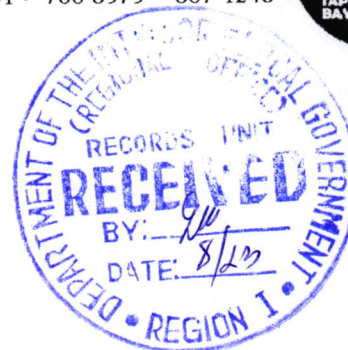




August 16, 2013

HON. BENJAMIN N. MAGGAY
Municipal Mayor
Cervantes, Ilocos Sur



Dear Mayor Maggay:

This refers to your letter requesting opinion from this office re: *“As a Mayor, is it legal, binding and ethical for me to issue business permit to operators/drivers of SUVs/GT service even their Certificate of Registration has (sic) already expired and did (sic) not renewed by LTO. Likewise to a private vehicle whose registration is a private use but operating as a Public Transport Vehicle.”*

Before dwelling on the issues, may we first invite your attention to the provision of the Local Government Code of 1991, particularly sections 444 (b) (3) (iv), to wit:

Section 444. The Chief Executive: Powers, Duties, Functions and Compensation. -

(b) For efficient, effective and economical governance the purpose of which is the general welfare of the municipality and its inhabitants pursuant to Section 16 of this Code, the municipal mayor shall:

(3) Initiate and maximize the generation of resources and revenues, and apply the same to the implementation of development plans, program objectives and priorities as provided for under Section 18 of this Code, particularly those resources and revenues programmed for agro-industrial development and country-wide growth and progress, and relative thereto, shall:

(iv) Issue licenses and permits and suspend or revoke the same for any violation of the conditions upon which said licenses or permits had been issued, pursuant to law or ordinance;

DILG Opinion No. 135, Series 2010, dated September 29, 2010 citing Roble Arrastre, Inc. vs. Hon. Altagracia Villafior, et.al. (G.R. No. 128509, August 22, 2006), provides that

Clearly, the power of the municipal mayor to issue licenses and permits is founded on the general welfare clause. This delegated police power to the LGUs through its local chief executives authorizes the latter to regulate the use of property or conduct of property rights, i.e. business or practice of profession, among others, with its territory pursuant to conditions provided by law or ordinance for the common benefits of its inhabitants.

At the outset, the municipal mayor has the power to issue licenses and permits on the use of property or conduct of property rights within its territory. However, not all