

Implementation of Real Property Tax Online Payments on Selected Local Government Units*

I. Introduction

Local government units (LGUs) function through the revenues they generate within their respective jurisdictions and the powers granted to them by the Philippine 1987 Constitution and expounded through Republic Act (RA) No. 7160¹, otherwise known as the “Local Government Code (LGC) of 1991”, as amended. Local governments generate their revenues from local and other external sources. Local taxes include property taxes, business taxes, and other taxes that provinces, cities, and municipalities may impose in their respective jurisdictions. On the other hand, external sources include the National Tax Allotment, shares from national taxes, grants and aids, and borrowings. To keep up with the times, LGUs have come up with ways to efficiently collect the said taxes, and a 21st-century-friendly method is through online payments.

This paper assesses the transition of selected LGUs in the National Capital Region on integrating technological advancements in government transactions, particularly the use of online payment systems for real property tax (RPT) payments in the Philippines.

II. Background Information

The RPT in the Philippines is governed by the LGC of 1991, as amended. Property taxes include the following: basic RPT, special education fund (SEF) tax, idle land tax (ILT), special levy, socialized housing tax (SHT), and tax on the transfer of real property ownership (transfer tax). Under the LGC, provinces, cities, and municipalities within Metro Manila are authorized to levy an annual ad valorem tax on real property such as land, building, machinery, and other improvements based on the assessed value of the property derived from the application of the assessment levels (in percentage) to the fair market value (FMV) of the property (LGC, 1991, Sections 232 and 198). In addition to the basic RPT, the SEF tax is an annual tax imposed by the province or city, or municipality within Metro Manila at a rate of 1% on the assessed value of the real property. The proceeds will exclusively accrue to the local

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¹ Entitled, “An Act Providing for a Local Government Code of 1991”, 10 October 1991.

school boards in support of the primary and secondary education of the concerned LGUs (LGC, 1991, Sections 235 and 272).

Correspondingly, the transfer tax is imposed on the sale, donation, barter, or any other mode of transferring ownership or title of real property at the rate not exceeding 50% of 1% of the total consideration involved in the acquisition of the property or the FMV in case the monetary consideration involved in the transfer is not substantial, whichever is higher (LGC, 1991, Section 135). In the same manner, the ILT is imposed at a rate not exceeding 5% of the property's assessed value (LGC, 1991, Section 236). On the other hand, the SHT as provided under Section 143 of the RA 7279 (1992)², or the "Urban Development and Housing Act of 1992", authorizes all LGUs to impose an additional 0.5% tax on the assessed value of all lands in urban areas in excess of P50,000. The proceeds of which will fund the urban development and housing program of the LGUs.

From 2017-2021, the revenues from property taxes showed an annual average of P74.67 billion, with an average growth rate of 6.83% (see Table 1). Additionally, the annual aggregate revenues of RPT gradually increased from P60.81 billion in 2017 to P77.17 billion in 2021. However, the collections from the SHT and the ILT decreased gradually from 2019 to 2021. From P26.29 million in 2019, the SHT revenues went down to P17.25 million in 2021, the same as the ILT which declined from P414.48 million in 2019 to P334.33 million in 2021. (see Annex A).

Table 1

*Average Property Tax Revenues of Local Government Units, By Source, CYs 2017-2021
(In Million Pesos)*

Source	Average		
	Amount	Distribution (%)	Growth rate (%)
Property taxes	74,672.60	100.00	6.83
Real property taxes	67,855.23	90.87	6.25
Basic	33,315.49	49.10	6.21
SEF	34,539.75	50.90	6.31
Transfer tax	6,420.77	8.60	16.84
SHT	21.07	0.03	11.81
ILT	375.53	0.50	-2.44

Notes. Basic data was gathered from the BLGF as of 23 June 2022. For the complete breakdown of figures, see Annex A.

For the past decade, the basic RPT and SEF taxes were the main revenue sources of the LGUs accounting for a combined 90.87% of the total property tax revenues. The SEF tax contributed more than the basic RPT considering that some of the cities may impose a maximum rate of 2% while the SEF tax is fixed at 1%. Meanwhile, the average annual growth

² Entitled, "An Act to Provide for a Comprehensive and Continuing Urban Development and Housing Program, Establish the Mechanism for its Implementation, and for Other Purposes", 24 March 1992.

rates of the SHT and transfer taxes were likewise observed to have significantly increased during the period. Despite this, said taxes were still marginal compared to the other local revenue sources as they only contributed 0.03% and 8.60%, respectively.

