

Republic of the Philippines  
Province of Cebu  
CITY OF NAGA



Excerpt from the minutes of the regular session of the Sangguniang Panlungsod of the City of Naga, Cebu held on May 18, 2015 at the Session Hall, City of Naga, Cebu.

Present:

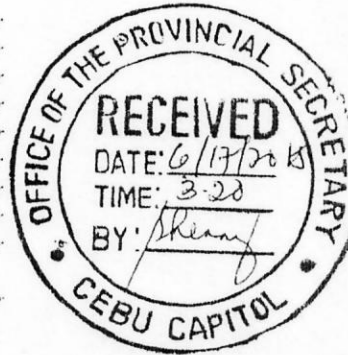
HON. DELFIN R. SEÑOR  
HON. ALEXANDER R. LARA  
HON. OTHELLO M. CHIONG  
HON. VIRGILIO M. CHIONG  
HON. ELMER Q. LAPITAN  
HON. NILO B. ALINSONORIN  
HON. CARMELINO N. CRUZ  
HON. RODRIGO A. NAVARRO  
HON. AFSHIN MARK K. SEÑOR  
HON. LETECIA F. ABANGAN

- Vice Mayor/Presiding Officer  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member  
- Sangguniang Panlungsod Member

Absent:

HON. VENCI R. DEL MAR  
HON. AURELIO B. ALINSONORIN

- Sangguniang Panlungsod Member  
- ABC President



**ORDINANCE NO. 2015-005**

**AN ORDINANCE INSTITUTIONALIZING THE BUSINESS PERMIT AND LICENSING SYSTEM IN THE CITY OF NAGA, CEBU**

**SECTION 1. TITLE.** This Ordinance shall be known as the “Business Permit and Licensing System Ordinance or the BPLS Ordinance”.

**SECTION 2. AUTHORITY** – This Ordinance is enacted pursuant to Sections 16, 18, 129 and 185 of the Local Government Code of 1991 and the relevant and pertinent circulars and memorandums on the matter.

**SECTION 3. PURPOSES** – This Ordinance is enacted for the following purposes:

1. To institutionalize the business registration scheme in the City of Naga, Cebu;
2. To streamline the application or renewal processes involved therein;
3. To strengthen the Teams composing the Business Permit and Licensing System;
4. To establish penalties for violation of the provisions of this Ordinance.

**SECTION 4. DEFINITION OF TERMS** – For proper implementation of this Ordinance, the terms hereunder provided shall have the following meaning, to wit:

1. Days – shall refer to calendar days;
2. Member Office – shall refer to the offices that are Members of the Joint Inspectorate Team (JIT);
3. Business/ Mayor’s Permit – shall refer to the legal authority granted by the City Government of Naga, Cebu to all persons, natural or juridical, business establishments, offices, institutions and similar others to operate within the territorial jurisdiction of the City for a given period of time.
4. BUSINESS ONE-STOP-SHOP (BOSS) – refers to an arrangement where all concerned agencies or offices involved in processing and issuance of business permits and licenses are organized in a single common site or location to receive and process applications for business registration.

5. Business Permit Registration Plate – shall refer to the permanent business registration plate which will be issued by the Office of the Mayor after compliance with all the requirements for the issuance of a Business Permit, as provided for in this Ordinance.
6. Business establishment - shall refer to any person, natural or juridical, association, partnership or organization that is registered under existing laws i.e. SEC/ DTL, and/or was previously granted an authority to operate within the territorial jurisdiction of the City. It shall include all other business establishments that will apply for a Business/ Mayor's Permit after the passage of this Ordinance.
7. Doing business – shall refer to any acts or activities with the City of Naga, Cebu that imply a continuity of commercial dealings or arrangements that create earnings or profits to the owner, operator or manager.
8. Annual Fees – shall refer to the amount required by the City Treasurer's Office (CTO) prior to the issuance of the said business/ mayor's permit based on the previous year's gross income and payment computed in accordance with the Revenue Code of the City of Naga, Cebu.
9. BPLS – shall refer to the Business Permit Licensing System;
10. BPLO – shall refer to the Business Permit Licensing Officer;
11. JIT – refers to the Joint Inspectorate Team defined in Section 6, Paragraph 3;
12. Provisional permit – shall mean a temporary permit given to the owner, operator or manager of a business establishment for him to conduct business with a condition to comply the lacking permits or clearances within ninety (90) day period.
13. The City Mayor shall have discretion in granting the provisional permit taking into consideration the surrounding circumstances of each case, subject to the relevant existing laws on the matter, *provided* that no business registration plate/sticker shall be issued to a business establishment with provisional permit until lacking requirements shall be complied.

