

1 **BILL NO.** _____
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3 Republic of the Philippines
4 **BANGSAMORO PARLIAMENT**
5 **Bangsamoro Autonomous Region in Muslim Mindanao**
6 Bangsamoro Government Center, Cotabato City
7

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9 **BANGSAMORO TRANSITION AUTHORITY**
10 (_____ **REGULAR SESSION**)
11

12 **BANGSAMORO AUTONOMY ACT NO.** _____
13

14 *Begun and held in Cotabato City, on _____, the _____ day of _____, 2019*
15

16
17 **AN ACT PROVIDING FOR THE**
18 **BANGSAMORO LOCAL GOVERNANCE CODE**
19

20
21 **BOOK I**
22 **GENERAL PROVISIONS**
23 **TITLE I**
24 **BASIC PRINCIPLES**
25

26 **CHAPTER I**
27 **The Code, Policy and Application**
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29 **SECTION 1. Title.** - This Act shall be known and cited as the **“Bangsamoro Local**
30 **Governance Code of 2020”**¹
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32 **SECTION 2. Declaration of Policy.** - (a) It is hereby declared the policy of the
33 Bangsamoro Autonomous Region in Muslim Mindanao that its territorial and political
34 subdivisions shall enjoy genuine and meaningful local autonomy to enable them to attain
35 full development as self-reliant communities and become effective partners in the
36 attainment of holistic Bangsamoro development. Toward this end, the Bangsamoro
37 Government, pursuant to the principles of moral governance, shall provide for a more
38 responsive and accountable local government structure instituted through a system of
39 decentralization whereby constituent local government units shall be given more powers,
40 authority, responsibilities, and resources in a gradual and systematic approach. The
41 process of decentralization shall proceed from the Bangsamoro regional government to
42 its constituent local government units.

¹ It was named in Sec. 4, Article XVI of R.A. 11054 as the “Bangsamoro Local Government Code.” However, “Government” is replaced with “Governance” since the latter is broad, more inclusive, and entails accommodation and cooperation.

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- (b) It is also the policy of the Bangsamoro Government to ensure the accountability of local government units through the institution of effective mechanisms of recall, initiative referendum, and administrative supervision.
- (c) It is likewise a policy of the Bangsamoro Autonomous Region that regional agencies and offices conduct mandatory public consultations with the constituent local government units, non-governmental and people's organizations, and other concerned sectors of the community, before any project or program is approved for implementation by the concerned regional agencies, offices, or government-owned or -controlled corporations in their respective jurisdictions.
- (d) Finally, the mandatory public consultations required for the implementation of all programs and projects funded by the National Government in the constituent local government units of the BARMM shall be governed by policies that may be enacted by the Bangsamoro Government, subject to agreement by the National and the Bangsamoro Government through the Intergovernmental Relations Body, in accordance with Republic Act No. 11054, otherwise known as the Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao.²

SECTION 3. Operative Principles of Decentralization. - The formulation and implementation of policies and measures on local autonomy shall be guided by the following operative principles:

- (a) There shall be an effective and systematic allocation among the different constituent local government units of their respective powers, functions, responsibilities, and resources;
- (b) There shall be established in every constituent local government unit an accountable, efficient, and dynamic organizational structure and operating mechanism that will meet the priority needs and service requirements of its communities;
- (c) Local officials and employees whose salaries are fully charged against the local funds shall, unless otherwise provided under this Code, be appointed by the Governor, Mayor, or Punong Barangay, or the Vice Governor or Vice Mayor, as the case may be, according to merit and fitness, and may only be removed for cause, subject to the civil service law, rules, and regulations in the Bangsamoro Civil Service Code that may be enacted by the Parliament.

² Sec. 2, Article VI of R.A. 11054 on Intergovernmental Relations requires that the implementation of projects and programs funded by the National Government shall be subject to agreement between the National Government and the Bangsamoro Government.

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- (d) The vesting of duty, responsibility, and accountability in constituent local government units shall be accompanied with provision for reasonably adequate resources to discharge their powers and effectively carry out their functions; hence, they shall have the power to create and broaden their own sources of revenue and the right to a just share in the national taxes, through the system of Internal Revenue Allotment and regional taxes; and an equitable share in the proceeds of the utilization and development of the national and regional wealth within their respective areas;
- (e) Provinces with respect to component cities and municipalities, and cities and municipalities with respect to component barangays, shall ensure that the acts of their component units are within the scope of their prescribed powers and functions. Correspondingly, the Ministry of the Interior and Local Government shall ensure faithful compliance by the constituent local government units with their obligations through the proper use of their prescribed powers and accomplishment of their functions.
- (f) Constituent local government units, regional agencies, and other organizations may group themselves, consolidate or coordinate their efforts, services, and resources for purposes of promoting the general welfare and the common good;
- (g) The capabilities of constituent local government units in the Autonomous Region, especially the municipalities and barangays, shall be strengthened by providing them with opportunities to participate actively in the planning and implementation of regional policies, programs and projects;
- (h) There shall be a continuing mechanism to enhance local autonomy not only by legislative enabling acts but also by administrative and organizational reforms;
- (i) Constituent local government units shall share with the Bangsamoro Government the responsibility in the management and maintenance of ecological balance within their territorial jurisdiction, subject to the provisions of this Code and national and regional policies;
- (j) Effective mechanisms for ensuring the accountability of constituent local government units to their respective constituents shall be strengthened in order to upgrade continually the quality of local leadership;
- (k) The realization of local autonomy shall be facilitated through improved

130 coordination of regional government policies and programs and
131 extension of adequate financial, technical, and material assistance to less
132 developed and deserving constituent local government units;

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134 (l) The participation of the private sector in local governance, particularly in
135 the delivery of basic services, shall be strengthened to ensure the viability
136 of local autonomy as a primary regional strategy for sustainable
137 Bangsamoro development; and

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139 (m) The Bangsamoro Government shall ensure that gradual decentralization
140 contributes to the continuing improvement of the performance of
141 constituent local government units and the quality of life of the
142 Bangsamoro people.

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144 **SECTION 4. Scope of Application.** - This Code shall apply to all constituent
145 provinces, cities, municipalities, barangays, and other political subdivisions as may be
146 created by law, and, to the extent herein provided, officials, offices, or agencies of the
147 Bangsamoro Government.

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149 **SECTION 5. Rules of Interpretation.** - In the interpretation of the provisions of
150 this Code, the following rules shall apply:

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152 (a) Any provision on a power of a constituent local government unit shall be
153 liberally interpreted in its favor, and in case of doubt, any question
154 thereon shall be resolved in favor of devolution of powers and of the
155 lower local government unit. Any fair and reasonable doubt as to the
156 existence of the power shall be interpreted in favor of the constituent
157 local government unit concerned;

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159 (b) In case of doubt, any tax ordinance or revenue measure shall be
160 construed strictly against the local government unit enacting it, and
161 liberally in favor of the taxpayer. Any tax exemption, incentive or relief
162 granted by any local government unit pursuant to the provisions of this
163 Code shall be construed strictly against the person claiming it.

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165 (c) The general welfare provisions in this Code shall be liberally interpreted
166 to give more powers to constituent local government units in accelerating
167 economic development and upgrading the quality of life for the people in
168 the community.

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170 (d) In the resolution of controversies arising under this Code where no legal
171 provision or jurisprudence applies, resort may be had to the customs and
172 traditions in the place where the controversies take place.

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CHAPTER II

175 **General Powers and Attributes of Local Government Units**
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177 **SECTION 6. Authority to Create Local Government Units.** – A municipality
178 or a barangay may be created, divided, merged, abolished, or its boundaries substantially
179 altered by law to be enacted by the Parliament. The municipalities or barangays created,
180 divided, merged, or whose boundaries are substantially altered, shall be entitled to their
181 appropriate Internal Revenue Allotment: Provided, That the criteria laid down in this
182 code shall be satisfied. Provided further, that it shall be approved by a majority of the
183 votes cast in a plebiscite in the political units directly affected.
184

185 The authority to create, divide, merge, abolish, or substantially alter the boundaries of a
186 provide, or a city shall remain in Congress, through the Philippine Congress –
187 Bangsamoro Parliament Forum.
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189 **SECTION 7. Creation and Conversion.** - As a general rule, the creation of a
190 local government unit or its conversion from one level to another level shall be based on
191 verifiable indicators of viability and projected capacity to provide services, to wit:
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- 193 (a) Income. - It must be sufficient, based on acceptable standards, to provide
194 for all essential government facilities and services and special functions
195 commensurate with the size of its population, as expected of the local
196 government unit concerned;
197
- 198 (b) Population. - It shall be determined as the total number of inhabitants
199 within the territorial jurisdiction of the local government unit concerned;
200 and
201
- 202 (c) Land Area. - It must be contiguous, unless it comprises two or more
203 islands or is separated by a local government unit independent of the
204 others; properly identified by metes and bounds with technical
205 descriptions; and sufficient to provide for such basic services and
206 facilities to meet the requirements of its populace. Compliance with the
207 foregoing indicators shall be attested to by the Ministry of Finance, and
208 Budget and Management, the Philippine Statistics Authority, and the
209 Lands Management Bureau of the Ministry of Environment, Natural
210 Resources and Energy.
211

212 **SECTION 8. Division and Merger.** - Division and merger of existing local
213 government units shall comply with the same requirements herein prescribed for their
214 creation: Provided however, That such division shall not reduce the income, population,
215 or land area of the local government unit or units concerned to less than the minimum
216 requirements prescribed in this Code: Provided, further, That the income classification of
217 the original local government unit or units shall not fall below its current income
218 classification prior to such division.
219

220 **SECTION 9. Abolition of Local Government Units.** - A constituent local
221 government unit may be abolished when its income, population, or land area has been
222 irreversibly reduced to less than the minimum standards prescribed for its creation under
223 Book III of this Code, as certified by the regional agencies mentioned in Section 7 hereof
224 to Parliament.

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226 The law abolishing a constituent local government unit shall specify the province,
227 city, municipality, or Barangay with which the local government unit sought to be
228 abolished will be incorporated or merged.

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230 **SECTION 10. Plebiscite Requirement.** - No creation, division, merger,
231 abolition, or substantial alteration of boundaries of local government units shall take
232 effect unless approved by a majority of the votes cast in a plebiscite called for the
233 purpose in the political unit or units directly affected. Said plebiscite shall be conducted
234 by the Commission on Elections (Comelec) within one hundred twenty (120) days from
235 the date of effectivity of the law effecting such action, unless said law fixes another date.

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237 **SECTION 11. Selection and Transfer of Constituent Local Government Site,
238 Offices and Facilities.** – (a) The law or ordinance creating or merging local government
239 units shall specify the seat of government from where governmental and corporate
240 services shall be delivered. In selecting said site, factors relating to historical significance,
241 geographical centrality, accessibility, availability of transportation and communication
242 facilities, drainage and sanitation, development and economic progress, and other
243 relevant considerations shall be considered.

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245 (b) When conditions and developments in the local government unit concerned
246 have significantly changed subsequent to the establishment of the seat of government, its
247 Sanggunian may, after public hearing and by a two-thirds (2/3) vote of all its members,
248 transfer the same to a site better suited to its needs. Provided that no such transfer shall be
249 made outside the territorial jurisdiction of the concerned local government unit, more
250 than once every twenty (20) years, and without prior authorization from the Office of the
251 Chief Minister, through the Ministry of the Interior and Local Government.

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253 The old site, together with the improvements thereon, may be disposed of by sale
254 or lease or converted to such other use as the Sanggunian concerned may deem beneficial
255 to the local government unit concerned and its inhabitants.

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257 (c) Local government offices and facilities shall not be transferred, relocated, or
258 converted to other uses unless public hearings are first conducted for the purpose and the
259 concurrence of the majority of all the members of the Sanggunian concerned is obtained.

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261 **SECTION 12. Government Centers.** - Provinces, cities, and municipalities shall
262 endeavor to establish a government center where offices, agencies, or branches of the
263 national and regional government, local government units, or government-owned or -
264 controlled corporations may, as far as practicable, be located. In designating such a center,

265 the local government unit concerned shall consider the existing facilities of national,
266 regional and local agencies and offices which may serve as the government center as
267 contemplated under this Section. The national and regional government, local
268 government unit or government-owned or -controlled corporation concerned shall bear
269 the expenses for the construction of its buildings and facilities in the government center.

270 **SECTION 13. Naming of Local Government Units and Public Places, Streets**
271 **and Structures, and Declaring Local Public Holidays.** – (a) The Sangguniang
272 Panlalawigan may, in consultation with the Bangsamoro Commission for the
273 Preservation of Cultural Heritage, change the name of the following within its territorial
274 jurisdiction:

- 275
- 276 (1) Component cities and municipalities, upon the recommendation
277 of the Sanggunian concerned;
 - 278
 - 279 (2) Provincial roads, avenues, boulevards, thorough-fares, and
280 bridges
 - 281
 - 282 (3) Public vocational or technical schools and other post- secondary
283 and tertiary schools;
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 - 285 (4) Provincial hospitals, health centers, and other health facilities; and
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 - 287 (5) Any other public place or building owned by the provincial
288 government.

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290 (b) The Sanggunian of highly urbanized cities and of component cities
291 whose charters prohibit their voters from voting for provincial elective
292 officials, hereinafter referred to in this Code as independent component
293 cities, may, in consultation with the Bangsamoro Commission for the
294 Preservation of Cultural Heritage, change the name of the following
295 within its territorial jurisdiction:

- 296
- 297 (1) City Barangays, upon the recommendation of the Sangguniang
298 Barangay concerned;
 - 299
 - 300 (2) City roads, avenues, boulevards, thorough fares, and bridges;
 - 301
 - 302 (3) Public elementary, secondary and vocational or technical schools,
303 community colleges and non-chartered colleges;
 - 304
 - 305 (4) City hospitals, health centers and other health facilities; and
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 - 307 (5) Any other public place or building owned by the city government.

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309 (c) The Sanggunian of component cities and municipalities may, in

310 consultation with the Bangsamoro Commission for the Preservation of
311 Cultural Heritage, change the name of the following within its territorial
312 jurisdiction:

- 313
- 314 (6) barangays, upon recommendation of the Sangguniang Barangay
315 concerned;
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- 317 (7) city, municipal and Barangay roads, avenues, boulevards,
318 thorough fares, and bridges;
- 319
- 320 (8) city and municipal public elementary, secondary and vocational
321 or technical schools, post-secondary and other tertiary schools;
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- 323 (9) hospitals, health centers and other health facilities, and any other
324 public place or building owned by the municipal government.
325
- 326 (d) None of the foregoing local government units, institutions, places, or
327 buildings shall be named after a living person, nor may a change of name
328 be made unless for a justifiable reason and, in any case, not oftener than
329 once every ten (10) years. The name of a local government unit or a
330 public place, street or structure with historical, cultural, or ethnic
331 significance shall not be changed, unless by a unanimous vote of the
332 Sanggunian concerned and in consultation with the NHP.
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- 334 (e) A change of name of a public school shall be made only upon the
335 recommendation of the local school board concerned.
336
- 337 (f) A change of name of public hospitals, health centers, and other health
338 facilities shall be made only upon the recommendation of the local health
339 board concerned.
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- 341 (g) The change of name of any local government unit shall be effective only
342 upon ratification in a plebiscite conducted for the purpose in the political
343 unit directly affected. In any change of name, the Office of the Chief
344 Minister, the representative of the legislative district concerned, and the
345 Philippine Postal Corporation shall be notified.
346
- 347 (h) The Sangguniang Panlalawigan, Panlungsod or Bayan, upon consultation
348 with the Bangsamoro Commission for the Preservation of Cultural
349 Heritage and Local Historical Associations, if any, and the Ministry of
350 Labor and Employment, through an ordinance duly approved by 2/3 vote
351 of all their respective members, may declare the Founding Anniversary
352 of their locality as working or non-working public holidays.³

³ For efficiency purposes, and in effect, empowering the local officials, thereby strengthening the local autonomy of the constituent local government units.

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SECTION 14. Beginning of Corporate Existence. - When a new local government unit is created, its corporate existence shall commence upon the election and qualification of its chief executive and a majority of the members of its Sanggunian, unless otherwise provided by the law creating it.

SECTION 15. Political and Corporate Nature of Local Government Units. - Every local government unit created or recognized under this Code is a body politic and corporate endowed with powers to be exercised by it in conformity with law. As such, it shall exercise powers as a political subdivision of the regional government and as a corporate entity representing the inhabitants of its territory.

SECTION 16. General Welfare. - Every local government unit shall exercise the powers expressly granted, those necessarily implied therefrom, as well as powers necessary, appropriate, or incidental for its efficient and effective governance, and those which are essential to the promotion of the general welfare. Within their respective territorial jurisdictions, local government units shall ensure and support, among other things, the preservation and enrichment of culture, promote health and safety, enhance the right of the people to a balanced ecology, encourage and support the development of appropriate and self-reliant scientific and technological capabilities, improve public morals, enhance economic prosperity and social justice, promote full employment among their residents, maintain peace and order, and preserve the comfort and convenience of their inhabitants.

SECTION 17. Basic Services and Facilities. – (a) Local government units shall endeavor to be self-reliant and shall continue to exercise the powers and discharge the duties and functions currently vested upon them. They shall also discharge the powers, functions and responsibilities of regional agencies and offices devolved to them pursuant to this Code. Constituent local government units shall likewise exercise such other powers and discharge such other functions and responsibilities as are necessary, appropriate, or incidental to efficient and effective local governance.

(b) Such basic services and facilities include, but are not limited to, the following:

(1) For a Barangay:

- (i) Agricultural support services such as planting materials distribution system and operation of farm produce collection and buying stations, and maintenance of “Gulayan sa Barangay” at the barangay centers;
- (ii) Health and social welfare services such as maintenance of Barangay health center and day-care center;

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- (iii) Educational promotion and information drive on general hygiene and sanitation and beautification;
 - (iv) Segregation and collection of biodegradable, compostable and reusable wastes;
 - (v) Administration, operation, and maintenance of Katarungang Pambarangay;
 - (vi) Organization of community disaster response volunteers;
 - (vii) Operation and maintenance of Barangay roads and bridges and water supply systems;
 - (viii) Operation and maintenance of barangay multi- purpose hall, multipurpose pavement, plaza, sports center, and other barangay facilities;
 - (ix) Establishment and operation of information and reading area within the barangay government center; and
 - (x) Satellite or public market, where viable; ⁴
- (2) For a municipality:
- (i) Extension and on-site research services and facilities related to agriculture and fishery activities such as dispersal of livestock and poultry, fingerlings, and other seeding materials for aquaculture; palay, corn, and vegetable seed farms; medicinal plant gardens; fruit tree, coconut, and other kinds of seedling nurseries; demonstration farms; quality control of copra and improvement and development of local distribution channels, preferably through cooperatives; inter-barangay irrigation system; water and soil resource utilization and conservation projects; and enforcement of fishery laws in municipal waters including the conservation of mangroves;
 - (ii) Pursuant to regional policies and subject to supervision, control and review of the MENRE, implementation of

⁴ These are the specific services that are feasible in the barangay level, based on their financial capacity. The services are listed more specifically to avoid any ambiguity on whose responsibility and accountability the services are for.

437 community-based forestry projects such as integrated
438 social forestry programs and similar projects;
439 management and control of communal forests with an
440 area not exceeding fifty (50) square kilometers;
441 establishment of tree parks, greenbelts, and similar forest
442 development projects;
443
444 (iii) Subject to the provisions of Title Five, Book I of this
445 Code, health services such as implementation of programs
446 and projects on primary health care, maternal and child
447 care, and communicable and non-communicable disease
448 control services; access to secondary and tertiary health
449 services; purchase of medicines, medical supplies, and
450 equipment needed to carry out the services herein
451 enumerated;
452
453 (iv) Social welfare services such as programs and projects on
454 child and youth welfare, family and community welfare,
455 women's welfare, welfare of the elderly and disabled
456 persons; community-based rehabilitation programs for
457 vagrants, beggars, street children, scavengers, juvenile
458 delinquents, and victims of drug abuse; livelihood and
459 other pro-poor projects; nutrition services; and family
460 planning services;
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462 (v) Information services which include investments and job
463 placement information systems, tax and marketing
464 information systems, and maintenance of a public library;
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466 (vi) Solid waste management systems, environmental
467 management systems, and facilities related to general
468 hygiene and sanitation;
469
470 (vii) Construction and/or maintenance of Municipal buildings,
471 cultural centers, public parks including freedom parks,
472 playgrounds, and sports facilities and equipment, and
473 other similar facilities;
474
475 (viii) Infrastructure facilities intended primarily to service the
476 needs of the residents of the municipality and which are
477 funded out of municipal funds including, but not limited
478 to, municipal roads and bridges; school buildings and
479 other facilities for public elementary and secondary
480 schools; clinics, health centers and other health facilities
481 necessary to carry out health services; communal

- 482 irrigation, small water impounding projects and other
483 similar projects; fish ports; artesian wells, spring
484 development, rainwater collectors and water supply
485 systems; seawalls, dikes, drainage and sewerage, and
486 flood control; traffic signals and road signs; and similar
487 facilities;
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- 489 (ix) Public markets, slaughterhouses and other municipal
490 enterprises;
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- 492 (x) Public cemetery;
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- 494 (xi) Tourism facilities and other tourist attractions, including
495 the acquisition of equipment, regulation and supervision
496 of business concessions, and security services for such
497 facilities; and
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- 499 (xii) Provision of sites for police and fire stations and
500 substations and the municipal jail;
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- 502 (3) For a Province:
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- 504 (i) Agricultural extension and on-site research services and
505 facilities such as prevention and control of plant and
506 animal pests and diseases; dairy farms, livestock markets,
507 animal breeding stations, and artificial insemination
508 centers; and assistance in the organization of farmers' and
509 fishermen's cooperatives and other collective
510 organizations, as well as the transfer of appropriate
511 technology;
512
- 513 (ii) Industrial research and development services, as well as
514 the transfer of appropriate technology;
515
- 516 (iii) Pursuant to regional policies and subject to supervision,
517 control and review of the MENRE, enforcement of
518 forestry laws limited to community- based forestry
519 projects, pollution control law, small- scale mining law,
520 and other laws on the protection of the environment; and
521 mini-hydroelectric projects for local purposes;
522
- 523 (iv) Subject to the provisions of Title Five, Book I of this
524 Code, health services such as operation and maintenance
525 of district hospitals and other tertiary health services;
526

- 527 (v) Social welfare services such as programs and projects on
- 528 rebel returnees and evacuees; relief operations; and,
- 529 population development services;
- 530
- 531 (vi) Provincial buildings, provincial jails, freedom parks and
- 532 other public assembly areas, and other similar facilities;
- 533
- 534 (vii) Maintenance of provincial roads and bridges; inter-
- 535 municipal waterworks, drainage and sewerage, flood
- 536 control, and irrigation systems; reclamation projects; and
- 537 similar facilities;
- 538
- 539 (viii) Programs and projects for low-cost housing and other
- 540 mass dwellings;
- 541
- 542 (ix) Investment support services, including access to credit
- 543 financing;
- 544
- 545 (x) Upgrading and modernization of tax information and
- 546 collection services through the use of computer hardware
- 547 and software and other means;
- 548
- 549 (xi) Inter-municipal telecommunications services, subject to
- 550 regional policy guidelines; and
- 551
- 552 (xii) Tourism development and promotion programs;
- 553

554 (4) For a City:

555 All the services and facilities of the municipality and province, and in addition thereto,

556 the following:

- 558
- 559 (i) Adequate communication and transportation facilities;
- 560
- 561 (ii) Support for education, police and fire services and
- 562 facilities.
- 563
- 564 (c) Where the local government unit concerned is duly designated as the
- 565 implementing agency, it shall implement the public works and
- 566 infrastructure projects and other facilities funded by the National
- 567 Government under the Annual General Appropriations Act or those
- 568 regionally funded under the Bangsamoro Appropriations Act, other
- 569 special laws, pertinent executive orders; and those wholly or partially
- 570 funded from foreign sources.⁵

⁵ The constituent local government units shall implement all projects and programs designated to them,

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- (d) The designs, plans, specifications, testing of materials, and the procurement of equipment and materials from both foreign and local sources necessary for the provision of the foregoing services and facilities shall be undertaken by the local government unit concerned, based on regional policies, standards and guidelines.
- (e) Ministries or regional offices concerned shall gradually devolve to local government units the responsibility for the provision of basic services and facilities enumerated in this Section, seven (7) years after the effectivity of this Code, subject to the guidelines in the implementation of the process of devolution as a result of the comprehensive assessment on the financial viability and technical capacity of the local government units, to be conducted by an inter-agency committee on devolution. The members of the committee shall be representatives from the Ministry of Health, Ministry of Agriculture, Fisheries and Agrarian Reform, and the Ministry of Social Services and Development. The Ministry of the Interior and Local Government shall sit as the Chairman of the said inter-agency committee. As used in this Code, the term "devolution" refers to the act by which the Bangsamoro Government confers power and authority upon the various constituent local government units to perform specific functions and responsibilities.⁶
- (f) The Cities of Marawi, Cotabato and Lamitan and the Province of Basilan including its municipalities shall continue to enjoy their full devolution status. This is without prejudice to the power of the Bangsamoro Government to set up its offices in the said local government units for purposes of delivering its services.
- (g) The Ministries or regional offices or the next higher constituent local government unit shall provide or augment the basic services and facilities assigned to a lower level of local government unit when such services or facilities are not made available or, if made available, are inadequate to meet the acceptable standards and requirements of its inhabitants.
- (h) The basic services and facilities hereinabove enumerated shall be funded from the share of the constituent local government units in the proceeds of national taxes and other local revenues and funding support from the Bangsamoro Government, its instrumentalities and government- owned or -controlled corporations which are tasked by law to establish and maintain such services or facilities. Any fund or resource available for the use of the local government units shall be first allocated for the

including those that are nationally- funded.

⁶ A Committee on Devolution shall be created to assess and determine the financial and technical capacity and readiness of the constituent local government units for the devolution of the delivery of services.

613 provision of basic services or facilities enumerated in subsection (b)
614 hereof before applying the same for other purposes, unless otherwise
615 provided in this Code.

616

617 (i) Upon the effectivity of this Code, the Bangsamoro Government
618 shall continue to provide for the compensation of the heads in the
619 agriculture, health, and social welfare offices of the constituent
620 local government units. On the other hand, these local
621 government units shall appoint and provide for the compensation
622 of supporting personnel or other employees in the said offices.
623 The local government units shall also allocate resources for the
624 local programs and projects in their agriculture, health, and social
625 welfare offices.

626

627 (j) The gradual devolution contemplated in this Code shall include
628 the transfer to local government units of the records, equipment,
629 and other assets and personnel of agencies and offices
630 corresponding to the devolved powers, functions, and
631 responsibilities. The concerned Ministries or regional offices of
632 the Bangsamoro Government shall continue to provide technical
633 and financial assistance to all local government units to ensure
634 quality standards of services. Personnel of said Ministries or
635 regional offices shall be absorbed by the local government units
636 to which they belong or in whose areas they are assigned to the
637 extent that it is administratively viable as determined by a
638 committee to be established for the purpose: Provided, that the
639 non-diminution of rights and privileges accorded to such
640 personnel pursuant to civil service law, rules and regulations shall
641 not be impaired: Provided further, that the affected agencies shall
642 review their mandates and functions, and re-organized their
643 structures accordingly.

