Republic of the Philippines
MUNICIPALITY OF IBA
Province of Zambales

INVALID
DECLARED BY SP RESO NO. 2025-394
SERIES OF 2025

OFFICE OF THE SANGGUNIANG BAYAN

EXCERPT FROM THE JOURNAL OF THE 12TH REGULAR SESSION OF THE 13TH SANGGUNIANG BAYAN OF IBA, ZAMBALES HELD ON **SEPTEMBER 23, 2025** AT THE MUNICIPAL SESSION HALL.

PRESENT:

HON. JOAN D. BALLESTEROS-ALBA, Vice Mayor and Presiding Officer

SANGGUNIANG BAYAN MEMBERS

HON. MARGIE M. NOVENO
HON. CARL ERIC B. RICO
HON. EDISON E. MARTINEZ
HON. SALVADOR R. REDONDO
HON. RAEDAG A. VILLAMIN JR.
HON. PAULO A. FORTIN
HON. EDGAR C. PAYUMO
HON. ALIRE JOHN T. FALLORIN
HON. RICHARD N. REDONDO, Liga ng mga Barangay President
HON. CARLOS MIGUEL R. VILLAMIN, SK Federation President

****

ORDINANCE NO. 13-03
SERIES OF 2025

AN ORDINANCE INSTITUTIONALIZING THE COLLECTION OF BUSINESS TAXES FROM ALL CONTRACTORS IMPLEMENTING PUBLIC AND PRIVATE PROJECTS WITHIN THE MUNICIPALITY OF IBA, ZAMBALES, PURSUANT TO THE DOCTRINE OF SITUS OF TAXATION UNDER REPUBLIC ACT NO. 7160; PRESCRIBING PROCEDURES FOR ASSESSMENT, PAYMENT, DOCUMENTATION, AND ENFORCEMENT; AND PROVIDING PENALTIES FOR NON-COMPLIANCE

Author: Hon. Margie Maniquiz-Noveno
Co-author: Hon Edison E. Martinez

SECTION 1. TITLE

This Ordinance shall be known as the **"Comprehensive Contractor Business Tax Compliance Ordinance of the Municipality of Iba."**

SECTION 2. DECLARATION OF POLICY

It is the policy of the Municipality of Iba to assert its taxing authority over all business transactions conducted within its territorial jurisdiction, in accordance

RAEDAG A. VILLAMIN JR.
SB Member

SALVADOR R. REDONDO
SB Member

EDISON E. MARTINEZ
SB Member

CARL ERIC B. RICO
SB Member

MARGIE M. NOVENO
SB Member

PAULO A. FORTIN
SB Member

EDGAR C. PAYUMO
SB Member

ALIRE JOHN T. FALLORIN
SB Member

RICHARD N. REDONDO
Ex-Officio Member, LNB

CARLOS MIGUEL R. VILLAMIN
Ex-Officio Member, SKF

with Section 150 of Republic Act No. 7160 (Local Government Code of 1991), and to ensure that all contractors public or private sector contribute equitably to local revenues through business tax payments, regardless of the location of their principal place of business.

SECTION 3. COVERAGE

This Ordinance shall apply to all contractors, subcontractors, and service providers engaged in infrastructure, construction, or development projects located within the Municipality of Iba, including but not limited to:

1. Public Projects funded or implemented by:
   - The Department of Public Works and Highways (DPWH)
   - The Provincial Government of Zambales
   - Any other national government agency or instrumentality
   - The Municipal Government of Iba
2. Private Projects requiring a building permit issued by the Office of the Building Official (OBO) within the Municipality of Iba

SECTION 4. BUSINESS TAX LIABILITY FOR PUBLIC PROJECTS

All covered contractors for public projects shall pay the corresponding business tax to the Municipality of Iba for the duration of their project implementation in accordance with the situs of taxation doctrine under Section 150 of RA 7160.

For projects implemented by the **Municipal Government of Iba**, the amount to the corresponding contractor's business tax liability shall be **automatically deducted** from the contractor's billing/payment and remitted to the Municipal Treasurer's Office.