The LGUs are encouraged to collect the taxes mandated by the LGC of 1991, as amended, which are considered their main sources of revenue, as well as using their shares from external revenues such as the utilization of national wealth, grants and aids, borrowings, and others, to finance local government programs and livelihood projects.

In accruing such taxes, it is imperative that the LGUs adapt well to the growing technological advancements. Electronic commerce (e-commerce) has been growing rapidly throughout the years, and with it comes electronic payment systems that are slowly replacing cash payment systems (Fatonah et al., 2018). An electronic payment system is defined by Gandawati (2007) as cited by Fatonah et. al. (2018) as a system that provides tools for the payment of goods or services conducted through or carried on the internet, whose efficiency and reliability enable faster payouts, transparent transactions, and reduced costs. Digital payment is defined by Alkhwaiter (2020) as cited by Acopiado et. al. (2022) as various payment methods which entail the use of digital instruments such as mobile payment, mobile wallet, and electronic payment. Remarkably, online payment became the popular method of transaction during the onslaught of the Coronavirus disease 2019 (COVID-19) in 2020 in the Philippines.

It is fair to mention that several laws have already been implemented to provide guidelines regarding the collection of payments and taxes. Moreover, these laws include methods for collecting entities to efficiently and easily perform revenue transactions. (see Table 2).

Table 2

List of Relevant Laws and Issuance Pertaining to Online Payments and/or Transactions

RA 8792 ³ – Electronic Commerce Act	The use of information and communications technology (ICT) in ensuring network security and connectivity for the national benefit. It aims to facilitate domestic and international dealings, transactions, arrangements, agreements, contracts and exchanges, and storage of information through electronic means, promoting the use of electronic transactions in the government and general public, applying to any kind of data message and electronic documents for the use thereof.
Department of Trade and Industry (DTI) – Department of	Guidelines on the use of access devices for payment of fees, charges, assessments, and other revenues through the Electronic Payment and Collection System (EPCS) of a government entity. It applies to all government entities that intend to use or already have existing EPCS

³ Entitled, “An Act Providing for the Recognition and Use of Electronic Commercial and Non-Commercial Transactions, Penalties for Unlawful Use Thereof, and Other Purposes”, 14 June 2000.

Finance (DOF) Joint Administrative Order No. 01-10 (2010)	for the collection of fees, charges, assessments, and revenues, covering all transactions made over the internet or other forms of transaction that do not require face-to-face with any government personnel or over-the-counter transactions.
RA 11032 ⁴ – Ease of Doing Business and Efficient Government Service Delivery Act of 2018	The acceptance of digital payments in government collections aims to promote efficient delivery of government services, expedite transactions, boost revenue, and reduce the risk of graft and corruption. It applies to all government offices and agencies, including LGUs, government-owned or controlled corporations, and other government instrumentalities.
RA 11127 ⁵ – National Payment Systems Act	Provides for a payment system that channels funds transferred among banks and other institutions to discharge payment obligations arising from economic and financial transactions across the entire economy.

III. Selected LGUs' Online RPT Payment Systems

Since the RPT is one of the main sources of revenue for LGUs, it is important to promote efficiency and effectiveness in its collection. Some LGUs have already implemented ordinances and other ICT interventions to generate online payment systems due to the high demand for easier and cashless transactions especially during the COVID-19 pandemic. Upon their implementation, online payment became essential in the collection of the RPT and other various government transactions that otherwise would have been difficult to handle due to the lockdown situation. Thus, more LGUs turned to online systems and processes that proved to be effective and easy to use during the COVID-19 pandemic.

Some LGUs with notable online RPT collection systems are the following cities: Makati, Manila, Muntinlupa, Valenzuela, and Quezon City.

