

DRAFT ORDINANCE GRANTING CONDONATION ON THE PENALTIES/ INTERESTS/SURCHARGES OF THE UNPAID TAXES OF RBC CABLE MASTER SYSTEM INCURRED FROM 2007 TO MARCH 2025 SUBJECT TO THE DETERMINATION OF THE CITY TREASURER'S OFFICE

WHEREAS, the RBC Cable Master System is the primary provider of cable television network in the City since the grant of their Municipal Franchise in 1994;

WHEREAS, the RBC Cable Master System failed to renew their franchise which expired on 2019 primarily because of the pandemic;

WHEREAS, the RBC Cable Master System has filed a Case for Nullity of Tax Assessment against the City Government, before the Regional Trial Court in Tuguegarao City, on the belief that they are not liable to pay for the Franchise Taxes being charged by the City Government upon them;

WHEREAS, in view of their intention to renew their franchise and to pay their tax dues to the City Government, they have manifested the withdrawal of the case for Nullity of Tax Assessment that they have filed against the City Government;

WHEREAS, on September 25, 2024, the Regional Trial Court Branch 10 issued an order granting the dismissal of the case filed by the RBC Cable Master System against the City Government for Nullity of Tax Assessment without prejudice;

WHEREAS, after a series of meetings and deliberations with the RBC, the City Treasurer and the City Legal Officer, they have agreed on the waiver of the penalties, interests and surcharges of the RBC Cable Master System and have recommended to the City Council for the waiver of the said penalties, interests and surcharges;

WHEREAS, Section 458(a)(2)(ii) of Republic Act 7160, otherwise known as the Local Government Code of 1991, empowers the Sangguniang Panlungsod, upon majority vote of all the members, to enact ordinances granting tax exemptions, incentives or reliefs;

WHEREAS, in granting the waiver of the Penalties, Surcharges and Interests due to the RBC Cable Master System, the City Council has taken into consideration their contribution to our city, such that during the pandemic, no disconnections were enforced on their subscribers despite their non- payment of monthly dues;

NOW, THEREFORE, be it **ORDAINED** by the Sangguniang Panlungsod, in session assembled, to enact:

Section 1. TITLE. This Ordinance shall be known as, **"DRAFT ORDINANCE GRANTING CONDONATION ON THE PENALTIES/INTERESTS/SURCHARGES OF THE UNPAID TAXES OF RBC CABLE MASTER SYSTEM INCURRED FROM 2007 TO MARCH 2025 SUBJECT TO THE DETERMINATION OF THE CITY TREASURER'S OFFICE."**

Section 2. LIABILITY OF RBC CABLE MASTER SYSTEM. The total tax due of the RBC Cable Master System from year 2007 to March, 2025 subject to the determination of the City Treasurer's Office.

The obligation of the RBC Cable Master System to pay for franchise tax is separate and distinct from their obligation to pay their Franchise Fee with the City Government.

Section 3. WAIVER/ CONDONATION OF SURCHARGES, INTEREST AND PENALTIES OF RBC CABLE MASTER SYSTEM. Based on the agreement of the RBC Cable

Master System with the City Treasurer and the City Legal Officer and upon their recommendation to the City Council, the total surcharges and interest incurred by the RBC Cable Master System subject to the determination of the City Treasurer's Office shall be waived.

Only the tax due, subject to the determination of the City Treasurer's Office, is demandable from RBC Cable Master System.

Section 4. PAYMENT. Based on the agreement of the RBC Cable Master with the City Treasurer and the City Legal Officer and upon their recommendation to the City Council, the RBC Cable Master System shall pay their Tax Due, subject to the determination the City Treasurer's Office, into ten monthly installments or starting on March, 2025 until December, 2025.

Section 5. TERMS AND CONDITIONS. The monthly payment of RBC Cable Master System shall be made through checks payable to the Tuguegarao City Government. In the event that the check issued by RBC Cable Master System will be returned on the basis of insufficiency of funds, it will be a ground for the revocation of their franchise.

Section 6. SEPARABILITY CLAUSE. In case any provision of this ordinance is declared null and void by competent court, such shall not affect the remaining provisions.

Section 7. REPEALING CLAUSE. Any and all resolutions or ordinances or parts thereof not consistent with the provisions of this ordinance are hereby repealed.

Section 8. EFFECTIVITY CLAUSE. This Ordinance shall take effect ten (10) days after a copy thereof is posted within the vicinity of the City Government and on conspicuous places.