SECTION 4-A. BUSINESS TAX ASSESSMENT AND PAYMENT FOR PRIVATE PROJECTS

For private projects within the Municipality of Iba:

- **Assessment and payment** of the applicable business tax shall be undertaken **during the building permit application process** at the OBO.
- The contractor (or project owner, where the contractor is not yet engaged) shall submit the contract price and project particulars to the OB0.
- The OBO shall **refer** the details to the Municipal Treasurer's Office for computation of the business tax due.
- The business tax must be **paid in full** prior to the issuance of the building permit.
- The OBO shall integrate the Treasurer's Certification (Annex A) and Official Receipt into its building permit release checklist (Annex F).
- No building permit shall be released without proof of full payment.

SECTION 5. SUBMISSION OF PROOF OF PAYMENT

For both public and private projects, proof of payment shall consist of:

RAEDAG A. VILLAMIN JR.
SB Member

SALVADOR R. REDONDO
SB Member

EDISON E. MARTINEZ
SB Member

CARL ERIC B. RICO
SB Member

MARGIE M. NOVENO
SB Member

PAULO A. EDORTIN
SB Member

EDGAR C. PAYUMO
SB Member

ALIRE JOHN T. FALLORIN
SB Member

RICHARD N. REDONDO
Ex-Officio Member, LNB

CARLOS MIGUEL R. VILLAMIN
Ex-Officio Member, SKF

- Certified true copy of the Official Receipt issued by the Municipality of Iba; and
- Treasurer's Certification of compliance with local business tax obligations.

Public project requirements shall follow Annex B; private projects shall follow Annex F.

SECTION 6. COORDINATION WITH PROJECT PROPONENTS AND OBO

The Municipal Government shall coordinate with:

- The Provincial Engineering Office, DPWH District Engineering Office, and other relevant agencies to integrate business tax compliance into public project billing; and
- The OBO to enforce real-time tax assessment for private projects during building permit processing, including monthly reconciliation of issued permits against tax receipts.

SECTION 7. PENALTIES FOR NON-COMPLIANCE

1. **Public Projects** - penalties, surcharges, and interest under the Revenue Code: possible PCAB reporting: possible blacklisting from future municipal projects.
2. **Private Projects** - denial of building permit release until payment: permit suspension or 2. Private Projects revocation under the National Building Code's IRR if discovered post-issuance, in addition to Revenue Code penalties.

SECTION 8. IMPLEMENTING GUIDELINES

The Municipal Treasurer, in coordination with the Municipal Legal Officer, the MPDC, and the OBO, shall issue guidelines within thirty (30) days from effectivity, adopting the workflows in Annex D (public) and Annex E (private) plus their respective checklists.

SECTION 9. SEPARABILITY CLAUSE

If any provision is declared unconstitutional or invalid, the remaining provisions shall remain in full force and effect.

SECTION 10. EFFECTIVITY

This Ordinance shall take effect ten (10) days after its posting in a bulletin board at the entrance of the Municipal Hall of Iba, Zambales, and in at least two (2) other conspicuous places within the Municipality, or after publication in a newspaper of local circulation where available, in compliance with Section 59 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991.

The Secretary to the Sangguniang Bayan is hereby directed to cause the posting and publication of this Ordinance within five (5) days after its approval.

Enacted this 23RD day of September 2025.

SBOrd2025.13-03-laqe

RAPDAG A. VILLAMIN JR.
SB Member

SALVADOR R. REDONDO
SB Member

EDISON E. MARTINEZ
SB Member

CARL ERIC B. RICO
SB Member

MARGIE M. NOVENO
SB Member

PAULO A. FORTIN
SB Member

EDGAR C. PAYUMO
SB Member

ALIRE JOHN T. FALLORIN
SB Member

RICHARD N. REDONDO
Ex-Officio Member, LNB

CARLOS MIGUEL R. VILLAMIN
Ex-Officio Member, SKF

ANNEXES

- **Annex A:** Treasurer's Certification (Public/Private)
- **Annex B:** Contractor Billing Compliance Checklist - Public
- **Annex C:** Sample Computation Sheet - Public (Auto-Deduction)
- **Annex D:** Implementor's Quick Guide - Public Projects
- **Annex E:** OBO-Treasurer Workflow - Private Projects
- **Annex F:** Building Permit Compliance Checklist - Private Projects

ANNEX MASTER PACKET

For the Comprehensive Contractor Business Tax Compliance Ordinance of the Municipality of Iba, Zambales

Annex A – Treasurer's Certification

Republic of the Philippines
Province of Zambales
Municipality of Iba

OFFICE OF THE MUNICIPAL TREASURER

CERTIFICATION

This is to certify that **[Name of Contractor]**, with address at **[Principal Place of Business]**, and holder of PCAB License No. __, has fully complies with the business tax obligations of the Municipality of Iba for the implementation of **[Project Title/Description]** located at **[Project Site]**, covering the period from **[Start Date]** to **[Completion Date]**.