644

645 (k) To ensure the active participation of the private sector in local
646 governance, local government units may, by ordinance, sell, lease,
647 encumber, or otherwise dispose of public economic enterprises owned by
648 them in their proprietary capacity.

649

650 **SECTION 18. Power to Generate and Apply Resources.** – Constituent local
651 government units shall have the power and authority to establish an organization that
652 shall be responsible for the efficient and effective implementation of their development
653 plans, program objectives and priorities; to create their own sources of revenue and to
654 levy taxes, fees, and charges which shall accrue exclusively for their use and disposition
655 and which shall be retained by them; to have a just share in national taxes which shall be
656 automatically and directly released to them without need of any further action; to have an
657 equitable share in the proceeds from the utilization and development of the national

658 wealth and resources within their respective territorial jurisdictions including sharing the
659 same with the inhabitants by way of direct benefits; to acquire, develop, lease, encumber,
660 alienate, or otherwise dispose of real or personal property held by them in their
661 proprietary capacity and to apply their resources and assets for productive, developmental,
662 or welfare purposes, in the exercise or furtherance of their governmental or proprietary
663 powers and functions and thereby ensure their development into self-reliant communities
664 and active participants in the attainment of national goals.

665

666 **SECTION 19. Eminent Domain.** - A local government unit may, through its
667 chief executive acting pursuant to an ordinance, exercise the power of eminent domain
668 for public use, or purpose, or welfare for the benefit of the poor and the landless, upon
669 payment of just compensation, pursuant to the provisions of the Constitution and
670 pertinent laws: Provided, however, That the power of eminent domain may not be
671 exercised unless a valid and definite offer has been previously made to the owner, and
672 such offer was not accepted: Provided, further, That the local government unit may
673 immediately take possession of the property upon the filing of the expropriation
674 proceedings and upon making a deposit with the proper court of at least fifteen percent
675 (15%) of the fair market value of the property based on the current tax declaration of the
676 property to be expropriated: Provided, finally, That, the amount to be paid for the
677 expropriated property shall be determined by the proper court, based on the fair market
678 value at the time of the taking of the property.

679

680 **SECTION 20. Reclassification of Lands.** – (a) A city or municipality may,
681 through an ordinance passed by the Sanggunian after conducting public hearings for the
682 purpose, authorize the reclassification of agricultural lands and provide for the manner of
683 their utilization or disposition in the following cases: (1) when the land ceases to be
684 economically feasible and sound for agricultural purposes as determined by the Ministry
685 of Fisheries Agriculture and Agrarian Reform or (2) where the land shall have
686 substantially greater economic value for residential, commercial, or industrial purposes,
687 as determined by the Sanggunian concerned: Provided, That such reclassification shall be
688 limited to the following percentage of the total agricultural land area at the time of the
689 passage of the ordinance:

690

691 (1) For highly urbanized and independent component cities, fifteen
692 percent (15%);

693

694 (2) For component cities and first to third class municipalities, ten
695 percent (10%); and

696

697 (3) For fourth to sixth class municipalities, five percent (5%):
698 Provided, That agricultural lands distributed to agrarian reform
699 beneficiaries shall be reclassified upon application of the
700 beneficiary or the landowner, with due notice to the affected
701 parties, and upon full payment of the obligation by the
702 beneficiary.

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- (b) The Chief Minister may, when public interest so requires and upon recommendation of the Bangsamoro Economic and Development Council, authorize a city or municipality to reclassify lands in excess of the limits set in the next preceding paragraph.
- (c) The local government units shall, in conformity with existing laws, continue to prepare their respective comprehensive land use plans enacted through zoning ordinances which shall be the primary and dominant bases for the future use of land resources: Provided, That the requirements for food production, human settlements, and industrial expansion shall be taken into consideration in the preparation of such plans.
- (d) Where approval by a regional agency is required for reclassification, such approval shall not be unreasonably withheld. Failure to act on a proper and complete application for reclassification within three (3) months from receipt of the same shall be deemed as approval thereof.

SECTION 21. Closure and Opening of Roads. – (a) A constituent local government unit may, pursuant to an ordinance, permanently or temporarily close or open any local road, alley, park, or square falling within its jurisdiction: Provided, however, That in case of permanent closure, such ordinance must be approved by at least two-thirds (2/3) of all the members of the Sanggunian, and when necessary, an adequate substitute for the public facility that is subject to closure is provided.

- (b) No such way or place or any part thereof shall be permanently closed without making provisions for the maintenance of public safety therein. A property thus permanently withdrawn from public use may be used or conveyed for any purpose for which other real property belonging to the local government unit concerned may be lawfully used or conveyed: Provided, however, That no freedom park shall be closed permanently without provision for its transfer or relocation to a new site.
- (c) Any national, regional or local road, alley, park, or square may be temporarily closed during an actual emergency, or fiesta celebrations, public rallies, agricultural or industrial fairs, or an undertaking of public works and highways, telecommunications, and waterworks projects, the duration of which shall be specified by the local chief executive concerned in a written order: Provided, however, That no national, regional or local road, alley, park, or square shall be temporarily closed for athletic, cultural, or civic activities not officially sponsored, recognized, or approved by the local government unit concerned.
- (d) Any city, municipality, or Barangay may, by a duly enacted ordinance,

748 close and regulate the use of any local ordinance, temporarily street, road,
749 thoroughfare, or any other public place where shopping malls, Sunday,
750 flea or night markets, or shopping areas may be established and where
751 goods, merchandise, foodstuffs, commodities, or articles of commerce
752 may be sold and dispensed to the general public.

753

754 **SECTION 22. Corporate Powers.** – (a) Every constituent local government unit,
755 as a corporate entity, shall have the following powers:

756

757 (1) To have continuous succession in its corporate name;

758

759 (2) To sue and be sued;

760

761 (3) To have and use a corporate seal;

762

763 (4) To acquire and convey real or personal property;

764

765 (5) To enter into contracts; and

766

767 (6) To exercise such other powers as are granted to corporations,
768 subject to the limitations provided in this Code and other laws.

769

770 (b) Constituent local government units may continue to use, modify, or
771 change their existing corporate seals: Provided, That newly established
772 local government units or those without corporate seals may create their
773 own corporate seals which shall be registered with the Ministry of the
774 Interior and Local Government: Provided, further, That any change of
775 corporate seal shall also be registered as provided herein.

776

777 (c) Unless otherwise provided in this Code, contract may be entered into by
778 the local chief executive in behalf of the local government unit without
779 prior authorization by the Sanggunian concerned. A legible copy of such
780 contract shall be posted at a conspicuous place in the provincial capitol or
781 the city, municipal or barangay hall.

782

783 (d) Constituent local government units shall enjoy full autonomy in the
784 exercise of their proprietary functions and in the management of their
785 economic enterprises, subject to the limitations provided in this Code and
786 other applicable laws.

787

788 **SECTION 23. Authority to Negotiate and Secure Grants.** - Local chief
789 executives may, upon authority of the Sanggunian, negotiate and secure financial grants
790 or donations in kind, in support of the basic services or facilities enumerated under
791 Section 17 hereof, from local and foreign assistance agencies without necessity of
792 securing clearance or approval therefor from any department, agency, or office of the

793 regional government or from any higher constituent local government unit.

794

795 The local chief executive shall, within thirty (30) days from the signing of such
796 grant, agreement, or deed of donation, report the nature, amount, and terms of such
797 assistance to the Office of the Chief Minister, through the Ministry of the Interior and
798 Local Government.

799

800 **SECTION 24. Liability for Damages.** – Constituent local government units and
801 their officials are not exempt from liability for death or injury to persons or damage to
802 property.

803

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805

CHAPTER III Intergovernmental Relations

806

807

808

Article I

809

Bangsamoro Government and its Constituent Local Government Units

810

811

SECTION 25. Regional Supervision and Regulation over Local Government Units.

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814

- (a) Consistent with the basic policy on regional autonomy, the Chief
815 Minister shall exercise general supervision over its constituent local
816 government units to ensure that their acts are within the scope of their
817 prescribed powers and functions, without prejudice to the authority of the
818 Chief Minister to regulate the affairs of its constituent local government
819 units, as guaranteed by Republic Act No. 11054. The Chief Minister
820 shall exercise supervisory and regulatory authority directly over
821 provinces, highly urbanized cities, and independent component cities;
822 through the province with respect to component cities and municipalities;
823 and through the city and municipality with respect to Barangays.⁷

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The authority of the Chief Minister to supervise and regulate the affairs
of the constituent local government units shall be exclusive. The
implementation of all national policies and standards concerning the
constituent local government units shall be agreed between the National
Government and the Bangsamoro Government, as may be provided in
the Intergovernmental Relations Mechanism.⁸

⁷ The Bangsamoro Local Governance Code intends to strengthen the power of supervision by the Bangsamoro Government, through the MILG and whenever necessary, impose its authority to regulate the affairs of the constituent local government units, in accordance with Sec. 10, Art. VI on Intergovernmental Relations in RA 11054, without diminishing their local autonomy.

⁸ In order to avoid double supervision over constituent local government units by the DILG- National and the MILG.

- 832 (b) The Bangsamoro Government may by law establish a sub-regional office
833 in order to improve efficiency and coordination with constituent local
834 government units and allocate appropriate funding for this purpose;
835 provided, it negotiates successfully with the National Government or a
836 sub-national entity or a local government unit within or outside the
837 Bangsamoro Autonomous Region in Muslim Mindanao for the location
838 of such office.
839
- 840 (c) Regional agencies and offices with project implementation functions
841 shall coordinate with one another and with the constituent local
842 government units concerned in the discharge of these functions. They
843 shall ensure the participation of local government units both in the
844 planning and implementation of said projects.
845
- 846 (d) The Chief Minister may, upon request of the constituent local
847 government unit concerned, thru the MILG, direct the appropriate
848 regional agency to provide financial, technical, or other forms of
849 assistance to the local government unit. Such assistance shall be extended
850 at no extra cost to the local government unit concerned.
851
- 852 (e) Regional agencies and offices including government-owned or -
853 controlled corporations with field units or branches in a province, city, or
854 municipality shall furnish the local chief executive concerned, for his
855 information and guidance, monthly reports including duly certified
856 budgetary allocations and expenditures.
857

858 **SECTION 26. Duty of Regional Government Agencies in the Maintenance of**
859 **Ecological Balance.** - It shall be the duty of every regional agency or government-owned
860 or -controlled corporation authorizing or involved in the planning and implementation of
861 any project or program that may cause pollution, climatic change, depletion of non-
862 renewable resources, loss of crop land, rangeland, or forest cover, and extinction of
863 animal or plant species, to consult with the constituent local government units,
864 nongovernmental organizations, and other sectors concerned and explain the goals and
865 objectives of project or program, its impact upon the people and the community in terms
866 of environmental or ecological balance, and the measures that will be undertaken to
867 prevent or minimize the adverse effects thereof.
868

869 **SECTION 27. Prior Consultations Required.** - No project or program shall be
870 implemented by government authorities unless the consultations mentioned in Sections 2
871 (c) and 26 hereof are complied with, and prior approval of the Sanggunian concerned is
872 obtained: Provided, That occupants in areas where such projects are to be implemented
873 shall not be evicted unless appropriate relocation sites have been provided, in accordance
874 with the provisions of the Constitution.
875

876 **ARTICLE II**

877 **Relations with the Philippine National Police**

878
879 **SECTION 28. - Powers of Local Chief Executives over the Units of the**
880 **Philippine National Police.** - The extent of operational supervision and control of local
881 chief executives over the police force, fire protection unit, and jail management personnel
882 assigned in their respective jurisdictions shall be governed by applicable national law and
883 the Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao.
884

885 **ARTICLE III**
886 **Inter-Local Government Relations**

887
888 **SECTION 29. Provincial Relations with Component Cities and**
889 **Municipalities.** - The province, through the governor, shall ensure that every component
890 city and municipality within its territorial jurisdiction acts within the scope of its
891 prescribed powers and functions. Highly urbanized cities and independent component
892 cities shall be independent of the province.
893

894 **SECTION 30. Review of Executive Orders.** - (a) Except as otherwise provided
895 under the Constitution and special statutes, the governor shall review all executive orders
896 promulgated by the component city or municipal mayor within his jurisdiction. The city
897 or municipal mayor shall review all executive orders promulgated by the punong
898 barangay within his jurisdiction. Copies of such orders shall be forwarded to the governor
899 or the city or municipal mayor, as the case may be, within three (3) days from their
900 issuance. In all instances of review, the local chief executive concerned shall ensure that
901 such executive orders are within the powers granted by law and in conformity with
902 provincial, city, or municipal ordinances.
903

904 (b) If the governor or the city or municipal Mayor fails to act on said executive
905 orders within thirty (30) days after their submission, the same shall be deemed consistent
906 with law and therefore valid.
907

908 (c) Copies of all executive issuances shall be furnished to the Ministry of the
909 Interior and Local Government, through the Local Government Operations Officer
910 assigned in the concerned constituent local government unit.
911

912 **SECTION 31. Submission of Municipal Questions to the Provincial Legal**
913 **Officer or Prosecutor.** - In the absence of a municipal legal officer, the municipal
914 government may secure the opinion of the provincial legal officer or, in the absence of
915 the latter, that of the provincial prosecutor on any legal question affecting the
916 municipality.
917

918 **SECTION. 32. City and Municipal Supervision over Their Respective**
919 **Barangays.** - The city or municipality, through the Mayor concerned, shall exercise
920 general supervision over component Barangays to ensure that said barangays act within
921 the scope of their prescribed powers and functions.

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SECTION 33. Cooperative Undertakings Among Constituent Local Government Units. – Constituent local government units may, through appropriate ordinances, group themselves, consolidate, or coordinate their efforts, services, and resources for purposes commonly beneficial to them. In support of such undertakings, the local government units involved may, upon approval by the Sanggunian concerned after a public hearing conducted for the purpose, contribute funds, real estate, equipment, and other kinds of property, and appoint or assign personnel under such terms and conditions as may be agreed upon by the participating local units through a Memorandum of Agreement.

CHAPTER IV
Relations with People's and Non-Governmental Organizations

SECTION 34. Role of People's and Nongovernmental Organizations. - Local government units shall promote the establishment and operation of people's and nongovernmental organizations to become active partners in the pursuit of local autonomy.

SECTION 35. Linkages with People's and Non-Governmental Organizations.

Local government units may enter into joint ventures and such other cooperative arrangements with people's and nongovernmental organizations to engage in the delivery of certain basic services, capability-building and livelihood projects, and to develop local enterprises designed to improve productivity and income, diversify agriculture, spur rural industrialization, promote ecological balance, and enhance the economic and social well-being of the people.

SECTION 36. Assistance to People's and Nongovernmental Organizations. - A local government unit may, through its local chief executive and with the concurrence of its Sanggunian, provide assistance, financial or otherwise, to such people's and nongovernmental organizations for economic, socially-oriented, environmental, or cultural projects to be implemented within its territorial jurisdiction.

CHAPTER V
Local Bids and Awards Committee

SECTION 37. Local Bids and Awards Committee. - (a) There is hereby created a local bids and awards committee in every province, city, and municipality, which shall be primarily responsible for the procurement of government programs and projects. The committee shall have at least five (5) members but not more than seven (7) members and shall elect among themselves the Chairman and Vice Chairman.

- (1) One representative from each regular office under the office of Local Chief Executive such as but not limited to the following:

967 Administrator, Budget Office, Engineering Office, Legal Office
968 and General Services Office;

969
970 (2) A representative from the end user unit.

971
972 (b) The LBAC shall have the following functions: advertise and/or post the
973 invitation to bid, conduct pre-procurement and pre-bid conferences, determine
974 the eligibility of prospective bidders, receive bids, conduct the evaluation of bids,
975 undertake post-qualification proceedings, recommend award of contracts to the
976 Head of the Procuring Entity of his duly authorized representative: Provided,
977 That in the event the Head of the Procuring shall disapprove such
978 recommendation, such disapproval shall be based only on valid, reasonable and
979 justifiable grounds to be expressed in writing, copy furnished the LBAC;
980 recommend to the Head of the Procuring Entity the use of Alternative Methods
981 of Procurement as provided for in the procurement law or RA 9184; and perform
982 such other related functions as may necessary. ⁹

983
984 **SECTION 38. Local Technical Committee.** - (a) There is hereby created a local
985 technical committee in every province, city and municipality to provide technical
986 assistance to the local prequalification, bids and awards committees. It shall be composed
987 of the three (3) permanent officials preferably from the third ranking and rank and file
988 staff as may be designated by the local bids and awards committee.

989
990 (b) The chairman of the local technical committee shall be designated by the
991 local bids and awards committee and shall attend its meeting in order to present the
992 reports and recommendations of the local technical committee.

993
994 **TITLE II**
995 **ELECTIVE OFFICIALS**

996
997 **CHAPTER VI**
998 **Qualifications and Election**

999
1000 **SECTION 39. Qualifications.** - (a) An elective local official must be a citizen of
1001 the Philippines; a registered voter in the barangay, municipality, city, or province or, in
1002 the case of a member of the Sangguniang Panlalawigan, Sangguniang Panlungsod, or
1003 Sanggunian bayan, the district where he intends to be elected; a resident therein for at
1004 least one (1) year immediately preceding the day of the election; and able to read and
1005 write Filipino or any other local language or dialect, and at least in the College level for
1006 provincial, city, and municipal officials, at least in the junior high school level for
1007 barangay officials and the sangguniang kabataan chairman, and at least in the elementary
1008 level for sangguniang kabataan members. This educational requirement shall also pertain

⁹ In accordance with the Amended Implementing Rules and Regulations of R.A. 9184 or the Government Procurement Reform Act

1009 to their equivalent in the Arabic and Islamic educational system.¹⁰
1010

1011 (b) Candidates for the position of governor, vice- governor or member of the
1012 Sangguniang Panlalawigan, or Mayor, vice-mayor or member of the
1013 Sangguniang Panlungsod of highly urbanized cities must be at least
1014 twenty-three (23) years of age on election day.

1015
1016 (c) Candidates for the position of Mayor or vice-mayor of independent
1017 component cities, component cities, municipalities must be at least
1018 twenty-one (21) years of age on election day.

1019
1020 (d) Candidates for the position of member of the Sangguniang Panlungsod or
1021 Sangguniang bayan must be at least eighteen (18) years of age on
1022 election day.

1023
1024 (e) Candidates for the position of Punong Barangay or member of the
1025 Sangguniang Barangay must be at least eighteen (18) years of age on
1026 election day.

1027
1028 (f) Candidates for the Sangguniang Kabataan must be at least eighteen (18)
1029 years of age but not more than twenty-four (24) years of age on election
1030 day.

1031
1032 **SECTION 40. Disqualifications.** - The following persons are disqualified from
1033 running for any elective local position:

1034
1035 (a) Those sentenced by final judgment for an offense involving moral
1036 turpitude or for an offense punishable by one (1) year or more of
1037 imprisonment, within two (2) years after serving sentence;

1038
1039 (b) Those removed from office as a result of an administrative case;

1040
1041 (c) Those convicted by final judgment for violating the oath of allegiance to
1042 the Republic;

1043
1044 (d) Those with dual citizenship;

1045
1046 (e) Fugitives from justice in criminal or nonpolitical cases here or abroad;
1047

¹⁰ An added qualification that aims to curtail political dynasty in the Autonomous Region. This qualification is not related to the requirement on citizenship, residency, age, and educational attainment; and hence does not in any way diminish the qualifications provided in the 1987 Philippine Constitution for elective officials of higher positions, such as the Presidency.

- 1048 (f) Permanent residents in a foreign country or those who have acquired the
1049 right to reside abroad and continue to avail of the same right after the
1050 effectivity of this Code;
1051
- 1052 (g) Those who are related within the second civil degree of consanguinity or
1053 affinity to any incumbent local official running for an elective position
1054 are disqualified to be candidates for: (i) any provincial elective position in
1055 the same province; (ii) any city elective position in the same city; (iii) any
1056 municipal elective position in the same municipality; and (iv) any
1057 barangay elective position in the same barangay ¹¹;
1058
- 1059 (h) Those elected local officials in areas outside the Bangsamoro
1060 Autonomous Region, who seeks to be elected in the BARMM in the
1061 upcoming next local elections;¹²
1062
- 1063 (i) Those incumbent officials who seek to run for an office holding a
1064 position lower than his/ her current position; ¹³
1065
- 1066 (j) The insane or feeble-minded.
1067

1068 **SECTION 41. Manner of Election.** - (a) The governor, vice-governor, city
1069 mayor, city vice-mayor, municipal mayor, municipal vice-mayor, and Punong Barangay
1070 shall be elected at large in their respective units by the qualified voters therein. However,
1071 the Sangguniang Kabataan chairman for each barangay shall be elected by the registered
1072 voters of the Katipunan ng Kabataan, as provided in this Code.
1073

- 1074 (b) The regular members of the Sangguniang Panlalawigan, Sangguniang
1075 Panlungsod, and Sangguniang Bayan shall be elected by district, as may
1076 be provided for by law. Sangguniang Barangay members shall be elected
1077 at large. The presidents of the leagues of Sanggunian members of
1078 component cities and municipalities shall serve as ex officio members of
1079 the Sangguniang Panlalawigan concerned. The presidents of the Liga ng
1080 mga Barangay and the Pederasyon ng mga Sangguniang kabataan elected
1081 by their respective chapters, as provided in this Code, shall serve as ex
1082 officio members of the Sangguniang Panlalawigan, Sangguniang
1083 Panlungsod, and Sangguniangbayan.
1084
- 1085 (c) In addition, thereto, there shall be one (1) sectoral representative from the
1086 women, one (1) from the workers, and one (1) from any of the following
1087 sectors: the urban poor, indigenous cultural communities, disabled
1088 persons, or any other sector as may be determined by the Sanggunian

¹¹ Anti-dynasty proposed provision.

¹² This is to prevent circumvention of the law on the term of office of elective local officials, which shall be no more than three consecutive terms (Sec. 8, Article X, 1987 Philippine Constitution.)

¹³ This is to prevent reports of unethical practices by local officials to continue holding their positions.

1089 concerned within ninety (90) days prior to the holding of the next local
1090 elections, as may be provided for by law. The Comelec shall promulgate
1091 the rules and regulations to effectively provide for the election of such
1092 sectoral representatives.
1093

1094 **SECTION 42. Date of Election.** - Unless otherwise provided by law, the
1095 elections for local officials shall be held every three (3) years on the second Monday of
1096 May.

1097
1098 **SECTION 43. Term of Office.** - (a) The term of office of all local elective
1099 officials shall be three (3) years, starting from noon of June 30, 2022 or such date as may
1100 be provided for by law, except that of elective Barangay officials and Sangguniang
1101 Kabataan.

1102
1103 (b) No local elective official shall serve for more than three (3) consecutive
1104 terms in the same position. Voluntary renunciation of the office for any
1105 length of time shall not be considered as an interruption in the continuity
1106 of service for the full term for which the elective official concerned was
1107 elected.

1108
1109 (c) The term of office of Barangay officials and members of the
1110 Sangguniang Kabataan shall be for three (3) years, which shall begin
1111 after the regular election of Barangay officials on the second Monday of
1112 May 1994.

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CHAPTER VII Vacancies and Succession

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1119 **SECTION 44. Permanent Vacancies in the Offices of the Governor, Vice-**
1120 **Governor, Mayor, and Vice-Mayor.** - If a permanent vacancy occurs in the office of the
1121 governor or Mayor, the vice-governor or vice-mayor concerned shall become the
1122 governor or Mayor. If a permanent vacancy occurs in the offices of the governor, vice-
1123 governor, Mayor, or vice-mayor, the highest ranking Sanggunian member or, in case of a
1124 disqualification under Section 40 hereof, or his permanent inability, the second highest
1125 ranking Sanggunian member, shall become the governor, vice-governor, Mayor or vice-
1126 mayor, as the case may be. Subsequent vacancies in the said office shall be filled
1127 automatically by the other Sanggunian members according to their ranking as defined
1128 herein.

1129
1130

1131 (a) If a permanent vacancy occurs in the office of the Punong Barangay, the
1132 highest ranking Sanggunian Barangay member or, in case of a
1133 disqualification under Section 40 hereof or his permanent inability, the
second highest ranking Sanggunian member, shall become the Punong

1134 Barangay. In case the next higher ranking Sanggunian member refuses to
1135 assume office, he shall be deemed ipso facto resigned.

1136

1137 (b) A tie between or among the highest ranking Sanggunian members shall
1138 be resolved by the drawing of lots.

1139

1140 (c) The successors as defined herein shall serve only the unexpired terms of
1141 their predecessors. For purposes of this Chapter, a permanent vacancy
1142 arises when an elective local official fills a higher vacant office, refuses
1143 to assume office, fails to qualify, dies, is removed from office,
1144 voluntarily resigns, or is otherwise permanently incapacitated to
1145 discharge the functions of his office.

1146

1147 For purposes of succession as provided in this Chapter, ranking in the Sanggunian
1148 shall be determined on the basis of the proportion of votes obtained by each winning
1149 candidate to the total number of registered voters in each district in the immediately
1150 preceding local election.

1151

1152 **SECTION 45. Permanent Vacancies in the Sanggunian.** - (a) Permanent
1153 vacancies in the Sanggunian where automatic successions provided above do not apply
1154 shall be filled by appointment in the following manner:

1155

1156 (1) By the Chief Minister, through the Ministry of Interior and Local
1157 Government, in the case of the Sangguniang Panlalawigan and
1158 the Sangguniang Panlungsod; by the governor, in the case of the
1159 Sangguniang Panlungsod of component cities and the
1160 Sangguniang Bayan;

1161

1162 (2) By the city or municipal Mayor, in the case of Sangguniang
1163 Barangay, upon recommendation of the Sangguniang Barangay
1164 concerned.

1165

1166 (b) Except for the Sangguniang Barangay, only the nominee of the political
1167 party under which the Sanggunian member concerned had been elected
1168 and whose elevation to the position next higher in rank created the last
1169 vacancy in the Sanggunian shall be appointed in the manner hereinabove
1170 provided. The appointee shall come from the same political party as that
1171 of the Sanggunian member who caused the vacancy and shall serve the
1172 unexpired term of the vacant office. In the appointment herein mentioned,
1173 a nomination and a certificate of membership of the appointee from the
1174 highest official of the political party concerned are conditions sine qua
1175 non, and any appointment without such nomination and certification
1176 shall be null and void ab initio and shall be a ground for administrative
1177 action against the official responsible therefor.

1178

1179 (c) In case the permanent vacancy is caused by a Sanggunian member who
1180 does not belong to any political party, the Chief Minister shall, through
1181 the Ministry of the Interior and Local Government, upon
1182 recommendation of the Sanggunian concerned, appoint a qualified
1183 person to fill the vacancy.

1184
1185 (d) In case of vacancy in the representation of the youth and the Barangay in
1186 the Sanggunian, said vacancy shall be filled automatically by the official
1187 next in rank of the organization concerned.

