

Uber seeks higher fare due to TRAIN

Ride-share service Uber yesterday filed a petition with the Land Transportation Franchising and Regulatory Board (LTFRB) for fare adjustment, citing higher excise taxes imposed on petroleum products.

"Under our new proposal, the fare per kilometer (km) for uberX will range from 9 to 12 depending on the time of day," Uber said in a statement.

The current fare per km for UberX is P5.70. The base fare of P40 stays.

Uber cited higher fuel prices, new excise taxes on fuel products, and other new regulations for its fare hike petition.

"The costs that driver partners have to bear to maintain their vehicles are projected to increase due to several factors, including requirements under the Omnibus Franchising Guidelines to further improve safety and quality of service, increasing fuel prices, and new excise taxes on petroleum," Uber said.

Higher fare, it said, would allow driver partners to earn

sustainably.

"We are committed to investing in the business in the Philippines so riders and drivers continue to get the service they are accustomed to," Uber said.

Earlier this month, Uber rival Grab also filed a petition with the LTFRB for a fare increase citing the impact of the new tax reform law.

The Tax Reform for Acceleration and Inclusion (TRAIN) law, which took effect earlier this month, reduces personal income tax rates but imposes higher taxes on certain products like petroleum and automobiles.

With the implementation of the law, gasoline will have a higher excise tax from P4.35 per liter to P7 per liter, while new tax rates of P2.50 per liter will be imposed on diesel, P3 per liter on kerosene and P2.50 on auto liquefied petroleum gas.

The TRAIN is the first package of the government's Comprehensive Tax Reform Program, which seeks simpler and more effective tax collection system. — Louella Desiderio

* TRANSPORTATION
* TAX REFORM FOR
ACCELERATION AND
INCLUSION (TRAIN)
↓ FARE