Issued this **day of _________, 20__**, in Iba, Zambales, for whatever legal purpose it may serve.

[Name]
Municipal Treasurer

ANNEX B – Contractor Billing Compliance Checklist (Public Projects)

REQUIREMENT	Attached? (√/x)	REMARKS
Certified True Copy of Official Receipt (s) from the Municipality of Iba		
Treasurer's Certification (Annex A)		
Billing Invoice / Statement of Work Accomplished		
PCAB License (valid)		
Contract Agreement / Notice to Proceed		

RAYDAG A. VILLAMIN JR.
SB Member

SALVADOR R. REDONDO
SB Member

EDISON E. MARTINEZ
SB Member

CARL ERIC B. RICO
SB Member

MARGIE M. NOVENO
SB Member

PAULO A. FORTIN
SB Member

EDGAR C. PAYUMO
SB Member

ALIRE JOHN T. FALLORIN
SB Member

RICHARD N. REDONDO
Ex-Officio Member, LNB

CARLOS MIGUEL R. VILLAMIN
Ex-Officio Member, SKF

Other supporting documents required by the implementing agency		

Note: Mandatory for municipal projects; strongly encouraged for projects by other agencies.

ANNEX C – Sample Computation Sheet for Automatic Business Tax Deduction (Public)

Particulars	Amount (₱)
Contract Price (excluding VAT)	
Applicable Business Tax Rate under the Revenue Code %	
Computed Business Tax Due	
Less: Withholding Tax on Business Tax (if applicable)	
Net amount to be deducted from Contractor's Billing	

Prepared by: ____________________ Verified by: ____________________
Approved by: ____________________

ANNEX D – Implementer's Quick Guide (Public Projects)

Purpose: To ensure all public-project contractors comply with local business tax obligations from award to clearance

STEP	ACTION	WHO ACTS	KEY DOCUMENT(S)
1	Include Tax compliance in project briefing and contract	Implementer	Contract
2	Register project with Treasurer	Contractor	Registration Form
3	Compute Business tax	Treasurer	Annex C
4	Pay Tax / arrange auto-deduction	Contractor/ Treasurer	OR
5	Issue Treasurer's Certification	Treasurer	Annex A
6	Attach Certification + OR to billing	Contractor	Annex B
7	Verify before payment	Implementer	Annex B
8	Release payment; record compliance	Implementer/ Treasurer	Payment Record

ANNEX E – OBO - Treasurer Workflow (Private Projects)

STEP	ACTION	RESPONSIBLE OFFICE	OUTPUT
1	Receive Building permit application	OBO	Application Form
2	Refer details to Treasurer	OBO	Referral Slip
3	Compute Business tax due	Treasurer	Computation Sheet
4	Inform Applicant	Treasurer	Assessment Notice

RAFDAG A. VILLAMIN JR.
SB Member

SALVADOR R. REDONDO
SB Member

EDISON E. MARTINEZ
SB Member

CARL ERIC B. RICO
SB Member

MARGIE M. NOVENO
SB Member

PAULO C. FORTIN
SB Member

EDGAR C. PAYUMO
SB Member

ALIRE JOHN T. FALLORIN
SB Member

RICHARD N. REDONDO
Ex-Officio Member, LNB

CARLOS MIGUEL R. VILLAMIN
Ex-Officio Member, SKF

Republic of the Philippines
PROVINCE OF ZAMBALES
IBA

OFFICE OF THE SANGGUNIANG PANLALAWIGAN

Hon. Joan D. Ballesteros
Municipal Vice Mayor
Iba, Zambales

Madam:

Enclosed is a copy of Resolution No. 2025-394 of the Sangguniang Panlalawigan of Zambales, for your information and appropriate action.