1188
1189 **SECTION 46. Temporary Vacancy in the Office of the Local Chief**

1190 **Executive.**-(a) When the governor, city or municipal Mayor, or Punong Barangay is
1191 temporarily incapacitated to perform his duties for physical or legal reasons such as, but
1192 not limited to, leave of absence, travel abroad, and suspension from office, the vice-
1193 governor, city or municipal vice-mayor, or the highest ranking Sangguniang Barangay
1194 member, as the case may be, shall automatically exercise the powers and perform the
1195 duties and functions of the local chief executive concerned, except the power to appoint,
1196 suspend, or dismiss employees which can only be exercised if the period of temporary
1197 incapacity exceeds thirty (30) working days.

1198 (b) Said temporary incapacity shall terminate upon submission to the
1199 appropriate Sanggunian of a written declaration by the local chief
1200 executive concerned that he has reported back to office. In cases where
1201 the temporary incapacity is due to legal causes, the local chief executive
1202 concerned shall also submit necessary documents showing that said legal
1203 causes no longer exist.

1204
1205 (c) When the incumbent local chief executive is traveling within the country
1206 but outside his territorial jurisdiction for a period not exceeding three (3)
1207 consecutive days, he may designate in writing the officer-in-charge of the
1208 said office. Such authorization shall specify the powers and functions
1209 that the local official concerned shall exercise in the absence of the local
1210 chief executive except the power to appoint, suspend, or dismiss
1211 employees.

1212
1213 (d) In the event, however, that the local chief executive concerned fails or
1214 refuses to issue such authorization, the vice-governor, the city or
1215 municipal vice-mayor, or the next highest ranking Sangguniang
1216 Barangay member, as the case may be, shall have the right to assume the
1217 powers, duties, and functions of the said office on the fourth (4th) day of
1218 absence of the said local chief executive, subject to the limitations
1219 provided in subsection (c) hereof.

1220
1221 (e) Except as provided above, the local chief executive shall in no case
1222 authorize any local official to assume the powers, duties, and functions of
1223 the office, other than the vice-governor, the city or municipal vice-

1224 Mayor, or the highest ranking Sangguniang Barangay member, as the
1225 case maybe.
1226

1227 **SECTION 47. Other Permanent Vacancies.** In the case of a barangay where
1228 despite the application of the modes of succession or for reasons which will render the
1229 said modes of succession inapplicable, there remain vacancies in certain local positions
1230 which may effectively hamper the operations of the local government unit, the Minister
1231 of the Interior and Local Government shall designate a qualified person for the local
1232 elective position concerned.
1233

1234 Such person so designated shall exercise the powers and perform the duties and
1235 functions of the local government position as provided by this Code and other existing
1236 laws. Provided, however, that the designee has not been a candidate for any elective
1237 position during the recently concluded election; provided, further, that the person
1238 designated shall act with the highest degree of integrity, impartiality, and fairness at all
1239 times; provided, finally, that the designee must possess all the qualifications and none of
1240 the disqualifications prescribed for the corresponding elective office.
1241

1242 In case of multiple vacancies, the Minister of the Interior and Local Government
1243 may make simultaneous appointments, provided that the rules set forth in the preceding
1244 paragraph shall be strictly observed.
1245

1246 **SECTION 48. Temporary Vacancy Due to Failure of Elections-** (a) In case of
1247 vacancy due to failure of elections in a province, city, or municipality before noon of
1248 June 30 of the election year, the Chief Minister shall appoint a local official in an acting
1249 capacity until a qualified duly elected official shall have been proclaimed and assumed
1250 office;
1251

1252 (b) In the case of barangay officials, the Minister of the Ministry of the
1253 Interior and Local Government shall appoint an acting official until a
1254 qualified duly elected one shall have been proclaimed and assumed office;
1255

1256 (c) A selection committee composed of traditional and religious leaders, and
1257 MILG field officers assigned in the concerned locality shall assist the
1258 Chief Minister or the Minister of the Ministry of the Interior and Local
1259 Government, as the case may be, in determining the most qualified
1260 applicants acceptable to the constituents of the concerned locality.¹⁴
1261

1262 **SECTION 49. Approval of Leaves of Absence.** - (a) Leaves of absence of local
1263 elective officials shall be approved as follows:
1264

1265 (1) Leaves of absence of the governor and the Mayor of a highly
1266 urbanized city or an independent component city shall be
1267 approved by the Chief Minister or his duly authorized

¹⁴ To prevent the unethical practice of local officials in circumventing the rule on hold-over.

- 1268 representative;
- 1269
- 1270 (2) Leaves of absence of a vice-governor or a city or municipal vice-
- 1271 mayor shall be approved by the local chief executive concerned:
- 1272 Provided, That the leaves of absence of the members of the
- 1273 Sanggunian and its employees shall be approved by the vice-
- 1274 governor or city or municipal vice- mayor concerned;
- 1275
- 1276 (3) Leaves of absence of the component city or municipal Mayor
- 1277 shall be approved by the governor; and
- 1278
- 1279 (4) Leaves of absence of a Punong Barangay shall be approved by
- 1280 the city or municipal mayor: Provided, that leaves of absence of
- 1281 Sangguniang Barangay members shall be approved by the
- 1282 Punong Barangay.
- 1283
- 1284 (b) Whenever the application for leave of absence hereinabove specified is
- 1285 not acted upon within five (5) working days after receipt thereof, the
- 1286 application for leave of absence shall be deemed approved.
- 1287
- 1288 (c) In all cases, application for leave of absence shall be furnished to the
- 1289 Ministry of the Interior and Local Government (MILG)
- 1290

1291 **CHAPTER VIII**

1292 **Local Legislation**

1293

1294 **SECTION 50. Local Legislative Power.** - Local legislative power shall be

1295 exercised by the Sangguniang Panlalawigan for the province; the Sangguniang

1296 Panlungsod for the city; the Sangguniang bayan for the municipality; and the

1297 Sangguniang Barangay for the Barangay.

1298

1299 **SECTION 51. Presiding Officer.** - (a) The vice-governor shall be the presiding

1300 officer of the Sangguniang Panlalawigan; the city vice-mayor, of the Sangguniang

1301 Panlungsod; the municipal vice-mayor, of the Sangguniang bayan; and the Punong

1302 Barangay, of the Sangguniang Barangay. The presiding officer shall vote only to break a

1303 tie.

1304

- 1305 (b) In the event of the inability of the regular Presiding officer to preside at a
- 1306 Sanggunian session, (when he has not designated a temporary presiding
- 1307 officer,) the members present and constituting a quorum shall elect from
- 1308 among themselves a temporary presiding officer. He shall certify within
- 1309 ten (10) days from the passage of ordinances enacted and resolutions
- 1310 adopted by the Sanggunian in the session over which he temporarily
- 1311 presided.
- 1312

1313 (c) The vice-governor, the city vice-mayor, or the municipal vice-mayor
1314 shall not be allowed to chair any of the regular standing committee of the
1315 Sanggunian concerned.
1316

1317 **SECTION 52. Internal Rules of Procedure.** - (a) Within ninety days following
1318 the election of its members, the every Sanggunian shall adopt or update its existing rules
1319 of procedure.
1320

1321 (b) The rules of procedure shall provide for the following:
1322

1323 (1) The organization of the Sanggunian and the election of its officers
1324 as well as the creation of standing committees which shall include,
1325 but shall not be limited to, the committees on appropriations,
1326 women and family, human rights, youth and sports development,
1327 environmental protection, and cooperatives; the general
1328 jurisdiction of each committee; and the election of the chairman
1329 and members of each committee;
1330

1331 (2) The order and calendar of business for each session;
1332

1333 (3) The legislative process;
1334

1335 (4) The parliamentary procedures which include the conduct of
1336 members during sessions;
1337

1338 (5) The discipline of members for disorderly behavior and absences
1339 without justifiable cause for four (4) consecutive sessions, for
1340 which they may be censured, reprimanded, or excluded from the
1341 session, suspended for not more than sixty (60) days, or expelled:
1342 Provided, That the penalty of suspension or expulsion shall
1343 require the concurrence of at least two-thirds (2/3) vote of all the
1344 Sanggunian members: Provided, further, That a member
1345 convicted by final judgment to imprisonment of at least one (1)
1346 year for any crime involving moral turpitude shall be
1347 automatically expelled from the Sanggunian; and
1348

1349 (6) Such other rules as the Sanggunian may adopt.
1350

1351 **SECTION 53. Full Disclosure of Financial and Business Interests of**
1352 **Sanggunian Members.** - (a) Every Sanggunian member shall, upon assumption to office,
1353 make a full disclosure of his business and financial interests. He shall also disclose any
1354 business, financial, or professional relationship or any relation by affinity or
1355 consanguinity within the fourth civil degree, which he may have with any person, firm, or
1356 entity affected by any ordinance or resolution under consideration by the Sanggunian of

1357 which he is a member, which relationship may result in conflict of interest. Such
1358 relationship shall include:

1359

1360 (1) Ownership of stock or capital, or investment, in the entity or firm
1361 to which the ordinance or resolution may apply; and

1362

1363 (2) Contracts or agreements with any person or entity which the
1364 ordinance or resolution under consideration may affect. In the
1365 absence of a specific constitutional or statutory provision
1366 applicable to this situation, "conflict of interest" refers in general
1367 to one where it may be reasonably deduced that a member of a
1368 Sanggunian may not act in the public interest due to some private,
1369 pecuniary, or other personal considerations that may tend to affect
1370 his judgment to the prejudice of the service or the public.

1371

1372 (b) The disclosure required under this Act shall be made in writing and
1373 submitted to the secretary of the Sanggunian or the secretary of the
1374 committee of which he is a member. The disclosure shall, in all cases,
1375 form part of the record of the proceedings and shall be made in the
1376 following manner:

1377

1378 (1) Disclosure shall be made before the member participates in the
1379 deliberations on the ordinance or resolution under consideration:
1380 Provided, That, if the member did not participate during the
1381 deliberations, the disclosure shall be made before voting on the
1382 ordinance or resolution on second and third readings; and

1383

1384 (2) Disclosure shall be made when a member takes a position or
1385 makes a privilege speech on a matter that may affect the business
1386 interest, financial connection, or professional relationship
1387 described herein.

1388

1389 **SECTION 54. Sessions.** - (a) On the first day of the session immediately
1390 following the election of its members, the Sanggunian shall, by resolution, fix the day,
1391 time, and place of its regular sessions. The minimum number of regular sessions shall be
1392 once a week for the Sangguniang Panlalawigan, Sangguniang Panlungsod, and
1393 Sangguniang Bayan, and twice a month for the Sangguniang Barangay.

1394

1395 (b) When public interest so demands, special sessions may be called by the
1396 local chief executive or by a majority of the members of the Sanggunian.

1397

1398 (c) All Sanggunian sessions shall be open to the public unless a closed-door
1399 session is ordered by an affirmative vote of a majority of the members
1400 present, there being a quorum, in the public interest or for reasons of
1401 security, decency, or morality. No two (2) sessions, regular or special,

1402 may be held in a single day.

1403

1404 (d) In the case of special sessions of the Sanggunian, a written notice
1405 containing a specific agenda to the members shall be served personally at
1406 the member's usual place of residence at least twenty- four (24) hours
1407 before the special session is held. Unless otherwise concurred in by two-
1408 thirds (2/3) vote of the Sanggunian members present, there being a
1409 quorum, no other matters may be considered at a special session except
1410 those stated in the notice.

1411

1412 (e) The Sanggunian may use a local dialect in conducting regular and special
1413 sessions, provided that the minutes of the proceedings shall be translated
1414 by the Secretary to the Sanggunian in the English or Tagalog language;

1415

1416 (f) Each Sanggunian shall keep a journal and record of its proceedings
1417 which may be published upon resolution of the Sanggunian concerned.

1418

1419 **SECTION 55. Quorum.** - (a) A majority of all the members of the Sanggunian
1420 who have been elected and qualified shall constitute a quorum to transact official
1421 business. Should a question of quorum be raised during a session, the presiding officer
1422 shall immediately proceed to call the roll of the members and thereafter announce the
1423 results.

1424

1425 (b) Where there is no quorum, the presiding officer may declare a recess
1426 until such time as a quorum is constituted, or a majority of the members
1427 present may adjourn from day to day and may compel the immediate
1428 attendance of any member absent without justifiable cause by
1429 designating a member of the Sanggunian, to be assisted by a member or
1430 members of the police force assigned in the territorial jurisdiction of the
1431 local government unit concerned, to arrest the absent member and
1432 present him at the session.

1433

1434 (c) If there is still no quorum despite the enforcement of the immediately
1435 preceding subsection, no business shall be transacted. The presiding
1436 officer, upon proper motion duly approved by the members present, shall
1437 then declare the session adjourned for lack of quorum.

1438

1439 (d) Sanggunian members who fail to attend four (4) consecutive regular or
1440 special sessions, without justifiable reason shall, after due process, be
1441 preventively suspended for a period not exceeding ninety (90) days
1442 without pay, upon filing of a complaint by the concerned Sanggunian or
1443 any concerned citizen to the Ministry of the Interior and Local
1444 Government, whose decision shall take effect immediately. ¹⁵

¹⁵ Based on reports from the ground, local legislative bodies in many municipalities and barangays are not functional due to their failure to constitute quorum. f

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SECTION 56. Approval of Ordinances. - (a) Every ordinance enacted by the Sangguniang Panlalawigan, Sangguniang Panlungsod, or Sangguniang Bayan shall, before it becomes a law, be presented to the provincial governor or city or municipal mayor, as the case may be. If the local chief executive concerned approves the same, he shall affix his signature on each and every page thereof; otherwise, he shall veto it and return the same with his objections to the Sanggunian, which may proceed to reconsider the same. The Sanggunian concerned may override the veto of the local chief executive by two-thirds (2/3) vote of all its members, thereby making the ordinance or resolution effective for all legal intents and purposes.

(b) The local chief executive concerned shall approve the ordinance, or his veto thereon communicated to the concerned to the Sanggunian, within fifteen (15) days in the case of a province, and ten (10) days in the case of a city or a municipality; otherwise, the ordinance shall be deemed approved as if he had sign edit.

(c) ordinances enacted by the Sangguniang Barangay shall, upon approval by the majority of all its members, be signed by the Punong Barangay.

SECTION 57. Veto Power of the Local Chief Executive. - (a) The local chief executive may veto any ordinance of the Sangguniang Panlalawigan, Sangguniang Panlungsod, or Sangguniang Bayan on the ground that it is ultra vires or prejudicial to the public welfare, stating his reasons therefor in writing.

(b) The local chief executive, except the Punong Barangay, shall have the power to veto any particular item or items of an appropriations ordinance, an ordinance or resolution adopting a local development plan and public investment program, or an ordinance directing the payment of money or creating liability. In such a case, the veto shall not affect the item or items which are not objected to. The vetoed item or items shall not take effect unless the Sanggunian overrides the veto in the manner herein provided; otherwise, the item or items in the appropriations ordinance of the previous year corresponding to those vetoed, if any, shall be deemed reenacted.

(c) The local chief executive may veto an ordinance or resolution only once. The Sanggunian may override the veto of the local chief executive concerned by two-thirds (2/3) vote of all its members, thereby making the ordinance effective even without the approval of the local chief executive concerned.

SECTION 58. Review of Component City and Municipal Ordinances or Resolutions by the Sangguniang Panlalawigan. - (a) Within three (3) days after approval, the secretary to the Sanggunian Panlungsod or Sangguniang bayan shall

1490 forward to the Sangguniang Panlalawigan for review, copies of approved ordinances and
1491 the resolutions approving the local development plans and public investment programs
1492 formulated by the local development councils.

1493

1494 (b) Within thirty (30) days after receipt of copies of such ordinances and
1495 resolutions, the Sangguniang Panlalawigan shall examine the documents
1496 or transmit them to the provincial attorney, or if there be none, to the
1497 provincial prosecutor for prompt examination. The provincial attorney or
1498 provincial prosecutor shall, within a period of ten (10) days from receipt
1499 of the documents, inform the Sangguniang Panlalawigan in writing of his
1500 comments or recommendations, which may be considered by the
1501 Sangguniang Panlalawigan in making its decision.

1502

1503 (c) If the Sangguniang Panlalawigan finds that such an ordinance or
1504 resolution is beyond the power conferred upon the Sangguniang
1505 Panlungsod or Sangguniang bayan concerned, it shall declare such
1506 ordinance or resolution invalid in whole or in part. The Sangguniang
1507 Panlalawigan shall enter its action in the minutes and shall advise the
1508 corresponding city or municipal authorities of the action it has taken.

1509

1510 (d) If no action has been taken by the Sangguniang Panlalawigan within
1511 thirty (30) days after submission of such an ordinance or resolution, the
1512 same shall be presumed consistent with law and therefore valid.

1513

1514 (e) Copies of ordinances and resolutions passed by the above-mentioned
1515 Sanggunian shall be furnished to the Ministry of the Interior and Local
1516 Government for information and record purposes.

1517

1518 **SECTION 59. Review of Barangay Ordinances by the Sangguniang**
1519 **Panlungsod or Sangguniang Bayan.** - (a) Within ten (10) days after its enactment, the
1520 Sangguniang Barangay shall furnish copies of all Barangay ordinances to the
1521 Sangguniang Panlungsod or Sangguniang bayan concerned for review as to whether the
1522 ordinance is consistent with law and city or municipal ordinances.

1523

1524 (b) If the Sangguniang Panlungsod or Sangguniang bayan, as the case maybe,
1525 fails to take action on Barangay ordinances within thirty (30) days from
1526 receipt thereof, the same shall be deemed approved.

1527

1528 (c) If the Sangguniang Panlungsod or Sangguniang bayan, as the case may
1529 be, finds the Barangay ordinances inconsistent with law or city or
1530 municipal ordinances, the Sanggunian concerned shall, within thirty (30)
1531 days from receipt thereof, return the same with its comments and
1532 recommendations to the Sangguniang Barangay concerned for
1533 adjustment, amendment, or modification; in which case, the effectivity of
1534 the Barangay ordinance is suspended until such time as the revision

1535 called for is effected.

1536

1537 **SECTION 60. Enforcement of Disapproved ordinances or Resolutions.** - Any
1538 attempt to enforce any ordinance or any resolution approving the local development plan
1539 and public investment program, after the disapproval thereof, shall be sufficient ground
1540 for the suspension or dismissal of the official or employee concerned.

1541

1542 **SECTION 61. Effectivity of Ordinances or Resolutions.** (a) Unless otherwise
1543 stated in the ordinance or the resolution approving the local development plan and public
1544 investment program, the same shall take effect after ten (10) days from the date a copy
1545 thereof is posted in a bulletin board at the entrance of the provincial capitol or city,
1546 municipal, or Barangay hall, as the case may be, and in at least two (2) other conspicuous
1547 places in the local government unit concerned.

1548

1549 (b) The secretary to the Sanggunian concerned shall cause the posting of an
1550 ordinance or resolution in the bulletin board at the entrance of the
1551 provincial capitol and the city, municipal, or Barangay hall in at least two
1552 (2) conspicuous places in the local government unit concerned not later
1553 than five (5) days after approval thereof.

1554

1555 The text of the ordinance or resolution shall be disseminated and posted in
1556 Filipino or English and in the language or dialect understood by the majority of the
1557 people in the local government unit concerned, and the secretary to the Sanggunian shall
1558 record such fact in a book kept for the purpose, stating the dates of approval and posting.

1559

1560 (c) The gist of all ordinances with penal sanctions shall be published in a
1561 newspaper of general circulation within the province where the local
1562 legislative body concerned belongs. In the absence of any newspaper of
1563 general circulation within the province, posting of such ordinances shall
1564 be made in all municipalities and cities of the province where the
1565 Sanggunian of origin is situated.

1566

1567 (d) In the case of highly urbanized cities, the main features of the ordinance
1568 or resolution duly enacted or adopted shall, in addition to being posted,
1569 be published once in a local newspaper of general circulation within the
1570 city: Provided, That in the absence thereof the ordinance or resolution
1571 shall be published in any newspaper of general circulation.

1572

1573

CHAPTER IX Disciplinary Actions

1574

1575

1576 **SECTION 62. Grounds for Disciplinary Actions.** - An elective local official
1577 may be disciplined, suspended, or removed from office on any of the following grounds:

1578

1579 (a) Disloyalty to the Republic of the Philippines;

- 1580
1581 (b) Culpable violation of the Constitution;
1582
1583 (c) Dishonesty, oppression, misconduct in office, gross negligence, or
1584 dereliction of duty;
1585
1586 (d) Commission of any offense involving moral turpitude or an offense
1587 punishable by at least prison mayor;
1588
1589 (e) Abuse of authority;
1590
1591 (f) Unauthorized absence for fifteen (15) consecutive working days, except
1592 in the case of members of the Sangguniang Panlalawigan, Sangguniang
1593 Panlungsod, Sangguniang bayan, and Sangguniang Barangay;
1594
1595 (g) Application for, or acquisition of, foreign citizenship or residence or the
1596 status of an immigrant of another country; and
1597
1598 (h) Such other grounds as may be provided in this Code and other laws. An
1599 elective local official may be removed from office on the grounds
1600 enumerated above by order of the proper court.

1601
1602 **Section 63. Form and Filing of Administrative Complaints.** – An
1603 administrative complaint against a local elective official must be verified and filed with:

- 1604
1605 (a) The Office of the Chief Minister, through the Ministry of Interior and
1606 Local Government, when the complaint is against any elective official of
1607 a province, a highly urbanized city, an independent component city or
1608 component city;
1609
1610 (b) The Sangguniang Panlalawigan, whose decisions on questions of fact is
1611 final and executory, when the complaint is against an official of a
1612 component city or municipality;
1613
1614 (c) The Sangguniang Panlungsod or Pambayan concerned, whose decisions
1615 on questions of fact is final and executory, when the complaint is against
1616 a barangay official; and
1617
1618 (d) The Office of the Chief Minister, through the Ministry of Interior and
1619 Local Government, regardless of respondent local elective official, to the
1620 exclusion of the concerned constituent local government unit, when there
1621 is reasonable ground that a fair and just resolution may be obtained only
1622 through direct filing of the complaint in the Region.¹⁶

¹⁶ Concurrent jurisdiction of the Office of the Chief Minister, through the MILG, with the local legislative

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SECTION 64. Notice of Hearing. - (a) Within seven (7) days after the administrative complaint is filed, the Office of the Chief Minister, through the Ministry of the Interior and Local Government or the Sanggunian concerned, as the case may be, shall require the respondent to submit his verified answer within fifteen (15) days from receipt thereof, and commence the investigation of the case within ten (10) days after receipt of answer of the respondent.

(b) When the respondent is an elective official of a province or highly urbanized city, such hearing and investigation shall be conducted in the place where he renders or holds office. For all other local elective officials, the venue shall be the place where the Sanggunian concerned is located.

(c) However, no investigation shall be held within ninety (90) days immediately prior to any local election, and no preventive suspension shall be imposed within the said period. If preventive suspension has been imposed prior to the 90-day period immediately preceding local election, it shall be deemed automatically lifted upon the start of aforesaid period.

(d) In cases where the complaint is filed before the Chief Minister, through the Ministry of the Interior and Local Government, in the exercise of its concurrent jurisdiction, the venue of the hearing and investigation shall be determined by the hearing officer, which shall be within the Bangsamoro Autonomous Region in Muslim Mindanao.

SECTION 65. Preventive Suspension. - (a) Preventive suspension may be imposed:

(1) By the Office of the Chief Minister, through the Ministry of the Interior and Local Government, if the respondent is an elective official of a province, or a highly urbanized or an independent component city;

(2) By the governor, if the respondent is an elective official of a component city or municipality; or

(3) By the mayor, if the respondent is an elective official of the barangay.

(4) By the Office of the Chief Minister, through the Ministry of the Interior and Local Government, if the complaint is filed in accordance with paragraph (d) of Section 61.

bodies, over administrative complaints against local elective officials, as part of strengthening the power of supervision of the Bangsamoro Government to its constituent local government units.

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- (b) Preventive suspension may be imposed at any time after the issues are joined, when the evidence of guilt is strong, and given the gravity of the offense, there is great probability that the continuance in office of the respondent could influence the witnesses or pose a threat to the safety and integrity of the records and other evidence: Provided, That, any single preventive suspension of local elective officials shall not extend beyond sixty (60) days: Provided, further, That in the event that several administrative cases are filed against an elective official, he cannot be preventively suspended for more than ninety (90) days within a single year on the same ground or grounds existing and known at the time of the first suspension.
- (c) Upon expiration of the preventive suspension, the suspended elective official shall be deemed reinstated in office without prejudice to the continuation of the proceedings against him, which shall be terminated within one hundred twenty (120) days from the time he was formally notified of the case against him. However, if the delay in the proceedings of the case is due to his fault, neglect, or request, other than the appeal duly filed, the duration of such delay shall not be counted in computing the time of termination of the case.
- (d) Any abuse of the exercise of the power of preventive suspension shall be penalized as abuse of authority.

SECTION 66. Salary of Respondent Pending Suspension. - The respondent official preventively suspended from office shall receive no salary or compensation during such suspension; but, upon subsequent exoneration and reinstatement, he shall be paid full salary or compensation including such emoluments accruing during such suspension.

SECTION 67. Rights of Respondent - The respondent shall be accorded full opportunity to appear and defend himself in person or by counsel, to confront and cross-examine the witnesses against him, and to require the attendance of witnesses and the production of documentary evidence in his favor through the compulsory process of subpoena or subpoena duces tecum.

SECTION 68. Form and Notice of Decision. - (a) The investigation of the case shall be terminated within ninety (90) days from the start thereof. Within thirty (30) days after the end of the investigation, the Office of the Chief Minister, through the Ministry of the Interior and Local Government or the Sanggunian concerned shall render a decision in writing stating clearly and distinctly the facts and the reasons for such decision. Copies of said decision shall immediately be furnished the respondent and all interested parties.