**SECTION 5.** The Business Registration Plate. A Business Registration Plate and sticker, together with the Business Permit shall be issued to all Business Permittee after compliance of all requirements set herein.

The BPLS-Technical Working Group (TWG) as referred to in the succeeding paragraph, is enjoined to secure the design, actual cost of the said registration plate and sticker, as well as its safety features, before January 1, 2016

The issuance of the Business Registration Plate shall take effect on January 1, 2016 subject to the following conditions:

- I. There shall only be one uniform and official design for the Business Registration Plate and shall bear the following information:
  - a. Business Plate Design
    - i. Business identification number (BIN)
    - ii. Sticker box
    - iii. City Government of Naga, Cebu official seal
    - iv. Background design (City Hall Bldg., of the City Government of Naga, Cebu)
    - v. Year of application of the business

- b. Sticker design
  - i. Year of issuance
  - ii. Signature of the City Mayor
- II. Any person, natural or juridical, that is exempt from paying taxes by virtue of an existing law, rules or regulations shall nevertheless be required to secure the Business Registration Plate and shall be required to pay the fees hereunder provided prior to issuance of the corresponding Business Registration Plate.
- III. All persons applying for the issuance of a Business/Mayor's Permit shall be required to pay an additional imposition to cover the actual cost incurred for the fabrication of the Business Registration Plate, not to exceed P500.00.
- IV. In the event of loss, destruction or deface of the Business Registration Plate, immediate replacement of the same must be initiated by the grantee subject to payment in the amount charge to every new application.

**SECTION 6.** NEW BUSINESS REGISTRATION SCHEME- The steps to follow in applying or renewing business permits are as follows:

**SECTION 6-A: For New Registrants**

Step 1: Secure from BPLO an application form and submit the filled up application form together with the following documents:

- a. Zoning Clearance
- b. Building and/or Occupancy Permit whichever is applicable
- c. Fire Safety Inspection Certificate
- d. Health Certificate and Sanitary Permit
- e. Environmental Clearance, if applicable
- f. Tax Clearance Certificate or Tax Exempt Certificate, whichever is applicable of the:
  - Operator/ Proprietor in case of Sole Proprietorship
  - Partners in case of a Partnership
  - juridical entity in case of Corporation
- g. Proof of registration of the business entity
- h. Barangay Clearance and Community Tax Certificate
- i. TESDA Certificate, if applicable

Step 2: Inspection by the JTT

Step 3: Assessment and payment of taxes, fees and charges at CTO

Step 4: Release Business/ Mayor's Permit and the Business Registration Plate & Sticker upon submission of Official Receipt as proof of payment of taxes, fees and charges and all other documentary requirements and clearances

**SECTION 6-B: For business renewals**

Step 1: Secure from BPLO an application form and submit the filled up application form together with the following documents:

- a. Tax Clearance Certificate or Tax Exempt Certificate, whichever is applicable of the:
  - Operator/ Proprietor in case of Sole Proprietorship
  - Partners in case of a Partnership
  - juridical entity in case of Corporation

- b. Previous year's statement of Gross Income
- c. Previous year's audited financial statement or ITR (submission of which must not be later than May 20<sup>th</sup> of the year)
- d. Barangay Clearance and Community Tax Certificate
- e. Indorsement from the JIT

Step 2: Assessment and payment of taxes, fees and charges at City Treasurer's Office

Step 3: Release Business/ Mayor's Permit, Business Registration Plate and sticker upon submission of Official Receipt as proof of payment of taxes, fees and charges and all other documentary requirements and clearances

Subject to existing laws and ordinances, all clearances/ permits that may be required for processing of business permit shall be valid for one (1) year and shall be honored by the Business Permit and Licensing Officer and/or BOSS for as long as they have not yet expired.

**SECTION 7. BUSINESS ONE-STOP-SHOP (BOSS).** The BOSS shall start from the first working day of January and end on the 20<sup>th</sup> day of January of every year, with business hours from 8:00 AM - 5:00 PM daily, from Monday to Friday and may be extended upon the discretion of the City Mayor.

**SECTION 8.** Issuance of a Provisional permit – The City Mayor shall have discretion in granting the provisional permit taking into consideration the surrounding circumstances of each case, subject to the relevant existing laws on the matter, *provided* that no business registration plate/sticker shall be issued to a business establishment with provisional permit until compliance to the lacking requirement has already been made.

**SECTION 9. TEAMS** – the four (4) teams comprising the BPLS shall have the following composition and functions:

**I. OVERSIGHT TEAM**

A. Function/s:

It shall monitor the various Teams in the BPLS and shall initiate, review, recommend and/ or approve developments therein, including the grant of honorarium to the Team Members thereof, *if deemed necessary*.

