

SIXTEENTH CONGRESS)
OF THE REPUBLIC OF THE PHILIPPINES)
First Regular Session)

HOUSE OF REPRESENTATIVES
House Bill No. 1818



Introduced by Representative Ben P. Evardone
Lone District, Eastern Samar

EXPLANATORY NOTE

As the basic unit in our political structure, our barangays, provide the first level of government assistance to our people when they are in need of one. This assistance comes in all forms—from settling disputes between neighbors to maintenance of local infrastructures to delivery of health services, etc. Needless to say, the barangay has to be fiscally independent and stable to be able to carry out these functions.

Although the Local Government Code (LGC) of 1991 provides specific sources of income for the barangay, some of the provisions with regard to these are quite vague. For instance, Section 164 stipulates that the barangay is entitled to half (or 50%) of its community tax collection. However, the provision does not contain further details as to when (or how) the barangay can claim its share. In practice, the barangay does not get its share until a request for its release is made upon the city or municipality, thereby causing delay in the delivery of basic services to the constituents.

This bill seeks to correct the situation. As proposed, Section 164 (c) (2) will be amended so that the barangay treasurer shall automatically retain the 50% of the barangay's share in the community tax it has collected and remit the share of its respective city/municipality within ten (10) days after the end of each month.

Thus, approval of this bill is earnestly sought.


BEN EVARDONE

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AN ACT

PROVIDING FOR THE AUTOMATIC RETENTION BY THE BARANGAY OF ITS FIFTY PERCENT (50%) SHARE IN THE COMMUNITY TAX COLLECTED BY SAID BARANGAY, AMENDING SECTION 164 OF THE LOCAL GOVERNMENT CODE OF 1991

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 **SECTION 1.** Section 164 of Republic Act No. 7160, otherwise known as the Local
2 Government Code of 1991 is hereby amended to read as follows:
3

4 **"Section 164. Printing of Community Tax Certificates and Distribution of Proceeds.** - (a)
5 The Bureau of Internal Revenue shall cause the printing of community tax certificates and
6 distribute the same to the cities and municipalities through the city and municipal treasurers in
7 accordance with prescribed regulations.
8

9 The proceeds of the tax shall accrue to the general funds of the cities, municipalities
10 and barangays except a portion thereof which shall accrue to the general fund of the National
11 Government to cover the actual cost of printing and distribution of the forms and other related
12 expenses.
13

14 (b) The city or municipal treasurer concerned shall remit to the national treasurer the said
15 share of the National Government in the proceeds of the tax within ten (10) days after the end
16 of each quarter. The city or municipal treasurer shall deputize the barangay treasurer to collect
17 the community tax in their respective jurisdictions: Provided, however, that said barangay
18 treasurer shall be bonded in accordance with existing laws.
19

20 (c) The proceeds of the community tax actually and directly collected by the city or
21 municipal treasurer shall accrue entirely to the general fund of the city or municipality
22 concerned. However, proceeds of the community tax collected through the barangay
23 treasurers shall be apportioned as follows:
24

25 (1) Fifty percent (50%) shall accrue to the general fund of the city or municipality
26 concerned; and

27 (2) Fifty percent (50%) shall accrue to the barangay [where the tax is collected] **WHICH**
28 **COLLECTED THE TAX.**
29

30 **THE BARANGAY TREASURER CONCERNED SHALL AUTOMATICALLY**
31 **RETAIN THE SHARE OF THE BARANGAY AND REMIT THE SHARE OF THE**

1 **CITY OR MUNICIPALITY CONCERNED WITHIN TEN (10) DAYS AFTER THE**
2 **END OF THE MONTH.”**

3
4 **SEC. 2. *Repealing Clause.*** — All laws, executive orders, rules and regulations contrary to
5 the provisions of this Act are hereby repealed or modified accordingly.

6
7 **SEC. 3. *Separability Clause.***—If any provision of this Act is declared unconstitutional or
8 invalid, the other provisions not affected shall remain in full force and effect.

9
10 **SEC. 4. *Effectivity.*** — This Act shall take effect fifteen (15) days after its complete
11 publication in the Official Gazette or in two (2) newspapers of general circulation, whichever
12 comes first.

13
14 **Approved,**