- 1711 (b) The penalty of suspension shall not exceed the unexpired term of the
1712 respondent or a period of six (6) months for every administrative offense,
1713 nor shall said penalty be a bar to the candidacy of the respondent so
1714 suspended as long as he meets the qualifications required for the office.
1715
- 1716 (c) The penalty of removal from office as a result of an administrative
1717 investigation shall be considered a bar to the candidacy of the respondent
1718 for any elective position.
1719

1720 **SECTION 69. Administrative Appeals.** - Decisions in administrative cases may,
1721 within thirty (30) days from receipt thereof, be appealed to the following:
1722

- 1723 (a) The Sangguniang Panlalawigan, in the case of decisions of the
1724 Sangguniang Panlungsod of component cities and the Sangguniang
1725 bayan; and
1726
- 1727 (b) The Office of the Chief Minister, through the Ministry of Interior and
1728 Local Government, in the case of decisions of the Sangguniang
1729 Panlalawigan and the Sangguniang Panlungsod of highly urbanized cities
1730 and independent component cities. Decisions of the Office of the Chief
1731 Minister, through the Ministry of Interior and Local Government, shall
1732 be final and executory.
1733

1734 **SECTION 70. Execution Pending Appeal.** - An appeal shall not prevent a
1735 decision from becoming executory. The respondent shall be considered as having been
1736 placed under preventive suspension during the pendency of an appeal in the event he
1737 wins such appeal. In the event the appeal results in an exoneration, he shall be paid his
1738 salary and such other emoluments during the pendency of the appeal.
1739

1740 **CHAPTER X**

1741 **Recall**

1742

1743 **SECTION 71. By Whom Exercised.** - The power of recall for loss of confidence
1744 shall be exercised by the registered voters of a local government unit to which the local
1745 elective official subject to such recall belongs.
1746

1747 **SECTION 72. Initiation of the Recall Process.** - (a) Recall may be initiated by a
1748 preparatory recall assembly or by the registered voters of the local government unit to
1749 which the local elective official subject to such recall belongs.
1750

- 1751 (b) There shall be a preparatory recall assembly in every province, city,
1752 district, and municipality which shall be composed of the following:
1753
- 1754 (1) Provincial level. - All mayors, vice-mayors, and Sanggunian
1755 members of the municipalities and component cities;

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- (2) City level. - All Punong Barangay and Sangguniang Barangay members in the city;
 - (3) Legislative District level. - In cases where Sangguniang Panlalawigan members are elected by district, all elective municipal officials in the district; and in cases where Sangguniang Panlungsod members are elected by district, all elective Barangay officials in the district; and
 - (4) Municipal level. - All Punong Barangay and Sangguniang Barangay members in the municipality.
- (c) A majority of all the preparatory recall assembly members may convene in session in a public place and initiate a recall proceeding against any elective official in the local government unit concerned. Recall of provincial, city, or municipal officials shall be validly initiated through a resolution adopted by a majority of all the members of the preparatory recall assembly concerned during its session called for the purpose.
- (d) Recall of any elective provincial, city, municipal, or Barangay official may also be validly initiated upon petition of at least twenty-five percent (25%) of the total number of registered voters in the local government unit concerned during the election in which the local official sought to be recalled was elected.
- (1) A written petition for recall duly signed before the election registrar or his representative, and in the presence of a representative of the petitioner and a representative of the official sought to be recalled, and in a public place in the province, city, municipality, or barangay, as the case may be, shall be filed with the Comelec through its office in the local government unit concerned. The Comelec or its duly authorized representative shall cause the publication of the petition in a public and conspicuous place for a period of not less than ten (10) days nor more than twenty (20) days, for the purpose of verifying the authenticity and genuineness of the petition and the required percentage of voters.
 - (2) Upon the lapse of the aforesaid period, the Comelec or its duly authorized representative shall announce the acceptance of candidates to the position and thereafter prepare the list of candidates which shall include the name of the official sought to be recalled.

1846 and development in his unit and shall take all personnel actions in accordance with the
1847 Constitutional provisions on civil service, pertinent laws, and rules and regulations
1848 thereon, including such policies, guidelines and standards as the Parliament may establish:
1849 Provided, That the local chief executive may employ emergency or casual employees or
1850 laborers paid on a daily wage or piecework basis and hired through job orders for local
1851 projects authorized by the Sanggunian concerned, without need of approval or attestation
1852 by the Civil Service Commission: Provided, further, That the period of employment of
1853 emergency or casual laborers as provided in this Section shall not exceed six (6) months.
1854

1855 **SECTION 80. Civil Service Law, Rules and Regulations, and Other Related**
1856 **Issuances.** - All matters pertinent to human resources and development in local
1857 government units shall be governed by the civil service law and such rules and
1858 regulations and other issuances promulgated pursuant thereto, unless otherwise specified
1859 in this Code.
1860

1861 **SECTION 81. Limitation on Appointments.** - No person shall be appointed in
1862 the career service of the local government if he is related within the fourth civil degree of
1863 consanguinity or affinity to the appointing or recommending authority.
1864

1865 **SECTION 82. Public Notice of Vacancy; Personnel Selection Board.** - (a)
1866 Whenever a local chief executive decides to fill a vacant career position, there shall be
1867 posted notices of the vacancy in at least three (3) conspicuous public places in the local
1868 government unit concerned for a period of not less than fifteen (15) days.
1869

1870 (b) There shall be established in every province, city or municipality a
1871 personnel selection board to assist the local chief executive in the
1872 judicious and objective selection of personnel for employment as well as
1873 for promotion, and in the formulation of such policies as would
1874 contribute to employeewelfare.
1875

1876 (c) The personnel selection board shall be headed by the local chief
1877 executive, and its members shall be determined by resolution of the
1878 Sanggunian concerned. A representative of the Civil Service
1879 Commission, if any, and the personnel officer of the local government
1880 unit concerned shall be ex officio members of the board.
1881

1882 **SECTION 83. Compensation of Local Officials and Employees.** - The
1883 compensation of local officials and personnel shall be determined by the Sanggunian
1884 concerned: Provided, That the increase in compensation of elective local officials shall
1885 take effect only after the terms of office of those approving such increase shall have
1886 expired: Provided, further, That the increase in compensation of the appointive officials
1887 and employees shall take effect as provided in the ordinance authorizing such increase:
1888 Provided, however, That said increases shall not exceed the limitations on budgetary
1889 allocations for personal services provided under Title Five, Book II of this Code:
1890 Provided, finally, That such compensation may be based upon the pertinent laws that may

1891 be enacted by the Parliament.

1892

1893 The Punong Barangay, the Sangguniang Barangay members, the Sangguniang
1894 Kabataan chairman, the Barangay treasurer, and the Barangay secretary shall be entitled
1895 to such compensation, allowances, emoluments, and such other privileges as provided
1896 under Title One, Book III of this Code.

1897

1898 Elective local officials shall be entitled to the same leave privileges as those
1899 enjoyed by appointive local officials, including the cumulation and commutation thereof.

1900

1901 **SECTION 84. Resignation of Elective Local Officials.** - (a) Resignations by
1902 elective local officials shall be deemed effective only upon acceptance by the following
1903 authorities:

1904

1905 (1) The Chief Minister, in the case of governors, vice- governors, and
1906 mayors and vice-mayors of highly urbanized cities and
1907 independent component cities;

1908

1909 (2) The governor, in the case of municipal mayors, municipal vice-
1910 mayors, city mayors and city vice-mayors of component cities;

1911

1912 (3) The Sanggunian concerned, in the case of Sanggunian members;
1913 and

1914

1915 (4) The city or municipal mayor, in the case of Barangay officials.

1916

1917 (b) Copies of the resignation letters of elective local officials, together with
1918 the action taken by the aforesaid authorities, shall be furnished the
1919 Ministry of the Interior and Local Government.

1920

1921 (c) The resignation shall be deemed accepted if not acted upon by the
1922 authority concerned within fifteen (15) working days from receipt thereof.

1923

1924 (d) Irrevocable resignations by Sangguniang members shall be deemed
1925 accepted upon presentation before an open session of the Sanggunian
1926 concerned and duly entered in its records: Provided, however, That this
1927 subsection does not apply to Sanggunian members who are subject to
1928 recall elections or to cases where existing laws prescribe the manner of
1929 acting upon such resignations.

1930

1931 (e) Resigned elective officials shall not be qualified for appointment to the
1932 same elected positions within the entire duration of a single term.

1933

1934 **SECTION 85. Grievance Procedure.** - In every local government unit, the local
1935 chief executive shall establish a procedure to inquire into, act upon, resolve or settle

1936 complaints and grievances presented by local government employees.

1937

1938 **SECTION 86. Administrative Discipline.** - Investigation and adjudication of
1939 administrative complaints against appointive local officials and employees as well as
1940 their suspension and removal shall be in accordance with the civil service law and rules
1941 and other pertinent laws. The results of such administrative investigations shall be
1942 reported to the Civil Service Commission.

1943

1944 **SECTION 87. Preventive Suspension of Appointive Local Officials and**
1945 **Employees.** - (a) The local chief executives may preventively suspend for a period not
1946 exceeding sixty (60) days any subordinate official or employee under his authority
1947 pending investigation if the charge against such official or employee involves dishonesty,
1948 oppression or grave misconduct or neglect in the performance of duty, or if there is
1949 reason to believe that the respondent is guilty of the charges which would warrant his
1950 removal from the service.

1951

1952 (b) Upon expiration of the preventive suspension, the suspended official or
1953 employee shall be automatically reinstated in office without prejudice to
1954 the continuation of the administrative proceedings against him until its
1955 termination. If the delay in the proceedings of the case is due to the fault,
1956 neglect or request of the respondent, the time of the delay shall not be
1957 counted in computing the period of suspension herein provided.

1958

1959 **SECTION 88. Administrative Investigation.** - In any local government unit,
1960 administrative investigation may be conducted by a person or a committee duly
1961 authorized by the local chief executive. Said person or committee shall conduct hearings
1962 on the cases brought against appointive local officials and employees and submit their
1963 findings and recommendations to the local chief executive concerned within fifteen (15)
1964 days from the conclusion of the hearings. The administrative cases herein mentioned
1965 shall be decided within ninety (90) days from the time the respondent is formally notified
1966 of the charges.

1967

1968 **SECTION 89. Disciplinary Jurisdiction.** - Except as otherwise provided by law,
1969 the local chief executive may impose the penalty of removal from service, demotion in
1970 rank, suspension for not more than one (1) year without pay, fine in an amount not
1971 exceeding six (6) months' salary, or reprimand and otherwise discipline subordinate
1972 officials and employees under his jurisdiction. If the penalty imposed is suspension
1973 without pay for not more than thirty (30) days, his decision shall be final. If the penalty
1974 imposed is heavier than suspension of thirty (30) days, the decision shall be appealable to
1975 the Civil Service Commission, which shall decide the appeal within thirty (30) days from
1976 receipt thereof.

1977

1978 **SECTION 90. Execution Pending Appeal.** - An appeal shall not prevent the
1979 execution of a decision of removal or suspension of a respondent- appellant. In case the
1980 respondent-appellant is exonerated, he shall be reinstated to his position with all the

1981 rights and privileges appurtenant thereto from the time he had been deprived thereof.

1982

1983 **SECTION 91. Prohibited Business and Pecuniary Interest.** - (a) It shall be
1984 unlawful for any local government official or employee, directly or indirectly, to:

1985

1986 (1) Engage in any business transaction with the local government
1987 unit in which he is an official or employee or over which he has
1988 the power of supervision, or with any of its authorized boards,
1989 officials, agents, or attorneys, whereby money is to be paid, or
1990 property or any other thing of value is to be transferred, directly or
1991 indirectly, out of the resources of the local government unit to
1992 such person or firm;

1993

1994 (2) Hold such interests in any cockpit or other games licensed by a
1995 local government unit.

1996

1997 (3) Purchase any real estate or other property forfeited in favor of
1998 such local government unit for unpaid taxes or assessment, or by
1999 virtue of a legal process at the instance of the said local
2000 government unit.

2001

2002 (4) Be a surety for any person contracting or doing business with the
2003 local government unit for which a surety is required; and

2004

2005 (5) Possess or use any public property of the local government unit
2006 for private purposes.

2007

2008 (6) Commission of any of the prohibited acts as enumerated above
2009 shall be a sufficient ground for disciplinary action as provided in
2010 Section 60 of this Code, without prejudice to criminal charges
2011 that may arise out of the act.

2012

2013 (b) All other prohibitions governing the conduct of national public officers
2014 relating to prohibited business and pecuniary interest so provided for
2015 under Republic Act No. 6713 otherwise known as the "Code of Conduct
2016 and Ethical Standards for Public Officials and Employees" and other
2017 laws shall also be applicable to local government officials and employees.

2018

2019 **SECTION 92. Practice of Profession.** - (a) All governors, city and municipal
2020 mayors are prohibited from practicing their profession or engaging in any occupation
2021 other than the exercise of their functions as local chief executives.

2022

2023 (b) Sanggunian members may practice their professions, engage in any
2024 occupation, or teach in schools except during session hours: Provided,
2025 That Sanggunian members who are also members of the Bar shall not:

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- (1) Appear as counsel before any court in any civil case wherein a local government unit or any office, agency, or instrumentality of the government is the adverse party;
 - (2) Appear as counsel in any criminal case wherein an officer or employee of the national or local government is accused of an offense committed in relation to his office.
 - (3) Collect any fee for their appearance in administrative proceedings involving the local government unit of which he is an official; and
 - (4) Use property and personnel of the government except when the Sanggunian member concerned is defending the interest of the government.
- (c) Doctors of medicine may practice their profession even during official hours of work only on occasions of emergency: Provided, That the officials concerned do not derive monetary compensation therefrom.

SECTION 93. Statement of Assets and Liabilities. - (a) Officials and employees of local government units shall file sworn statements of assets, liabilities and networth, lists of relatives within the fourth civil degree of consanguinity or affinity in government service, financial and business interests, and personnel data sheets as required by law.

SECTION 94. Oath of Office. - (a) All elective and appointive local officials and employees shall, upon assumption to office, swear before the Holy Quran or other holy book recognized by the church or religious association with which the officials are affiliated. Further, the said officials shall subscribe to an oath or affirmation of office in a prescribed form. The oath or affirmation of office shall be filed with the office of the local chief executive concerned. A copy of the oath or affirmation of office of all elective and appointive local officials and employees shall be preserved in the individual personal records file under the custody of the personnel office, division, or section of the local government unit concerned. In addition, copies of the oath or affirmation of office and all other official records of elected local officials shall be furnished to the assigned field officers of the Ministry of the Interior and Local Government.

SECTION 95. Partisan Political Activity. - No local official or employee in the career civil service shall engage, directly or indirectly, in any partisan political activity or take part in any election, initiative, referendum, plebiscite, or recall, except to vote, nor shall he use his official authority or influence to cause the performance of any political activity by any person or body. He may, however, express his views on current issues, or mention the names of certain candidates for public office whom he supports. Elective local officials may take part in partisan political and electoral activities, but it shall be

2071 unlawful for them to solicit contributions from their subordinates or subject these
2072 subordinates to any of the prohibited acts under the Omnibus Election Code or the
2073 Bangsamoro Electoral Code, to be enacted by the Parliament.
2074

2075 **SECTION 96. Appointment of Elective and Appointive Local Officials;**
2076 **Candidates Who Lost in Election.** - (a) Unless otherwise allowed by law or by the
2077 primary functions of his position, no elective or appointive local official shall hold any
2078 other office or employment in the government or any subdivision, agency or
2079 instrumentality thereof, including government-owned or -controlled corporations or their
2080 subsidiaries.

2081
2082 (b) Except for Barangay elections, no candidate who lost in any election shall,
2083 within one (1) year after such election, be appointed to any office in the government or
2084 any government-owned or -controlled corporations or in any of their subsidiaries.
2085

2086 **SECTION 97. Additional or Double Compensation.** - No elective or appointive
2087 local official or employee shall receive additional, double, or indirect compensation,
2088 unless specifically authorized by law, nor accept without the consent of Parliament, any
2089 present, emoluments, office, or title of any kind from any foreign government. Pensions
2090 or gratuities shall not be considered as additional, double, or indirect compensation.
2091

2092 **SECTION 98. Permission to Leave Station.** - (a) Provincial, city, municipal,
2093 and barangay appointive officials going on official travel shall apply and secure written
2094 permission from their respective local chief executives before departure. The application
2095 shall specify the reasons for such travel, and the permission shall be given or withheld
2096 based on considerations of public interest, financial capability of the local government
2097 unit concerned, and urgency of the travel.
2098

2099 Should the local chief executive concerned fail to act upon such application
2100 within four (4) working days from receipt thereof, it shall be deemed approved.
2101

2102 (b) Mayors of component cities and municipalities shall secure the
2103 permission of the governor concerned for any travel outside the province.
2104

2105 (c) Local government officials traveling abroad shall notify their respective
2106 Sanggunian: Provided, That when the period of travel extends to more
2107 than three (3) months, or is to be performed during periods of emergency
2108 or crisis, or when the travel involves the use of public funds, permission
2109 from the Office of the Chief Minister, through the Ministry of the Interior
2110 and Local Government shall be secured.
2111

2112 (d) Field officers of national and regional agencies or offices assigned in
2113 provinces, cities, and municipalities shall not leave their official stations
2114 without giving prior written notice to the local chief executive concerned.
2115 Such notice shall state the duration of travel and the name of the officer

2116 whom he shall designate to act for and in his behalf during his absence.

2117

2118 **SECTION 99. Annual Report.** - On or before March 31 of each year, every local
2119 chief executive shall submit an annual report to the Sanggunian concerned and to the
2120 Ministry of the Interior and Local Government on the socio economic, political and peace
2121 and order conditions, and other matters concerning the local government unit, which shall
2122 cover the immediately preceding calendar year. Component cities and municipalities
2123 shall provide the Sangguniang Panlalawigan copies of their respective annual reports.

2124

2125

**TITLE IV
LOCAL SCHOOL BOARDS**

2126

2127

2128 **SECTION 100. Creation, Composition and Compensation.** - (a) There shall be
2129 established in every province, city, or municipality a provincial, city or municipal school
2130 board, respectively.

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2132

(b) The composition of local school boards shall be as follows:

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(3) The municipal school board shall be composed of the municipal mayor and the district supervisor of schools as co-chairmen; the chairman of the education committee of the Sangguniang bayan, the municipal treasurer, the representative of the Pederasyon ng mga Sangguniang Kabataan in the Sangguniang Bayan, the duly

2161 elected president of the municipal federation of parents-teachers
2162 associations, the duly elected representative of the teachers'
2163 organizations in the municipality, and the duly elected
2164 representative of the non-academic personnel of public schools in
2165 the city, as members;

2166
2167 (c) In the event that a province or city has two (2) or more school
2168 superintendents, and in the event that a municipality has two (2) or more
2169 district supervisors, the co-chairman of the local school board shall be
2170 determined as follows:

2171
2172 (1) The Ministry of Basic, Higher, and Technical Education shall
2173 designate the co-chairman for the provincial and city school
2174 boards; and

2175
2176 (2) The division superintendent of schools shall designate the district
2177 supervisor who shall serve as co-chairman of the municipal
2178 school board.

2179
2180 (d) The performance of the duties and responsibilities of the abovementioned
2181 officials in their respective local school boards shall not be delegated.

2182
2183 **SECTION 101. Functions of Local School Boards.** - The provincial, city or
2184 municipal school board shall:

2185
2186 (a) Determine, in accordance with the criteria set by the Ministry of Basic,
2187 Higher, and Technical Education, the annual supplementary budgetary
2188 needs for the operation and maintenance of public schools within the
2189 province, city or municipality, as the case may be, and the supplementary
2190 local cost of meeting such needs, which shall be reflected in the form of
2191 an annual school board budget corresponding to its share in the proceeds
2192 of the special levy on real property constituting the Special Education
2193 fund and such other sources of revenue as this Code and other laws or
2194 ordinances may provide;

2195
2196 (b) Authorize the provincial, city or municipal treasurer, as the case may be,
2197 to disburse funds from the Special Education fund pursuant to the budget
2198 prepared and in accordance with existing rules and regulations;

2199
2200 (c) Serve as an advisory committee to the Sanggunian concerned on
2201 educational matters such as, but not limited to, the necessity for and the
2202 uses of local appropriations for educational purposes; and

2203
2204 (d) Recommend changes in the names of public schools within the territorial
2205 jurisdiction of the local government unit for enactment by the

2206 Sanggunian concerned.

2207

2208 (e) Act as promotion and selection committee for the hiring of teaching,
2209 non-teaching personnel, and other school officials in the concerned
2210 localities, subject to the discretion of the Minister of the Ministry of
2211 Basic, Higher, and Technical Education.

2212

2213 The Ministry of Basic, Higher, and Technical Education shall consult the
2214 concerned local school board on the appointment of division superintendents, district
2215 supervisors, school principals, and other school officials.

2216

2217 **SECTION 102. Meetings and Quorum; Budget.** - (a) The local school board
2218 shall meet at least once every quarter or as often as may be necessary.

2219

2220 (b) Any of the co-chairmen may call a meeting. A majority of all its
2221 members shall constitute a quorum. However, when both co-chairmen
2222 are present in a meeting, the local chief executive concerned, as a matter
2223 of protocol, shall be given preference to preside over the meeting. The
2224 division superintendent, city superintendent or district supervisor, as the
2225 case may be, shall prepare the budget of the school board concerned.
2226 Such budget shall be supported by programs, projects, and activities of
2227 the school board for the ensuing fiscal year. The affirmative vote of the
2228 majority of all its members shall be necessary to approve the budget.

2229

2230 (c) The annual school board budget shall give priority to the following:

2231

2232 (1) Construction, repair, and maintenance of school buildings and
2233 other facilities of public elementary and secondary schools;

2234

2235 (2) Establishment and maintenance of extension classes where
2236 necessary; and

2237

2238 (3) Sports activities at the division, district, municipal, and barangay
2239 level.

2240

2241 (4) Educational trainings and exposure for teachers and students.

2242

2243 **SECTION 103. Compensation and Remuneration.** - The co-chairmen and
2244 members of the provincial, city or municipal school board shall perform their duties as
2245 such without compensation or remuneration. Members thereof who are not government
2246 officials or employees shall be entitled to necessary traveling expenses and allowances
2247 chargeable against funds of the local school board concerned, subject to existing
2248 accounting and auditing rules and regulations.

2249

2250

TITLE FIVE

2251 **LOCAL HEALTH BOARDS**

2252
2253 **SECTION 104. Creation and Composition.** - (a) There shall be established a
2254 local health board in every province, city or municipality. The composition of the local
2255 health boards shall be as follows:

2256
2257 (1) The provincial health board shall be headed by the governor as
2258 chairman, the provincial health officer as vice-chairman, and the
2259 chairman of the committee on health of the Sangguniang
2260 Panlalawigan, a representative from the private sector or non-
2261 governmental organizations involved in health services, and a
2262 representative of the Ministry of Health in the province, as
2263 members;

2264
2265 (2) The city health board shall be headed by the city mayor as
2266 chairman, the city health officer as vice-chairman, and the
2267 chairman of the committee on health of the Sangguniang
2268 Panlungsod, a representative from the private sector or non-
2269 governmental organizations involved in health services, and a
2270 representative of the Ministry of Health in the city, as members;
2271 and

2272
2273 (3) The municipal health board shall be headed by the municipal
2274 mayor as chairman, the municipal health officer as vice- chairman,
2275 and the chairman of the committee on health of the Sangguniang
2276 bayan, a representative from the private sector or non-
2277 governmental organizations involved in health services, and a
2278 representative of the Ministry of Health in the municipality, as
2279 members;

2280
2281 (4) For local government units whose health services are not fully
2282 devolved, the concerned local chief executive and the highest
2283 health official assigned in the locality shall sit as co-chairmen of
2284 the local health board.

2285
2286 (b) The functions of the local health board shall be:

2287
2288 (1) To propose to the Sanggunian concerned, in accordance with
2289 standards and criteria set by the Ministry of Health, annual
2290 budgetary allocations for the operation and maintenance of health
2291 facilities and services within the municipality, city or province, as
2292 the case maybe.

2293
2294 (2) To serve as an advisory committee to the Sanggunian concerned
2295 on health matters such as, but not limited to, the necessity for, and

2296 application of, local appropriations for public health purposes;
2297 and
2298

2299 (3) To create, consistent with the technical and administrative
2300 standards of the Ministry of Health, committees which shall
2301 advise local health agencies on matters such as, but not limited to,
2302 personnel selection and promotion, bids and awards, grievances
2303 and complaints, personnel discipline, budget review, operations
2304 review and similar functions.

2305

2306 (4) In the case of a local government unit whose health services are
2307 not fully devolved, the committee shall serve as planning body in
2308 determining appropriate support health programs to be funded by
2309 the concerned local government unit.

2310

2311 **SECTION 105. Meetings and Quorum.** - (a) The board shall meet at least once
2312 every quarter or as often as may be necessary.

2313

2314 (b) A majority of the members of the board shall constitute a quorum, but the
2315 chairman or the co- chairman and the vice-chairman, as the case may be, must be present
2316 during meetings where budgetary proposals are being prepared or considered. The
2317 affirmative vote of a majority of the members is required to approve such proposals.

2318

2319 **SECTION 106. Compensation and Remuneration.** - The chairman or the co-
2320 chairman, and vice- chairman, as the case may be, and members of the provincial, city or
2321 municipal health board shall perform their duties as such without additional
2322 compensation or remuneration. Members thereof who are not government officials or
2323 employees shall be entitled to necessary traveling expenses and allowances chargeable
2324 against the funds of the local health board concerned, subject to existing accounting and
2325 auditing rules and regulations.

2326

2327 **SECTION 107. Direct Regional Supervision and Control by the Minister of**
2328 **the Ministry of Health.** - In cases of epidemics, pestilence, and other widespread public
2329 health dangers, the Minister of the Ministry of Health may, upon the direction of the
2330 Chief Minister and in consultation with the local government unit concerned, temporarily
2331 assume direct supervision and control over health operations in any local government unit
2332 for the duration of the emergency, but in no case exceeding a cumulative period of six (6)
2333 months. With the concurrence of the local government unit concerned, the period for
2334 such direct regional control and supervision may be further extended.

2335

2336 In cases where widespread public health dangers are so severe that regional
2337 resources are insufficient to contain them, the Bangsamoro Government may request the
2338 National Government to temporarily assume direct supervision and control over the
2339 health operations in the affected localities.

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TITLE SIX
LOCAL DEVELOPMENT COUNCILS

SECTION 108. Local Development Councils. - (a) Each local government unit shall have a comprehensive multi-sectoral development plan such as physical framework plan, comprehensive development plan and its investment program, to be initiated by its development council and approved by its Sanggunian. For this purpose, the development council at the provincial, city, municipal, or barangay level, shall assist the corresponding Sanggunian in setting the direction of economic and social development, and coordinating development efforts within its territorial jurisdiction.

SECTION 109. Composition of Local Development Councils. - The composition of the local development council shall be as follows:

- (a) The Barangay development council shall be headed by the Punong Barangay and shall be composed of the following members:
 - (1) Members of the Sangguniang Barangay;
 - (2) Representatives of non-governmental organizations operating in the Barangay, who shall constitute not less than one fourth (1/4) of the members of the fully organized council;
 - (3) A representative of the congressman.
 - (4) A representative from the Parliament.
- (b) The city or municipal development council shall be headed by the mayor and shall be composed of the following members:
 - (1) All Punong Barangays in the city or municipality;
 - (2) The chairman of the committee on appropriations of the Sangguniang Panlungsod or Sangguniang bayan concerned;
 - (3) The congressman or his representative; and
 - (4) Representatives of non- governmental organizations operating in the city or municipality, as the case may be, who shall constitute not less than one-fourth (1/4) of the members of the fully organized council.
 - (5) A representative from the Parliament.
- (c) The provincial development council shall be headed by the governor and

2386 shall be composed of the following members:

2387

2388 (1) All mayors of component cities and municipalities;

2389

2390 (2) The chairman of the committee on appropriations of the
2391 Sangguniang Panlalawigan;

2392

2393 (3) The congressman or his representative; and

2394

2395 (4) Representatives of non- governmental organizations operating in
2396 the province, who shall constitute not less than one-fourth (1/4) of
2397 the members of the fully organized council.

2398

2399 (5) A representative from the Parliament.

2400

2401 (d) The local development councils may call upon any local official
2402 concerned or any official of regional agencies or offices in the local
2403 government unit to assist in the formulation of their respective
2404 development plans and public investment programs.

2405

2406 (e) The Bangsamoro Planning and Development Authority and the Ministry
2407 of the Interior and Local Government shall provide planning guidelines
2408 to ensure harmonization of regional and local development plans. Failure
2409 to formulate and approve such mandated plans shall subject the local
2410 chief executive to such criminal and administrative penalties as provided
2411 for under this Code and other applicable laws.