Makati City

Prompted by the need to reduce the number of people going to the city hall in order to pay their taxes, the Makati City launched the “MAKA-Connect”, or the “Makatizen Online Assessment and Payment Portal”, during the middle half of 2020 for Makati citizens or “Makatizens” (City Government of Makati, n.d.). Payment of both business and RPT were made easier through the system, especially during the pandemic, wherein physical transactions

⁴ Entitled, “An Act Promoting Ease of Doing Business and Efficient Delivery of Government Services, Amending for the Purpose Republic Act No. 9485, Otherwise Known as the Anti-Red Tape Act of 2007, and for Other Purposes”, 28 May 2018.

⁵ Entitled, “An Act Providing for the Regulation and Supervision of Payment Systems”, 30 October 2018.

were nearly impossible, as the taxpayer has the option to pay through online banking or the Globe Telecom-powered e-payment system GCash.

In terms of collections, for the year 2020, it can be seen that Makatizens have made quite good use of the payment portal. Despite the quarantine restrictions prohibiting people from going out of their homes, there was no significant gap between the RPT collections for 2019 and 2020. The RPT collection increased from P2,502 million in 2019 to P2,571 million in 2020. Aside from the tax payment extensions that Makati City provided to its taxpayers, the implementation of the payment portal facilitated an effectual way for taxpayers to pay their RPT (City Government of Makati, 2020). Correspondingly, the 2021 and 2022 RPT collections have increased steadily. (see Table 3).

Table 3

Makati City Local Taxes Collection, CYs 2018-2022 (In Million Pesos)

Makati City	2018	2019	2020	2021	2022*
RPT	2,367.99	2,502.34	2,570.96	2,608.88	2,808.73
LBT	8,253.27	8,549.56	9,166.25	7,514.75	8,295.55
Others	622.33	722.99	472.48	744.94	782.81
Total	11,243.59	11,774.89	12,209.69	10,868.56	11,887.08

Notes. Basic data was gathered from the BLGF as of 23 June 2022.

* - Preliminary data gathered from the BLGF as of 03 April 2023.

Manila City

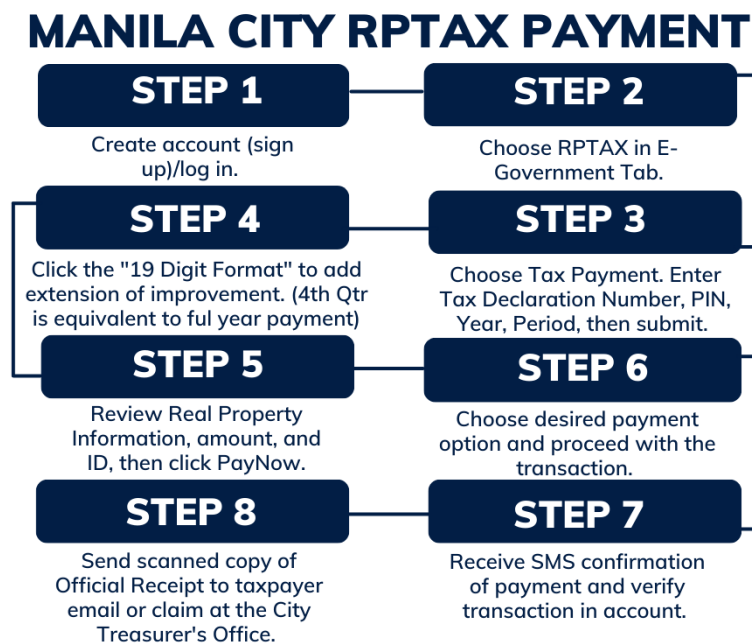
The city of Manila launched a website dedicated to providing a system for hassle-free payment of local taxes. In the simple and handy website, the local government services tab has an option for E-government services, which includes the following: (City of Manila, n.d.)

- a. Real property tax (RPTAX) – an electronic RPT taxing system enabling early assessment and appraisal of RPT, allowing online payments;
- b. Business tax (BTAX) – an electronic business permit and licensing system allowing the payment of business taxes, as well as securing business permits online;
- c. Local civil registry – apply online to get a copy of the birth certificate;
- d. Occupational permit/Health certificates – an electronic application that integrates occupational permit, health certificate, and laboratory processes;
- e. Community tax certificate (cedula) – allows individuals and corporations to apply and pay online the cedula securely.
- f. Ordinance violation receipts – an online payment for motorists that have been apprehended for traffic violations within the city;
- g. Notice of violations – an online facility for motorists who violated the ‘no contact apprehension’ service of the city; and
- h. Business permit licensing – allows taxpayers to file and pay applications for new and renewal of business permits online.

