly increased and boomed during the community quarantine period brought about by the COVID-19 pandemic;

WHEREAS, there is a need to amend and update Ordinance No. 07-2011 titled "An Ordinance Enacting the Revenue Code of Tuguegarao City" specifically incorporating provisions on online selling to protect consumers and merchants engaged in internet transactions.

[Handwritten mark]

NOW, THEREFORE, RESOLVE, as it is hereby RESOLVED, by the Eighth City Council in Session assembled to enact the following:

Section 1. AMENDMENT. An amendment shall be incorporated adding provisions on the regulation of online selling transactions which shall read as follows:

ARTICLE I. TAX ON ONLINE SELLING TRANSACTIONS

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SECTION 21.01. DEFINITION OF TERMS. - As applied in this Code -

(i) Dealer - Shall include, but shall not be limited to, tax subjects enumerated under Section 19 of Presidential Decree No. 231, but which are no longer included in the enumeration of "contractor" under Section 131 of Republic Act No. 7160, viz: welding shops, service stations, white/blue printing, recopying or photocopying services, assaying laboratories, advertising agencies, shops for shearing animals, vaciador shops, stables, construction of motor vehicles, animal drawn vehicles and/or tricycles, lathe machine shops, and proprietors of bulldozers and other heavy equipment available to others for consideration, *regardless of mode or form, physical or through digital means.*

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(o) **Online Seller** - any person or entity who conducts business through the use of electronic platforms and media or any digital means.

(p) *Online selling - any form of electronic commerce through the use of electronic platforms and media or any digital means which allows consumers to directly buy goods or services from a seller over the internet.*

(q) *Public Market - any place, building or structure of any kind designated as such by the local board or council, except public streets, parks and the like;*

(r) Rectifier - every person who rectifies, purifies or refines distilled spirits or wines by any process other than by original and continuous distillation from mash, wort, wash, sap or syrup through continuous closed vessels and pipes until the manufacture thereof is complete. Every wholesale or retail liquor dealer who has in possession any still or mash tub or who keeps any other apparatus for the purpose of distilling spirits or in any manner refining distilled spirits shall also be regarded as a rectifier and as being engaged in the business of rectifying.

(s) Restaurant - any place which provides food for the public and accepts orders from them at a price. This term includes caterers *who service events, programs, projects and other groups of people on site.*

(t) Retail - a sale where the purchaser buys the commodity for his/her own consumption irrespective of the quantity of the commodity *and form through which it was sold whether in regular stores or online selling as defined in this Code.*

(u) Reseller - any person who acquires goods from a wholesaler regardless of the quantity of the transaction on consignment or at cost and sells them to the general public through regular stores or online as defined in this Code.

(v) Wholesale - a sale where the purchaser buys or imports the commodities for resale to persons other than end-user regardless of the quantity of the transaction *on consignment or at cost, through regular stores or online as defined in this Code.*

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SECTION 2. SEPARABILITY CLAUSE. Should any provision of this ordinance be declared unconstitutional or illegal by any court of competent jurisdiction, those parts which are not so declared shall remain in full force and in effect.



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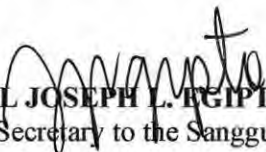
SECTION 3. REPEALING CLAUSE. Any provision of ordinance, rules and regulations and/or parts thereof inconsistent with the provisions of this ordinance are hereby modified, amended, and/or repealed accordingly.

SECTION 4. PUBLIC HEARING. This ordinance is enacted under unusual and extreme condition the country is experiencing in general and Tuguegarao City in particular as declared by the National Government through a number of proclamation orders and other rules and regulations promulgated by His Excellency President Rodrigo Duterte and the Provincial Government, hence, the public hearing shall be dispensed with, considering further the urgency and importance of the instant measure.


SECTION 5. EFFECTIVITY. This ordinance shall take effect fifteen (15) days after its posting in at least three (3) conspicuous places in the city.

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I HEREBY CERTIFY TO THE CORRECTNESS OF THE FOREGOING:


JOEL JOSEPH L. EGIPTO, Ph.D.
Secretary to the Sanggunian

ATTESTED:


HON. BIENVENIDO C. DE GUZMAN II
City Vice Mayor/Presiding Officer
Date: 082620

APPROVED:


HON. ATTY. JEFFERSON P. SORIANO
City Mayor
Date: 082820

etc