2412

2413 **SECTION 110. Representation of Non-Governmental Organizations.** - Within
2414 a period of sixty (60) days from the start of organization of local development councils,
2415 the nongovernmental organizations shall choose from among themselves their
2416 representatives to said councils. The local Sanggunian concerned shall accredit non-
2417 governmental organizations subject to the guidelines that shall be issued by the Ministry
2418 of the Interior and Local Government.

2419

2420 **SECTION 111. Functions of Local Development Councils.** - (a) The provincial,
2421 city, and municipal development councils shall exercise the following functions:

2422

2423 (1) Formulate long-term, medium-term, and annual socio- economic
2424 development plans and policies;

2425

2426 (2) Formulate the medium-term and annual public investment
2427 programs;

2428

2429 (3) Appraise and prioritize socio- economic development programs
2430 and projects;

- 2431
2432 (4) Formulate local investment incentives to promote the inflow and
2433 direction of private investment capital;
2434
2435 (5) Coordinate, monitor, and evaluate the implementation of
2436 development programs and projects; and
2437
2438 (6) Perform such other functions as may be provided by law or
2439 competent authority.
2440
2441 (b) The Barangay development council shall exercise the following functions:
2442
2443 (1) Mobilize people's participation in local development efforts and
2444 disaster preparedness;
2445
2446 (2) Prepare Barangay development plans based on local requirements;
2447
2448 (3) Monitor and evaluate the implementation of regional or local
2449 programs and projects; and
2450
2451 (4) Perform such other functions as may be provided by law or
2452 competent authority.
2453

2454 **SECTION 112. Meetings and Quorum.** - The local development council shall
2455 meet at least once every six (6) months or as often as may be necessary.
2456

2457 **SECTION 113. Executive Committee.** - (a) Each local development council
2458 shall create an executive committee to represent it and act in its behalf when it is not in
2459 session. The composition of the executive committee shall be as follows:
2460

- 2461 (1) The executive committee of the provincial development council
2462 shall be composed of the governor as chairman, the representative
2463 of component city and municipal mayors to be chosen from
2464 among themselves, the chairman of the committee on
2465 appropriations of the Sangguniang Panlalawigan, the president of
2466 the provincial league of Barangays, and a representative of
2467 nongovernmental organizations that are represented in the council,
2468 as members;
2469
2470 (2) The executive committee of the city or municipal development
2471 council shall be composed of the mayor as chairman, the
2472 chairman of the committee on appropriations of the Sangguniang
2473 Panlalawigan, the president of the city or municipal league of
2474 Barangays, and a representative of nongovernmental
2475 organizations that are represented in the council, as members; and

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- (3) The executive committee of the Barangay development council shall be composed of the Punong Barangay as chairman, a representative of the Sangguniang Barangay to be chosen from among its members, and a representative of nongovernmental organizations that are represented in the council, as members.
- (b) The executive committee shall exercise the following powers and functions:
 - (1) Ensure that the decisions of the council are faithfully carried out and implemented;
 - (2) Act on matters requiring immediate attention or action by the council;
 - (3) Formulate policies, plans, and programs based on the general principles laid down by the council; and
 - (4) Act on other matters that may be authorized by the council.

SECTION 114. Sectoral or Functional Committees. - The local development councils may form sectoral or functional committees to assist them in the performance of their functions. The sectoral committees include but are not limited to:

- (1) Institutional or Development Administration Committee;
- (2) Social Development Committee;
- (3) Economic Development Committee;
- (4) Environmental Management Committee;
- (5) Infrastructure Committee;
- (6) Culture and Peace Committee;

In the case of Barangay Development Council, one of its regular committees shall be the Barangay Disaster Risk Reduction and Management Committee.

SECTION 115. Secretariat. - There is hereby constituted for each local development council a secretariat which shall be responsible for providing technical support, documentation of proceedings, preparation of reports and such other assistance as may be required in the discharge of its functions. The local development council may avail of the services of any nongovernmental organization or educational or research institution for this purpose.

The secretariats of the provincial, city, and municipal development councils shall be headed by their respective planning and development coordinators. The secretariat of the Barangay development council shall be headed by the Barangay secretary who shall

2521 be assisted by the city or municipal planning and development coordinator concerned.

2522

2523 **SECTION 116. Relation of Local Development Councils to the Sanggunian**
2524 **and the Bangsamoro Economic and Development Council.** - (a) The policies,
2525 programs, and projects proposed by local development councils shall be submitted to the
2526 Sanggunian concerned for appropriate action. The local development plans approved by
2527 their respective Sanggunian shall be integrated with the development plans of the next
2528 higher level of local development council.

2529

2530 (b) The approved development plans of provinces, highly-urbanized cities,
2531 and independent component cities shall be submitted to the regional
2532 development council, through the Bangsamoro Planning and Development
2533 Authority which shall be integrated into the Bangsamoro Development
2534 Plan.

2535

2536 **SECTION 117. Budget Information.** - The Ministry of Finance, and Budget and
2537 Management shall furnish the various local development council information on financial
2538 resources and budgetary allocations from the National and Regional Government
2539 applicable to the constituent local government units to guide them in their planning
2540 functions.

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2543 **TITLE SEVEN** 2544 **LOCAL PEACE AND ORDER COUNCIL**

2544

2545 **SECTION 118. Organization.** - There is hereby established in every province,
2546 city and municipality a local peace and order council, pursuant to Executive Order No.
2547 309, Series of 1988, as amended by Executive Order No. 773, Series of 2009. The local
2548 peace and order councils shall have the same composition and functions as those
2549 prescribed by the said executive order.

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2552 **TITLE EIGHT** 2553 **LOCAL DISASTER RISK REDUCTION COUNCIL**

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2554 **SECTION 119. Organization.** – There is hereby established in every province,
2555 city and municipality a local disaster risk reduction council pursuant to RA No. 10121.
2556 The Local Disaster Risk Reduction Council shall have the same composition and
2557 functions as those prescribed by the said law.¹⁷

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2560 **TITLE NINE** 2561 **AUTONOMOUS SPECIAL ECONOMIC ZONE**

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2562 **SECTION 120. Establishment of Autonomous Special Economic Zones.** - The
2563 establishment by law of autonomous special economic zones in selected areas of the
2564 Bangsamoro Autonomous Region shall be subject to concurrence by the local

¹⁷ In accordance with R.A. 1021 or the Philippine Disaster Risk Reduction and Management Act of 2010.

2565 government units included therein.

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TITLE X

2567

OTHER PROVISIONS APPLICABLE TO LOCAL GOVERNMENT UNITS

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CHAPTER XI

2570

Settlement of Boundary Disputes

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SECTION 121. Jurisdictional Responsibility for Settlement of Boundary

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Dispute. - Boundary disputes between and among local government units shall, as much as possible, be settled amicably. To this end:

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- (a) Boundary disputes involving two (2) or more Barangays in the same city or municipality shall be referred for settlement to the Sangguniang Panlungsod or Sangguniang bayan concerned.

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- (b) Boundary disputes involving two (2) or more municipalities within the same province shall be referred for settlement to the Sangguniang Panlalawigan concerned.

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- (c) Boundary disputes involving municipalities or component cities of different provinces shall be jointly referred for settlement to the Sanggunian of the provinces concerned.

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- (d) Boundary disputes involving a component city or municipality on the one hand and a highly urbanized city on the other, or two (2) or more highly urbanized cities, shall be jointly referred for settlement to the respective Sanggunians of the parties.

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- (e) In the event the Sanggunian fails to effect an amicable settlement within sixty (60) days from the date the dispute was referred thereto, it shall issue a certification to that effect. Thereafter, the dispute shall be formally tried by the Sanggunian concerned which shall decide the issue within sixty (60) days from the date of the certification referred to above.

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- (f) Boundary disputes involving province in the Bangsamoro autonomous region on one hand and province outside the region on the other shall be jointly referred to

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SECTION 122. Appeal. - Within the time and manner prescribed by the Rules of

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Court, any party may elevate the decision of the Sanggunian concerned to the proper Regional Trial Court having jurisdiction over the area in dispute. The Regional Trial Court shall decide the appeal within one (1) year from the filing thereof. Pending final resolution of the disputed area prior to the dispute shall be maintained and continued for all legal purposes.

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CHAPTER XII
Local Initiative and Referendum

SECTION 123. Local Initiative Defined. - Local initiative is the legal process whereby the registered voters of a local government unit may directly propose, enact, or amend any ordinance.

SECTION 124. Who May Exercise. - The power of local initiative and referendum may be exercised by all registered voters of the provinces, cities, municipalities, and Barangays.

SECTION 125. Procedure in Local Initiative. - (a) Not less than one thousand (1,000) registered voters in case of provinces and cities, one hundred (100) in case of municipalities, and fifty (50) in case of Barangays, may file a petition with the Sanggunian concerned proposing the adoption, enactment, repeal, or amendment of an ordinance.

- (b) If no favorable action thereon is taken by the Sanggunian concerned within thirty (30) days from its presentation, the proponents, through their duly authorized and registered representatives, may invoke their power of initiative, giving notice thereof to the Sanggunian concerned.
- (c) The proposition shall be numbered serially starting from Roman numeral I. The Comelec or its designated representative shall extend assistance in the formulation of the proposition.
- (d) Two (2) or more propositions may be submitted in an initiative.
- (e) Proponents shall have ninety (90) days in case of provinces and cities, sixty (60) days in case of municipalities, and thirty (30) days in case of Barangays, from notice mentioned in subsection (b) hereof to collect the required number of signatures.
- (f) The petition shall be signed before the election registrar, or his designated representatives, in the presence of a representative of the proponent, and a representative of the Sanggunian concerned in a public place in the local government unit, as the case may be. Stations for collecting signatures may be established in as many places as may be warranted.
- (g) Upon the lapse of the period herein provided, the Comelec, through its office in the local government unit concerned, shall certify as to whether or not the required number of signatures has been obtained. Failure to obtain the required number defeats the proposition.

2655

2656 (h) If the required number of signatures is obtained, the Comelec shall then
2657 set a date for the initiative during which the proposition shall be
2658 submitted to the registered voters in the local government unit concerned
2659 for their approval within sixty (60) days from the date of certification by
2660 the Comelec, as provided in subsection (g) hereof, in case of provinces
2661 and cities, forty-five (45) days in case of municipalities, and thirty (30)
2662 days in case of Barangays. The initiative shall then be held on the date
2663 set, after which the results thereof shall be certified and proclaimed by
2664 the Comelec.

2665

2666 **SECTION 126. Effectivity of Local Propositions.** - If the proposition is
2667 approved by a majority of the votes cast, it shall take effect fifteen (15) days after
2668 certification by the Comelec as if affirmative action thereon had been made by the
2669 Sanggunian and local chief executive concerned. If it fails to obtain said number of votes,
2670 the proposition is considered defeated.

2671

2672 **SECTION 127. Limitations on Local Initiatives.** - (a) The power of local
2673 initiative shall not be exercised more than once a year.

2674

2675 (b) Initiative shall extend only to subjects or matters which are within the
2676 legal powers of the Sanggunians to enact.

2677

2678 (c) If at any time before the initiative is held, the Sanggunian concerned
2679 adopts in to the proposition presented and the local chief executive
2680 approves the same, the initiative shall be canceled. However, those
2681 against such action may, if they so desire, apply for initiative in the
2682 manner herein provided.

2683

2684 **SECTION 128. Limitations upon Sanggunian.** - Any proposition or ordinance
2685 approved through the system of initiative and referendum as herein provided shall not be
2686 repealed, modified or amended by the Sanggunian concerned within six (6) months from
2687 the date of the approval thereof, and may be amended, modified or repealed by the
2688 Sanggunian within three (3) years thereafter by a vote of three-fourths (3/4) of all its
2689 members: Provided, That in case of Barangays, the period shall be eighteen (18) months
2690 after the approval thereof.

2691

2692 **SECTION 129. Local Referendum Defined.** - Local referendum is the legal
2693 process whereby the registered voters of the local government units may approve, amend
2694 or reject any ordinance enacted by the Sanggunian. The local referendum shall be held
2695 under the control and direction of the Comelec within sixty (60) days in case of provinces
2696 and cities, forty-five (45) days in case of municipalities and thirty (30) days in case of
2697 Barangays. The Comelec shall certify and proclaim the results of the said referendum.

2698

2699 **SECTION 130. Authority of Courts.** - Nothing in this Chapter shall prevent or

2700 preclude the proper courts from declaring null and void any proposition approved
2701 pursuant to this Chapter for violation of the Constitution or want of capacity of the
2702 Sanggunian concerned to enact the said measure.

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BOOK II
LOCAL TAXATION AND FISCAL MATTERS

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TITLE ONE
LOCAL GOVERNMENT TAXATION

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CHAPTER I
General Provisions

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SECTION 131. Scope – The provisions herein shall govern the exercise by the
2715 constituent local government units of the Bangsamoro Autonomous Region of their
2716 taxing powers and other revenue-raising powers.

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SECTION 132. Power to Create Sources of Revenue – Each local government
2719 unit shall have the power to create its own sources of revenue and to levy taxes, fees, and
2720 charges, subject to the provisions of Republic Act No. 11054 and consistent with the
2721 principles of equalization, equity, accountability, administrative simplicity,
2722 harmonization and economic efficiency, and fiscal autonomy. Such taxes, fees, and
2723 charges shall accrue exclusively to the local government units.

2724

2725

SECTION 133. Local Economic Development. – To achieve equity, social
2726 justice, and economic development, the local government units shall encourage and
2727 support the building up of entrepreneurial capability within their territorial jurisdiction
2728 and shall recognize, promote, protect, and support the development of cooperatives,
2729 economic enterprises, and other medium, small, and micro enterprises. The local
2730 government units shall adopt and implement local economic development plans, policies
2731 and programs that will increase local revenues, improve the purchasing capacity of its
2732 constituents and promote social, cultural, and environmental impact. For this purpose, the
2733 local government units shall continue to maintain the economic base profile, strengthen
2734 partnership relations, embrace measures that will attract potential investors for the
2735 utilization of local resources, enact or revisit their existing local economic policies that
2736 will cope with the current and future demand.¹⁸

2737

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SECTION 134. Tax Mapping. - To ensure compliance to the local revenue
2739 ordinances, the local government units shall conduct regular inspections on business
2740 establishments within their territorial jurisdiction to verify their registration, invoicing,
2741 and bookkeeping requirements. For this purpose, the local government units shall

¹⁸ To recognize economic enterprises as a source of revenue other than the Internal Revenue Allotment and direct the local government units to incorporate it in their local economic policies and to disseminate tax information to their constituents as suggested during the consultations conducted in BARMM

2742 develop a tax mapping system, including an information system for real property taxes,
2743 that will map every business in the locality, verify registration, track payments and
2744 provide capacity building to personnel involved in taxation in order improve system of
2745 collection of revenues.¹⁹
2746

2747 There shall be a regular tax information campaign about tax ordinances enacted
2748 by the Sanggunian concerned to continue educating the local constituents on the
2749 importance of paying taxes as an obligation and how it will contribute to the betterment
2750 of the community. Moreover, there shall be an information and education materials that is
2751 readily available and accessible within the premises of the local government units.

2752 **SECTION 135. Streamlining of Business Permits and Licensing.** – The local
2753 government units shall streamline their respective business processes which includes
2754 process reengineering, automation or computerization, customer relations and
2755 institutionalization of systems, to promote integrity, accountability, proper management
2756 of public affairs and public property in the government.

2757 In implementing this provision, the local government units shall establish a
2758 Business One Stop Shop and adopt a simplified requirement and procedures that will
2759 reduce red tape and expedite business and nonbusiness related transactions in the
2760 government. It shall develop a standardized business permit and licensing system that can
2761 be used by its constituents²⁰.
2762

2763 **SECTION 136. Fundamental Principles.** - The following fundamental
2764 principles shall govern the exercise of the taxing and other revenue-raising powers of the
2765 constituent local government units of the Bangsamoro Autonomous Region:
2766

- 2767 1. It shall observe the principles of uniformity and equity in taxation;
- 2768 2. Taxes, fees, charges and other impositions shall:
 - 2769 a. be equitable and based as far as practicable on the taxpayer's ability
 - 2770 to pay;
 - 2771 b. be levied and collected only for public purposes;
 - 2772 c. not be unjust, excessive, oppressive, or confiscatory;
 - 2773 d. not be contrary to law, public policy, national economic policy, or in
 - 2774 restraint of trade;
 - 2775
 - 2776
 - 2777
- 2778 3. The collection of local taxes, fees, charges and other impositions shall in no
2779 case be let or delegated to any private person;
- 2780 4. The revenue collected pursuant to the provisions of this Code shall inure
2781 solely to the benefit of, and be subject to disposition by, the local
2782

¹⁹ To direct the local government units in establishing a tax mapping system for effective enforcement of their taxing powers and as suggested by the constituents during consultation in BARMM

²⁰ Incorporated the ARTA and Ease of Doing Business Law

2783 government unit levying the tax, fee, charge or other imposition unless
2784 otherwise specifically provided herein; and

2785

2786 5. Each local government unit shall, as far as practicable, evolve a progressive,
2787 responsive, and culture sensitive²¹ system of taxation.

2788

2789 **SECTION 137. Definition of Terms.** - When used in this Title, the term:

2790

2791 (a) "Agricultural Product" includes the yield of the soil, such as corn, rice wheat,
2792 rye, hay, coconuts, sugarcane, tobacco, root crops, vegetables, fruits, flowers,
2793 and their by-products; ordinary salt; all kinds of fish; poultry; and livestock
2794 and animal products, whether in their original form or not.

2795

2796 The phrase "whether in their original form or not" refers to the transformation of
2797 said products by the farmer, fisherman, producer or owner through the application of
2798 processes to preserve or otherwise prepare said products for the market such as
2799 freezing, drying salting, smoking, or stripping for purposes of preserving or
2800 otherwise preparing said products for market;

2801

2802 (b) "Amusement" is a pleasurable diversion and entertainment. It is synonymous
2803 to relaxation, avocation, pastime, or fun;

2804

2805 (c) "Amusement Places" include theaters, cinemas, concert halls, circuses,
2806 **country and sports clubs, recreation parks** and other places of amusement
2807 where one seeks admission to entertain oneself by seeing or viewing the show
2808 or performances;

2809

2810 (d) "Business" means trade or commercial activity regularly engaged in as a
2811 means of livelihood or with a view to profit;

2812

2813 (e) "Banks and other financial institutions" include non-bank financial
2814 intermediaries, lending investors, finance and investment companies,
2815 pawnshops, money shops, insurance companies, stock markets, stockbrokers
2816 and dealers in securities and foreign exchange, as defined under applicable
2817 laws, or rules and regulations thereunder;

2818

2819 (f) "Barangay Micro Business Enterprise" or BMBE refers to any business entity
2820 or enterprise registered under the provisions of Republic Act No. 9178,
2821 otherwise known as "The Barangay Micro Business Enterprise ("BMBEs")
2822 Act of 2002."

2823

2824 (g) "Capital Investment" is the capital which a person employs in any undertaking,
2825 or which he contributes to the capital of a partnership, corporation, or any

²¹ Section 7, Article XII, RA 11054 - Uniform and Equitable Taxation; prohibition Against Confiscatory Taxes, Fees and Charges.

2826 other juridical entity or association in a particular taxing jurisdiction

2827

2828 (h) "Charges" refer to liability for services rendered or conveniences provided by
2829 the local government units, the amount of which should be commensurate to
2830 such services and capital recovery which ensures continued delivery;

2831

2832 (i) "Contractor" includes persons, natural or juridical, not subject to professional
2833 tax under Section 139 of this Code, whose activity consists essentially of the
2834 sale of kinds of services for a fee, regardless of whether or not the
2835 performance of the service calls for the exercise or use of the physical or
2836 mental faculties of such contractor or his employees.

2837

2838 As used in this Section, the term "contractor" shall include general engineering,
2839 general building and specialty contractors as defined under applicable laws; filling,
2840 demolition and salvage works contractors; proprietors or operators of mine drilling
2841 apparatus; proprietors or operators of dockyards; persons engaged in the installation
2842 of water system, and gas or electric light, heat, or power, proprietors or operators of
2843 smelting plants; engraving, plating, and plastic lamination establishments;
2844 proprietors or operators of establishments for repairing, repainting, upholstering,
2845 washing or greasing of vehicles, heavy equipment, vulcanizing, recapping and
2846 battery charging; proprietors or operators of furniture shops and establishment for
2847 planning or surfacing and recutting of lumber, and sawmills under contract and
2848 recutting of lumber, and sawmill under contract to saw or cut logs belongings to
2849 others proprietors or operators of dry-cleaning or dyeing establishments, steam
2850 laundries using washing machines; proprietors or owners of shops for the repair of
2851 any kind of mechanical and electrical devices, instruments, apparatus, or furniture
2852 and shoe repairing by machine or any mechanical contrivance; proprietors or
2853 operators of establishments or lots for parking purposes; proprietors or operators of
2854 tailor shops, dress shops, millineres and hatters, beauty parlors, barbershops,
2855 massage clinics, sauna, Turkish and Swedish baths, slenderizing and building
2856 saloons and similar establishments; photographic studios; funeral parlors;
2857 proprietors or operators of hotels, motels, and lodging houses; proprietors or
2858 operators of arrastre and stevedoring, warehousing, or forwarding establishments;
2859 master plumbers, smiths, and house or sign painters; printers, bookbinders,
2860 lithographers; publishers except those engaged in the publication or printing of any
2861 newspaper, magazine, review or bulletin which appears at regular intervals with
2862 fixed prices for subscription and sale and which is not devoted principally to the
2863 publication of advertisements, business agents, private detective or watchman
2864 agencies, commercial and immigration brokers, and cinematographic film owners,
2865 lessors and distributors.

2866

2867 (j) "Corporation" includes partnerships, no matter how created or organized,
2868 joint- stock companies, joint accounts (cuentasen participation), associations
2869 or insurance companies but does not include general professional partnership
2870 but does not include general professional partnership and a joint venture or

2871 consortium formed for the purpose of undertaking construction projects or
2872 engaging in petroleum, coal, geothermal, and other energy operations
2873 pursuant to an operating or consortium agreement under a service contract
2874 with the government. General professional partnership are partnerships
2875 formed by persons for the sole purpose of exercising their common
2876 profession, no part of the income of which is derived from engaging in any
2877 trade or business.

2878
2879 The term "resident foreign" when applied to a corporation means a foreign
2880 corporation not otherwise organized under the laws of the Philippines but
2881 engaged in trade or business within the Philippines;

2882
2883 (k) "Countryside and Barangay Business Enterprise" refers to any business
2884 entity, association, or cooperative registered under the provisions of Republic
2885 Act Numbered Sixty-eight hundred ten (R.A. No. 6810)., otherwise known
2886 as "Magna Carta for Countryside and Barangay Business Enterprises
2887 (Kalakalan 20)".

2888
2889 (l) "Dealer" means one whose business is to buy and sell merchandise, goods,
2890 and chattels as a merchant. He stands immediately between the producer or
2891 manufacturer and the consumer and depend for his profit not upon the labor
2892 he bestows upon his commodities but upon the skill and foresight with which
2893 he watches the market;

2894
2895 (m) "Fees" refer to a liability imposed for the regulation or inspection of a
2896 business or activity the amount of which should be commensurate to the
2897 administrative cost of regulation and/or surveillance;

2898
2899 (n) "Fisheries and Aquatic Resources Management Council" pertains to
2900 fisherfolk organization or cooperatives and NGOs in the locality established
2901 under Republic Act No. 8550 otherwise known as "The Philippine Fisheries
2902 Code of the 1998";

2903
2904 (o) "Franchise" is a right or privilege, affected with public interest which is
2905 conferred upon private persons or corporations, under such terms and
2906 conditions as the government and its political subdivisions may impose in the
2907 interest of public welfare, security, and safety;

2908
2909 (p) "Gross Sales or Receipt" include the total amount of money or its equivalent
2910 representing the contract price, compensation or service fee, including the
2911 amount charged or materials supplies with the services and deposits or
2912 advance payments actually or constructively received during the taxable
2913 quarter for the services performed or to be performed for another person
2914 excluding discounts if determinable at the time of sales, sales return, excise
2915 tax, and value-added tax (VAT);

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- (q) "Manufacturer" includes every person who, by physical or chemical process, alters the exterior textures or form or inner substance of any raw material or manufactured product in such manner as to prepare it for special use or uses to which it could not have been put in its original condition, or who by any such process alters the quality of any such raw materials or manufactured or partially manufactured products so as to reduce it to marketable shape or prepare it for any of the use of industry, or who by any such process combines any such raw material or manufactured products with other materials or products of the same or of different kinds and in such manner that the finished products of such process or manufacture can be put to a special use or uses to which such raw material or manufactured or partially manufactured products in their original condition could not have been put, and who in addition alters such raw material or manufactured products, or combines the same to produce such finished products for the purpose of their sale or distribution to others and not for his own use or consumption;
- (r) "Marginal Farmer or Fisherfolk" refers to an individual engaged in subsistence farming or fishing which shall be limited to the sale, barter or exchange of agricultural or marine products produced by himself and his immediate family;
- (r) "Maximum sustainable yield" refers to the largest average quantity of fish that can be harvested from fish stocks or resource within a period of time on a sustainable basis under existing environmental conditions⁸;
- (s) "Motor Vehicle" means any vehicle propelled by any power other than muscular power using the public roads, but excluding road rollers, trolley cars, street-sweepers, sprinklers, lawn mowers, bulldozers, graders, fork-lifts, amphibian trucks, and cranes if not used on public roads, vehicles which run only on rails or tracks, and tractors, trailers, and traction engines of all kinds used exclusively for agricultural purposes;
- (t) "Municipal Waters" includes not only streams, lakes, and tidal waters within the municipality, which are not included within the protected areas as defined under Republic Act No. 7586 otherwise known as the "National Integrated Protected Areas System Law" (NIPAS Law) or laws that may be enacted by the Parliament²², not being the subject of private ownership and not comprised within the national parks, public forest, timber lands, forest reserves or fishery reserves, but also marine waters included between two lines drawn perpendicularly to the general coastline from the low water-mark of the coasts that are part of the Bangsamoro territorial jurisdiction up to fifteen (15) kilometers. If it extends up to nineteen (19) kilometers, it shall form part of the regional waters of the Bangsamoro Autonomous Region.

²² Philippine Fisheries Code of 1998

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Where a constituent local government unit of the Bangsamoro Autonomous Region and an adjoining local government unit are so situated on opposite shores such that there is thirty (30) kilometers of waters or less between them, a line equally distant from the opposite shores shall be drawn to demarcate the Bangsamoro waters and the municipal waters of the adjoining local government unit.

