

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SIXTEENTH CONGRESS
First Regular Session



House Bill No. 3541

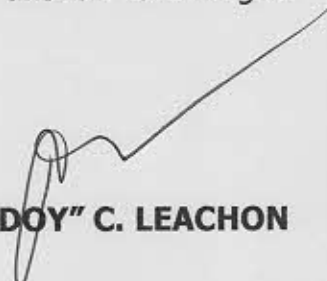
Introduced by **REP. PAULINO SALVADOR "DOY" C. LEACHON**

EXPLANATORY NOTE

The bill seeks to amend certain provisions of the Local Government Code of 1991 particularly Title III, Chapter 1, of Section 285 in order to allow barangays which were created after the effectivity of the Local Government Code of 1991 on January 1, 1992, to receive their just share of the Internal Revenue Allotment (IRA) and shall provide the basis for redistributing the IRA shares of Local Government Units to the barangays, irrespective of the date of their creation.

To date, almost 300 barangays were created after the advent of the Local Government Code of 1991 (LGC) which also function and perform on the basis of the same mandate as that of the barangays created before the LGC took effect.

Hence, the necessity and immediacy of approving this bill is of higher importance.


PAULINO SALVADOR "DOY" C. LEACHON

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Introduced by **REP. PAULINO SALVADOR "DOY" C. LEACHON**

**AN ACT AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 7160
OTHERWISE KNOWN AS "THE LOCAL GOVERNMENT CODE OF 1991"
AND FOR OTHER PURPOSES**

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

SECTION 1. Section 285 of Republic Act 7160 otherwise known as the
Local Government Code of the Philippines is hereby amended:

"Section 285. Allocation to Local Government Units.- The
share of local government units in the internal revenue allotment
shall be allocated in the following manner:

(a)xxx

(d) barangays – Twenty percent (20%) **TO BE ALLOCATED
TO ALL BARANGAYS, REGARDLESS OF THEIR DATE OF
CREATION.**

Provided, however, That the share of each province, city,
and municipality shall be determined on the basis of the following
formula:

(a)xxx

Provided, further, That the share of each barangay with a
population of not less than one hundred (100) inhabitants shall not

be less than Eighty Thousand Pesos (P80,000.00) per annum chargeable against the twenty (20%) share of the barangay from the internal revenue allotment, and the balance to be allocated on the basis of the following formula:

(a)xxx

Provided, finally, **THAT ALL BARANGAYS IRRESPECTIVE OF THE DATE OF THEIR CREATION SHALL HAVE THE SAME ALLOCATION.**

IN THE ALLOCATION AND RELEASE OF FUNDS, THE DEPARTMENT OF FINANCE, DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT AND DEPARTMENT OF BUDGET AND MANAGEMENT SHALL ENSURE THE EQUAL TREATMENT OF ALL THE BARANGAYS.

SECTION 2. Application. The right of the barangays created after the effectivity of the Local Government Code of 1991 shall accrue in the immediately preceding fiscal year after the approval of this act.

SECTION 3. Repealing Clause. All laws, decrees, executive orders, issuances or regulations inconsistent with the provisions of this Act are hereby revised or amended accordingly.

SECTION 4. Separability Clause. If any part of this law is declared unconstitutional or invalid, such parts or provisions thereof not so declared shall remain valid and subsisting.

SECTION 5. Effectivity. – This Act shall take effect fifteen (15) days after completion of its publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,