



*Office of the Sangguniang Panlalawigan*

EXCERPT FROM THE MINUTES OF THE 34<sup>th</sup> REGULAR SESSION OF THE 12<sup>th</sup> SANGGUNIANG PANLALAWIGAN OF ISABELA HELD AT PROVINCIAL CAPITOL, CITY OF ILAGAN, ISABELA ON MARCH 23, 2026.

**PRESENT:**

FRANCIS FAUSTINO A. DY	Vice-Governor & Presiding Officer
JOSE T. PANGANIBAN, JR.	Member (3rd District) & Floor Leader Pro Tempore
EVYN JAY C. DIAZ	Member (1st District)
EMMANUEL JOSELITO B. AÑES	Member (1st District)
ANGELICA L. REYES	Member (2nd District)
RAMON JUAN N. REYES, JR.	Member (3rd District)
CLIFFORD R. RASPADO	Member (4th District)
ABEGAIL V. SABLE	Member (4th District)
JONATHAN JOSE C. CALDERON	Member (5th District)
MANUEL FAUSTINO U. DY	Member (5th District)
MARCO PAOLO A. MERIS	Member (6th District)
AMADOR A. GAFFUD, JR.	Member (6th District)
ANTONIO S. HUI	Member, PCL Federation President
MARIA KATRINA JESSICA G. DY	Member, LnB Federation President

**ON OFFICIAL BUSINESS:**

CATHERINE JOY L. LEGASPI	Member, SK Federation President
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**ON LEAVE:**

ED CHRISTIAN S. GO	Member (2nd District)
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**ORDINANCE NO. 2026-11-02**  
 Series of 2026

**AN ORDINANCE AMENDING CERTAIN PROVISIONS OF ORDINANCE NO. 005, SERIES OF 2014, OTHERWISE KNOWN AS THE PROVINCIAL REVENUE CODE OF THE PROVINCE OF ISABELA, TO INTEGRATE THE GUIDELINES ON THE AVAILMENT OF PREFERENTIAL RIGHTS OF ELECTRIC COOPERATIVES UNDER REPUBLIC ACT NO. 7160 IN RELATION TO REPUBLIC ACT NO. 10531, AND FOR OTHER PURPOSES**

**Sponsor: HON. MANUEL FAUSTINO U. DY**  
 Chairperson, Committee on Ways and Means

**EXPLANATORY NOTE**

Electric cooperatives play a vital role in bringing power to homes, schools, farms, businesses, and communities across the Province of Isabela. Their work is directly connected to public welfare, local development, and the daily lives of our people. For this reason, national law and the recent BLGF circulars now provide clearer guidance on the preferential rights that qualified electric cooperatives may enjoy, particularly in relation to local taxes, fees, and charges.

The Provincial Revenue Code of Isabela was enacted long before these new guidelines were issued. As a result, some of its provisions may no longer fully reflect the present national policy on the treatment of electric cooperatives. Without the necessary amendments,

**Nagkaisa para sa Isabela**



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confusion may arise in the implementation of the Code, especially in the assessment and collection of franchise tax, transfer tax, real property tax, and other related local impositions.

This proposed measure seeks to align the Provincial Revenue Code with the updated national rules by clearly recognizing the rights of electric cooperatives that are entitled to such preferential treatment under existing law. It also identifies the proper documentary basis for claiming such privilege, particularly the Certificate of Compliance issued by the proper national authority, so that the Province will have a clear and lawful basis in determining when the exemption may be availed of.

Ultimately, this amendment is intended to prevent conflicting interpretations, avoid unnecessary disputes, and ensure that the Province of Isabela remains compliant with national policy while continuing to uphold sound local fiscal administration. It is a corrective and harmonizing measure meant to bring the Provincial Revenue Code in step with the current legal framework governing electric cooperatives.

