Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Eighteenth Congress
Second Regular Session

HOUSE RESOLUTION NO. 1705

Introduced by Senior Deputy Speaker Paulino Salvador “Doy” C. Leachon

RESOLUTION
URGING THE DEPARTMENT OF TRANSPORTATION TO REVIEW THE MOTOR VEHICLE USER’S CHARGE IMPOSED UPON THREE-WHEELED VEHICLES

WHEREAS, three-wheeled vehicles (TWVs), classified and registered in the existing system of the Land Transportation Office (LTO) as motorcycles with side cars or non-conventional motorcycles, were previously levied a uniform rate of Three hundred pesos (P300.00) pursuant to Republic Act No. 8794, entitled “An Act Imposing a Motor Vehicle User’s Charge on Owners of All Types of Motor Vehicles and for Other Purposes;”

WHEREAS, on September 8, 2010, then Department of Transportation and Communications, now renamed as the Department of Transportation, issued Department Order No. 2010-32, entitled “Harmonization of Motor Vehicle (MV) Classifications of LTO and LTFRB,” providing for the classification of motor vehicles, including TWVs, in accordance with the Consolidated Resolution on the Construction of Vehicles of the United Nations Economic Commission for Europe adopted under Philippine National Standard 1891:2006 by the Department of Trade and Industry – Bureau of Product Standards;

WHEREAS, on November 20, 2020, LTO issued Memorandum Circular (MC) No. 2020-2227, entitled “Classification, Registration and Operation of Category L5, L6, and L7 Motorcycles,” provides that upon the operationalization of the new Land Transportation Management System, TWVs initially registered as motorcycles-tricycles or non-conventional motorcycles shall be registered
as TWVs and be charged with the motor vehicle user’s charge (MVUC) rate similar to light passenger cars;

WHEREAS, LTO-MC-2020-2227 imposes upon owners of TWVs a MVUC of One thousand six hundred pesos (P1,600.00) for private TWVs and Nine hundred pesos (P900.00) for TWVs for hire;

WHEREAS, the increase of MVUC rate for TWVs from P300.00 to P1,600.00, which is the same MVUC rate for light passenger cars, poses a tremendous financial burden to TWVs operators and owners, especially during this time of hardship brought about by the coronavirus disease 2019 pandemic;

WHEREAS, equating the new MVUC rate for TWVs to the MVUC rate for light passenger cars is not fair to owners of TWVs considering that light passenger cars can traverse and use national and local roads and highways without restrictions unlike TWVs which have limited use of routes designated by the local government units, similar to restrictions imposed upon motorcycles-tricycles;

WHEREAS, the imposition of MVUC rate upon TWVs that is similar to light passenger cars is not be fair or reasonable considering that the privileges of TWVs and light passenger cars on the use of roads vastly differ;

WHEREAS, for reasons of equity, the Department of Transportation, through the LTO, must review the MVUC rate on TWVs, conduct public consultation to formulate the appropriate MVUC rate that is less than the MVUC rate on light passenger cars but is more than the MVUC rate on motorcycle with side cars or non-conventional motorcycles: Now, therefore, be it

RESOLVED BY THE HOUSE OF REPRESENTATIVES, To urge the Department of Transportation to review the Motor Vehicle User’s Charge imposed upon three-wheeled vehicles.

RESOLVED, FURTHER, To urge the Department of Transportation, through the LTO, to suspend the implementation of LTO Memorandum Circular No. 2020-2227 dated 20 November 2020 pending its review of the Motor Vehicle User’s Charge.

Adopted,

ATTY. PAULINO SALVADOR “DOY” C. LEACHON