


**FOURTEENTH CONGRESS OF THE REPUBLIC }  
OF THE PHILIPPINES }  
*First Regular Session***

} 8 13 1991

RECEIVED BY: 

**SENATE**

S. B. No. 2125

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**INTRODUCED BY SENATOR ALAN PETER "COMPAÑERO" S. CAYETANO**

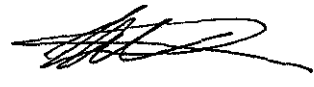
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**EXPLANATORY NOTE**

Article II, Section 25 of the 1987 Constitution provides that the State recognizes and ensures the autonomy of local governments. It also emphasizes that Local Government Units shall have a just share, as determined by law, in the national taxes, which shall be automatically released to them. In line with these constitutional policies, this bill aims to provide financial stability to Barangays and Sangguniang Kabataan by assuring the automatic release of their funds allocated from the national taxes and real property taxes.

It has been a recurring problem that Local Government Units are deprived of their funds due to the political differences although there is always an explanation given to justify non-release or delay in the release of such funds. To avoid similar incidents in the future, penalties are hereby provided for public officials responsible for the delay or failure to immediately release the aforesaid funds as scheduled in the Local Government Code of 1991.


Hence, the passage of this bill is earnestly sought.



**ALAN PETER "COMPAÑERO" S. CAYETANO**  
**Senator**

**FOURTEENTH CONGRESS OF THE REPUBLIC }  
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S. B. No. 2125

**INTRODUCED BY SENATOR ALAN PETER "COMPAÑERO" S.  
CAYETANO**

**AN ACT**

**PENALIZING PUBLIC OFFICIALS WHO CAUSED DELAY OR FAILED IN  
AUTOMATICALLY RELEASING THE SHARES OF BARANGAY IN THE  
PROCEEDS OF NATIONAL TAXES AND REAL PROPERTY TAXES**

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

**SECTION 1.** Any public official who willfully and deliberately delays or fails to automatically release the shares of a Barangay in the proceeds of national taxes and real property taxes as mandated by Section 286 and 271(d) of the Local Government Code of 1991 (Republic Act No. 7160) shall be punished with *arresto mayor* and dismissal from office or a fine ranging from 50,000 to 100,000 pesos.

**SECTION 2.** For the purpose of the effective enforcement of this Act, the Department of Interior and Local Government shall issue the necessary implementing rules and regulations.

**SECTION 3.** Any law, decree, presidential decree, executive or administrative order, rule or regulation inconsistent with this Act is hereby repealed, amended, or modified accordingly.

**SECTION 4.** This Act shall take effect fifteen (15) days after its complete publication in the Official Gazette or in at least two (2) newspapers of general circulation, whichever comes earlier.

Approved,