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

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**Section 1. Insertion of New Definitions.** Section 1.B.01 (Definition of Terms) of the Provincial Revenue Code is hereby amended by inserting new paragraphs immediately after paragraph (v), to read as follows:

**“(w) Electric Cooperative** – refers to an electric distribution utility organized and/or registered pursuant to Presidential Decree No. 269, as amended, and Republic Act No. 10531, including electric cooperatives registered with the National Electrification Administration (NEA) and stock electric cooperatives registered with the Cooperative Development Authority (CDA), as may be applicable.

**“(x) Certificate of Compliance** – refers to the certification issued by the National Electrification Administration (NEA) to an electric cooperative as proof of its compliance with the financial and operational standards prescribed by NEA, for purposes of availing the preferential rights recognized under Republic Act No. 10531 in relation to Republic Act No. 7160.”

**Section 2. Recognition of the Certificate of Compliance as Proof for Exemption Claims.** Section 2.B.04 (Proof of Exemption of Real Property From Taxation) is hereby amended by adding a new paragraph after the first paragraph, to read as follows:

“In the case of an Electric Cooperative claiming exemption from real property tax and/or seeking to avail of preferential rights recognized under Republic Act No. 10531 in relation to Republic Act No. 7160, the Certificate of Compliance issued by the National Electrification Administration (NEA) shall be submitted as part of the

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documentary evidence in support of such claim, in accordance with applicable laws and national government issuances.”

**Section 3. Exemption of Qualified Electric Cooperatives from Transfer Tax.** A new Section is hereby inserted immediately after Section 3A.01, to be numbered as Section 3A.01-A, to read as follows:

“**SEC. 3A.01-A. Exemption of Electric Cooperatives.** – Notwithstanding any provision of this Code to the contrary, the Tax on Transfer of Real Property Ownership imposed under this Article shall not be assessed or collected from an Electric Cooperative, as defined herein, that is entitled to avail of the preferential rights under Republic Act No. 10531 in relation to Republic Act No. 7160, subject to the presentation and submission of the Certificate of Compliance and other sufficient documentary requirements, as may be required under applicable laws and issuances.”

**Section 4. Exemption of Qualified Electric Cooperatives from Franchise Tax.** A new Section is hereby inserted immediately after Section 3.C.02, to be numbered as Section 3.C.02-A, to read as follows:

“**SEC. 3.C.02-A. Exemption of Electric Cooperatives.** – Notwithstanding any provision of this Code to the contrary, the Franchise Tax imposed under this Article shall not be assessed or collected from an Electric Cooperative, as defined herein, that is entitled to avail of the preferential rights under Republic Act No. 10531 in relation to Republic Act No. 7160, subject to the presentation and submission of the Certificate of Compliance and other sufficient documentary requirements, as may be required under applicable laws and issuances.”

**Section 5. Separability clause.** If any provision of this amendatory Ordinance is declared invalid or unconstitutional, the remaining provisions not affected thereby shall remain in full force and effect.


**Section 6. Repealing clause.** All ordinances, rules and regulations, or parts thereof, inconsistent with this amendatory Ordinance are hereby repealed or modified accordingly.

**Section 7. Effectivity.** This amendatory Ordinance shall take effect after compliance with the publication and effectivity requirements under applicable law.

I hereby certify that the foregoing ordinance was duly enacted by the 12<sup>th</sup> Sangguniang Panlalawigan of Isabela during its 34<sup>th</sup> Regular Session on March 23, 2026.

  
ATTY. MARICEL R. EVANGELISTA, CPA  
Acting Secretary to the Sangguniang Panlalawigan


ENACTED:

  
EYLN JAY C. DIAZ  
Member (1<sup>st</sup> District)


  
EMMANUEL JOSELITO B. ANES  
Member (1<sup>st</sup> District)

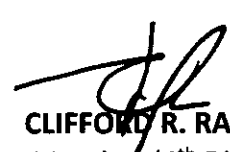
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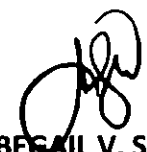
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**FRANCIS FAUSTINO A. DY**  
Vice Governor

**APPROVED:**

  
**RODOLFO T. ALBANO, III**  
Governor