A video tutorial on how to use the Manila City RPTAX Payment website was uploaded in 2021 by the Manila Public Information Office's official Facebook page, featuring the steps that taxpayers need to follow in the online payment of their RPT. (see Figure 1).

Figure 1

Manila City RPTAX Payment Step-by-Step



Note. Manila Public Information Office (2021). *Facebook*. Retrieved from: <https://www.facebook.com/watch/?v=755909618402683>

The process is fairly easy. Taxpayers are enjoined to create an account on the online portal. Upon creating their accounts, they may then choose among the different online tax payment systems. When choosing the RPTAX option, they are prompted to fill out important information regarding their real property. After confirming the details entered, they are directed to the payment options available. Once successful, the transaction will be reflected in the taxpayer's account and will receive a text message. Afterwards, the City of Manila sends a scanned copy of the Official Receipt to the taxpayer's email, or it can be claimed personally at the City Treasurer's Office.

Aside from the online website, the City of Manila also launched an application called the "GO MANILA Mobile App", which aims to provide the same services as the website, but on a wider scale, as it can reach users outside Metro Manila, and even the country. The mobile app functions offer the same features as the website, and taxpayers can easily download the app on their mobile gadgets.

However, Manila's aggregate RPT collections significantly decreased from P2,910 million in 2019 to P2,544 million in 2020 (see Table 4). This may be due to the fact that not

all of the taxpayers were inclined to use the online portal, and that Manila City extended some of its tax payment deadlines (P&A Grant Thornton, 2020) as well as the tax amnesty⁶ granted by the national government, which may steer some taxpayers to take advantage of such incentives. The same can be said with the City's LBT collection, which declined from P5,091 million in 2019 to P4,430 million in 2020. Since the Philippine economy slowly regained its bearings in 2021 and 2022, it can be seen that Manila's RPT collection also regained its former momentum, increasing to P2,979 million in 2021.

Table 4

City of Manila Local Tax Collection, CYs 2018-2022 (In Million Pesos)

Manila City	2018	2019	2020	2021	2022*
RPT	2,672.79	2,909.79	2,544.04	2,978.97	2,832.19
LBT	4,146.58	5,091.30	4,822.57	4,430.25	4,444.11
Others	452.17	489.33	311.41	563.24	569.62
Total	7,271.54	8,490.41	7,678.02	7,972.47	7,845.91

Notes. Basic data was gathered from the BLGF as of 23 June 2022.

* - Preliminary data gathered from the BLGF as of 03 April 2023.

Muntinlupa City

Muntinlupa Resolution No. 19-145 (2019) issued the establishment of the Muntinlupa Online Real Property Payment System (MORPS), which introduced its internet payment gateway, a tool for the service online payment of citizens or clients of taxes, fees, and other charges. This was initiated through the Memorandum of Agreement (MOA) of the city of Muntinlupa with the Land Bank of the Philippines (LBP) and the Development Bank of the Philippines (DBP). The MORPS is an internet-based system designed to handle the real-time payment and collection of fees for the RPT in Muntinlupa City. This facility adopts Debit Card Authorization through the automated teller machine. (see Figure 2).

MORPS aims to course business transactions by electronic channel providing taxpayers with efficient and less time-consuming delivery services. An interface with MORPS will handle real-time property tax payments and can process transactions in less than 15 minutes. It is an easy and taxpayer-friendly application that will speed up government transactions for the convenience of taxpayers and reduce the red-tape and under-the-table propositions (Muntinlupa City, 2019).

⁶ RA 11213, entitled, "An Act Enhancing Revenue Administration and Collection by Granting an Amnesty on All Unpaid Internal Revenue Taxes Impose by the National Government for Taxable Year 2017 and Prior Years with Respect to Estate Tax, and Other Internal Revenue Taxes Tax on Delinquencies", 14 February 2019.

