Republic of the Philippines  
THE HOUSE OF REPRESENTATIVES  
Quezon City  
EIGHTEENTH CONGRESS  
First Regular Session  

House Bill No. 154  


PROPOSED AMENDMENT TO SECTION 138, RA 7160  
OTHERWISE KNOWN AS AN ACT PROVIDING  
FOR A LOCAL GOVERNMENT CODE OF 1991  

EXPLANATORY NOTE  

The concept of provincial waters is *non-existent*. The law only contemplates of municipal waters.  

All rivers flow to the sea. It follows therefore that control over our rivers should be given to the one who control the municipal waters, as all activities done on rivers affect the municipal waters.  

This bill seeks to amend the Section 138 of Republic Act No. 7160, to give the city or municipal mayor better control and authority over the local government unit’s territorial jurisdiction. This way, municipal waters are best protected and a higher degree of accountability is easier established.  

In view of the foregoing, the immediate approval of this bill is earnestly sought.  

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ARNOLFO A. TEVES, JR.
AN ACT PROPOSING AMENDMENTS TO SECTION 138, RA 7160, 
OTHERWISE KNOWN AS AN ACT PROVIDING FOR A LOCAL 
GOVERNMENT CODE OF 1991

Be it enacted by the Senate and House of Representatives of the Philippines in 
Congress assembled:

SECTION 1. Section 138 of Republic Act No. 7160, otherwise known as 
the "Local Government Code of 1991" is hereby amended to read as follows:

Tax on Sand, Gravel and Other Quarry Resources. - The province may levy 
and collect not more than ten percent (10%) of fair market value in the locality 
per cubic meter of ordinary stones, sand, gravel, earth, and other quarry 
resources, as defined under the National Internal Revenue Code, as amended, 
extracted from public lands or from the beds of seas, lakes, rivers, streams, 
creeks, and other public waters within its territorial jurisdiction.

The permit to extract sand, gravel and other quarry resources shall be 
issued exclusively by the city or municipal mayor, pursuant to the ordinance of 
the city or municipality who has territorial jurisdiction over the area where the 
sand, gravel and other quarry resources are located.

The proceeds of the tax on sand, gravel and other quarry resources shall 
be distributed as follows:

(1) Province - Thirty percent (30%);
(2) Component City or Municipality where the sand, gravel, and other 
quarry resources are extracted - Thirty percent (30%); and
(3) Barangay where the sand, gravel, and other quarry resources are 
extracted - Forty percent (40%).
SEC. 2. All laws, decrees, orders, rules, ordinance, and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 3. Separability Clause. – Should any provision of this Act be declared invalid, the remaining provisions shall continue to be valid and subsisting.

SEC. 4. Repealing Clause. - All laws, decrees, orders, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby amended, repealed or modified accordingly.

SEC. 5. Transitory Provision; Applicability to Pending Cases. – For cases pending before the courts upon the effectivity of this Act where trial has already started, the courts hearing such cases shall not lose jurisdiction over the same by virtue of this Act.

SEC. 6. Effectivity. This Act shall take effect fifteen (15) days following the completion of its publication in the Official Gazette or in any two (2) newspapers of general circulation.

Approved: