Republic of the Philippines
QUEZON CITY COUNCIL
Quezon City
23rd City Council

PO23CC-123

74th Regular Session

ORDINANCE NO. SP-3568, S-2026

AN ORDINANCE PROVIDING TAX INCENTIVES TO VETERINARY CLINICS PERFORMING FREE SPAY AND NEUTER SURGERY

Introduced by Councilors VITO SOTTO GENEROSO and JOSEPH P. JUICO

Co-Introduced by Councilors Bernard R. Herrera, Charm Ferrer, CPA, MPA, JD, Nicole "Nikki" V. Crisologo, Candy A. Medina, Atty. Voltaire Godofredo "Bong" Liban III, Atty. Christoffer Allan "Tope" Liquigan, Luigi D. Pumaren, Atty. Vicente Belmonte Jr., Edgar "Egay" G. Yap, Nanette Castelo Daza, Imee Rillo, Atty. Jesus Miguel Suntay, Joseph Joe Visaya, Aiko Melendez, Alfred Vargas, MPA, Karl Edgar Castelo, Ram V. Medalla, Maria Eleanor "Doc Ellie" R. Juan, O.D., Emmanuel Banjo A. Pilar, Kristine Alexia Matias, RN, Victor "Vic" D. Bernardo, Erwin Rey "Cocoy" A. Medina, Jose Maria "Mari" M. Rodriguez, and Jhon Angelli "Sami" C. Neri

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WHEREAS, Section 192 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, states and specifically provides that:

"SECTION 192. Authority to Grant Tax Exemption Privileges. – Local government units may, through ordinances duly approved, grant tax exemptions, incentives, or reliefs under such terms and conditions as they may deem necessary."

WHEREAS, Section 458(a)(4)(viii) of Republic Act No. 7160, as amended also provides that local government units shall likewise be responsible for the impounding of stray animals and the adoption of measures to prevent and penalize cruelty to animals;

WHEREAS, Republic Act No. 8485, as amended by Republic Act No. 10631, otherwise known as the Animal Welfare Act of 1998, provides that "It shall be unlawful for any person who has custody of an animal to abandon the animal";

WHEREAS, according to the Humane World for Animals, the spaying and neutering of cats and dogs is a critical element in addressing companion animal overpopulation and reducing the number of stray and feral animals;

WHEREAS, a reduction in the number of stray, feral, and free-roaming animals in Quezon City will also reduce the financial burden of operating and maintaining the City pound;

WHEREAS, granting tax incentives to veterinary clinics in Quezon City that spay or neuter a minimum number of twenty (20) animals in a calendar year for free shall increase the number of such surgical procedures performed and lead to a reduction in the number of stray, feral, and free-roaming animals.

NOW, THEREFORE,

BE IT ENACTED BY THE CITY COUNCIL OF QUEZON CITY IN REGULAR SESSION ASSEMBLED:

SECTION 1. DEFINITIONS. – For purposes of this Ordinance, the following terms shall be defined as follows:

a. ***Indigent Resident*** *– A bona fide resident of Quezon City whose household has no income, or has an income below the poverty line, and who is not benefiting from any other regular government financial assistance such as social pension, cash transfer program, and the like. This status will be evidenced by a valid and current certificate of indigency issued by the concerned Barangay or the Quezon City Social Services Development Department (SSDD), whose income falls below the officially established poverty threshold of the Philippine Statistics Authority, Department of Economy, Planning, and Development (DEPDev) or the Department of Social Welfare and Development (DSWD);*

b. ***Tax Credit*** – *The specific incentive amount permitted under this Ordinance to be deducted from a Participating Veterinary Clinic's computed annual Local Business Tax due, evidenced by a Tax Credit Certificate issued by the City Treasurer's Office;*

c. ***Gross Receipts or Sales*** – *The total amount of money or its equivalent representing the contract price, compensation or service fee, including the amount charged on materials supplied with the services and deposits or advance payments actually or constructively received during the taxable quarter for the services performed or to be performed for another person excluding discounts, sales returns, excise tax and value added tax at the time of sales;*