In case the constituent local government unit of the Bangsamoro Autonomous Region and an adjoining local government unit are so situated in opposite shores that there is more than thirty (30) kilometers but less than thirty-four (34) kilometers of waters between them, a line shall be drawn at the edge of the fifteen-kilometer municipal waters of the adjoining local government unit to demarcate it from the Bangsamoro waters²³;

(u) "Operator" includes the owner, manager, administrator, or any other person who operates or is responsible for the operation of a business establishment or undertaking;

(v) "Peddler" means any person who, either for himself or on commission, travels from place to place and sells his goods or offers to sell and deliver the same. Whether a peddler is a wholesale peddler or a retail peddler of a particular commodity shall be determined from the definition of wholesale dealer or retail dealer as provided in this Title;

(w) "Persons" means every natural or juridical being, susceptible of rights and obligations or of being the subject of legal relations;

(x) "Residents" refer to natural persons who have their habitual residence in the province, city, or municipality where they exercise their civil rights and fulfill their civil obligations, and to juridical persons for whom the law or any other provision creating or recognizing them fixes their residence in a particular province, city, or municipality. In the absence of such law, juridical persons are residents of the province, city, or municipality where they have their legal residence or principal place of business or where they conduct their principal business or occupation;

(y) "Resource rent" refers to the difference between the value of the product produced from harvesting the publicly-owned resource less the cost of producing it, where cost includes the normal return to capital and labor²⁴;

(z) "Retail means a sale where the purchaser buys the commodity for his own consumption, irrespective of the quantity of the commodity sold;

²³ Section 4, Article III, RA 11054 – Bangsamoro Regional and Municipal Waters

²⁴ Philippine Fisheries Code of 1998

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- (aa) "Tax" is an imposition, charge or burden upon persons, property, or property rights for the use and support of the local government unit to enable it to discharge its appropriate functions;
- (s) "Total allowable catch" refers to the maximum harvest allowed to be taken during a given period of time from any fishery area, or from any or group of fishery species, or a combination of area and species that would not exceed the maximum sustainable yield²⁵;
- (t) "Vessel" includes every type of boat, craft, or other artificial contrivance used, or capable of being used, as a means of transportation on water;
- (u) "Wharfage" means a fee assessed against the cargo of a vessel engaged in foreign or domestic trade based on quantity, weight, or measure received and/or discharged by vessel; and
- (v) "Wholesale" means a sale where the purchaser buys or imports the commodities for resale to persons other than the end user regardless of the quantity of the transaction.

SECTION 138. Local Taxing Authority - The power to impose a tax, fee, or charge or to generate revenue under this Code shall be exercised by the Sanggunian of the local government units through an appropriate ordinance.

SECTION 139. Common Limitation on the Taxing Powers of Constituent Local Government Units - Unless otherwise provided herein, the exercise of taxing powers of local government units shall not extend to the levy of the following:

- (a) Income tax, except when levied on banks and other financial institutions;
- (b) Documentary stamp tax;
- (c) Taxes on estates, inheritance, gifts, legacies and other acquisitions mortis causa, except as otherwise provided herein;
- (d) Customs duties, registration fees of vessel and wharfage on wharves, tonnage dues, and all other kinds of customs fees, charges and dues except wharfage on wharves constructed and maintained by the local government unit concerned;
- (e) Taxes, fees, and charges and other impositions upon goods carried into or out of, or passing through, the territorial jurisdictions of local government units in the guise of charges for wharfage, tolls for bridges or otherwise, or other taxes, fees, or charges in any form whatsoever upon such goods or merchandise;

²⁵ Philippine Fisheries Code of 1998

- 3047
3048 (f) Taxes, fees or charges on agricultural and aquatic products when sold by
3049 marginal farmers or fishermen;
3050
3051 (g) Taxes on business enterprises certified to by Board of Investments of the
3052 Ministry of Trade, Industry, and Tourism as pioneer or non-pioneer for a period
3053 of six (6) and four (4) years, respectively from the date of registration;
3054
3055 (h) Excise taxes on articles enumerated under the National Internal Revenue Code,
3056 as amended, and taxes, fees or charges on petroleum products;
3057
3058 (i) Percentage or value-added tax (VAT) on sales, barter or exchanges or similar
3059 transactions on goods or services except as otherwise provided herein;
3060
3061 (j) Taxes on the gross receipts of transportation contractors and persons engaged in
3062 the transportation of passengers or freight by hire and common carriers by air,
3063 land or water, except as provided in this Code;
3064
3065 (k) Taxes on premiums paid by way of reinsurance or retrocession;
3066
3067 (l) Taxes, fees or charges for the registration of motor vehicles and for the issuance
3068 of all kinds of licenses or permits for the driving thereof, except tricycles;
3069
3070 (m) Taxes, fees, or other charges on Philippine products actually exported, except as
3071 otherwise provided herein;
3072
3073 (n) Taxes, fees, or charges, on Countryside and Barangay Business Enterprises and
3074 cooperatives duly registered under Republic Act No. 6810 and Republic Act No.
3075 6938, as amended) otherwise known as the "Cooperative Code of the
3076 Philippines" respectively; and
3077
3078 (o) Taxes, fees or charges of any kind on the National Government and Bangsamoro
3079 Government, their agencies and instrumentalities, and local government units.
3080

3081 **CHAPTER II**
3082 **Specific Provisions on the Taxing**
3083 **and Other Revenue Raising Powers of Local Government Units**
3084

3085 **ARTICLE I**
3086 **Provinces**
3087

3088 **SECTION 140. Scope of Taxing Powers.** - Except as otherwise provided in this
3089 Code, the province may levy only the taxes, fees, and charges as provided in this Article.
3090

3091 **SECTION 141. Tax on Transfer of Real Property Ownership.** - (a) The

3092 province may impose a tax on the sale, donation, barter, or on any other mode of
3093 transferring ownership or title of real property at the rate of not more than fifty percent
3094 (50%) of one percent (1%) of the total consideration involved in the acquisition of the
3095 property or of the fair market value in case the monetary consideration involved in the
3096 transfer is not substantial, whichever is higher. The sale, transfer or other disposition of
3097 real property pursuant to R.A. No. 6657 shall be exempt from this tax.

3098

3099 (b) For this purpose, the Register of Deeds of the province concerned shall, before
3100 registering any deed, require the presentation of the evidence of payment of this
3101 tax. The provincial assessor shall likewise make the same requirement before
3102 canceling an old tax declaration and issuing a new one in place thereof. Notaries
3103 public shall furnish the provincial treasurers with a copy of any deed transferring
3104 ownership or title to any real property within thirty (30) days from the date
3105 of notarization.

3106

3107 It shall be the duty of the seller, donor, transferor, executor or administrator to pay
3108 the tax herein imposed within sixty (60) days from the date of the execution of the deed
3109 or from the date of the decedent's death.

3110

3111 **SECTION 142. Tax on Business of Printing and Publication.** - The Province
3112 may impose a tax on the business of persons engaged in the printing and/or publication of
3113 books, cards, posters, leaflets, handbills, certificates, receipts, pamphlets, and other of
3114 similar nature, at a rate not exceeding fifty percent (50%) of one percent (1%) of the
3115 gross annual receipts for the preceding calendar year.

3116 In the case of a newly started business, the tax shall not exceed one-twentieth
3117 (1/20) of one percent (1%) of the capital investment. In the succeeding calendar year,
3118 regardless of when the business started to operate, the tax shall be based on the gross
3119 receipts for the preceding calendar year, or any fraction thereof, as provided herein.

3120

3121 The receipts from the printing and/or publishing of books or other reading
3122 materials prescribed by the Department of Education, Culture and Sports as school texts
3123 or reference shall be exempt from the tax herein imposed.

3124

3125 **SECTION 143. Franchise Tax** - Notwithstanding any exemption granted by any
3126 law or other special laws, the province may impose a tax on business enjoying a franchise,
3127 at a rate exceeding fifty percent (50%) of one percent (1%) of the gross annual receipts
3128 for the preceding calendar year based on the incoming receipt, or realized, within its
3129 territorial jurisdiction.

3130

3131 In the case of a newly started business, the tax shall not exceed one-twentieth
3132 (1/20) of one percent (1%) of the capital investment. In the succeeding calendar year,
3133 regardless of when the business started to operate, the tax shall be based on the gross
3134 receipts for the preceding calendar year, or any fraction thereof, as provided herein.

3135

3136 **SECTION 144. Tax on Sand, Gravel and Other Quarry Resources** - The

3137 province may levy and collect not more than ten percent (10%) of fair market value in the
3138 locality per cubic meter of ordinary stones, sand, gravel, earth, and other quarry resources,
3139 as defined under the National Internal Revenue Code, as amended, extracted from public
3140 lands or from the beds of seas, lakes, rivers, streams, creeks, and other public waters
3141 within its territorial jurisdiction.

3142

3143 The imposition and issuance of permit to extract sand, gravel and other quarry
3144 resources covering an area of not more than five (5) hectares shall be issued exclusively
3145 by the provincial governor upon the recommendation of the city or municipal mayor
3146 where the resources will be extracted and pursuant to an ordinance of the Sangguniang
3147 Panlalawigan. The term of the permit is for a period of five (5) year from the date of
3148 issuance thereof, renewable for like periods but not to exceed a total term of twenty-five
3149 (25) years.

3150

3151 For extraction, removal and disposal of quarry resources covering an area more
3152 than (5) hectares but not to exceed twenty (20) hectares at any one time for a term of five
3153 (5) years from the issuance thereof, renewable for like period but not to exceed a total
3154 term of twenty-five (25) years, the permit shall be issued by the of Ministry of
3155 Environment, Natural Resources and Energy and the tax be imposed by the Bangsamoro
3156 Government²⁶.

3157

3158 The proceeds of the tax on sand, gravel and other quarry resources shall be
3159 distributed as follows:

3160

3161 (1) Thirty percent (30%) to the Bangsamoro Government; and

3162

3163 (2) Seventy percent (70%) to the local government units where the sand gravel,
3164 and other quarry resources are extracted, which shall be further divided as
3165 follows:

3166

3167 i. Thirty percent (30%) to the province;

3168

3168 ii. Thirty percent (30%) to the component city or municipality; and

3169

3169 iii. Forty percent (40%) to the barangay²⁷.

3170

3171 **SECTION 145. Professional Tax** - (a) The province may levy an annual
3172 professional tax on each person engaged in the exercise or practice of his profession
3173 requiring government examination in such amount and reasonable classification as the
3174 Sangguniang Panlalawigan may determine but shall in no case exceed One Thousand
3175 Three Hundred Pesos (P1,300.00).The Sangguniang Panglalawigan may increase the
3176 ceiling on the professional tax once every three (3) years based on the past three (3)-year
3177 average of the consumer price index as officially published by the Philippine Statistics
3178 Authority²⁸.

²⁶ Incorporated the provision of the Philippine Mining Act 1995

²⁷ Amended the distribution by including the Bangsamoro Government as sharer in accordance with Section 6, Article XII, RA 11054 – Sources of Revenue

²⁸ Team recommends to increase the amount due to inflation since the Local Government Code was

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(b) Every person legally authorized to practice his profession shall pay the professional tax to the province where he practices his profession or where he maintains his principal office in case he practices his profession in several places: Provided, however, That such person who has paid the corresponding professional tax shall be entitled to practice his profession in any part of the Philippines without being subjected to any other national or local tax, license, or free for the practice of such profession.

(1) Any individual or corporation employing a person subject to professional tax shall require payment by that person of the tax on his profession before employment and annually thereafter.

(2) The professional tax shall be payable annually on or before the thirty first (31st) day of January must, however, pay the full tax before engaging therein. A line of profession does not become exempt even if conducted with some other profession for which the tax has been paid. Professionals exclusively employed in the government shall be exempt from the payment of this tax.

(3) Any person subject to the professional tax shall write in deeds, receipts, prescriptions, reports, books of account, plans and designs, surveys and maps, as the case may be, the number of the official receipt issued to him.

SECTION 146. Amusement Tax - (a) The province may levy an amusement tax to be collected from the proprietors, lessees, or operators of theaters, cinemas, concert halls, circuses, boxing stadia, and other places of amusement at a rate of not more than ten percent (10%) of the gross receipts from admission fees.

(b) In the case of theaters of cinemas, the tax shall first be deducted and withheld by their proprietors, lessees, or operators and paid to the provincial treasurer before the gross receipts are divided between said proprietors, lessees, or operators and the distributors of the cinematographic films.

(c) The holding of operas, concerts, dramas, recitals, painting and art exhibitions, flower shows, musical programs, literary and oratorical presentations, except pop, rock, or similar concerts shall be exempt from the payment of the tax herein imposed.

(d) The Sangguniang Panlalawigan may prescribe the time, manner, terms and conditions for the payment of tax. In case of fraud or failure to pay the tax, the Sangguniang Panlalawigan may impose such surcharges, interests and penalties as it may deem appropriate.

(e) The proceeds from the amusement tax shall be shared equally by the province

enacted in 1991.

3223 and the municipality where such amusement places are located.

3224

3225 **SECTION 147. Annual Fixed Tax for Every Delivery Truck or Van of**
3226 **Manufacturers or Producers, Wholesalers of, Dealers, or Retailers in, Certain**
3227 **Products.** - (a) The province may levy an annual fixed tax for every truck, van or any
3228 vehicle used by manufacturers, producers, wholesalers, dealers or retailers in the delivery
3229 or distribution of distilled spirits, fermented liquors, soft drinks, cigars and cigarettes, and
3230 other products as may be determined by the Sangguniang Panlalawigan, to sales outlets,
3231 consumers, whether directly or indirectly, within the province in an amount not
3232 exceeding Two Thousand Two Hundred Pesos (P 2,200.00)²⁹.

3233

3234 The manufacturers, producers, wholesalers, dealers, and retailers referred to in the
3235 immediately preceding paragraph shall be exempt from the tax on peddlers prescribed
3236 elsewhere in this Code.

3237

3238 The Sangguniang Panlalawigan may increase the annual fixed tax for every truck,
3239 car or any vehicle used by manufacturers, producers, wholesales, dealers or retailers in
3240 the delivery or distribution of distilled spirits, fermented liquors, soft drinks, cigars and
3241 cigarettes, and other products to sales outlets, or consumers, whether directly or indirectly,
3242 once every three (3) years, based on guidelines issued by the Ministry of Finance, and
3243 Budget and Management utilizing the consumer price index as the basis in increasing the
3244 ceiling of the aforementioned annual fixed tax.

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ARTICLE II Municipalities

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3249 **SECTION 148. Scope of Taxing Powers.** - Except as otherwise provided in this
3250 Code, municipalities may levy taxes, fees, and charges not otherwise levied by provinces.

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3252 **SECTION 149. Tax on Business.** - The municipality may impose taxes on the
3253 following business:

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3255 (a) On manufacturers, assemblers, repackers, processors, brewers, distillers,
3256 rectifiers, and compounders of liquors, distilled spirits, and wines or manufacturers of
3257 any article of commerce of whatever kind or nature, in accordance with the following
3258 schedule:

3259

With gross sales or receipts for the preceding calendar year in the amount of:		Amount of Tax Per Annum
Less than P10,000.00		P165.00
P10,000.00 or more but less than	15,000.00	95.00
15,000.00 or more but less than	20,000.00	302.00`

²⁹ Team recommends to increase the amount due to inflation since the Local Government Code was enacted in 1991.

20,000.00 or more but less than	30,000.00	440.00
30,000.00 or more but less than	40,000.00	660.00
40,000.00 or more but less than	50,000.00	825.00
50,000.00 or more but less than	75,000.00	1,320.00
75,000.00 or more but less than	100,000.00	1,650.00
100,000.00 or more but less than	150,000.00	2,200.00
150,000.00 or more but less than	200,000.00	2,750.00
200,000.00 or more but less than	300,000.00	3,850.00
300,000.00 or more but less than	500,000.00	5,500.00
500,000.00 or more but less than	750,000.00	8,000.00
750,000.00 or more but less than	1,000,000.00	10,000.00
1,000,000.00 or more but less than	2,000,000.00	13,750.00
2,000,000.00 or more but less than	3,000,000.00	16,500.00
3,000,000.00 or more but less than	4,000,000.00	19,800.00
4,000,000.00 or more but less than	5,000,000.00	23,100.00
5,000,000.00 or more but less than	6,500,000.00	24,375.00
6,500,000.00 or more	at a rate not exceeding thirty-seven and a half percent (37½%) of one percent (1%)	

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(b) On wholesalers, distributors, or dealers in any article of commerce of whatever kind or nature in accordance with the following schedule:

With gross sales or receipts for the preceding calendar year in the amount of:		Amount of Tax Per Annum
Less than P1,000.00		P18.00
P1,000.00 or more but less than	P2,000.00	33.00
2,000.00 or more but less than	3,000.00	50.00
3,000.00 or more but less than	4,000.00	72.00
4,000.00 or more but less than	5,000.00	100.00
5,000.00 or more but less than	6,000.00	121.00
6,000.00 or more but less than	7,000.00	143.00
7,000.00 or more but less than	8,000.00	165.00
8,000.00 or more but less than	10,000.00	187.00
10,000.00 or more but less than	15,000.00	95.00
15,000.00 or more but less than	20,000.00	275.00
20,000.00 or more but less than	30,000.00	330.00
30,000.00 or more but less than	40,000.00	440.00
40,000.00 or more but less than	50,000.00	660.00
50,000.00 or more but less than	75,000.00	990.00

75,000.00 or more but less than	100,000.00	1,320.00
100,000.00 or more but less than	150,000.00	1,870.00
150,000.00 or more but less than	200,000.00	2,420.00
200,000.00 or more but less than	300,000.00	3,300.00
300,000.00 or more but less than	500,000.00	4,400.00
500,000.00 or more but less than	750,000.00	6,600.00
750,000.00 or more but less than	1,000,000.00	8,800.00
1,000,000.00 or more but less than	2,000,000.00	10,000.00
2,000,000.00 or more		at a rate not exceeding fifty percent (50%) of one percent (1 %).

3264

3265 (c) On exporters, and on manufacturers, millers, producers, wholesalers, distributors,
 3266 dealers or retailers of essential commodities enumerated hereunder at a rate not exceeding
 3267 one-half (½) of the rates prescribed under subsection (a), (b) and (d) of this Section:

3268 (1) Rice and corn;

3269 (2) Wheat or cassava flour, meat, dairy products, locally manufactured, processed or
 3270 preserved food, sugar, salt and other agricultural, marine, and fresh water products,
 3271 whether in their original state or not;

3272 (3) Cooking oil and cooking gas;

3273 (4) Laundry soap, detergents, and medicine;

3274 (5) Agricultural implements, equipment and post-harvest facilities, fertilizers, pesticides,
 3275 insecticides, herbicides and other farm inputs;

3276 (6) Poultry feeds and other animal feeds;

3277 (7) School supplies; and

3278 (8) Cement.

With gross sales or receipts for the preceding calendar year of:	Rate of TaxPer Annum
P400,000.00 or less	2%
more than P400,000.00	1%

3279 (d) On retailers.

3280

3281 Provided, however, That barangays shall have the exclusive power to levy taxes, as
 3282 provided under Section 152 hereof, on gross sales or receipts of the preceding calendar
 3283 year of Eighty Thousand Pesos (P80,000.00) or less, in the case of cities, and Fifty
 3284 Thousand Pesos (P50,000.00)³⁰ or less, in the case of municipalities.

3285 (e) On contractors and other independent contractors, in accordance with the following
 3286 schedule:

With gross receipts for the preceding calendar year in the amount of:		Amount of Tax Per Annum
Less than P5,000.00	P27.50	
P5,000.00 or more but less than	P10,000.00	61.60
10,000.00 or more but less than	15,000.00	104.50
15,000.00 or more but less than	20,000.00	165.00
20,000.00 or more but less than	30,000.00	275.00
30,000.00 or more but less than	40,000.00	385.00
40,000.00 or more but less than	50,000.00	550.00
50,000.00 or more but less than	75,000.00	880.00
75,000.00 or more but less than	100,000.00	1,320.00
100,000.00 or more but less than	150,000.00	1,980.00
150,000.00 or more but less than	200,000.00	2,640.00
200,000.00 or more but less than	250,000.00	3,630.00
250,000.00 or more but less than	300,000.00	4,620.00
300,000.00 or more but less than	400,000.00	6,160.00
400,000.00 or more but less than	500,000.00	8,250.00
500,000.00 or more but less than	750,000.00	9,250.00
750,000.00 or more but less than	1,000,000.00	10,250.00
1,000,000.00 or more but less than	2,000,000.00	11,500.00
2,000,000.00 or more		at a rate not exceeding fifty percent (50%) of one percent (1%)

3287
 3288 (f) On banks and other financial institutions, at a rate not exceeding fifty percent (50%) of
 3289 one percent (1%) on the gross receipts of the preceding calendar year derived from
 3290 interest, commissions and discounts from lending activities, income from financial
 3291 leasing, dividends, rentals on property and profit from exchange or sale of property,
 3292 insurance premium.

3293 (g) On peddlers engaged in the sale of any merchandise or article of commerce, at a rate
 3294 not exceeding Fifty pesos (P50.00) per peddler annually.

³⁰ Barangays will have a bigger scope in tax imposition and increase in revenues.

3295 (h) On any business, not otherwise specified in the preceding paragraphs, which the
3296 Sanggunian concerned may deem proper to tax: Provided, That on any business subject to
3297 the excise, value-added or percentage tax under the National Internal Revenue Code, as
3298 amended, the rate of tax shall not exceed two percent (2%) of gross sales or receipts of
3299 the preceding calendar year.

3300 The Sanggunian concerned may prescribe a schedule of graduated tax rates but in no case
3301 to exceed the rates prescribed herein.

3302 **SECTION 150. Retirement of Business.** - A business subject to tax pursuant to
3303 the preceding sections shall, upon termination thereof, submit a sworn statement of its
3304 gross sales or receipts for the current year. If the tax was paid during the year, the
3305 difference shall be paid before the business concerned is officially retired.

3306

3307 **SECTION 151. Payment of Business Taxes.** - (a) The taxes imposed under
3308 Section 143 shall be payable for every separate or distinct establishment or place where
3309 business subject to the tax is conducted and one line of business does not become exempt
3310 by being conducted with some other business for which such tax has been paid. The tax
3311 on a business must be paid by the person conducting the same.

3312

3313 (b) In cases where a person conducts or operates two (2) or more businesses which
3314 are subject to the same rate of tax, the tax shall be computed on the combined
3315 total gross sales or receipts of the said two (2) or more related businesses.

3316

3317 (c) In cases where a person conducts or operates two (2) or more businesses which
3318 are subject to different rates of tax, the gross sales or receipts of each business
3319 shall be separately reported for the purpose of computing the tax due from each
3320 business.

3321

3322 **SECTION 152. Fees and Charges.** - The municipality may impose and collect
3323 such reasonable fees and charges on business and occupation and, except as reserved to
3324 the province in Section 15 of this Code, on the practice of any profession or calling,
3325 commensurate with the cost of regulation, inspection and licensing before any person
3326 may engage in such business or occupation, or practice such profession or calling.

3327

3328 **SECTION 153. Fees for Sealing and Licensing of Weights and Measures.** - (a)
3329 The municipality may levy fees for the sealing and licensing of weights and measures at
3330 such reasonable rates as shall be prescribed by the Sangguniang Bayan.

3331

3332 (b) The Sangguniang bayan shall prescribe the necessary regulations for the use of
3333 such weights and measures, subject to such guidelines as may be prescribed by
3334 the Ministry of Science and Technology. The Sanggunian concerned shall, by
3335 appropriate ordinance, penalize fraudulent practices and unlawful possession or
3336 use of instruments of weights and measures and prescribe the criminal penalty
3337 therefore in accordance with the provisions of this Code. Provided, however,

3338 That the Sanggunian concerned may authorize the municipal treasurer to settle
3339 an offense not involving the commission of fraud before a case therefore is files
3340 in court, upon payment of a compromise penalty as prescribed by the
3341 Sanggunian but not less than One Thousand Pesos (P1,000)³¹.

3342

3343 **SECTION 154. Fishery Rentals, Fees and Charges.** - (a) Municipalities shall
3344 have the exclusive authority to grant fishery privileges in the municipal waters and
3345 impose rentals, fees or charges therefore in accordance with the provisions of this Section.
3346 Provided, that, rentals, fees, or charges shall be based on estimates of resource rent as
3347 may be determined by the Sanggunian concerned in consultation with the Fisheries and
3348 Aquatic Resource Management Councils established under Republic Act No. 8550
3349 otherwise known as the “Philippine Fisheries Code of 1998”.

3350

3351 (b) The Sangguniang Bayan may:

3352

3353 (1) Grant fishery privileges to erect fish corrals, oyster, mussels or other aquatic
3354 beds or bangus fry areas, within a definite zone of the municipal waters, as
3355 determined by it: Provided, however, That duly registered organizations and
3356 cooperatives of marginal fishermen shall have the preferential right to such
3357 fishery privileges: Provided, further, That the Sangguniang bayan may
3358 require a public bidding in conformity with and pursuant to an ordinance for
3359 the grant of such privileges: Provided, finally, That in the absence of such
3360 organizations and cooperatives or their failure to exercise their preferential
3361 right, other parties may participate in the public bidding in conformity with
3362 the above cited procedure.

3363

3364 (2) Grant the privilege to gather, take or catch bangus fry, prawn fry or kawag-
3365 kawag or fry of other species and fish from the municipal waters by nets,
3366 traps or other fishing gears to marginal fishermen free of any rental, fee,
3367 charge or any other imposition whatsoever.

3368

3369 (3) Issue for the operation of fishing vessels of three (3) tons or less for which
3370 purpose the Sangguniang bayan shall promulgate rules and regulations
3371 regarding the issuances of such licenses to qualified applicants under existing
3372 laws. Provided, that the total number of licenses issued in consonance with
3373 the total allowable catch as determined by the Sanggunian concerned, in
3374 consultation with Fisheries and Aquatic Resource Management Council³².

3375

3376 Provided, however, That the Sanggunian concerned shall, by appropriate ordinance,
3377 penalize the use of explosives, noxious or puissance substances, electricity, muro-ami,
3378 and other deleterious methods of fishing and prescribe a criminal penalty therefor in
3379 accordance with the provisions of this Code: Provided, finally, That the Sanggunian

³¹ Team recommends to increase the amount due to inflation since the Local Government Code was enacted in 1991.

³² The Philippine Fisheries Code of 1998

3380 concerned shall have the authority to prosecute any violation of the provisions of
3381 applicable fisherylaws.
3382

3383 **SECTION 155. Situs of the Tax.** - (a) For purposes of collection of the taxes
3384 under Section 19 of this Code, manufacturers, assemblers, repackers, brewers, distillers,
3385 rectifiers and compounders of liquor, distilled spirits and wines, millers, producers,
3386 exporters, wholesalers, distributors, dealers, contractors, banks and other financial
3387 institutions, and other businesses maintaining or operating branch or sales outlet
3388 elsewhere shall record the sale in the branch or sales outlet making the sale or transaction,
3389 and the tax thereon shall accrue and shall be paid to the municipality where such branch
3390 or sales outlet is located. In cases where there is no such branch or sales outlet in the city
3391 or municipality where the sale or transaction is made, the sale shall be duly recorded in
3392 the principal office and the taxes due shall accrue and shall be paid to such city or
3393 municipality.
3394

3395 (b) The following sales allocation shall apply to manufacturers, assemblers,
3396 contractors, producers, and exporters with factories, project offices, plants, and
3397 plantations in the pursuit of their business:
3398

3399 (1) Thirty percent (30%) of all sales recorded in the principal office shall be
3400 taxable by the city or municipality where the principal office is located; and
3401

3402 (2) Seventy percent (70%) of all sales recorded in the principal office shall be
3403 taxable by the city or municipality where the factory, project office, plant, or
3404 plantation is located.
3405

3406 (c) In case of a plantation located at a place other than the place where the factory is
3407 located, said seventy percent (70%) mentioned in subparagraph (b) of subsection
3408 (2) above shall be divided as follows:
3409

3410 (1) Sixty percent (60%) to the city or municipality where the factory is located;
3411 and
3412

3413 (2) Forty percent (40%) to the city or municipality where the plantation is located.
3414

3415 (d) In case where a manufacturer, assembler, producer, exporter or contract or has
3416 two (2) or more factories, project offices, plants, or plantations located in
3417 different localities, the seventy percent (70%) mentioned in subparagraph (b) of
3418 subsection (2) above shall be prorated among the localities where the factories,
3419 project offices, plants, and plantations are located in proportion to their
3420 respective volume or production during the period for which the tax is due.
3421

3422 (e) The foregoing sales allocation shall be applied irrespective of whether or not
3423 sales are made in the locality where the factory, project office, plant or plan is
3424 located.