B. Composition:

Chairman : City Mayor  
 Vice Chairman: Vice Mayor or his representative preferably the Chairperson of the Business and Industry Committee of the *Sangguniang Panlungsod*  
 Members: City Fire Marshal  
 City Legal Officer  
 Representative from the Local Chamber of Commerce and Industry duly authorized as such

**II. TECHNICAL WORKING GROUP (BPLS-TWG)**

A. Function/s:

1. To continuously study, initiate, pilot and cause the implementation of developments and changes needed to further enhance the Business Permit and Licensing System;
2. Coordinate with national government agencies and organizations, such as the Social Security System, Philhealth, BIR and Home Mutual

- Development Fund (Pag-Ibig) in integrating their services during the BOSS;
3. Formulate and implement an effective system for the proper monitoring of the business establishments;
  4. Conduct a series of consultation with relevant stakeholders for the improvement of the System and conduct information dissemination to the concerned, if necessary; and;
  5. Performs such other tasks and functions necessary for and incidental to the pursuance of the System.

B. Composition:

Chairman : City Treasurer  
 Vice Chairman: City Administrator  
 Secretary: Business Permit Licensing Officer  
 Members: Executive Assistant to the Mayor  
 Public Information Officer  
 Chairperson, Committee on Health of the *Sanggunian* or his representative  
 Chairperson, Committee on Finance and Appropriation of the *Sanggunian* or his representative

**III. JOINT INSPECTORATE TEAM (JIT)**

A. Function/s:

1. The forefront of ensuring public safety and protecting public welfare in the City of Naga, Cebu through the conduct of inspections of business establishment at prescribed intervals in a year, and thorough verification of the information declared by the business operator in the application for business permit.
2. Ensure compliance of business operations to existing laws and ordinances through information dissemination,
3. Prepare inspection report which would serve as recommendation to the City Mayor in its business decision-making policies;
4. Monitor developments and changes in business activity.

B. Composition:

Team Leader: Business Permit and Licensing Officer(BPLO)  
 Members: City Building Official or Representative  
 City Planning and Development Officer or representative  
 City Fire Marshal or representative  
 City Treasurer or Representative  
 City Health Officer and Sanitary Officer or their Representatives, and  
 City Environment and Natural Resources Officer or Representative

C. Governing laws:

Member Offices shall be governed by the appropriate laws mandating the function of their respective offices, i.e.

1. Office of the Building Official – National Building Code and Accessibility Law
2. City Planning and Development Council – Zoning Ordinance
3. Bureau of Fire Protection – Fire Safety Code of the Philippines
4. City Treasurer's Office – City of Naga, Cebu Revenue Code and the Revenue Code of the Philippines
5. City Health Office – Sanitation Code of the Philippines, and the Sanitation Code of the City of Naga, Cebu

6. City Environment and Natural Resources – Various Environmental laws and relevant city ordinances.

The above shall not preclude the application of special laws, memorandums, circulars, local Ordinances and/or Resolutions that may from time to time be enacted upon by competent authority.

D. Mission Order:

The City Mayor shall issue a mission order for every inspection that will be conducted by the JIT which shall contain the date, mission order number, the names of the inspectors and their ID number, the area that will be subject to inspection and the scheduled dates of inspection.

The Mission Order shall be shown to the operator of the business establishment before any inspection is conducted otherwise, the owner or operator of the business establishment may report to the Office of the City Mayor any inspection conducted without a mission order.

E. Conduct of Inspection:

Upon inspection, the JIT shall observe the following:

- i. Wearing of appropriate uniform and proper identification card
- ii. Use of the prescribed inspection report form which shall actually be accomplished in the course of inspection containing therein the following, to wit:
  1. Name of inspectors, their position, and signature;
  2. Time and date of inspection;
  3. Acknowledgment by the owner, operator or manager of the applicant business establishment;
  4. If there is/are negative finding(s), such fact must be properly explained and the period to remedy the same must be indicated;
  5. The proof that a copy of the record of inspection was provided to the owner, operator or manager of the applicant business establishment;
- iii. Prioritize inspection of establishments which were granted provisional permits

F. Local Assistance

The JIT, if the circumstances require, may call upon the assistance of the Naga Enforcement Team (NET) and/or the Philippine National Police through the City of Naga, Cebu Police Office in the conduct of its inspection activities.

IV. **NAGA ENFORCEMENT TEAM (NET) –**

A. Function/s

It shall be responsible in carrying out the penalties imposed upon to the non-compliant business operator.