Please acknowledge receipt hereof.

Iba, Zambales. March 2, 2026.

MARIA TERESA D. PANES
Secretary to the S.P.

Encl.: a/s
/mbb

OFFICE OF THE SANGGUNIANG BAYAN
RECEIVED
By: Leslie Ann Q. Espinoza
Date: 03 2026 Time: 11:42AM
LGU - IBA, ZAMBALES

OFFICE OF THE SANGGUNIANG PANLALAWIGAN

EXCERPT FROM THE MINUTES OF THE REGULAR SESSION OF THE SANGGUNIANG PANLALAWIGAN OF ZAMBALES HELD AT THE SESSION HALL, LEGISLATIVE BUILDING, IBA, THIS PROVINCE, ON THE 27TH DAY OF OCTOBER, 2025

PRESENT:

Hon. Jacqueline Rose F. Khonghun, Vice Governor - *Presiding Officer*

REGULAR MEMBERS

FIRST DISTRICT:

Hon. Enrique F. Delgado	- SP Member
Hon. Elmer S. Tumaca	- SP Member

SECOND DISTRICT:

Hon. Jun Rundstedt C. Ebdane	- SP Member
Hon. Reena Mae L. Collado	- SP Member
Hon. Thea Samantha D. Ablola	- SP Member
Hon. Jury E. Deloso	- SP Member
Hon. Sancho G. Abasta III	- SP Member
Hon. Enrico A. Matibag	- SP Member

EX-OFFICIO MEMBERS:

Hon. Carl Eric B. Rico, PCL President	- SP Member, Ex-Officio
Hon. Nestor E. Pacheco, ABC President	- SP Member, Ex-Officio
Hon. Carol H. Guevarra, IPMR	- SP Member, Ex-Officio
Hon. Daniel John C. Lachica, SK President	- SP Member, Ex-Officio

ABSENT:

Hon. Maria Cecilia F. Rafanan	- SP Member On Leave
Hon. Reynaldo C. Tarongoy	- S P Member

RESOLUTION NO. 2025-394

RESOLUTION DECLARING INVALID MUNICIPAL ORDINANCE NO. 13-03, SERIES OF 2025 OF THE MUNICIPALITY OF IBA, ZAMBALES IN VIOLATION OF DIRECT DOUBLE TAXATION

WHEREAS, under Section 56 of the Local Government Code, the Sangguniang Panlalawigan has the power to review Municipal Ordinances and Resolutions;

WHEREAS, the Sangguniang Panlalawigan received a copy of Municipal Ordinance No. 13-03, Series of 2025 from the Municipality of Iba, entitled: An

Ordinance Institutionalizing The Collection Of Business Taxes From All Contractors Implementing Public And Private Projects Within The Municipality Of Iba, Zambales, Pursuant To The Doctrine Of Situs Of Taxation Under Republic Act No. 7160, Prescribing Procedures For Assessment, Payment, Documentation, And Enforcement, And Providing Penalties For Non-Compliance, for review;

WHEREAS, the Chairman, Committee on Ways and Means recommends to declare the aforesaid Ordinance Invalid as it constitutes Direct Double Taxation which is prohibited under the principle of equal protection and uniformity of taxation;

WHEREAS, direct double taxation involves the same taxing authority (either national or local), the same taxable object (gross receipts), the same tax period and the same purpose, leading to a tax burden in the same taxpayer;

WHEREFORE, ON MOTION of Hon. Thea Samantha D. Ablola, Chairman, Committee on Ways and Means, with no objection from all the Members present, the Sangguniang Panlalawigan of Zambales in session assembled –

RESOLVED, as it is hereby resolved that this Body hereby declares Invalid Municipal Ordinance No. 13-03, Series of 2025 of the Municipality of Iba, Zambales, entitled: "An Ordinance Institutionalizing The Collection Of Business Taxes From All Contractors Implementing Public And Private Projects Within The Municipality Of Iba, Zambales, Pursuant To The Doctrine Of Situs Of Taxation Under Republic Act No. 7160, Prescribing Procedures For Assessment, Payment, Documentation, And Enforcement, And Providing Penalties For Non-Compliance", in violation of direct double taxation.

