

[LTO MEMORANDUM, September 08, 2010]

CLARIFICATION ON THE STATUS OF MV'S USED AS COMPANY COURIERS AND MV'S REQUIRING FRANCHISE FROM LTFRB

It has come to the attention of this Office that there are delivery vans and trucks registered in the name of companies that are not being operated as common carriers and are exclusively used for said companies' business operations that are being apprehended by the LTO deputized agents, for failure to secure franchise from the LTFRB. Consequently, undue damage is incurred which hampers business operations. In this regard, this office is compelled to issue the following clarification on the matter that has been previously cited in the memorandum of the LTO Assistant Secretary dated May 4, 2007, thus:

"... This Office reiterates as a requirement for issuance of a Certificate of Public Convenience, that such utility shall be for purposes of public service and under Sec. 13 par. B of the Public Service Act, relative to the definition of the term "public service"..."includes every person that now or hereinafter may own, operate, manage, or control in the Philippines for hire or compensation, with general business purposes any common carrier,...motor vehicle, either for freight or passenger or both, with or without fixed route and whatever may be its classification..."

In view of the foregoing, company vehicles registered in its name and exclusively used for their business operations are not considered as public service vehicles and should not be required to secure or acquire a franchise from the Land Transportation Franchising and Regulatory Board (LTFRB)."

For guidance and strict compliance.

(SGD.) VIRGINIA P. TORRES
Assistant Secretary



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