Figure 2

Steps for the MORPS

1. Login to URL: www.muntinlupacity.gov.ph
2. Click the icon of MORPS and create account. Fill up the registration form. Client will receive an email for the activation of his/her application.
3. Start the transaction by adding property you want to pay online. You will be required to enter the Tax Declaration Number (TDN) and the Property Index Number (PIN).
4. Click the "Check and/or Pay Bill" button. Billing Statement Screen will appear.
5. Click the "Pay Now" button. You will be redirected to LBP ePayment System. On the LBP Authorization Screen, you will be required to encode your LBP ATM account no., JAI and PIN.
6. LBP ePayment System shall generate an Online Confirmation Receipt that you can print.

Note. Picture lifted directly from Landbank (n.d.).

The steps for the MORPS are similar to the Manila City RPTAX, which involves creating an account and filling in the necessary details after the account activation. Conversely, Muntinlupa's ePayment System generates the online confirmation receipt itself, which the taxpayer can print as his/her own personal copy.

In terms of tax collection, there was a slow but steady increase in the RPT collection of Muntinlupa City from P450 million to P634 million for the years 2018 to 2022, respectively. (see Table 5) This may be attributed to the MORPS's viable measures that made it easier for taxpayers to pay their taxes without leaving the comfort of their homes during the quarantine period.

Table 5

Muntinlupa City Local Tax Collection, CYs 2018-2022 (In Million Pesos)

Muntinlupa City	2018	2019	2020	2021	2022*
RPT	449.65	531.05	597.62	613.37	634.43
LBT	1,994.78	2,206.56	2,193.28	1,586.36	1,735.15
Others	167.87	204.15	231.62	236.22	247.65
Total	2,612.31	2,941.75	3,022.52	2,435.94	2,617.23

Notes. Basic data was gathered from the BLGF as of 23 June 2022.

* - Preliminary data gathered from the BLGF as of 03 April 2023.

Quezon City

Quezon City taxpayers now have the convenience of using the E-Services website of the city, allowing them to pay via credit cards, e-wallets, or bank transfers (Quezon City, 2021).

Like the other forms of online payment systems from other cities, the portal requires taxpayers to register or log in to the E-Services website. Upon logging in, the taxpayer must select the RPT option, and then type and search for the tax declaration number of the property, and comply with the steps to click the property once it appears. The system loads and takes the taxpayer to the payment options and will then be prompted to choose which payment method to use (mac puri TV, n.d.). After successfully completing the steps, an email with the payment confirmation will be received by the taxpayer after two to three days.

Quezon City's RPT collection also increased throughout the years, albeit it peaked in 2020 with a revenue collection of P3,061 million before plummeting in 2021 to P2,269 million (see Table 6), due to the effects of the pandemic. This was caused directly by the economic slowdown and indirectly by the tax policy measures the City government has taken in response to the COVID-19-related spending (QC Annual Report, 2021). However, as shown in the 2022 preliminary data, it is seen to be improving and regaining its former momentum.

Table 6

Quezon City Local Tax Collection, CYs 2018-2022 (In Million Pesos)

Quezon City	2018	2019	2020	2021	2022*
RPT	1,989.52	2,107.96	3,061.48	2,269.35	2,350.87
LBT	10,128.68	12,653.52	15,254.57	16,351.47	12,733.56
Others	936.54	915.40	753.78	1,230.79	1,147.10
Total	13,054.73	15,676.88	19,069.83	19,851.61	16,231.52

Notes. Basic data was gathered from the BLGF as of 23 June 2022.

* - Preliminary data gathered from the BLGF as of 03 April 2023.

Valenzuela City

Valenzuela City implemented an online payment system far earlier than other cities. As early as 2013, the city launched online and credit card payment facilities for business license fees, RPT, and engineering permits (Melican, 2013). Taxpayers are enjoined to register online for free and then choose which tax they want to pay online. They can then pay through a simple swipe of their credit card, debit card, or through GCash, an option added in 2014 (Valenzuela City, 2014). As of 2021, taxpayers may also pay for their RPT through the Union Bank (Valenzuela City, 2021).

