

THIRTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

5 FEB 28 P 1:05

SENATE
S.B. No. 1933

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Introduced by SENATOR EDGARDO J. ANGARA

EXPLANATORY NOTE

The barangays, as institutionalized in the Local Government Code of 1991, is the basic unit of our political structure. Like municipalities, cities and provinces, barangays are mandated to perform certain duties and functions. It is also mandated to be self-reliant, which requires that it must raise its own revenue so that it can efficiently and effectively provide and delivers the basic services and facilities to its inhabitants.

Although the Local Government Code has generous provisions identifying the sources of revenue for the barangays, some of these, however, are vague as to when the barangays shall enjoy the same.

Specifically, Section 164 provides that barangays are entitled to a share of up to fifty percent (50%) of its community tax collection. However, while the said proviso provides that the share of the national government from the community tax collection shall remitted by the city or municipality concerned within ten (10) days after the end of each quarter, it is silent as to when the barangay shall receive its share.

In practice, the city or municipality concerned releases to the barangay its share only when the latter asks for it. Lamentably, in most cases, the release takes a long time, thereby causing delays in the rendition of basic services to the constituents. Meanwhile, the city or municipality deposits the share of the barangay with its depository bank under a time deposit account and enjoy the interest accruing thereto.

This bill, therefore, seeks to correct the situation

It is proposed that Section 164 (c) (2) be amended to the effect that the barangay treasurer concerned shall automatically retain the fifty percent (50%) share of barangays in the community tax collected and remit the share of the city or municipality within ten (10) days after the end of each month.

Approval of this bill, therefore, is earnestly sought.


EDGARDO J. ANGARA
Senator

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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 House of Representatives of the Philippines in
Congress assembled*

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

3
4 "SEC. 164. ***Printing of Community Tax Certificate and***
5 ***Distribution of Proceeds*** - (a) The Bureau of Internal Revenue
6 shall cause the printing of community tax certificate and
7 distribute the same to the cities and municipalities through the
8 city and municipal treasurers in accordance with prescribed
9 regulations.

10
11 The proceeds of the tax shall accrue to the general funds of the
12 cities, municipalities and barangays except a *portion thereof*
13 which shall accrue to the general fund of the National
14 Government to cover the actual cost of printing and

1 distribution of the forms and other related expenses The city or
2 municipality treasurer the said share of the National
3 Government in the proceeds of the tax within ten (10) days
4 after the end of each quarter.

5
6 The city or municipality treasurer shall deputize the barangay
7 treasurer to collect the community tax in their respective
8 jurisdictions: Provided, however, that said barangay treasurer
9 shall be bonded in accordance with existing laws.

10
11 The proceeds of the community tax actually and directly
12 collected by the city or municipal treasurer shall accrue
13 entirely to the general fund of the city or municipality
14 concerned. However, proceeds of the community tax collected
15 through the barangay treasurers shall be apportioned as
16 follows:

17
18 Fifty percent (50%) shall accrue to the general fund of
19 the city or municipality concerned; and

20
21 Fifty percent (50%) shall accrue to the barangay [where
22 tax is collected] WHICH COLLECTED TAX.

23
24 THE BARANGAY TREASURER CONCERNED SHALL
25 AUTOMATICALLY RETAIN THE SHARE OF THE BARANGAY
26 AND REMIT THE SHARE OF THE CITY OR MUNICIPALITY,

1 CONCERNED WITHIN TEN (10) DAYS AFTER THE END OF
2 THE MONTH.

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

8
9 **SECTION. 3. *Separability Clause*** ~ If any provision of this Act is declared
10 unconstitutional or invalid, the other provisions not affected shall remain in full
11 force and effect.

12
13 **SECTION. 4. *Effectivity Clause*** ~ This Act shall take effect immediately
14 following its publication in the Official Gazette or in two (2) newspapers of general
15 circulation, whichever come first.

16
17 *Approved,*