

[LTO ADMINISTRATIVE ORDER NO. AVT-2014-024, January 24, 2014]

REVISED RULES AND REGULATIONS GOVERNING THE SALES REPORTING AND INITIAL REGISTRATION OF BRAND NEW AND OTHER MOTOR VEHICLES

*Adopted: 24 January 2014
Date Filed: 14 February 2014*

In accordance with the provisions of Republic Act No. 4136, otherwise known as the Land Transportation and Traffic Code, as amended, the following rules and regulations governing the sales reporting and initial registration of all motor vehicles are hereby prescribed and promulgated for the compliance, information and guidance of all concerned:

1. COVERAGE

These regulations shall govern the sales reporting and new or initial registration of all types of motor vehicles, including the subsequent miscellaneous and renewal transactions thereof.

2. OBJECTIVES - These regulations are effected in order to:

- 2.1 Streamline the process of registration as all pre-registration matters, including sales reporting, are presently done at the Regional Offices of the Land Transportation Office (LTO);
- 2.2 Remove the negative effects brought about by decentralization, such as loss of records, double transactions, fraudulent transfers, etc.;
- 2.3 De-clog the transaction load of District and Extension Offices, allowing faster processing of renewal and miscellaneous registrations;
- 2.4 Eliminate Request for System Updates of motor vehicle details;
- 2.5 Eliminate red tape and excessive bureaucracy as accredited Dealers will be able to complete the initial registration of their reported sales at the Regional Offices, without the additional need to go to and transact with the District and Extension Offices;
- 2.6 Improve the system of ordering, distribution and issuance of license plates for production; and
- 2.7 Ensure the efficient release of license plates nationwide

3. DEFINITION OF TERMS

- 3.1 **Motor Vehicles** - as defined under RA 4136, shall mean any vehicle propelled by any power other than muscular power using the public highways, but excepting road rollers, trolley cars, street-sweepers, sprinklers, lawn mowers, bulldozers, graders, forklifts, amphibian trucks, and cranes if not used on public highways, vehicles which run

only on rails or tracks, and tractors, trailers and traction engines of all kinds used exclusively for agricultural purposes. Trailer having any number of wheels, when propelled or intended to be propelled by attachment to a motor vehicle, shall be classified as separate motor vehicle with no power rating.

- 3.2 **New Vehicle** - as defined under this Order, shall refer to the new and unregistered motor vehicles manufactured, assembled, imported, distributed and/or sold by LTO accredited entities.
- 3.3 **Rebuilt Motor Vehicles** - refers to motor vehicles that are locally assembled or manufactured with one or more used major components.
- 3.4 **Initial Registration** - refers to the first registration of a motor vehicle in the Philippines with the LTO.
- 3.5 **Renewal Registration** - refers to the subsequent registration of motor vehicles already registered with the LTO.
- 3.6 **Sales Reporting** - refers to the requirement of reporting all motor vehicle sales to the LTO prior to its registration.

4. TYPES OF MOTOR VEHICLE REGISTRATION

4.1 Initial Registration

4.1.1 Brand New

- 4.1.1.1 Locally assembled/manufactured Completely Built Units (CBUs)

- 4.1.1.2 Imported CBUs

4.1.2 Others

- 4.1.2.1 Imported used CBUs

- 4.1.2.2 Rebuilt Motor Vehicles

- 4.1.2.3 Imported CBUs acquired through public bidding conducted by the Bureau of Customs (BOC).

4.1.3 Special

Special New registration with special qualification transactions falling under this type are those that are registered for the first time in the Philippines but no Certificate of Registration (CR) is issued. Thus, they are distinctly categorized as Special.

4.1.3.1 Underbond MVs

Tax exempt imported MVs specifically for the use of Foreign Consultants for six-month period counted from the date of issuance of the official receipt evidencing payment of registration fees with LTO, after six months, they are subject to re-exportation, unless extended for the same period by the Bureau of Customs; and

4.1.3.2 MVs under Written Commitment

Tax exempt imported MVs indorsed by the Department of Finance for use in various projects in the Philippines. After the specific project for which they are imported is completed, they are subject for re-exportation, unless extended by the Bureau of Customs.