Procedures for RPT online payment are quite simple after creating an account. The taxpayer must select the option 'Real Property Tax Online Billing and Payment' on the Valenzuela City e-payment services website, and then enter the registered email address and password to access the account (City Government of Valenzuela n.d.). Details regarding the real properties that the taxpayer wishes to pay for will be prompted, and after filling up the necessary details, the tax can now be paid. Computation for the tax is also made easier by the system, as there is a button 'Compute Tax' provided on the website the taxpayer can use after providing the payment period (City Government of Valenzuela, n.d.).

Despite the onslaught of the COVID-19 pandemic, the RPT collection of Valenzuela City continued to steadily increase from P818 million in 2020 to P946 million in 2021. (see Table 7) Preliminary 2022 RPT collection data showed P878 million, in contrast with the LBT collection that reached P1,318 million. Nevertheless, with the economy regaining its momentum, it is expected that the future collections of the RPT will increase again.

Table 7

Valenzuela City Local Tax Collection, CYs 2018-2022 (In Million Pesos)

Valenzuela City	2018	2019	2020	2021	2022*
RPT	680.32	677.22	817.86	946.14	877.67
LBT	1,036.93	1,178.81	1,252.59	1,286.24	1,318.46
Others	97.95	119.64	127.70	170.17	169.96
Total	1,815.20	1,975.67	2,198.15	2,402.55	2,366.09

Notes. Basic data was gathered from the BLGF as of 23 June 2022.

* - Preliminary data gathered from the BLGF as of 03 April 2023.

Other LGUs

Cebu City also has an online RPT payment system, which follows the same steps as the other cities mentioned above. However, for first-time users, it involves the registration of real property units and an assessment request before being able to pay the actual tax (City of Cebu, n.d.). Antipolo City also has an online portal for registration of real property and payment of RPT and business permits, with payment methods via e-wallet and credit or debit cards (Online Quick Guide, 2021). A page containing data privacy consent is shown after trying to create an account, after which, verification of and activation of the account will be created. Similar to Cebu City's online system, registration of the property is the first order of business, followed by the computation of the RPT, and then the payment options (Online Quick Guide, 2021).

Other LGUs have yet to implement online RPT payment systems. However, there are already steps taken in the right direction. To cite, Bacoor City has the Bacoor One Stop Shop (BOSS), which handles the online application for business and building permits, as well as the online application of RPT, business, and building permits, implemented in 2020 (Bacoor City, 2020).

IV. Limitations and Future Changes in Online Payment Systems

One of the main problems observed in the process of online payments is the technological illiteracy of some taxpayers, especially the older generation. There are senior citizens and those living in remote regions who are not familiar with nor have the knowledge of utilizing computers or smartphones. Thus, said limitations will stop them from using online payment methods. Undoubtedly, while the internet's main purpose is to be accessible to all, not everyone has the knowledge or the know-how on online operation. While it is recognized that creating a one-time account will save more time for payments in the future, it should be

acknowledged that not all taxpayers have the capacity or the means to do so. Hence, it is recommended that the LGU employees themselves, particularly in the city treasurer's office, which have implemented the system, to conduct information drives or seminars and guide taxpayers in creating accounts and navigating through the system.

According to the Bangko Sentral ng Pilipinas Financial Inclusion Survey, there are still 44% of the total adult population that do not have bank accounts (Anaviso, 2022). Filipinos who do not have a bank account tend to be oblivious to the limitations of being unbanked. People with low financial literacy also display a lack of awareness of the benefits of online payments. Promoting financial literacy in the Philippines is the first step towards boosting financial inclusion, thereby online payment may also be integrated.

Another concern is the country's poor internet quality, which can affect online payment innovations. Getting a decent internet connection is still a major concern in the provinces, hence online payments continue to be an inception to be established. And then there are technical glitches, which can sometimes take days to resolve. Reliable digital applications are useful and convenient, but such technological innovations will not work if there is no internet. It is fair to mention that the Philippine government is working on improving internet connectivity in rural areas so that more Filipinos may sooner enjoy the benefits of online payments. The Department of Information and Communications Technology is deploying satellite broadband with fiber connectivity to rural areas to provide free wi-fi access points including schools, rural health centers, and government offices (Arayata, 2021).

