

Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

JUN 05 2013

DEPARTMENT ORDER)
53)
NO.)
Series of 2013)


SUBJECT : **ADDITIONAL DOCUMENT FOR THE
PROCESSING OF PAYMENT FOR
CIVIL WORKS PROJECT**

Pursuant to Department Order Nos. 109 and 119, series of 1993, and Commission on Audit Circular No. 2012-001 dated June 14, 2012, **Clearance from the concerned Provincial Treasurer certifying that corresponding sand and gravel fees has been paid** shall form part of the documents to be attached in the final billing of civil works projects.

No final payment for any project shall be made unless the contractor have secured and attached said Clearance as supporting documents in their claim.

It is understood that said clearance shall form part of the Checklist under the Document Tracking System for Civil Works as implemented under Department Order No. 52, series of 2012.

For strict compliance.


ROGELIO L. SINGSON
Secretary

Department of Public Works and Highways
Office of the Secretary



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Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Bonifacio Drive, Port Area, Manila

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11 May 1993

DEPARTMENT ORDER)

NO. **119**)
Series of 1993 ^{ser} 1/4

SUBJECT: **Additional Preconditions for
Award and Final Payment on
Contracts for Public Works**

Section 138, Title I, Book II of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, provides that:

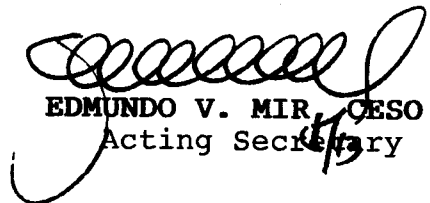
"Section 138. Tax on Sand, Gravel and Other Resources. - The province may levy and collect not more than ten percent (10%) of fair market value in the locality per cubic meter of ordinary stones, sand, gravel, earth, and other quarry resources, as defined under the National Internal Revenue Code, as 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 provincial governor, pursuant to the ordinance of the sangguniang panlalawigan. x x x"

In keeping with the above-quoted provisions of law, contractors dealing with offices of the Department of Public Works and Highways shall, as a precondition for award of contract, present a permit issued by the Office of the Provincial Governor concerned for the extraction of sand and gravel and, as a precondition for final payment, tax clearance from the Office of the corresponding Provincial Treasurer that all taxes on sand, gravel or other quarry resources utilized in project implementation had been fully paid. Non-compliance with such prerequisites shall be a ground for non-award and/or non-payment, as the case may be.

All DPWH officials and employees concerned are hereby enjoined to discuss this matter during pre-bid conferences for the information of all the participating bidders and that these preconditions shall be made part of the Instructions to Bidders.

This Order takes effect immediately and modifies DPH Memo-Circular No. 65 dated 24 May 1978 and such other issuances inconsistent herewith.


EDMUNDO V. MIRASOL, CESO I
Acting Secretary



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA

04 May 1993

DEPARTMENT ORDER)

NO.

109

Series of 1993

SUBJECT: **TAXES ON SAND,
GRAVEL & OTHER
QUARRY SOURCES**

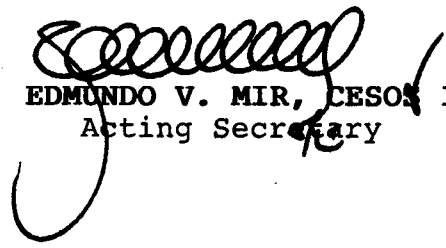
Under Section IB 9.2 of the Implementing Rules and Regulations, as amended, of PD 1594, it is the sole responsibility of the prospective bidder to determine and satisfy himself by such means as he considers necessary or desirable as to all matters pertaining to the project such as, among others, availability of materials, location and extent of aggregate source and other factors (underscoring supplied) that may affect the cost, duration and execution of the work.

The phrase "and other factors" as interpreted includes taxes on sand, gravel and other quarry sources imposed by the province pursuant to Section 138 of the Local Government Code. The imposition of this tax is by means of a law passed by the province.

In this regard, all prospective bidders in DPWH infrastructure projects that will use sand and gravel are hereby required to have knowledge of the law imposing these taxes on sand, gravel and other quarry sources by the provincial government. As such, it is likewise conclusively presumed that these prospective bidders have incorporated in their unit cost analysis a sum to take care of these taxes if they are imposed. Bidders who failed to do so, do so at their own risk, thus they are not entitled to any relief.

Implementing Offices of this Department which are charged with the preparation of the Approved Agency Estimate (AAE) are also obliged to have knowledge of the existence of the taxes on sand, gravel and other quarry sources in the province where the project is to be implemented. They should therefore include these taxes in AAE unit cost.

This Department Order shall take effect immediately and shall form part of the bid/tender documents.


EDMUNDO V. MIR, CESOS I
Acting Secretary