RESOLVED FURTHER that copies of this resolution be furnished to Honorable Mayor Irenea Maniquiz-Binan and the Honorable Sangguniang Bayan Members thru Honorable Vice Mayor Joan Ballesteros-Alba, all of the Municipality of Iba, this province, for information.

ADOPTED this 27th day of October, 2025.

We hereby certify to the correctness of the foregoing resolution which was duly adopted by the Sangguniang Panlalawigan during its Regular Session held on October 27, 2025.

MARIA TERESA D. PANES
Secretary to the S.P.
Date Signed:________

REGULAR MEMBERS
FIRST DISTRICT

ENRIQUE F. DELGADO
Member
Date Signed:_______

ELMER S. TUMACA
Member
Date Signed:_______

SECOND DISTRICT

JUN RUNDSTEDT C. EBDANE
Member
Date Signed:______

REENA MAE L. COLLADO
Member
Date Signed:______

THEA SAMANTHA D. ABLOLA
Member
Date Signed:______

JURY E. DELOSO
Member
Date Signed:______

SANCHO G. ABASTA III
Member
Date Signed:______

ENRICO A. MATIBAG
Member
Date Signed:______

EX-OFFICIO MEMBERS

CARL ERIC B. RICO
PCL President
Date Signed:______

NESTOR E. PACHECO
ABC President
Date Signed:______

CAROL H. GUEVARRA
IPMR
Date Signed:______

DANIEL JOHN C. LACHICA
SK President
Date Signed:______

ATTESTED AND CERTIFIED
TO BE DULY ADOPTED:

JACQUELINE ROSE F. KHONGHUN
Vice Governor
Presiding Officer
Date Signed: ______

APPROVED: ______________

HERMOGENES E. EBDANE, JR.
Governor

DISAPPROVED: ______________

HERMOGENES E. EBDANE, JR.
Governor

/c:SPRes2025.394-JCP/mpf

[illegible] .
* It's about doing business "
* not a question of a double taxation
* It's about doing business
Feb 24

To: SP [illegible]
1. that those companies categories
- single ownership
- partnership - joint venture
- corporate
who are engaged in business [illegible]
who are doing business [illegible] local office.
[illegible] taxed locally
activities done [illegible]
[illegible] prerogative [illegible]
doing business permit.

OFFICE OF THE SANGGUNIANG PANLALAWIGAN

EXCERPT FROM THE JOURNAL OF THE REGULAR SESSION OF THE SANGGUNIANG PANLALAWIGAN OF ZAMBALES HELD AT THE SESSION HALL, LEGISLATIVE BUILDING, IBA, ZAMBALES, ON THE 27TH DAY OF OCTOBER 2025

PRESENT:

Hon. Jacqueline Rose F. Khonghun, Vice Governor - *Presiding Officer*

REGULAR MEMBERS

FIRST DISTRICT:

Hon. Enrique F. Delgado	- SP Member
Hon. Elmer S. Tumaca	- SP Member

SECOND DISTRICT:

Hon. Jun Rundstedt C. Ebdane	- SP Member
Hon. Reena Mae L. Collado	- SP Member
Hon. Thea Samantha D. Ablola	- SP Member
Hon. Jury E. Deloso	- SP Member
Hon. Sancho G. Abasta III	- SP Member
Hon. Enrico A. Matibag	- SP Member

EX-OFFICIO MEMBERS:

Hon. Carl Eric B. Rico, *PCL President*	- SP Member, Ex-Officio
Hon. Nestor E. Pacheco,*ABC President*	- SP Member, Ex-Officio
Hon. Daniel John C. Lachica, *SK President*	- SP Member, Ex-Officio
Hon. Carol H. Guevarra, *IPMR*	- SP Member, Ex-Officio

ABSENT:

Hon. Maria Cecilia F. Rafanan, *SP Member*	- *On Official Leave*
Hon. Reynaldo C. Tarongoy	- SP Member

X xxxxxxxxxxxxxxxxx

II. CALENDAR OF BUSINESS:

A. UNFINISHED BUSINESS:

1. *The Committee on Ways and Means*
To report on the referred Municipal Ordinance No. 13-03, series of 2025 of the Municipality of Iba, Zambales, entitled: An Ordinance Institutionalizing The Collection

Of Business Taxes From All Contractors Implementing Public And Private Projects Within The Municipality Of Iba, Zambales, Pursuant To The Doctrine Of Situs Of Taxation Under Republic Act No. 7160, Prescribing Procedures For Assessment, Payment, Documentation, And Enforcement; And Providing Penalties For Non-Compliance. (Date Received: October 8, 2025)

HON. VG JACQUELINE ROSE F. KHONGHUN:

"The Chairman of the Committee on Ways and Means is recognized, go ahead Board Member Samantha Ablola."

