

Republic of the Philippines  
**CENTRAL BOARD OF ASSESSMENT APPEALS**  
 Manila

CENTRAL AZUCARERA DE BAIS, INC.,  
 Petitioner-Appellant,

- versus -

CBAA CASE NO. V-09

LOCAL BOARD OF ASSESSMENT  
 APPEALS OF BAIS CITY,  
 Appellee,

- and -

CITY ASSESSOR OF BAIS CITY,  
 Respondent-Appellee.

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**RESOLUTION**

This is a motion dated February 24, 1997 by Petitioner-Appellant seeking reconsideration of this Board's Decision dated November 7, 1996. Petitioner-Appellant Central Azucarera de Bais, Inc. alleged that it received the said decision on February 19, 1997. This motion seeks the reconsideration of this Board on the following matters, to wit:

1. The valuation of Lot No. 788-B-1-A under Tax Declaration No. 6-323 and Lot No. 788-B-1-B under Tax Declaration No. 6-320; and
2. The non-exemption of the land converted to or utilized as Water Treatment Facilities.

To recall, the assessment on Lot Nos. 788-B-1-A and 788-B-1-B complained of by Petitioner-Appellant were as follows:

Lot No. 788-B-1-A, TD #6-326

Classification	Class	Area (Sq.M.)	Unit Value	Adj.	Market Value	Ass. Lvl	Assessed Value
Industrial	3-C	7,155	P110	-40%	P 472,230	50%	P236,115
Industrial	3-G	18,413	110	-85%	303,815	50%	151,907
Ind-Agric'l.	3-G	121,888	110	-85%	2,011,152	40%	804,460
Ind-Resid'l.	3-E	13,295	110	-70%	438,735	20%	87,747
Asphalt Road		7,432	260		1,932,320	50%	966,160
Gravel Road		10,582	160		504,000	50%	252,000
Ind-Recre'l.	3-F	1,071	110	-80%	23,562	15%	3,534
Ind-Medical	3-G	3,487	110	-85%	57,536	15%	8,630
Totals		175,891			P 5,743,349		P2,510,555

Lot No. 788-B-1-B, TD #6-320

Classification	Class	Area (Sq.M.)	Unit Value	Adj.	Market Value	Ass. Lvl	Assessed Value
Industrial	3-A	22,225	P110		P2,444,750	50%	P1,222,375
Industrial	3-C	30,585	110	-40%	2,018,610	50%	1,009,305
Ind-Agric'l.	3-G	25,283	110	-85%	417,170	50%	208,585
Ind-Resid'l.	3-E	501	110	-70%	16,533	20%	3,307
Ind-Recre'l.	3-F	791	110	-80%	17,402	15%	2,610
Asphalt Road		1,052	260		273,520	50%	136,760
Gravel Road		1,410	160		225,600	50%	112,800
Railroad Tracks		826	160		132,160	50%	66,080
Totals		82,673			P 5,545,745		P 2,761,820

This Board, in its Decision dated November 7, 1996, ordered that the assessments of the same lots be corrected as follows:

Lot No. 788-B-1-A, TD #6-236

Classification	Class	Area (Sq.M.)	Unit Value	Adj.	Market Value	Ass. Lvl	Assessed Value
Industrial	3-C	7,155	P110	-40%	P 472,230	50%	P236,115
Industrial	3-G	18,413	110	-85%	303,815	50%	151,907
Ind-Agric'l.	3-G	121,888	110	-85%	2,011,152	40%	804,460
Ind-Resid'l.	3-E	13,295	110	-70%	438,735	20%	87,747
Gravel Road		10,582	160		1,693,120	50%	846,560
Ind-Recre'l.	3-F	1,071	110	-80%	23,562	15%	3,534
Ind-Medical	3-G	3,487	110	-85%	57,536	15%	8,630
Totals		175,891			P 5,000,149		P2,138,950

Lot No. 788-B-1-B, TD #6-320

Classification	Class	Area (Sq.M.)	Unit Value	Adj.	Market Value	Ass. Lvl	Assessed Value
Industrial	3-A	22,225	P110		P2,444,750	50%	P1,222,375
Industrial	3-C	30,585	110	-40%	2,018,610	50%	1,009,305
Ind-Agric'l.	3-G	25,283	110	-85%	417,170	50%	208,585
Ind-Resid'l.	3-E	501	110	-70%	16,533	20%	3,307
Ind-Recre'l.	3-F	791	110	-80%	17,402	15%	2,610
Gravel Road		2,462	160		393,920	50%	196,960
Railroad Tracks		826	160		132,160	50%	66,080
Totals		82,673			P 5,440,545		P 2,709,220

This Board was concerned only with the classification and unit valuation of the portions of the parcels of land classified by Respondent-Appellee as "asphalt roads". Other matters affecting the same parcels of land were not in issue.

A re-examination of the records, however, reveals that the Local Board, on page 17 of its decision dated February 24, 1995, stated that “On Lots 788-B-1-A (TD No. 6-323) and 788-B-1-B (TD No. 6-320), the Board resolves to direct the City Assessor **“to make a re-assessment of these two parcels of land based on the correct unit value considering that these lands do not adjoin the national highway.”** The records do not show that the City Assessor had complied with this directive at the time the Central Board made its decision, although the Local Board did not exactly define the correct unit values applicable to the lots in question.

Respondent-Appellee City Assessor prepared on August 27, 1992 a “Schedule of Market Values” (pp. 171-241, Records) which he submitted to the City Council of Bais City for approval. It (Schedule of Market Values) states on Page 5 thereof that “lands used or to be converted into industrial use which are **adjoining or abutting** the National Highway xxx” shall have a market value of P110 per square meter effective 1989-90 and “lands used or to be converted into industrial use which are located within three (3) kilometers from the National Highway xxx” shall have a market value of P80 per square meter, also effective 1989-90.