d. ***Local Business Tax*** – *The mandatory local tax imposed by the Quezon City Government on the gross receipts of Participating Veterinary Clinics, as levied pursuant to the Quezon City Revenue Code;*

e. ***Spay or Neuter Surgery*** – *The surgical sterilization procedure (ovariohysterectomy or orchiectomy) of a domestic canine or feline to prevent reproduction and control population;*

f. ***Participating Veterinary Clinic*** – *Any clinic, hospital, or establishment primarily engaged in the practice of veterinary medicine, licensed by the Professional Regulation Commission (PRC) pursuant to Republic Act No. 9268, otherwise known as The Philippine Veterinary Medicine Act of 2004, and duly registered with the Quezon City Business Permits and Licensing Department (BPLD) and the Quezon City Veterinary Department (QCVD) to avail itself of the benefits of this Ordinance;*

g. ***Quezon City Veterinary Department (QCVD)*** – *The official office or department within the Quezon City Government responsible for the implementation, monitoring, verification, and enforcement of animal health and welfare programs under this Ordinance;*

h. ***City Treasurer's Office (CTO)*** – *The official office within the Quezon City Government, as the main revenue-generating arm of the City, collecting various taxes and fees to support the worthwhile City projects. The CTO shall be responsible for the determination of the manner by which the tax incentive will be applied;*

i. ***Business Permits and Licensing Department (BPLD)*** – *The official department within the Quezon City Government in charge of issuing and renewing business and occupational permits. The BPLD shall be responsible for the inspections on all business establishments subject to this Ordinance operating within the City, ensuring conformity to existing laws, rules and regulations. Any violations may result in the revocation of permits or licenses and, if necessary, the closure of the business as provided for in this Ordinance and its implementing rules and regulations; and*

j. ***Social Services Development Department (SSDD)*** – *The official department within the Quezon City Government in charge of implementing various programs and services that respond to the issues and concerns of different disadvantaged sectors at the individual, group, and community level. The SSDD shall assist the QCVD in validating the indigent status of beneficiaries.*

SECTION 2. COVERAGE OF TAX INCENTIVE. – To be eligible for the tax incentive under this Ordinance, a Participating Veterinary Clinic must perform a cumulative minimum of twenty (20) free spay or neuter surgeries within a calendar year on canines or felines owned by certified Indigent Residents of Quezon City. The incentive shall be granted in the form of a Tax Credit applicable against the clinic's assessed Local Business Tax (LBT) for the succeeding year, encouraging actual and continuing participation in the City's spay/neuter program.

SECTION 3. COMPUTATION AND VALUATION CAP. –

a. *Maximum Credit per Animal: If the clinic's published or billed rate for the surgery exceeds Two Thousand Pesos (Php2,000.00), the deductible base shall remain strictly capped at Two Thousand Pesos (Php2,000.00). Consequently, the maximum tax credit earned shall not exceed 50% of the deductible base or One Thousand Pesos (Php1,000.00) per qualified animal, regardless of the procedure for spay or neuter.*

b. *Overall Tax Incentive Ceiling: The total accumulated tax credit granted to a Participating Veterinary Clinic shall have an overall ceiling equivalent to thirty percent (30%) of the veterinary clinic's previous-year Local Business Tax due. This ensures the benefit remains proportionate to actual tax liability. The tax credit with the 30% ceiling may be applied to the tax year succeeding the calendar year the procedures for spay or neuter were conducted, subject to applicable rules and verification.*

SECTION 4. REGISTRATION. – Participating Veterinary Clinics must be duly registered to conduct business in Quezon City in order to avail of the tax incentive provided herein and shall also register with the QCVD, in accordance with the rules and guidelines to be promulgated under the Implementing Rules and Regulations (IRR).