These are only two factors that restrict RPT digital payments in the country. There are still a number of technical issues that can prevent e-payment from being successful. Nevertheless, digital payments are shaping the e-commerce industry in many ways more than one. More LGUs are adopting RPT online payments to provide convenience and expediency to taxpayers. With proper precautions and management, taxpayers can overcome most of these disadvantages.

Correspondingly, the unnumbered senate bill to be known as "The Real Property Valuation and Assessment Reform Act (RPVARA)", seeks to promote the development and maintenance of a just, equitable, impartial, and nationally consistent real property valuation based on internationally accepted valuation standards, concepts, principles, and practices. Particularly, the RPVARA seeks to amend the current valuation system in the country.

Presently, the schedule of zonal values (SZV) used by the Bureau of Internal Revenue and the schedule of market values (SMV) used by the LGUs are used as the basis for property valuation. The differences in the valuation lead to disparities and fragmentation in RPT computation. Hence, once approved, the RPVARA will harmonize the two valuation methods by using the SMV as the catch-all schedule. This will serve to bring efficiency to the real property valuation system of the country and improve the RPT rates that are being implemented per LGU.

The RPVARA will also ensure the implementation of updating the SMVs, thereby ensuring that each real property will be appraised appropriately. It also proposes to create an electronic database for the SMVs, and this may be harmonized with the RPT online systems of LGUs for ease of viewing the values and transparency to the public. The electronic database

will serve as the link between all national government agencies, LGUs, and the private sector, thereby expediting access to essential data information needed for appraisal and assessment. Once implemented, this will also serve as guide for the RPT computation in each LGU's online tax payment systems and may urge other LGUs to implement the same online payment systems.

V. Conclusion and Recommendations

The effort of LGUs to revolutionize their way of collecting taxes by moving towards an electronic era is commended. In this time of globalization, it is best that LGUs take part in keeping up with the changing times. While the concept of RPT online payments is not entirely new, the COVID-19 pandemic has led almost everybody to prefer the use of online payment methods. These changes may seem daunting for some LGUs, but with the help of the national government, and a few LGUs that already succeeded in implementing RPT online payments, other LGUs can accomplish the same achievements. Online transactions offer many advantages, such as speed and convenience, but it is wise to be mindful of the hazards and additional security.

The cities of Makati, Manila, Muntinlupa, Quezon, and Valenzuela implementing the online payment systems may serve as role models for other LGUs. Although there are already other LGUs in the process of digitalizing their RPT payments, allowing their taxpayers to have efficient and effective means of paying their taxes should be the top priority of LGUs. Additionally, requiring taxpayers to create an account securely is a must-have for online payments, in order to ensure their safety, as well as ensuring the citizens that the online systems being used are aligned with the best interest of taxpayers.

Accordingly, LGUs that have implemented remote payment options have seen an uptick in their RPT revenue collections. Aside from providing convenience in making transactions, e-payment initiatives will further enhance LGU's competitiveness and improve the service delivery to their constituents. When used appropriately, technology can expand LGU's capacity to serve its constituents in an even higher magnitude.

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Annex A*Average Property Tax Revenues of Local Government Units, By Source, CYs 2017-2021
(In Million Pesos)*

Source	2017	2018	2019	2020	2021	Amount	Dist. (%)	Growth rate (%)
Property taxes	66,329.62	68,545.88	77,057.23	75,664.14	85,766.15	74,672.60	100	6.83
Real property taxes	60,808.33	61,872.25	69,373.13	70,056.14	77,166.32	67,855.23	90.87	6.25
Basic	29,792.07	30,082.20	33,953.65	34,976.43	37,773.09	33,315.49	49.10	6.21
SEF	31,016.26	31,790.04	35,419.48	35,079.71	39,393.23	34,539.75	50.90	6.31
Transfer tax	5,130.40	6,237.04	7,243.34	5,244.83	8,248.25	6,420.77	8.60	16.84
Special levy/ SHT	13.93	25.06	26.29	22.82	17.25	21.07	0.03	11.81
Idle land tax	376.97	411.54	414.48	340.34	334.33	375.53	0.50	-2.44

Notes. Basic data was gathered from the Bureau of Local Government Finance (BLGF) as of 23 June 2022. 2022 Preliminary data with detailed local tax breakdown is not available yet.