On pages 7 and 8 of the same Schedule of Market Values the procedure for the appraisal of industrial lands was laid down as follows:

“(a) All lands within the mill site occupied by and within 0 meters from the outside walls of the mill buildings of sugar centrals, lumber mill, or other industrial establishments shall be assessed at 100% of the applicable rate of base market value prescribed in this schedule of values. By mill buildings are meant those which house the power plant, the boiler and other mechanical instruments and devices which form parts of the main machine that runs the sugar, lumber and other industrial mills.

“(b) All lands within the mill site occupied by and within 20 meters from the outside walls of the electric plants, carpentry and foundry shops, etc., which form separate units of the main machine or the sugar, lumber and other industrial mills shall be assessed at 80% of the applicable rate of base market value prescribed in this schedule.

“(c) All lands within the mill site occupied by and within 20 meters from the outside walls of the administration buildings, bodegas, store and tool houses, etc., of sugar centrals, lumber mills and other industrial establishments, shall be assessed at 60% of the applicable rate of base market value prescribed in this schedule.

“(d) All lands used as loading and unloading stations and yards where trains, railroad cars and rolling stock are kept and stored, shall be assessed at 40% of the applicable rate of base market value prescribed in this schedule.

“(e) All lands within the mill site occupied by or within 20 meters from residential buildings, shall be assessed at 30% of the applicable rate of base market value prescribed in this schedule.

“(f) All lands within the mill site used as caps, plaza or parks, shall be assessed at 20% of the applicable rate of base market value prescribed in this scheduled.

“(g) All other industrial lands within the mill site not described above shall be assessed at 10% of the applicable rate of base market value prescribed in this schedule.

“(h) All lands used as railroad tracks or roads shall be valued at 30% of their total estimated cost per square meter.”

Under the same Schedule of Market Values, General Provision Nos. 4 and 5 thereof (p. 238, Records) state:

“4. Roads or streets in the urban sub-division or agricultural lands converted to sub-division, unless already donated and turned over to the government, shall be listed separately as taxable in the name of the sub-division owner and shall be value on the basis of the cost of cementing, asphaltting and paving with gravel and sand. An estimate of such cost in square meter shall be appraised at 20% of their total estimated cost.

“5. Assessment level to be applied to the current market values shall be twenty per cent (20%) for residential lands, forty per cent (40%) for agricultural lands, fifty per cent (50%) for commercial, industrial, agro-industrial and mineral lands covered by leases, and twenty per cent (20%) for timberland.”

Thus, Respondent-Appellee City Assessor applied the assessment level of twenty percent (20%) on the market values of the gravel-surfaced roads located in Bgy. Calasga-an, Bais City under Tax Declaration Nos. 6-386 and 6-342, both effective 1994. It is interesting to note that Lot Nos. 788-B-1-A and 788-B-1-B, under TD Nos. 6-326 and 6-320, respectively, where the assessment level of fifty percent (50%) was originally applied by the City Assessor to the market values of the road and railroad portions thereof, are also located in Bgy. Calasga-an.

IN VIEW OF THE FOREGOING, the Decision of this Board dated November 7, 1997 is hereby MODIFIED such that the assessments on Lot Nos. 788-B-1-A and 788-B-1-B under Tax Declaration Nos. 6-326 and 6-320, respectively, both effective January, 1994, be revised as follows:

Lot No. 788-B-1-A, (TD #6-326):

Classification	Class	Area (Sq.M.)	Unit Value	Adj.	Market Value	Ass. Lvl	Assessed Value
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Industrial	3-C	7,155	P110	-40%	P 343,440	50%	P171,720
Industrial	3-G	18,413	110	-85%	220,956	50%	110,478
Ind-Agric'l.	3-G	121,888	110	-85%	1,462,656	40%	585,062
Ind-Resid'l.	3-E	13,295	110	-70%	319,080	20%	63,816
Gravel Road		10,582	160	-70%	507,936	50%	101,587
Ind-Recre'l.	3-F	1,071	110	-80%	17,136	15%	2,570
Ind-Medical	3-G	3,487	110	-85%	41,844	15%	6,277
Totals		175,891			P 2,913,048		P1,041,510

Lot No. 788-B-1-B, TD #6-320

Classification	Class	Area (Sq.M.)	Unit Value	Adj.	Market Value	Ass. Lvl	Assessed Value
Industrial	3-A	22,225	P110		P1,778,000	50%	P 889,000
Industrial	3-C	30,585	110	-40%	1,468,080	50%	734,040
Ind-Agric'l.	3-G	25,283	110	-85%	303,396	50%	151,698
Ind-Resid'l.	3-E	501	110	-70%	12,024	20%	2,405
Ind-Recre'l.	3-F	791	110	-80%	12,656	15%	1,898
Gravel Road		2,462	160	-70%	118,176	50%	23,635
Railroad Tracks		826	160	-70%	39,648	50%	7,930
Totals		82,673			P 3,731,980		P 1,810,610

There appears no cogent or compelling reason to disturb our decision as regards Ruling No. 8 of the Local Board.

SO ORDERED.

Manila, Philippines, July 16, 1998.

*(Signed)*  
MARGARITA G. MAGISTRADO  
Chairman

*(Signed)*  
ANGEL P. PALOMARES  
Member

*(Signed)*  
BENJAMIN M. KASALA  
Member