4.2 Renewal - Subsequent registration after initial MV registration

4.2.1 Renewal registration for all classifications (private, for hire, government, diplomatic);

4.2.2 Other Exempt Vehicles (OEV) (e.g. from SBMA, Clark Development Corporation and Cagayan Export Zone Authority).

4.3 Miscellaneous Transactions

4.3.1 Transactions Requiring Change of Certificate of Registration:

4.3.1.1 Annotation of Mortgages and Other Liens or Encumbrances

4.3.1.2 Cancellation of Mortgage or Other Liens and Encumbrances

4.3.1.3 Cancellation of Mortgage when the Financing Company (mortgagee) no longer exists and the Release of Mortgage Contract is missing

4.3.1.4 Change Classification:

a. Private to For Hire

b. For Hire to Private

c. Private to Government

d. Government to Private

e. Diplomatic to Private

f. Private to Diplomatic

g. Diplomatic to Government

4.3.1.5 Change Engine from Previously Registered MVs

4.3.1.6 Duplicate Certificate of Registration (CR)/Certificate of Registration Encumbered (CRE)

4.3.1.7 Replacement of Certificate of Registration (CR)/Certificate of Registration Encumbered (CRE)

4.3.1.8 Registration of MVs Acquired through:

a. Donation

b. Extra-Judicial Settlement of Estate of Deceased Person

c. Judicial Settlement of Estate of Deceased Person

d. Public Bidding conducted by a Government Office/Entity

e. Public Auction before a Notary Public through Mechanic's Lien

4.3.1.9 Transfer of ownership

a. Private MVs

b. For Hire MVs

c. Covered by CB No. 1158 Purchased from "Balikbayans"

d. Purchased from Diplomatic/Tax Exempt Personnel

e. Obtained under an Extra-Judicial Foreclosure Sale Conducted Before the Notary Public (Arts. 2112/2114, New Civil Code of the Philippines in relation to Act 1508)

f. Obtained Under a Sheriff's Certificate of Sale Issued

Under a Judicial Foreclosure
g. Obtained Under Sheriff's Certificate of Sale Pursuant to a Money Judgment which has become final
h. Underbond MVs

4.3.2 Transactions Not Requiring Change of Certificate of Registration

- 4.3.2.1 Change Color
- 4.3.2.2 Duplicate Plates
- 4.3.2.3 Replacement Plates
- 4.3.2.4 Issuance of Vanity License Plates
- 4.3.2.5 Issuance of Special Permits
- 4.3.2.6 Optional MV Special Plate
- 4.3.2.7 Re-stamping of Engine/Chassis Identification Numbers
- 4.3.2.8 Reactivation of Stored MVs
- 4.3.2.9 Recorded MVs
- 4.3.2.10 Replacement of Official Receipt (OR) of Payment of Registration Fees
- 4.3.2.11 Replacement Stickers
- 4.3.2.12 Request for Confirmation/Reply to Confirmation
- 4.3.2.13 Storage of MVs
- 4.3.2.14 Use of Security Plates/Stickers

5. VENUE FOR REGISTRATION

- 5.1 The initial registration of all types of new motor vehicles subject hereof shall be done only at the appropriate Regional Office where the sale of the particular motor vehicle is reported. The MV File Number for the newly registered motor vehicle shall be the agency code assigned to the Regional Office.
- 5.2 The Regional Office shall provide the necessary personnel to handle the subject initial registrations, with as many Evaluators, Approving Officers and Cashiers and Records Officers as may be required.
- 5.3 All records pertaining to the subject initial registration shall remain in the custody of the Regional Office.
- 5.4 Renewal and miscellaneous transactions thereof may be done at any LTO District or Extension offices capable of handling the same.

6. REGISTRATION REQUIREMENTS FOR BRAND NEW MOTOR VEHICLES

The Documentary Requirements for the initial registration of all types of new motor vehicles, including the subsequent miscellaneous and renewal transactions thereof, shall remain the same.

7. REGISTRATION PROCESSES

- 7.1 Any natural or juridical person desiring to transact business with the LTO relative to motor vehicles and/or its components, should be duly accredited under the existing rules and regulations for Manufacturers, Assemblers, Importers, Rebuilders, Dealers and Other Entities