NATIONAL ADMINISTRATIVE REGISTER · [LTFRB MEMORANDUM CIRCULAR NO. 2010-007, JANUARY 25, 2010] · DECEMBER 1, 2009

AMENDMENT/CLARIFICATION TO “PARTIAL LIFTING ON APPLICATION FOR FRANCHISE/CERTIFICATE OF PUBLIC CONVENIENCE TO OPERATE TAXICAB (TX) SERVICE AND OTHER PURPOSES” UNDER MC NO. 2009-...

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In response to the pronounced clamor for additional taxicab service particularly in the Metro-Manila area the Board ever attuned to the pulse of public need issued MC No. 2009-031 dated December 01, 2009 which through appropriation of franchises/ Certificates of Public Convenience (CPC’s) decreed the partial lifting of the long standing moratorium on the acceptance of applications for the issuance of taxicab (TX) service franchises/CPC with various bases of operations within Metro-Manila or any points of Luzon accessible to motor vehicle traffic.

As an eloquent proof of such drought of taxicab (TX) service and acute demand thereof, the response or filing of applications for the corresponding franchises/CPC’s for this kind of service has been immediate and overwhelming despite the appropriation fee of P30,000.00 per unit, apart from other fees to be paid.

However, there is a need to clarify/rectify the nature, purpose and goal of this partial lifting through appropriation of abandoned or unoperated taxicab (TX) franchises/CPC’s as found in the records of this Board pursuant to Memorandum Circular No. 2009-031. It appears that this circular has been misconstrued as a simple announcement for the opening of acceptance of ordinary taxicab (TX) applications for which ordinary filing fees for regular new applications for issuance of franchises/CPC’s for the operation of taxicab (TX) service were assessed and collected.

This should not be the case since this would defeat the rationale of MC No. 2009-031 which directs the filing of appropriation franchises/CPC’s for the operation of taxicab (TX) service based upon abandoned/unoperated taxicab franchises/CPC’s per the records of the Board and to impose higher fees thereof. This authorization will be granted not through ordinary application for new service but through the filing of application for cancellation of the abandoned/unoperated franchises/CPC’s previously granted to former applicants and awarding the same to new-applicants who will take over the operation of said franchises/CPC’s in their names for which different and higher filing fees have to be paid to cover administrative and regulation costs.

Therefore, the following clarifications/amendments to MC No. 2009-031 which are underlined are hereby decreed:

1. Par. ii is hereby amended/clarified to read as follows:

> “ii. The route or base of operation shall be from a particular city or municipality in Metro-Manila or Mega-Manila (e.g., City of Manila, Quezon City, Pasay City etc.,) and uniformly, from said place to any point within Mega-Manila (NCR, Regions III and IV) accessible to motor vehicle traffic.

2. Par iv is hereby amended/clarified to read as follows:

> “iv. The taxicab units to be applied for/shall be:

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a) Brand new units – un-used and year model is the current year or year before the application is filed.

3. Par vii is hereby amended/clarified to read as follows:

“vii. Simultaneous application for cancellation of the abandoned/unoperated franchises/CPC’s in the name/s of previous grantees as provided from the records of the Board and thereafter, the application for appropriation of this abandoned franchises/CPC’s may be filed. Or a joint/single application seeking and praying for the cancellation of the abandoned/unoperated franchise/CPC in the name of previous grantee as provided from the records of the Board, and appropriation of the aforesaid abandoned franchise/CPC in favour of the new or present applicant may also be filed.

Only such application for cancellation and appropriation shall be allowed at a minimum number of twenty (20) units for each application. The Board may allow more than one application for twenty (20) units each, provided that all the applications shall be for brand new units, ready for inspection and registration within one hundred eighty (180) days from the grant of franchise.

4. Par. ix is hereby amended/clarified to read as follows:

“ix. Aside from the regular fees to be assessed by the Technical Evaluation Division of the Board, an appropriation fee in the amount of Pesos: Thirty Thousand (PhP 30,000.00)/unit shall be assessed and paid/collected before the application is received for filing or before filing of the same with the Board.”

5. Par. xii is hereby amended/clarified to read as follows:

“xii. That applicant-grantee is prohibited from selling the Franchise/CPC or causing the filing of application for segregation or any mode of sale and transfer of the said franchise/CPC granted pursuant to this circular within five (5) years from grant and without previous approval by the Board. If the Board later discovers, that this prohibition was violated, it shall motu proprio or upon petition of concerned party cancel the Franchise/CPC even if already transferred to a vendee who is presumed to have previous notice of this limitation on this authority.”

Furthermore, to minimize “kabit system” or allowing others to “attach” their units to the franchise/CPC thus granted pursuant to this application for cancellation and appropriation under this circular, the applicant-grantee is prohibited from filing any Petition for Dropping and Substitution of the units authorized in the decision issued pursuant to this circular within five(5) years from grant here at except when the unit to be withdrawn is no longer available for reasons beyond the control of the former,as when it was carnapped, destroyed/burned, lost for any other reasons, e.g.,the unit having been sunk, buried or back-hoed, etc.

6. Par. xiii is hereby added as last paragraph to this MC No. 2009-031 to read as follows:

“xiii. Further action on the applications for ordinary airconditioned taxicab (TX) service recently filed immediately after the effectivity of this Memorandum Circular No. 2009-031 which are not in the nature of applications for cancellation and appropriation for which only the minimal filing fees for new applications for issuance of franchises/CPC’s have been paid will be held in abeyance. The applicants thereof are directed to secure from the records of the Board the necessary information or data on the franchises/CPC’s which have been abandoned/ unoperated. Then they should amend their ordinary applications to conform with the applications for cancellation and appropriation as mentioned above and to pay the additional amount of filing fees and other charges, particularly the amount of P30,000.00 per unit as set forth under par. ix hereof. Failure to do so within fifteen (15) days from the effectivity of this amendatory Memorandum Circular, this Board shall dismiss said applications.

This Memorandum Circular hereby modifies, amends and/or clarifies MC No. 2009-031 or parts thereof, or any other related issuances which are inconsistent herewith. It shall take effect immediately after its publication in the Official Gazette or in a newspaper of general circulation in the Philippines.

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The Office of the Executive Director or such section of this Board concerned is directed to submit to the UP Law Center three (3) copies hereof for record purposes pursuant to Presidential Memorandum Circular No. 11 dated October 9, 1992.

SO ORDERED.

Adopted: 25 Jan. 2010

(SGD.) ALBERTO H. SUANSING
Chairman

(SGD.) GERARDO A. PINILI
Board Member

(SGD.) MARIA ELLEN DIRIGE-CABATU
Board Member

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