HON. THEA SAMANTHA D. ABLOLA:

"Ms. Presiding Officer, first, I would like to commend the Municipality of Iba because I think there is really a need to tax those contractors whose principal office is not located within the Municipality of Iba, however, the committee moves to declare their ordinance invalid on the grounds that, first, there is what we call double taxation. There are two kinds of double taxation. First is, direct double taxation and the second one is indirect double taxation. The first one, direct double taxation – that is the one that is prohibited by law. Indirect double taxation is just frowned upon but it is not prohibited.

Following the elements of double taxation, first, the same taxpayer is taxed twice on the same subject. Those are the contractors implementing public and private projects with principal office in Iba. Business Tax. Based on Section 3 of their ordinance, they stated, "*this ordinance shall"* – meaning mandatory - apply to all contractors. Meaning to say, they should have stated ….. because their purpose is to tax those with principal office outside the municipality so they made a commitment that they will amend those who are covered and those who are exempted because you cannot tax twice the same business tax, those who have principal office here in the Municipality of Iba.

The second element of Double Taxation is, taxes are imposed by the same taxing authority or jurisdiction. The Municipality of Iba is their taxing authority.

Taxation is imposed for the same purpose. The purpose is to tax those contractors. Ang gusto po kasi nila talaga ma-tax po yung mga walang principal office sa Iba. For example, registered ka sa SEC sa Quezon City pero engaged ka dito sa Iba. Yun po ang gusto nilang i-tax. However, in Section 3 – they stated, all are covered and may term po na "shall" so it is mandatory. Lastly, same income, property or taxation is subjected to tax.

Next ground – they should have stated the definition of terms. They should have defined who are contractors, who are sub-contractors, who are service providers, what are those transactions? So, wala pong definition of terms.

Also, the penalties – with regard to penalties – they stated there black listing, so they should have differentiated kung paano po nila iba-block list sa munisipyo nila because there is block listing in the DPWH. So, they should have differentiated it. They made a commitment that they will revise their ordinance and file this within the month of November.

So, the committee moves to declare this invalid. I so move, Ms. Presiding Officer."

HON. SANCHO G. ABASTA III:

"Seconded."

HON. VG JACQUELINE ROSE F. KHONGHUN:

"There's a motion that item number 1 be declared invalid, duly seconded, motion is approved."

- - - - - - - - - -

We hereby certify to the correctness of the foregoing.

SONIA T. SEBASTIAN
Administrative Officer V

Noted:

MARIA TERESA D. PANES
Secretary to the S.P.

Republic of the Philippines
Province of Zambales
PHILIPPINE COUNCILORS LEAGUE
ZAMBALES CHAPTER
3rd Floor Provincial Legislative Bldg., Zone V, Iba, Zambales 2201
bmcarloffice@gmail.com

SANGGUNIANG PANLALAWIGAN
PROVINCE OF ZAMBALES
RECEIVED
BY: Norlegene [illegible] B. Angeles
JAN 26 2026 TIME: 5:00

TO: **HON. JACQUELINE ROSE F. KHONGHUN**
Provincial Vice Governor
2nd Flr. Provincial Legislative Bldg. Zone V
Iba, Zambales

THRU: **MARIA TERESA D. PANES**
Secretary to the Sangguniang Panlalawigan

SUBJECT: **Position Paper regarding the Registration of 'NO' vote to the Resolution 2025-394 of the Sangguniang Panlalawigan of Zambales**

TO: [illegible] legislative [illegible] there's a need to talk about this. Kindly schedule a meeting. [illegible] 4 Feb [illegible]

Madam Vice Governor Khonghun:

Greetings of Peace and Good Governance!

