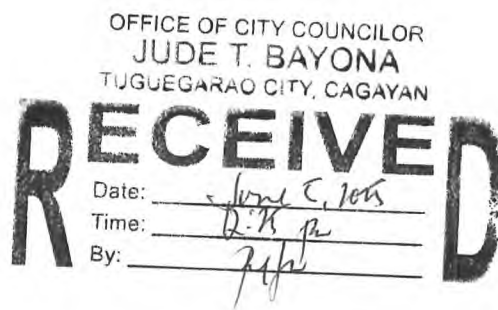


June 2, 2025

HON. JUDE T. BAYONA
Temporary Presiding Officer
Sangguiniang Panglungsod
Tuguegarao City, Cagayan



HON. TIRSO MANGADA
Chairman Committee of Games and Amusement
Sangguniang Panglungsod
This City

BUENAVENTURA F. LAGUNDI
City Treasurer
This City

Your Honors, Sirs,

Greetings of peace and of good health!

Recently the undersigned has been in receipt of a Letter of Assessment (final demand letter) from the City Treasurer regarding payment of franchise Fees supposedly imposable in accordance with City Ordinance No. 41-08-2022.

As argued in a letter-reply sent by the undersigned to the City Treasurer on January 23, 2025, that he has no obligation for the payment of franchise fees as despite having been granted a Franchise to operate such cockpit, as he was not given the chance to operate the same from the get-go due to matters that was not his fault, we quote pertinent portions of his letter in seriatim:

"With all due respect and humility, the undersigned has not incurred any payables or obligations in relation to said City Ordinance, as in fact, there has not even been any assessment of fees forwarded unto the undersigned regarding said franchise hence, there is no failure on his part to pay taxes, fees and/or charges chargeable to him.

Although the undersigned was granted said franchise under City Ordinance No. 41-08-2022, during the pendency of the franchise grant, matters beyond the control of the franchisee and without his fault happened. He was denied issuance of various necessary permits despite having submitted the necessary documents required or even performed other tests/matters requested by various offices in the Tuguegarao City Hall, such as a building permit from the City Engineer's Office so as to be able to erect the cockpit arena and a Mayor's/business Permit so as to be able to actually operate a cockpit. Also, the Regional Trial Court Branch 5 issued a Writ of Injunction enjoining the implementation and operation of the said franchise pending hearing in Special Civil Action No. 136 for Declaratory Relief.

Very respectfully, absent these necessary permits, despite the undersigned having applied for and complied with its requirements and the court order to enjoin the operation of the franchise, have stalled the franchise dead on its tracks from the get-go which the undersigned humbly argues that it is as if he was never granted the franchise at all, not having been given the chance to practice such grant of privilege and operate a cockpit through no fault of his own.

Based on general principles of local taxation under the LGU Code of 1991, taxes and fees are assessed from some kind of basis, such as a Business Tax which is assessed based on the gross receipts of the business itself; Amusement taxes are assessed based on the actual happening of amusement activity; or Franchise taxes are assessed based on the privilege of operating a business.

Since the undersigned has never been given the chance to operate the cockpit without fault of his own, there is no gross receipts of the business to base the computation of Business taxes on; no cockfight, admission fees or betting fees to base the assessment of Amusement taxes on; or that the franchisee could not exercise the privilege of actually operating a cockpit due to the reasons above-mentioned which is beyond the franchisees control, hence there is no basis for the imposition of Franchise taxes.

The undersigned has already tendered unto the City Government a letter seeking the withdrawal and/or revocation of said franchise for the reason that the franchisee is not anymore viably able to operate the same, having incurred damages and losses due to no fault of his own. Respectfully, the undersigned reiterates that he has no more obligations on said franchise as above-argued."

The Sangguniang Panglungsod acted favorably upon the request of the undersigned for the revocation of said franchise grant, reason that have been given by the undersigned for the non-continuance of the Franchise is that it was not anymore feasible for him to operate a cockpit due to the circumstances as above mentioned without any of his fault.

Said revocation was embodied in Ordinance No. 03-09-2025 "An Ordinance Revoking the Legislative Franchise to Operate A Cockpit Granted to Mr. Jonathan Eric Y. Pobre on May 25, 2022 through City Ordinance No. 41-08-2022".

One of the whereas clauses of said Ordinance states that *"it is hereby further recommended for the City Treasurer to collect the necessary franchise fee, and other taxes and/or penalties from Mr. Pobre";*

With all due respect and humility, we are questioning this specific proviso as the imposition of taxes upon a person who has not benefited from the same without his fault runs aground the taxation principle of uniformity and equity, wherein taxes must be fair, and the legal principle of unjust enrichment wherein the LGU will be benefiting from the franchisee who was not even given a chance to benefit, economically, from the beginning due to circumstances beyond his control if franchise taxes are to be collected from him as *he was denied issuance of various necessary permits despite having submitted the necessary documents required or even performed other tests/matters requested by various offices in the Tuguegarao City Hall, such as a building permit from the City Engineer's Office so as to be able to erect the cockpit arena and a Mayor's/business Permit so as to be able to actually operate a cockpit. Also, the Regional Trial Court Branch 5 issued a Writ of Injunction enjoining the implementation and operation of the said franchise pending hearing in Special Civil Action No. 136 for Declaratory Relief.*

Due to this matter, the undersigned very respectfully requests the Sangguniang Panlungsod a revisit of Ordinance No. 03-09-2025 "An Ordinance Revoking the Legislative Franchise to Operate A Cockpit Granted to Mr. Jonathan Eric Y. Pobre on May 25, 2022 through City Ordinance No. 41-08-2022" specifically the whereas clause wherein payment of franchise taxes and penalties be collected by the City Treasurer upon the undersigned, so as to deliberate on the matter and reconsider the same.

Hoping for your just consideration on this matter.

Thank you.

Very respectfully,


JONATHAN ERIC Y. POBRE