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ARTICLE III
Cities

SECTION 156. Scope of Taxing Powers. - Except as otherwise provided in this Code, the city, may levy the taxes, fees, and charges which the province or municipality may impose: Provided, however, That the taxes, fees and charges levied and collected by highly urbanized and independent component cities shall accrue to them and distributed in accordance with the provisions of this code.

The rates of taxes that the city may levy may exceed the maximum rates allowed for the province or municipality by not more than fifty percent (50%) except the rates of professional and amusement taxes.

ARTICLE IV
Barangays

SECTION 157. Scope of Taxing Powers. - The Barangays may levy taxes, fees, and charges, as provided in this Article, which shall exclusively accrue to them:

- (a) Taxes - On stores or retailers with fixed business establishments with gross sales or receipts of the preceding calendar year of Eighty Thousand Pesos (P80,000.00) or less, in the case of cities and Fifty Thousand Pesos (P50,000.00)³³ or less, in the case of municipalities, at a rate not exceeding one percent (1%) on such gross sales or receipts.
- (b) Service Fees or Charges - Barangays may collect reasonable fees or charges for services rendered in connection with the regulation or the use of Barangay-owned properties or service facilities such as palay, copra, or tobacco dryers.
- (c) Barangay Clearance - No city or municipality may issue any license or permit for any business or activity unless a clearance is first obtained from the Barangay where such business or activity is located or conducted. For such clearance, the Sangguniang Barangay may impose a reasonable fee. The application for clearance shall be acted upon within seven (7) working days from the filing thereof. In the event that the clearance is not issued within the said period, the city or municipality may issue the said license or permit.
- (d) Other Fees and Charges - The Barangay may levy reasonable fees and charges:
 - (1) On commercial breeding of fighting cocks, cockfights and cockpits;
 - (2) On places of recreation which charge admission fees; and

³³ Barangays will have a bigger scope in tax imposition and increase in revenues.

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(3) On billboards, signboards, neon signs, and outdoor advertisements.

ARTICLE V
Common Revenue-Raising Powers

SECTION 158. Service Fees and Charges. - Local government units may impose and collect such reasonable fees and charges for services rendered.

SECTION 159. Public Utility Charges. – Local government units may fix the rates for the operation of public utilities owned, operated and maintained by them within their jurisdiction.

SECTION 160. Toll Fees or Charges. – The Sanggunian concerned may prescribe the terms and conditions and fix the rates for the imposition of toll fees or charges for the use of any public road, pier or wharf, waterway, bridge, ferry or telecommunication system funded and constructed by the local government unit concerned: Provided, That no such toll fees or charges shall be collected from officers and enlisted men of the Armed Forces of the Philippines and members of the Philippine National Police on mission, post office personnel delivering mail, physically-handicapped, and disabled citizens who are sixty-five (65) years or older.

When public safety and welfare so requires, the Sanggunian concerned may discontinue the collection of the tolls, and thereafter the said facility shall be free and open for public use.

ARTICLE VI
Community Tax

SECTION 161. Community Tax. - Cities or municipalities may levy a community tax in accordance with the provisions of this Article.

SECTION 162. Individuals Liable to Community Tax. - Every inhabitant of the local government unit eighteen (18) years of age or over who has been regularly employed on a wage or salary basis for at least thirty (30) consecutive working days during any calendar year, or who is engaged in business or occupation, or who owns real property with an aggregate assessed value of One thousand pesos (P1,000.00) or more, or who is required by law to file an income tax return shall pay an annual community tax of Twenty Pesos (P 20.00)³⁴ and an annual additional tax of One Pesos (P1.00)for every One thousand pesos (P1,000.00) of income, regardless of whether from business, exercise of profession or from property, which in no case shall exceed Five thousand pesos(P5,000.00).

³⁴ Team recommends to increase the amount due to inflation since the Local Government Code was enacted in 1991.

3512 In the case of husband and wife, the additional tax herein imposed shall be based
3513 upon the total property owned by them and the total gross receipts or earnings derived by
3514 them.

3515

3516 **SECTION 163. Juridical Persons Liable to Community Tax.** - Every
3517 corporation no matter how created or organized, whether domestic or resident foreign,
3518 engaged in or doing business in the Philippines shall pay an annual community tax of
3519 One Thousand Pesos (P 1,000.00)³⁵ and an annual additional tax, which in no case, shall
3520 exceed Ten thousand pesos (P10,000.00) in accordance with the following schedule:

3521

3522 (1) For every Five thousand pesos (P5,000.00) worth of real property in the
3523 Philippines owned by it during the preceding year based on the valuation
3524 used for the payment of the real property tax under existing laws, found in
3525 the assessment rolls of the city or municipality where the real property is
3526 situated – Five Pesos (P 2.00)³⁶; and

3527

3528 (2) For every Five thousand pesos (P5,000.00) of gross receipts or earnings
3529 derived by it from its business in the Philippines during the preceding year -
3530 Five Pesos (P 2.00)³⁷;

3531

3532 The dividends received by a corporation from another corporation however shall,
3533 for the purpose of the additional tax, be considered as part of the gross receipts or
3534 earnings of said corporation.

3535

3536 **SECTION 164. Exemption.** - The following are exempt from the
3537 community tax:

3538

3539 (1) Diplomatic and consular representatives; and

3540

3541 (2) Transient visitors when their stay in the Philippines does not exceed three (3)
3542 months.

3543

3544 **SECTION 165. Place of Payment.** - The community tax shall be paid in the
3545 place of residence of the individual, or in the place where the principal office of the
3546 juridical entity is located.

3547

3548 **SECTION 166. Time for Payment; Penalties for Delinquency.** - (a) The
3549 community tax shall accrue on the first (1st) day of January of each year which shall be
3550 paid not later than the last day of February of each year. If a person reaches the age of
3551 eighteen (18) years or otherwise loses the benefit of exemption on or before the last day

³⁵ Team recommends to increase the amount due to inflation since the Local Government Code was enacted in 1991.

³⁶ Team recommends to increase the amount due to inflation since the Local Government Code was enacted in 1991.

³⁷ Team recommends to increase the amount due to inflation since the Local Government Code was enacted in 1991.

3552 of June, he shall be liable for the community tax on the day he reaches such age or upon
3553 the day the exemption ends. However, if a person reaches the age of eighteen (18) years
3554 or loses the benefit of exemption on or before the last day of March, he shall have
3555 twenty (20) days to pay the community tax without becoming delinquent.

3556
3557 Persons who come to reside in the Philippines or reach the age of eighteen (18)
3558 years on or after the first (1st) day of July of any year, or who cease to belong to an
3559 exempt class on or after the same date, shall not be subject to the community tax for that
3560 year.

3561
3562 (b) Corporation established and organized on or before the last day of June shall be
3563 liable for the community tax for that year. But corporations established and
3564 organized on or before the last day of March shall have twenty (20) days within
3565 which to pay the community tax without becoming delinquent. Corporations
3566 established and organized on or after the first day of July shall not be subject to
3567 the community tax for that year.

3568
3569 If the tax is not paid within the time prescribed above, there shall be added to the
3570 unpaid amount an interest of twenty-four percent (24%) per annum from the due date
3571 until it is paid.

3572
3573 **SECTION 167. Community Tax Certificate.** - A community tax certificate
3574 shall be issued to every person or corporation upon payment of the community tax. A
3575 community tax certificate may also be issued to any person or corporation not subject to
3576 the community tax upon payment of One peso (P1.00).

3577
3578 **SECTION 168. Presentation of Community Tax Certificate on Certain**
3579 **Occasions.** - (a) When an individual subject to the community tax acknowledges any
3580 document before a notary public, takes the oath of office upon election or appointment
3581 to any position in the government service; receives any license, certificate, or permit
3582 from any public authority; pays any tax or fee; receives any money from any public fund;
3583 transacts other official business; or receives any salary or wage from any person or
3584 corporation, it shall be the duty of any person, officer, or corporation with whom such
3585 transaction is made or business done or from whom any salary or wage is received to
3586 require such individual to exhibit the community tax certificate.

3587
3588 The presentation of community tax certificate shall not be required in connection
3589 with the registration of a voter.

3590
3591 (b) When, through its authorized officers, any corporation subject to the community
3592 tax receives any license, certificate, or permit from any public authority, pays
3593 and tax or fee, receives money from public funds, or transacts other official
3594 business, it shall be the duty of the public official with whom such transaction is
3595 made or business done, to require such corporation to exhibit the community tax
3596 certificate.

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(c) The community tax certificate required in the two preceding paragraphs shall be the one issued for the current year, except for the period from January until the fifteenth (15th) of April each year, in which case, the certificate issued for the preceding year shall suffice.

(a) The Bangsamoro Revenue Office³⁸ shall cause the printing of community tax certificates and distribute the same to the cities and municipalities through the city and municipal treasurers in accordance with prescribed regulations.

The proceeds of the tax shall accrue to the general funds of the cities, municipalities and Barangays except a portion thereof which shall accrue to the general fund of the Bangsamoro Government to cover the actual cost of printing and distribution of the forms and other related expenses. The city or municipal treasurer concerned shall remit to the Bangsamoro Treasury Office³⁹ the said share of the Bangsamoro Government in the proceeds of the tax within ten (10) days after the end of each quarter.

(b) The city or municipal treasurer shall deputize the Barangay treasurer to collect the community tax in their respective jurisdictions: Provided, however, that said Barangay treasurer shall be bonded in accordance with existing laws.

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

- (1) Fifty percent (50%) shall accrue to the general fund of the city or municipality concerned; and
- (2) Fifty percent (50%) shall accrue to the Barangay where the tax is collected.

CHAPTER III
Collection of Taxes

SECTION 170. Tax Period and Manner of Payment. - Unless otherwise provided in this Code, the tax period of all local taxes, fees and charges shall be the calendar year. Such taxes, fees and charges may be paid in quarterly installments.

SECTION 171. Accrual of Tax. - Unless otherwise provided in this Code, all local taxes, fees, and charges shall accrue on the first (1st) day of January of each year. However, new taxes, fees or charges, or changes in the rates thereof, shall accrue on the first (1st) day of the quarter next following the effectivity of the ordinance imposing such new levies or rates.

³⁸ Section 11, Article XII, RA 11054 – Assessment and Collection of Taxes; Bangsamoro Revenue Office
³⁹ Section 4, Article XII, RA 11054 – Bangsamoro Treasury Office

3640

3641 **SECTION 172. Time of Payment.** - Unless otherwise provided in this Code, all
3642 local taxes, fees, and charges shall be paid within the first twenty (20) days of January
3643 or of each subsequent quarter, as the case may be. The Sanggunian concerned may, for a
3644 justifiable reason or cause, extend the time of payment of such taxes, fees, or charges
3645 without surcharges or penalties, but only for a period not exceeding six (6) months.

3646

3647 **SECTION 173. Surcharges and Penalties on unpaid Taxes, fees, or Charges.**
3648 - The Sanggunian may impose a surcharge not exceeding twenty-five percent (25%) of
3649 the amount of taxes, fees or charges not paid on time and an interest at the rate not
3650 exceeding two percent (2%) per month of the unpaid taxes, fees or charges including
3651 surcharges, until such amount is fully paid but in no case shall the total interest on the
3652 unpaid amount or portion thereof exceed thirty-six (36) months.

3653

3654 **SECTION 174. Interests on Other Unpaid Revenues.** - Where the amount of
3655 any other revenue due a local government unit, except voluntary contributions or
3656 donations, is not paid on the date fixed in the ordinance, or in the contract, expressed or
3657 implied, or upon the occurrence of the event which has given rise to its collection, there
3658 shall be collected as part of that amount an interest thereon at the rate not exceeding two
3659 percent (2%) per month from the date it is due until it is paid, but in no case shall the
3660 total interest on the unpaid amount or a portion thereof exceed thirty-six months.

3661

3662 **SECTION 175. Collection of Local Revenues by Treasurer.** - All local taxes,
3663 fees, and charges shall be collected by the provincial, city, municipal, or Barangay
3664 treasurer, or their duly authorized deputies.

3665

3666 The provincial, city or municipal treasurer may designate the Barangay treasurer
3667 as his deputy to collect local taxes, fees, or charges. In case a bond is required for the
3668 purpose, the provincial, city or municipal government shall pay the premiums thereon in
3669 addition to the premiums of bond that may be required under this Code.

3670

3671 **SECTION 176. Examination of Books of Accounts and Pertinent Records of**
3672 **Businessmen by Local Treasurer.** - The provincial, city, municipal or Barangay
3673 treasurer may, by himself or through any of his municipal or Barangay treasurer may, by
3674 himself or through any of his deputies duly authorized in writing, examine the books,
3675 accounts, and other pertinent records of nay person, partnership, corporation, or
3676 association subject to local taxes, fees and charges in order to ascertain, assess, and
3677 collect the correct amount of the tax, fee, or charge. Such examination shall be made
3678 during regular business hours, only once for every tax period, and shall be certified to by
3679 the examining official. Such certificate shall be made of record in the books of accounts
3680 of the taxpayer examined.

3681

3682 In case the examination herein authorized is made by a duly authorized deputy of
3683 the local treasurer, the written authority of the deputy concerned shall specifically state
3684 the name, address, and business of the taxpayers whose books, accounts, and pertinent

3685 records are to be examined, the date and place of such examination, and the procedure to
3686 be followed in conducting the same.

3687

3688 For this purpose, the records of the revenue district office of the Bureau of
3689 Internal Revenue shall be made available to the local treasurer, his deputy or duly
3690 authorized representative.

3691

3692

3693 **CHAPTER IV** 3694 **Civil Remedies for Collection of Revenues**

3694

3695 **SECTION 177. Application of Chapter.** - The provisions of this Chapter and
3696 the remedies provided herein may be availed of for the collection of any delinquent local
3697 tax, fee, charge, or other revenue.

3698

3699 **SECTION 178. Local Government's Lien.** - Local taxes, fees, charges and other
3700 revenue constitute a lien, superior to all liens, charges or encumbrances in favor of any
3701 person, enforceable by appropriate administrative or judicial action, not only upon any
3702 property or rights therein which may be subject to the lien but also upon property used in
3703 business, occupation, practice of profession or calling, or exercise of privilege with
3704 respect to which the lien is imposed. The lien may only be extinguished upon full
3705 payment of the delinquent local taxes fees and charges including related surcharges
3706 and interest.

3707

3708 **SECTION 179. Civil Remedies.** - The civil remedies for the collection of local
3709 taxes, fees, or, and surcharges and interest resulting from delinquency shall be:

3710

3711 (a) By administrative action thru distraint of goods, chattels, or effects, and other
3712 personal of whatever character, including stocks and other securities, debts,
3713 credits, bank accounts, and interest in and rights to personal property, and by
3714 levy upon real property and interest in or rights to real property; and

3715

3716 (b) By judicial action. Either of these remedies or all may be pursued concurrently
3717 or at the discretion of the local government unit concerned.

3718

3719 **SECTION 180. Distraint of Personal Property.** - The remedy by distraint shall
3720 proceed as follows:

3721

3722 (a) Seizure - Upon failure of the person owing any local tax, fee, or charge to pay
3723 the same at the time required, the local treasurer or his deputy may, upon written
3724 notice, seize or confiscate any personal property belonging to that person or any
3725 personal property subject to the lien in sufficient quantity to satisfy the tax, fee,
3726 or charge in question, together with any increment thereto incident to
3727 delinquency and the expenses of seizure. In such case, the local treasurer or his
3728 deputy shall issue a duly authenticated certificate based upon the records of his
3729 office showing the fact of delinquency and the amounts of the tax, fee, or charge

3730 and penalty due. Such certificate shall serve as sufficient warrant for the distraint
3731 of personal property aforementioned, subject to the taxpayer's right to claim
3732 exemption under the provisions of existing laws. Distrainted personal property
3733 shall be sold at public auction in the manner herein provided for.

3734

3735 (b) Accounting of distrainted goods - The officer executing the distraint shall make
3736 or cause to be made an account of the goods, chattels or effects distrainted, a
3737 copy of which signed by himself shall be either with the owner or person from
3738 whose possession the goods, chattels or effects are taken, or at the dwelling or
3739 place of business of that person and with someone of suitable age and discretion,
3740 to which list shall be added a statement of the sum demanded and a note of the
3741 time and place of sale.

3742

3743 (c) Publication - The officer shall forth with cause a notification to be exhibited in
3744 not less than three (3) public and conspicuous places in the territory of the local
3745 government unit where the distraint is made, specifying the time and place of
3746 sale, and the articles distrainted. The time of sale shall not be less than twenty (20)
3747 days after notice to the owner or possessor of the property as above specified and
3748 the publication or posting of the notice. One place for the posting of the notice
3749 shall be at the office of the chief executive of the local government unit in which
3750 the property is distrainted.

3751

3752 (d) Release of distrainted property upon payment prior to sale - If at any time prior to
3753 the sale, all the proper charges are paid to the officer conducting the sale, the
3754 goods or effects distrainted shall be restored to the owner.

3755

3756 (e) Procedure of sale - At the time and place fixed in the notice, the officer
3757 conducting the sale sell the goods or effects so distrainted at public auction to the
3758 highest bidder for cash. Within five (5) days after the sale, the local treasurer
3759 shall make a report of the proceedings in writing to the local chief executive
3760 concerned.

3761

3762 Should the property distrainted be not disposed of within one hundred and twenty
3763 (120) days from the date of distraint, the same shall be considered as sold to the local
3764 government unit concerned for the amount of the assessment made thereon by the
3765 Committee on Appraisal and to the extent of the same amount, the tax delinquencies
3766 shall be cancelled.

3767

3768 Said Committee on Appraisal shall be composed of the city or municipal treasurer as
3769 chairman, with a representative of the Commission on Audit and the city or municipal
3770 assessor as members.

3771

3772 (f) Disposition of proceeds - The proceeds of the sale shall be applied to satisfy the
3773 tax, including the surcharges, interest, and other penalties incident to
3774 delinquency, and the expenses of the distraint and sale. The balance over and

3775 above what is required to pay the entire claim shall be returned to the owner of
3776 the property sold. The expenses chargeable upon the seizure and sale shall
3777 embrace only the actual expenses of seizure and preservation of the property
3778 pending the sale, and no charge shall be imposed for the services of the local
3779 officer or his deputy. Where the proceeds of the sale are insufficient to satisfy
3780 the claim, other property may, in like manner, be distrained until the full amount
3781 due, including all expenses, collected.
3782

3783 **SECTION 181. Levy on Real Property.** - After the expiration of the time
3784 required to pay the tax, fee, or charge, real property may be levied on before,
3785 simultaneously, or after the distraint of personal property belonging to the delinquent
3786 taxpayer. To this end, the provincial, city or municipal treasurer, as the case may be, shall
3787 prepare a duly authenticated certificate showing the name of the taxpayer and the amount
3788 of the tax, fee, or charge, and penalty due from him. Said certificate shall operate with the
3789 force of a legal execution throughout the Philippines. Levy shall be affected by writing
3790 upon said certificate the description of the property upon which levy is made. At the same
3791 time, written notice of the levy shall be mailed to or served upon the assessor and the
3792 Registrar of Deeds of the province or city where the property is located who shall
3793 annotate the levy on the tax declaration and certificate of title of the property,
3794 respectively, and the delinquent taxpayer or, if he be absent from the Philippines, to his
3795 agent or the manager of the business in respect to which the liability arose, or if there be
3796 none, to the occupant of the property in question. In case the levy on real property is not
3797 issued before or simultaneously with the warrant of distraint on personal property, and
3798 the personal property of the taxpayer is not sufficient to satisfy his delinquency, the
3799 provincial, city or municipal treasurer, as the case may be, shall within thirty (30) days
3800 after execution of the distraint, proceed with the levy on the taxpayer's real property. A
3801 report on any levy shall, within ten (10) days after receipt of the warrant, be submitted by
3802 the levying officer to the Sanggunian concerned.
3803

3804 **SECTION 182. Penalty for Failure to Issue and Execute Warrant.** - Without
3805 prejudice to criminal under the Revised Penal Code and other applicable laws, any local
3806 treasurer who fails to issue or execute the warrant of distraint or levy after the expiration
3807 of the time prescribed, or who is found guilty of abusing the exercise thereof by
3808 competent authority shall be automatically dismissed from the service after due notice
3809 and hearing.
3810

3811 **SECTION 183. Advertisement and Sale.** - Within thirty (30) days after levy, the
3812 local treasurer shall proceed to publicly advertise for sale or auction the property or a
3813 usable portion thereof as may be necessary to satisfy the claim and cost of sale; and such
3814 advertisement shall cover a period of at least thirty (30) days. It shall be effected by
3815 posting a notice at the main entrance of the municipal building or city hall, and in a
3816 public and conspicuous place in the Barangay where the real property is located, and by
3817 publication once a week for three (3) weeks in a newspaper of general circulation in the
3818 province, city or municipality where the property is located. The advertisement shall
3819 contain the amount of taxes, fees or charges, and penalties due thereon, and the time and

3820 place of sale, the name of the taxpayer against whom the taxes, fees, or charges are levied,
3821 and a short description of the property to be sold. At any time before the date fixed for
3822 the sale, the taxpayer may stay the proceedings by paying the taxes, fees, charges,
3823 penalties and interests. If he fails to do so, the sale shall proceed and shall be held either
3824 at the main entrance of the provincial, city or municipal building, or on the property to be
3825 sold, or at any other place as determined by the local treasurer conducting the sale and
3826 specified in the notice of sale.

3827

3828 Within thirty (30) days after the sale, the local treasurer or his deputy shall make a
3829 report of the sale to the Sanggunian concerned, and which shall form part of his records.
3830 After consultation with the Sanggunian, the local treasurer shall make and deliver to the
3831 purchaser a certificate of sale, showing the proceedings of the sale, describing the
3832 property sold, stating the name of the purchaser and setting out the exact amount of all
3833 taxes, fees, charges, and related surcharges, interests, or penalties: Provided, however,
3834 That any excess in the proceeds of the sale over the claim and cost of sales shall be turned
3835 over to the owner of the property.

3836

3837 The local treasurer may, by ordinance duly approved, advance an amount
3838 sufficient to defray the costs of collection by means of the remedies provided for in this
3839 Title, including the preservation or transportation in case of personal property, and the
3840 advertisement and subsequent sale, in cases of personal and real property including
3841 improvements thereon.

3842

3843 **SECTION 184. Redemption of Property Sold.** - Within one (1) year from the
3844 date of sale, the delinquent taxpayer or his representative shall have the right to redeem
3845 the property upon payment to the local treasurer of the total amount of taxes, fees, or
3846 charges, and related surcharges, interests or penalties from the date of delinquency to the
3847 date of sale, plus interest of not more than two percent (2%) per month on the purchase
3848 price from the date of purchase to the date of redemption. Such payment shall invalidate
3849 the certificate of sale issued to the purchaser and the owner shall be entitled to a
3850 certificate of redemption from the provincial, city or municipal treasurer or his deputy.

3851

3852 The provincial, city or municipal treasurer or his deputy, upon surrender by the
3853 purchaser of the certificate of sale previously issued to him, shall forthwith return to the
3854 latter the entire purchase price paid by him plus the interest of not more than two percent
3855 (2%) per month herein provided for, the portion of the cost of sale and other legitimate
3856 expenses incurred by him, and said property thereafter shall be free from the lien of such
3857 taxes, fees, or charges, related surcharges, interests, and penalties.

3858

3859 The owner shall not, however, be deprived of the possession of said property and
3860 shall be entitled to the rentals and other income thereof until the expiration of the time
3861 allowed for its redemption.

3862

3863 **SECTION 185. Final Deed to Purchaser.** - In case the taxpayer fails to redeem
3864 the property as provided herein, the local treasurer shall execute a deed conveying to the

3865 purchaser so much of the property as has been sold, free from liens of any taxes, fees,
3866 charges, related surcharges, interests, and penalties. The deed shall succinctly recite all
3867 the proceedings upon which the validity of the sale depends.
3868

3869 **SECTION 186. Purchase of Property by the Local Government Units for**
3870 **Want of Bidder.** - In case there is no bidder for the real property advertised for sale as
3871 provided herein, or if the highest bid is for an amount insufficient to pay the taxes, fees,
3872 or charges, related surcharges, interests, penalties and costs, the local treasurer
3873 conducting the sale shall purchase the property in behalf of the local government unit
3874 concerned to satisfy the claim and within two (2) days thereafter shall make a report of
3875 his proceedings which shall be reflected upon the records of his office. It shall be the duty
3876 of the Registrar of Deeds concerned upon registration with his office of any such
3877 declaration of forfeiture to transfer the title of the forfeited property to the local
3878 government unit concerned without the necessity of an order from a competent court.
3879

3880 Within one (1) year from the date of such forfeiture, the taxpayer or any of his
3881 representative, may redeem the property by paying to the local treasurer the full amount
3882 of the taxes, fees, charges, and related surcharges, interests, or penalties, and the costs of
3883 sale. If the property is not redeemed as provided herein, the ownership thereof shall be
3884 fully vested of the local government unit concerned.
3885

3886 **SECTION 187. Resale of Real Estate Taken for Taxes, Fees, or Charges.** -
3887 The Sanggunian may, by ordinance duly approved, and upon notice of not less than
3888 twenty (20) days, sell and dispose of the real property acquired under the preceding
3889 section at public auction. The proceeds of the sale shall accrue to the general fund of the
3890 local government unit concerned.
3891

3892 **SECTION 188. Collection of Delinquent Taxes, Fees, Charges or other**
3893 **Revenues through Judicial Action.** - The local government unit concerned may enforce
3894 the collection of delinquent taxes, fees, charges or other revenues by civil action in any
3895 court of competent jurisdiction. The civil action shall be filed by the local treasurer
3896 within the period prescribed in Section 194 of this Code.
3897

3898 **SECTION 189. Further Distraint or Levy.** - The remedies by distraint and levy
3899 may be repeated if necessary until the full amount due, including all expenses, is
3900 collected.
3901

3902 **SECTION 190. Personal Property Exempt from Distraint or Levy.** - The
3903 following property shall be exempt from distraint and the levy, attachment or execution
3904 thereof for delinquency in the payment of any local tax, fee or charge, including the
3905 related surcharge and interest:
3906

3907 (a) Tools and the implements necessarily used by the delinquent taxpayer in his
3908 trade or employment;
3909

- 3910 (b) One (1) horse, cow, carabao, or other beast of burden, such as the delinquent
3911 taxpayer may select, and necessarily used by him in his ordinary occupation;
3912
- 3913 (c) His necessary clothing, and that of all his family;
3914
- 3915 (d) Household furniture and utensils necessary for housekeeping and used for that
3916 purpose by the delinquent taxpayer, such as he may select, of a value not
3917 exceeding Ten thousand pesos (Php10,000.00);
3918
- 3919 (e) Provisions, including crops, actually provided for individual or family use
3920 sufficient for four (4) months;
3921
- 3922 (f) The professional libraries of doctors, engineers, lawyers and judges;
3923
- 3924 (g) One fishing boat and net, not exceeding the total value of Ten thousand pesos
3925 (Php10,000.00), by the lawful use of which a fisherman earns his livelihood; and
3926
- 3927 (h) Any material or article forming part of a house or improvement of any real
3928 property.
3929

3930 **CHAPTER 5**
3931 **Miscellaneous Provisions**

3932
3933 **SECTION 191. Power to Levy Other Taxes, Fees or Charges.** - Local
3934 government units may exercise the power to levy taxes, fees or charges on any base or
3935 subject not otherwise specifically enumerated herein or taxed under the provisions of the
3936 National Internal Revenue Code, as amended, or other applicable laws: Provided, That
3937 the taxes, fees, or charges shall not be unjust, excessive, oppressive, confiscatory or
3938 contrary to declared national policy: Provided, further, That the ordinance levying such
3939 taxes, fees or charges shall not be enacted without any prior public hearing conducted for
3940 the purpose.