This Position Paper is respectfully submitted to formally place on record my decision to register a **NO vote** to Resolution No. 2025-394 of the Sangguniang Panlalawigan of Zambales, entitled "*A Resolution Declaring Invalid Municipal Ordinance No. 13-03, Series of 2025 of the Municipality of Iba, Zambales, Providing for Its Implementation, and Appropriating Funds Therefor.*" This manifestation is made pursuant to my constitutional and statutory duty to ensure that the exercise of provincial review over municipal ordinances is consistent with law, jurisprudence, and the factual bases.

Under **Section 56 of Republic Act No. 7160 (Local Government Code of 1991)**, the Sangguniang Panlalawigan is vested with the authority to review municipal ordinances to determine whether these are **ultra vires, inconsistent with law, or enacted with grave procedural inconsistencies**. This power, while supervisory in nature, must be exercised with restraint, guided strictly by the grounds provided by law.

A careful examination of the transcript of the Committee Hearing chaired by Honorable Board Member Thea Samantha Ablola reveals that the **sole issue raised** against Municipal Ordinance No. 13-03, Series of 2025, was an alleged ambiguity in its wording, which was perceived to possibly give rise to ***double taxation.*** No finding was made that the ordinance was beyond the powers of the Municipality of Iba, contrary to any provision of national law, or enacted in violation of mandatory procedural requirements.

During the Committee Hearing, the Municipality of Iba clearly articulated the **legislative intent** behind the imposition of *the 'situs tax on contractors'* operating within its territorial jurisdiction. The ordinance was intended to tax only those business activities actually conducted within the municipality, consistent with the principle that local government units may levy taxes within their respective territorial jurisdictions, as authorized by the Local Government Code.

Significantly, the explanation of the municipality was **affirmed by the Provincial Accountant, Ms. Rizan N. Farre**, who categorically stated on record that any tax paid by contractors in the Municipality of Iba shall be ***credited or deducted*** from the contractors' total tax liability in the local government unit where their ***principal office is located***. This mechanism effectively negates the existence of prohibited double taxation. Settled principles of taxation hold that double taxation is not presumed and must be shown to exist in fact and in law. In this case, the tax imposed by the

Municipality of Iba does not result in multiple impositions for the same purpose, subject, and taxing authority.

Thus, the alleged defect attributed to Municipal Ordinance No. 13-03, Series of 2025 is **not substantive**, but at most concerns **clarity of drafting**. Jurisprudence and legislative practice recognize that ambiguity in language is a **curable defect**, properly addressed through amendment or clarification, and does not constitute a valid ground for declaring an ordinance invalid under Section 56 of the Local Government Code. To invalidate an ordinance, there must be a clear showing that it is ultra vires or contrary to law, neither of which was established in the present case.

This concern was earlier raised during the regular session of the Sangguniang Panlalawigan on **17 November 2025**, when I intended to formally manifest my position. However, the manifestation did not proceed due to the understanding that the ordinance would lapse into law in the absence of timely action. This Position Paper is therefore submitted to ensure that my legal reasoning and justification are formally recorded and reflected in the proceedings of the august body.

This manifestation is made with full respect to the authority of the Committee and its Chairperson. It is not intended to diminish the Committee's work, but rather to ensure that the exercise of the Sangguniang Panlalawigan's review authority remains **faithful to the limits imposed by the Local Government Code**, guided by evidence on record and the presumption of validity accorded to duly enacted municipal ordinances.

In view of the foregoing, it is respectfully maintained that **Resolution No. 2025-394 lacks basis** to declare Municipal Ordinance No. 13-03, Series of 2025 of the Municipality of Iba, Zambales invalid. Accordingly, and in faithful observance of my mandate, I hereby **register my NO vote** to Resolution No. 2025-394 of the Sangguniang Panlalawigan of Zambales.

Respectfully,

HON. CARL ERIC B. RICO
PCL President/Ex-Officio Board Member

Concurring in the Foregoing Position:

HON. RUNDSTEDT C. EBDANE
2nd District Board Member

HON. REENA MAE L. COLLADO
2nd District Board Member

HON. SANCHO G. ABASTA, III
2nd District Board Member