SECTION 5. VERIFICATION, DOCUMENTATION, AND MONITORING PROCESS. – To ensure the integrity of the tax incentive program, the following strict documentation and monitoring protocols shall be observed:

a. ***Indigency Verification:*** *Prior to the performance of the surgery, the clinic must secure and keep on file a certified true copy of the Certificate of Indigency of the pet owner issued by the Barangay or the SSDD.*

b. ***Surgical Registry and Logbook:*** *Every Participating Veterinary Clinic shall maintain a dedicated Spay/ Neuter Registry (physical or digital) which shall include:*

   1. *Name, address, and contact details of the indigent owner;*
   2. *Description and photograph of the canine or feline (breed, color, markings, age, sex);*
   3. *Date and time of the surgery;*
   4. *Total cost of the procedure conducted;*
   5. *Name and PRC license number of the attending veterinarian; and*
   6. *Post-operative status of the animal upon discharge.*

c. ***Compliance Reporting and Deadline:*** *The clinic shall submit a Compliance Report under oath to the QCVD. To ensure that qualified clinics can obtain and use their Tax Credit Certificate before the business tax renewal period, a strict reporting deadline shall be established. All reports covering the calendar year must be submitted no later than a specific cut-off date (e.g., December 15) to be defined in the IRR, ensuring adequate time for verification.*

d. ***On-Site Inspection and Audit:*** *The QCVD shall have the authority to conduct unannounced on-site inspections and audits of Participating Veterinary Clinics during regular business hours to verify the accuracy of the records and the actual performance of the services.*

e. ***Issuance of Tax Credit Certificate:*** *The QCVD shall, after thorough verification of the Compliance Reports, endorse the qualified clinics to the City Treasurer's Office. Based on this endorsement, the CTO shall issue a Tax Credit Certificate which will serve as the official documentation of the tax credit earned by the clinic based on its qualified spay/neuter procedures. No tax credit shall be applied by the City Treasurer without the presentation of this Certificate.*

f. ***Fraud and Penalties:*** *Falsification of records, inflated surgical counts, or claims for incentives involving non-indigent clients shall be grounds for the revocation of the tax incentives granted and the payment of the applicable taxes, surcharges, and interests, in accordance with the Quezon City Revenue Code and other applicable laws, rules and regulations. The IRR shall prescribe the procedures for the imposition of such sanctions and the remedies available in case of appeals or disputes.*

SECTION 6. REFERRALS. – Qualified Indigent Residents who are interested in Spay or Neuter Surgery for their canines or felines shall be provided with a list of Participating Veterinary Clinics by the QCVD. For this purpose, the City Mayor, members of the Quezon City Council, and barangay authorities may endorse indigent pet owners to the QCVD for referral and verification of indigency.

SECTION 7. IMPLEMENTING RULES AND REGULATIONS. – The QCVD, in coordination with the City Treasurer's Office and other relevant offices, shall promulgate within sixty (60) days upon approval of this Ordinance the necessary rules and regulations for the effective and transparent implementation of this Ordinance. The detailed procedures for implementation provided in the IRR shall include, but are not limited to:

1. *Reporting Frequency;*
2. *Submission Deadlines (ensuring alignment with the business tax renewal period);*
3. *Documentary Requirements;*
4. *Verification of Qualified Procedures;*
5. *Computation of the Tax Incentive;*
6. *Issuance of the Tax Credit Certificate; and*
7. *Application and Utilization of the Tax Credit.*

SECTION 8. REPEALING CLAUSE. – All ordinances, issuances, rules and regulations inconsistent with the provisions of this Ordinance are hereby repealed, amended, rescinded, and/or modified accordingly.

SECTION 9. SEPARABILITY CLAUSE. – If, for any reason, any provision, section, or part of this Ordinance is declared invalid or unconstitutional by a competent court, the remaining provisions not affected thereby shall remain in full force and effect.

SECTION 10. EFFECTIVITY CLAUSE. – This Ordinance shall take effect fifteen (15) days after its full publication in at least two (2) conspicuous places in Quezon City.

ENACTED: October 8, 2026.

CERTIFICATION

This is to certify that this Ordinance was ENACTED by the City Council on Second Reading on October 8, 2026 and was PASSED on Third/Final Reading on October 22, 2026.

GIAN G. SOTTO
City Vice Mayor
Presiding Officer

APPROVED: NOV 03 2026

MA. JOSEFINA G. BELMONTE
City Mayor

ATTESTED:

ATTY. JOHN THOMAS S. ALFEROS, III
City Government Department Head III
(Secretary to the Sanggunian)