



Republic of the Philippines
PROVINCE OF ISABELA
City of Ilagan

Office of the Governor

EXECUTIVE ORDER NO. 26 Series of 2023

ENJOINING ALL LOCAL CHIEF EXECUTIVES IN THE PROVINCE OF ISABELA THE STRICT COMPLIANCE TO EXECUTIVE ORDER NO. 41 S. 2023 ISSUED BY THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES, "PROHIBITING THE COLLECTION OF PASS-THROUGH FEES ON NATIONAL ROADS AND URGING LOCAL GOVERNMENT UNITS TO SUSPEND THE COLLECTION OF ANY FORM OF FEES UPON ALL TYPES OF VEHICLES TRANSPORTING GOODS UNDER SECTION 153 OR 155 OF REPUBLIC ACT NO. 7160 OR THE LOCAL GOVERNMENT CODE OF 1991"

Whereas, Section 4, Article X of the Philippine Constitution bestows upon the President of the Republic of the Philippines the supervision over all Local Government Units (LGUs) in the country;

Whereas, Section 5, Article X of the constitution grants LGUs the power to create their own sources of revenue and to levy government taxes, fees or charges subject to such guidelines and limitations as the Congress may provide, consistent with the basic policy of local autonomy;

Whereas, Executive Order no. 41 (EO 41) was issued by the President of the Republic of the Philippines last September 25, 2023 ordering the local government units (LGUs) to suspend the collection of "pass-through fees" to ensure the efficient movement of goods across regions aligned with the strategies to revitalize local industries under the Philippine Development Plan 2023-2028;

Whereas, pursuant to the order of the President under EO 41, LGUs are strongly urged to suspend or discontinue the collection of fees, such as but not limited to, sticker fees, discharging fees, market fees, toll fees, entry fees, or Mayor's permit fees, that are imposed upon all motor vehicles transporting goods and passing through any local public roads constructed and funded by LGUs;

Whereas, under Section 153 of Republic Act (RA) No. 7160 also known as the "Local Government Code of 1991", as amended, LGUs may impose and collect reasonable fees and charges for services rendered;

Whereas, pursuant to Section 155 of RA 7160, a local *sanggunian* may prescribe the terms and conditions, and fix the rates for the imposition of toll fees or charges for the use of any public road, pier, or wharf, waterway, bridge, ferry or telecommunication system funded and constructed by the local government unit concerned;

Whereas, Section 133(e) of RA 7160 provides that the taxing powers of local governments shall not extend to the levy of taxes, fees, and charges and other impositions upon goods carried into or out of, or passing through, the territorial jurisdictions of local government units in the guise of charges for wharfage, tolls for bridges or otherwise, or other taxes, fees, or charges in any form whatsoever upon such goods or merchandise;

Whereas, the unauthorized imposition and collection of pass-through fees bears much stress on the logistical and transportation cost, which is usually passed to consumers who carries the burden in the form of increased price in goods and merchandise;

Whereas, the alignment of our goals and objectives with the policies of the national administration shall consolidate all essential components within the supply value chain, and reduce the cost of food logistics and transportation, which is essential in addressing the impacts of inflation to advance the welfare and interest of all Isabeleños and the country as a whole;

Now therefore, I, **RODOLFO T. ALBANO III**, Governor of Isabela, by virtue of the powers vested in me by law, do hereby issue this Order- **ENJOINING ALL LOCAL CHIEF EXECUTIVES IN THE PROVINCE OF ISABELA THE STRICT COMPLIANCE TO EXECUTIVE ORDER NO. 41 S. 2023 ISSUED BY THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES, "PROHIBITING THE COLLECTION OF PASS-THROUGH FEES ON NATIONAL ROADS AND URGING LOCAL GOVERNMENT UNITS TO SUSPEND THE COLLECTION OF ANY FORM OF FEES UPON ALL TYPES OF VEHICLES TRANSPORTING GOODS UNDER SECTION 153 OR 155 OF REPUBLIC ACT NO. 7160 OR THE LOCAL GOVERNMENT CODE OF 1991"**.

All Local Chief Executives in the province are hereby expected to imposed the moratorium covering the collection of any form of fees upon all types of vehicles transporting goods or merchandise, while passing through and such other roads not constructed or funded by LGUs pursuant to Section 153 or 155 of Republic Act No. 7160 and not to violate the provision of Section 133(e) of the RA 7160.

Let copies hereof be furnished to the Sangguniang Panlalawigan of the province of Isabela for the Body's reference and adoption, all LGUs for their guidance and compliance and concerned national government offices for their information.

This Executive Order shall take effect immediately.

Issued this 16th day of October, 2023 in the City of Ilagan, Isabela.



RODOLFO T. ALBANO III
Governor