B. Composition

Team Leader:	City Administrator
Asst. Team Leader:	City Legal Officer
Members:	Business Permit and Licensing Officer
	Building Official
	City Treasurer
	City PNP Chief, and
	City Fire Marshall

## SECTION 10. REMEDIES AND CORRESPONDING PENALTIES

1. For business establishment determined to have violated any terms and conditions to which the Permit has been issued, the concerned Member Office shall issue a Notice of Violation through its owner, operator or manager, copy furnished (cc) the Business Permit Licensing Officer (BPLO), indicating therein a reasonable period to remedy such violation, which period shall in no case be less than ten (10) calendar days nor more than thirty (30) calendar days.

The Member Office shall immediately notify the BPLO the fact/s of compliance or non-compliance. In the latter case, the BPLO shall indorse the matter to the City Legal Office for appropriate action.

In such event, the following penalties shall be imposed:

- i. FIRST OFFENSE : fine of Php 2000
- ii. SECOND OFFENSE: fine of Php 3000 and/or suspension to operate for 15-day period
- iii. THIRD OFFENSE: fine of Php4000 and revocation of business permit and closure of business establishment
- iv. FOURTH OFFENSE: fine of Php5000 and disqualification of the owner, operator or manager to operate a business of any kind within the jurisdiction of the City for a period of two (2) years.

Should there be compliance with the terms and conditions indicated in the Notice of Violation after the revocation of permit and closure of the establishment, the owner may re-apply for a new business permit for the continuance of its business operation in the remaining period of the year.

2. For business establishments operating without a business permit, the BPLO shall issue a Notice to that effect indicating a period of 15 days from Notice thereof, to apply and secure a Mayor's/ Business Permit.

In case of non-compliance in the given period, the business establishment shall be padlocked and the items used in the operation of the business shall be confiscated. Padlocking and confiscation shall be executed by the NET as referred to in Par. IV, Section 7 herein.

The BPLO shall then indorse the matter to the City Legal Office for appropriate action.

If the owner commits the same violation referred to herein in a period of two (2) years, a disqualification for him to operate a business of any kind within the jurisdiction of the City for a period of two (2) years shall also be imposed provided, if the owner commits for the third time the violation referred to herein, a *perpetual disqualification* to operate a business in the City shall be imposed against him.

3. Should there be operation of the business establishment despite the imposition of suspension to operate; or revocation of Mayor's Business Permit and/or closure of business establishment; or padlock, as the case may be, the owner, operator or manager shall be subjected to 1 to 30 days imprisonment upon the discretion of the appropriate Court;

4. The foregoing provisions shall however, not apply to completely prohibited or illegal businesses as the same shall be subject for total closure.

**SECTION 11. PROHIBITED ACTS:**

1. Unauthorized removal of the NOTICE of suspension to operate or revocation of Mayor's/ Business Permit and closure or no permit, as the case may be, posted in the business establishment;
2. Use of the Business Registration Plate and/or the Mayor's/ Business Permit by another person or business;
3. Unauthorized fabrication of the Business Registration Plate, and/or the Mayor's/ Business Permit alteration or destruction thereof;
4. Fraudulently misrepresenting the information of the business operator/ proprietor.

The commission of any aforementioned acts shall cause the imposition of a fine of Php2000 to Php5000 and/or 1 to 30 days imprisonment.

**SECTION 12. APPLICABILITY** – The penalty/ies imposed under this Ordinance shall not bar the City Government from imposing other penalties provided under existing local and national laws in addition hereto.

**SECTION 13. IMPLEMENTING RULES-** shall be issued by the BPLS-TWG within sixty (60) days from the enactment of this Ordinance.

**SECTION 14. REPEALING CLAUSE** – All Ordinances, rules and regulations found inconsistent with any of the foregoing provisions of this Ordinance are hereby repealed or amended accordingly.

**SECTION 15. SEPARABILITY CLAUSE** – If for any reason, any part of provision of this Act is declared invalid or unconstitutional by an appropriate Courts of Cebu, any part or provision not affected thereby shall remain in full force and effect.

**SECTION 16. EFFECTIVITY** – This Ordinance shall take effect fifteen (15) days after its publication.

**UNANIMOUSLY APPROVED** this 18<sup>th</sup> day of May 2015, on motion of Hon. Rodrigo A. Navarro, seconded by Hon. Afshin Mark K. Señor.

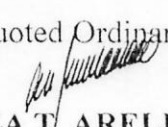
June 11, 2015

I HEREBY CERTIFY to the correctness of the afore-quoted Ordinance taken from the minutes on file.

ATTESTED BY:



**DELFIN R. SEÑOR**  
Vice Mayor/Presiding Officer



**DELZA T. ARELLANO**  
Secretary to the Sanggunian

APPROVED BY:



**VALDEMAR M. CHIONG**  
Mayor