3941
3942 **SECTION 192. Procedure for Approval and Effectivity of Tax ordinances and**
3943 **Revenue Measures; Mandatory Public Hearings.** - The procedure for approval of local
3944 tax ordinances and revenue measures shall be in accordance with the provisions of this
3945 Code: Provided, That public hearings shall be conducted for the purpose prior to the
3946 enactment thereof: Provided, further, That any question on the constitutionality or
3947 legality of tax ordinances or revenue measures may be raised on appeal within thirty (30)
3948 days from the effectivity thereof to the Secretary of Justice who shall render a decision
3949 within sixty (60) days from the date of receipt of the appeal: Provided, however, That
3950 such appeal shall not have the effect of suspending the effectivity of the ordinance and
3951 the accrual and payment of the tax, fee, or charge levied therein: Provided, finally, That
3952 within thirty (30) days after receipt of the decision or the lapse of the sixty-day period
3953 without the Secretary of Justice acting upon the appeal, the aggrieved party may file
3954 appropriate proceedings with a court of competent jurisdiction.

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SECTION 193. Publication of Tax Ordinances and Revenue Measures. - Within ten (10) days after their approval, certified true copies of all provincial, city, and municipal tax ordinances or revenue shall be published in full for three (3) consecutive days in a newspaper of local circulation: Provided, however, that in provinces, cities and municipalities where there are no newspapers of local circulation, the same may be posted in at least two (2) conspicuous and publicly accessible places.

SECTION 194. Furnishing of Copies of Tax Ordinances and Revenue Measures. - Copies of all provincial, city, and municipal and Barangay tax ordinances and revenue measures shall be furnished the respective local treasurers for public dissemination.

SECTION 195. Attempt to Enforce Void or Suspended Tax Ordinances and Revenue Measures. - The enforcement of any tax ordinance or revenue measure after due notice of the disapproval or suspension thereof shall be sufficient ground for administrative disciplinary action against the local officials and employees responsible therefor.

SECTION 196. Authority of Local Government Units to Adjust Rates of Tax ordinances. - Local units shall have the authority to adjust the tax rates as prescribed herein not oftener than once every five (5) years, but in no case shall such adjustment exceed ten percent (10%) of the rates fixed under this Code.

SECTION 197. 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.

SECTION 198. Withdrawal of Tax Exemption Privileges. - Unless otherwise provided in this Code, tax exemptions or incentives granted to, or presently enjoyed by all persons, whether natural or juridical, including government-owned or -controlled corporations, except local water districts, cooperatives duly registered under R.A. No. 6938, non-stock and non-profit hospitals and educational institutions, are hereby withdrawn upon the effectivity of this Code.

CHAPTER VI Taxpayer's Remedies

SECTION 199. Periods of Assessment and Collection. - (a) Local taxes, fees, or charges shall be assessed within five (5) years from the date they became due. No action for the collection of such taxes, fees, or charges, whether administrative or judicial, shall be instituted after the expiration of such period: Provided, That, taxes, fees or charges which have accrued before the effectivity of this Code may be assessed within a period of three (3) years from the date they became due.

- 4000 (b) In case of fraud or intent to evade the payment of taxes, fees, or charges, the
4001 same may be assessed within ten (10) years from discovery of the fraud or intent
4002 to evade payment.
4003
- 4004 (c) Local taxes, fees, or charges may be collected within five (5) years from the date
4005 of by or judicial action. No such action shall be instituted after the expiration of
4006 said period: Provided, however, That, taxes, fees or charges assessed before the
4007 effectivity of this Code may be collected within a period of three (3) years from
4008 the date of assessment.
4009
- 4010 (d) The running of the periods of prescription provided in the preceding paragraphs
4011 shall be for the time during which:
4012
- 4013 (1) The treasurer is legally prevented from making the assessment of collection;
4014
- 4015 (2) The taxpayer requests for a reinvestigation and executes a waiver in writing
4016 before expiration of the period within which to assess or collect; and
4017
- 4018 (3) The taxpayer is out of the country or otherwise cannot be located.
4019

4020 **SECTION 200. Protest of Assessment.** - When the local treasurer or his duly
4021 authorized representative finds that correct taxes, fees, or charges have not been paid, he
4022 shall issue a notice of assessment stating the nature of the tax, fee or charge, the amount
4023 of deficiency, the surcharges, interests and penalties. Within sixty (60) days from the
4024 receipt of the notice of assessment, the taxpayer may file a written protest with the local
4025 treasurer contesting the assessment; otherwise, the assessment shall become final and
4026 executory. The local treasurer shall decide the protest within sixty (60) days from the
4027 time of its filing. If the local treasurer finds the protest to be wholly or partly meritorious,
4028 he shall issue a notice canceling wholly or partially the assessment. However, if the local
4029 treasurer finds the assessment to be wholly or partly correct, he shall deny the protest
4030 wholly or partly with notice to the taxpayer. The tax payer shall have thirty days from the
4031 receipt of the denial of the protest or from the lapse of the sixty (60) day period
4032 prescribed herein within which to appeal with the court of competent jurisdiction
4033 otherwise the assessment becomes conclusive and unappealable.
4034

4035 **SECTION 201. Claim for Refund of Tax Credit.** - No case or proceeding shall
4036 be maintained in any court for the recovery of any tax, fee, or charge erroneously or
4037 illegally collected until a written claim for refund or credit has been filed with the local
4038 treasurer. No case or proceeding shall be entertained in any court after the expiration of
4039 two (2) years from the date of the payment of such tax, fee, or charge, or from the date
4040 the taxpayer is entitled to a refund or credit.
4041

4042 **TITLE II.**
4043 **REAL PROPERTY TAXATION**
4044

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CHAPTER I
General Provisions

4049 **SECTION 202. Scope.** - This Title shall govern the administration, appraisal,
4050 assessment, levy and collection of real property tax.
4051

4052 **SECTION 203. Fundamental Principles.** - The appraisal, assessment, levy and
4053 collection of real property tax shall be guided by the following fundamental principles:
4054

- 4055 (a) Real property shall be appraised at its current and fair market value;
4056
4057 (b) Real property shall be classified for assessment purposes on the basis of its
4058 actual use;
4059
4060 (c) Real property shall be assessed on the basis of a uniform classification within
4061 each local government unit;
4062
4063 (d) The appraisal, assessment, levy and collection of real property tax shall not be let
4064 to any private person; and
4065
4066 (e) The appraisal and assessment of real property shall be equitable.
4067

4068 **SECTION 204. Definitions.** - When used in this Title: (a) " Acquisition Cost" for
4069 newly-acquired machinery not yet depreciated and appraised within the year of its
4070 purchase, refers to the actual cost of the machinery to its present owner, plus the cost of
4071 transportation, handling, and installation at the present site;
4072

- 4073 (b) "Actual Use" refers to the purpose for which the property is principally or
4074 predominantly by the person in possession thereof;
4075
4076 (c) "Ad Valorem Tax" is a levy on real property determined on the basis of a fixed
4077 proportion of the value of the property;
4078
4079 (d) "Agricultural Land" is land devoted principally to the planting of trees, raising of
4080 crops, livestock and poultry, dairying, salt making, inland fishing and similar
4081 aquacultural activities, and other agricultural activities, and is not classified as
4082 mineral, timber, residential, commercial or industrial land;
4083
4084 (e) "Appraisal" is the act or process of determining the value of property as of a
4085 specific date for a specific purpose;
4086
4087 (f) "Assessment" is the act or process of determining the value of a property, or
4088 proportion thereof subject to tax, including the discovery, listing, classification,
4089 and appraisal of properties;

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- (g) "Assessment Level" is the percentage applied to the fair market value to determine the taxable value the property;
- (h) "Assessed Value" is the fair market value of the real property multiplied by the assessment level. It is synonymous to taxable value;
- (i) "Commercial Land" is land devoted principally for the object of profit and is not classified as agricultural, industrial, mineral, timber, or residential land;
- (j) "Depreciated Value" is the value remaining after deducting depreciation from the acquisition cost;
- (k) "Economic Life" is the estimated period over which it is anticipated that a machinery or equipment may be profitably utilized;
- (l) "Fair Market Value" is the price at which a property may be sold by a seller who is not compelled to sell and bought by a buyer who is not compelled to buy;
- (m) "Improvement" is a valuable addition made to a property or an amelioration in its condition, amounting to more than a mere repair or replacement of parts involving capital expenditures and labor, which is intended to enhance its value, beauty or utility or to adapt it for new or further purposes;
- (n) "Industrial Land" is land devoted principally to industrial activity as capital investment and is not classified as agricultural, commercial, timber, mineral or residential land;
- (o) "Machinery" embraces machines, equipment, mechanical contrivances, instruments, or apparatus which may or may not be attached, permanently or temporarily, to the real property. It includes the physical facilities for production, installations and appurtenant service facilities, those which are mobile, self-powered or self-propelled, and those not permanently attached to the real property which are actually, directly, and exclusively used to meet the needs of the particular industry, business or activity and which by their very nature and purpose are designed for, or necessary to its manufacturing, mining, logging, commercial, industrial or agricultural purposes;
- (p) "Mineral Lands" are lands in which minerals, metallic or non-metallic, exist in sufficient quantity or grade to justify the necessary expenditures to extract and utilize such materials;
- (q) "Reassessment" is the assigning of new assessed values to property, particularly real estate, as the result of a general, partial, or individual reappraisal of the

- 4135 property;
- 4136
- 4137 (r) "Remaining Economic Life" is the period of time expressed in years from the
- 4138 date of appraisal to the date when the machinery becomes valueless;
- 4139
- 4140 (s) "Remaining Value" is the value corresponding to the remaining useful life of the
- 4141 machinery;
- 4142
- 4143 (t) "Replacement or Reproduction Cost" is the cost that would be incurred on the
- 4144 basis of current prices, in acquiring an equally desirable substitute property, or
- 4145 the cost of reproducing a new replica of the property on the basis of current
- 4146 prices with the same or closely similar material; and
- 4147
- 4148 (u) "Residential Land" is land principally devoted to habitation.
- 4149

4150 **SECTION 205. Administration of the Real Property Tax.** - The provinces and

4151 cities shall be primarily responsible for the proper, efficient and effective administration

4152 of the real property tax.

4153

4154 **CHAPTER II**

4155 **Appraisal and Assessment of Real Property**

4156

4157 **SECTION 206. Appraisal of Real Property.** - All real property, whether taxable

4158 or exempt, shall be appraised at the current and fair market value prevailing in the

4159 locality where the property is situated. The Ministry of Finance, and Budget and

4160 Management⁴⁰ shall promulgate the necessary rules and regulations for the classification,

4161 appraisal, and assessment of real property pursuant to the provisions of this Code and

4162 guided by the standards set by the Department of Finance – Bureau of Local Government

4163 Finance.

4164

4165 **SECTION 207. Declaration of Real Property by the Owner or Administrator.**

4166 - It shall be the duty of all persons, natural or juridical, owning or administering real

4167 property, including the improvements therein, within a city or municipality, or their duly

4168 authorized representative, to prepare, or cause to be prepared, and file with the provincial

4169 or city assessor, a sworn statement declaring the true value of their property, whether

4170 previously declared or undeclared, taxable or exempt, which shall be the current and fair

4171 market value of the property, as determined by the declarant. Such declaration shall

4172 contain a description of the property sufficient in detail to enable the assessor or his

4173 deputy to identify the same for assessment purposes. The sworn declaration of real

4174 property herein referred to shall be filed with the assessor concerned once every three (3)

4175 years during the period from January first (1st) to June thirtieth (30th).

4176

4177 **SECTION 208. Duty of Person Acquiring Real Property or Making**

4178 **Improvement Thereon.** - It shall also be the duty of any person, or his authorized

⁴⁰ Section 3, Article XII, RA 11054 – Local Government Finance

4179 representative, acquiring at any time real property in any municipality or city or making
4180 any improvement on real property, to prepare, or cause to be prepared, and file with the
4181 provincial or city assessor, a sworn statement declaring the true value of subject property,
4182 within sixty (60) days after the acquisition of such property or upon completion or
4183 occupancy of the improvement, whichever comes earlier.

4184
4185 **SECTION 209. Declaration of Real Property by the Assessor.** - When any
4186 person, natural or juridical, by whom real property is required to be declared under
4187 Section 202 hereof, refuses or fails for any reason to make such declaration within the
4188 time prescribed, the provincial or city assessor shall himself declare the property in the
4189 name of the defaulting owner, if known, or against an unknown owner, as the case may
4190 be, and shall assess the property for taxation in accordance with the provision of this Title.
4191 No oath shall be required of a declaration thus made by the provincial, city or municipal
4192 assessor.

4193
4194 **SECTION 210. Listing of Real Property in the Assessment Rolls.** - (a) In
4195 every province and city, there shall be prepared and maintained by the provincial or city
4196 assessor an assessment roll wherein shall be listed all real property, whether taxable or
4197 exempt, located within the territorial jurisdiction of the local government unit concerned.
4198 Real property shall be listed, valued and assessed in the name of the owner or
4199 administrator, or anyone having legal interest in the property.

4200
4201 (b) The undivided real property of a deceased person may be listed, valued and
4202 assessed in the name of the estate or of the heirs and devisees without
4203 designating them individually; and undivided real property other than that owned
4204 by a deceased may be listed, valued and assessed in the name of one or more co-
4205 owners: Provided, however, That such heir, devisee, or co-owner shall be liable
4206 severally and proportionately for all obligations imposed by this Title and the
4207 payment of the real property tax with respect to the undivided property.

4208
4209 (c) The real property of a corporation, partnership, or association shall be listed,
4210 valued and in the same manner as that of an individual.

4211
4212 (d) Real property owned by the Republic of the Philippines, instrumentalities and
4213 political subdivisions, the beneficial use of which has been granted, for
4214 consideration or otherwise, to a taxable person, shall be listed, valued and
4215 assessed in the name of the possessor, grantee or of the public entity if such
4216 property has been acquired or held for resale or lease.

4217
4218 **SECTION 211. Proof of Exemption of Real Property from Taxation.** - Every
4219 person by or for whom real property is declared, who shall claim tax exemption for such
4220 property under this Title shall file with the provincial or city assessor within thirty (30)
4221 days from the date of the declaration of real property sufficient documentary evidence in
4222 support of such claim including corporate charters, title of ownership, of incorporation,
4223 bylaws, contracts, affidavits, certifications and mortgage deeds, and similar documents. If

4224 the required evidence is not submitted within the period herein prescribed, the property
4225 shall be listed as taxable in the assessment roll. However, if the property shall be proven
4226 to be tax exempt, the same shall be dropped from the assessment roll.

4227

4228 **SECTION 212. Real Property Identification System.** - All declarations of real
4229 property made under the provisions of this Title shall be kept and filed under a uniform
4230 classification system to be established by the provincial or city assessor.

4231

4232 **SECTION 213. Notification of Transfer of Real Property Ownership.** - Any
4233 person who shall transfer real property ownership to another shall notify the provincial or
4234 city assessor concerned within sixty (60) days from the date of such transfer. The
4235 notification shall include the mode of transfer, the description of the property alienated,
4236 the name and address of the transferee.

4237

4238 **SECTION 214. Duty of Registrar of Deeds to Apprise Assessor of Real**
4239 **Property Listed in Registry.** - (a) To ascertain whether or not any real property entered
4240 in the Registry of Property has escaped discovery and listing for the purpose of taxation,
4241 the Registrar of Deeds shall prepare and submit to the provincial or city assessor, within
4242 six (6) months from the date of effectivity of this Code and every year thereafter, an
4243 abstract of his registry, which shall include brief but sufficient description of the real
4244 properties entered therein, present owners, and the dates of their most recent transfer or
4245 alienation accompanied by copies of corresponding deeds of sale, donation, or partition
4246 or other forms of alienation.

4247

4248 (b) It shall also be the duty of the Registrar of Deeds to require every person who
4249 shall present for registration a document of transfer, alienation, or encumbrance
4250 of real property to accompany the same with a certificate to the effect that the
4251 real property subject of the transfer, alienation, or encumbrance, as the case may
4252 be, has been fully paid of all real property taxes due thereon. Failure to provide
4253 such certificate shall be a valid cause for the Registrar of Deeds to refuse the
4254 registration of the document.

4255

4256 **SECTION 215. Duty of Official Issuing Building Permit or Certificate of**
4257 **Registration of Machinery to Transmit Copy to Assessor.** - Any public official or
4258 employee who may now or hereafter be required by law or regulation to issue to any
4259 person a permit for the construction, addition, repair, or renovation of a building, or
4260 permanent improvement on land, or a certificate of registration for any machinery,
4261 including machines, mechanical contrivances, and apparatus attached or affixed on land
4262 or to another real property, shall transmit a copy of such permit or certificate within thirty
4263 (30) days of its issuance, to the assessor of the province or city where the property is
4264 situated.

4265

4266 **SECTION 216. Duty of Geodetic Engineers to Furnish Copy of Plans to**
4267 **Assessor.** - It shall be the duty of all geodetic engineers, public or private, to furnish free
4268 of charge to the assessor of the province or city where the land is located with a white or

4269 blue print copy of each of all approved original or subdivision plans or maps of surveys
4270 executed by them within thirty (30) days from receipt of such plans from the Lands
4271 Management Bureau, the Land Registration Authority, the Housing and Land Use
4272 Regulatory Board, as the case may be.

4273

4274 **SECTION 217. Preparation of Schedule of Fair Market Values.** - Before any
4275 general revision of property assessment is made pursuant to the provisions of this Title,
4276 there shall be prepared a schedule of fair market values by the provincial and city
4277 assessor for the different classes of real property situated in their respective local
4278 government units for enactment by ordinance of the Sanggunian concerned. The schedule
4279 of fair market values shall be published in a newspaper of general circulation in the
4280 province or city concerned, or in the absence thereof, shall be posted in the provincial
4281 capitol or city hall and in two other conspicuous public places therein.

4282

4283 **SECTION 218. Authority of Assessor to Take Evidence.** - For the purpose of
4284 obtaining information on which to base the market value of any real property, the
4285 assessor of the province or city or his deputy may summon the owners of the properties
4286 to be affected or persons having legal interest therein and witnesses, administer oaths,
4287 and take deposition concerning the property, its ownership, amount, nature, and value.

4288

4289 **SECTION 219. Amendment of Schedule of Fair Market Values.** - The
4290 provincial or city assessor may recommend to the Sanggunian concerned amendments to
4291 correct errors in valuation in the schedule of fair market values. The Sanggunian
4292 concerned shall, by ordinance, act upon the within ninety (90) days from receipt thereof.

4293

4294 **SECTION 220. Classes of Real Property for Assessment Purposes.** - For
4295 purposes of assessment, real property shall be classified as residential, agricultural,
4296 commercial, industrial, mineral, or special.

4297

4298 **SECTION 221. Special Classes of Real Property.** - All lands, buildings, and
4299 other improvements actually, directly and exclusively used for hospitals, cultural, or
4300 scientific purposes, and those owned and used by local water districts, and government-
4301 owned or -controlled corporations rendering essential public services in the supply and
4302 distribution of water and/or generation and transmission of electric power shall be
4303 classified as special.

4304

4305 **SECTION 222. Actual Use of Real Property as Basis for Assessment.** - Real
4306 property shall be classified, valued and assessed on the basis of its actual use regardless
4307 of where located, whoever owns it, and whoever uses it.

4308

4309 **SECTION 223. Assessment Levels.** - The assessment levels to be applied to the
4310 fair market value of real property to determine its assessed value shall be fixed by
4311 ordinances of the Sangguniang Panlalawigan or Sangguniang Panlungsod, at the rates not
4312 exceeding the following:

4313

(a) On Lands:		
	CLASS	ASSESSMENT LEVELS
	Residential	20%
	Agricultural	40%
	Commercial	50%
	Industrial	50%
	Mineral	50%
	Timberland	20%
(b) On Buildings and Other Structures:		
(1) Residential		
Fair Market Value Over	Not Over	Assessment Levels
	P175,000.00	0%
P175,000.00	300,000.00	10%
300,000.00	500,000.00	20%
500,000.00	750,000.00	25%
750,000.00	1,000,000.00	30%
1,000,000.00	2,000,000.00	35%
2,000,000.00	5,000,000.00	40%
5,000,000.00	10,000,000.00	50%
10,000,000.00		60%
(2) Agricultural		
Fair Market Value Over	Not Over	Assessment Levels
	P300,000.00	25%
P300,000.00	500,000.00	30%
500,000.00	750,000.00	35%
750,000.00	1,000,000.00	40%
1,000,000.00	2,000,000.00	45%
2,000,000.00		50%
(3) Commercial / Industrial		
Fair Market Value Over	Not Over	Assessment Levels
	P300,000.00	30%
P300,000.00	500,000.00	35%
500,000.00	750,000.00	40%
750,000.00	1,000,000.00	50%
1,000,000.00	2,000,000.00	60%
2,000,000.00	5,000,000.00	70%
5,000,000.00	10,000,000.00	75%
10,000,000.00		80%
(4) Timberland		
Fair Market Value Over	Not Over	Assessment Levels

	P300,000.00	45%
P300,000.00	500,000.00	50%
500,000.00	750,000.00	55%
750,000.00	1,000,000.00	60%
1,000,000.00	2,000,000.00	65%
2,000,000.00		70%
(c) On Machineries		
	Class	Assessment Levels
	Agricultural	40%
	Residential	50%
	Commercial	80%
	Industrial	80%
(d) On Special Classes: The assessment levels for all lands, buildings, machineries and other improvements;		
	Actual Use	Assessment Level
	Cultural	15%
	Scientific	15%
	Hospital	15%
	Local water districts	10%
	Government-owned or -controlled corporations engaged in the supply and distribution of water and/or generation and transmission of electric power	10%

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SECTION 224. General Revision of Assessments and Property Classification.

- The provincial or city shall undertake a general revision of real property assessments within two (2) years after the effectivity of this Code and every three (3) years thereafter.

SECTION 225. Valuation of Real Property.

- In cases where (a) real property is declared and listed for taxation purposes for the first time; (b) there is an ongoing general revision of property classification and assessment; or (c) a request is made by the person in whose name the property is declared, the provincial, city or municipal assessor or his duly authorized deputy shall, in accordance with the provisions of this Chapter, make a classification, appraisal and assessment of the real property listed and described in the declaration irrespective of any previous assessment or taxpayer's valuation thereon: Provided, however, That the assessment of real property shall not be increased oftener than once every three (3) years except in case of new improvements substantially increasing the value of said property or of any change in its actual use.

SECTION 226. Date of Effectivity of Assessment or Reassessment.

- All assessments or reassessments made after the first (1st) day of January of any year shall take effect on the first (1st) day of January of the succeeding year: Provided, however,

4333 That the reassessment of real property due to its partial or total destruction, or to a major
4334 change in its actual use, or to any great and sudden inflation or deflation of real property
4335 values, or to the gross illegality of the assessment when made or to any other abnormal
4336 cause, shall be made within ninety (90) days from the date any such cause or causes
4337 occurred, and shall take effect at the beginning of the quarter next following the
4338 reassessment.

4339

4340 **SECTION 227. Assessment of Property Subject to Back Taxes.** - Real
4341 property declared for the first time shall be assessed for taxes for the period during which
4342 it would have been liable but in no case for more than ten (10) years prior to the date of
4343 initial assessment: Provided, however, that such taxes shall be computed on the basis of
4344 the applicable schedule of values in force during the corresponding period. If such taxes
4345 are paid on or before the end of the quarter following the date the notice of assessment
4346 was received by the owner or his representative, no interest for delinquency shall be
4347 imposed thereon; otherwise, such taxes shall be subject to an interest at the rate of two
4348 percent (2%) per month or a fraction thereof from the date of the receipt of the
4349 assessment until such taxes are fully paid.

4350

4351 **SECTION 228. Notification of New or Revised Assessment.** - When real
4352 property is assessed for the first time or when an existing assessment is increased or
4353 decreased, the provincial, city or municipal assessor shall within thirty (30) days give
4354 written notice of such new or revised assessment to the person in whose name the
4355 property is declared. The notice may be delivered personally or by registered mail or
4356 through the assistance of the Punong Barangay to the last known address of the person to
4357 be served.

4358

4359 **SECTION 229. Appraisal and Assessment of Machinery.** - (a) The fair market
4360 value of a brand- new machinery shall be the acquisition cost. In all other cases, the fair
4361 market value shall be determined by dividing the remaining economic life of the
4362 machinery by its estimated economic life and multiplied by the replacement or
4363 reproduction cost.

4364

4365 (b) If the machinery is imported, the acquisition cost includes freight, insurance,
4366 bank and other charges, brokerage, arrastre and handling, duties and taxes, plus
4367 cost of inland transportation, handling, and installation charges at the present site.
4368 The cost in foreign currency of imported machinery shall be converted to peso
4369 cost on the basis of foreign currency exchange rates as fixed by the Central Bank.

4370

4371 **SECTION 230. Depreciation Allowance for Machinery.** - For purposes of
4372 assessment, a allowance shall be made for machinery at a rate not exceeding five percent
4373 (5%) of its original cost or its replacement or reproduction cost, as the case may be, for
4374 each year of use: Provided, however, That the remaining value for all kinds of machinery
4375 shall be fixed at not less than twenty percent (20%) of such original, replacement, or
4376 reproduction cost for so long as the machinery is useful and in operation.

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CHAPTER III
Assessment Appeals

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SECTION 231. Local Board of Assessment Appeals. - Any owner or person having legal interest in the property who is not satisfied with the action of the provincial, city or municipal assessor in the assessment of his property may, within sixty (60) days from the date of receipt of the written notice of assessment, appeal to the Board of Assessment appeals of the province or city by filing a petition under oath in the form prescribed for the purpose, together with copies of the tax declarations and such affidavits or documents submitted in support of the appeal.

SECTION 232. Organization, Powers, Duties, and Functions of the Local Board of Assessment Appeals. - (a) The Board of Assessment appeals of the province or city shall be composed of the Registrar of Deeds, as Chairman, the provincial or city prosecutor and the provincial, or city engineer as members, who shall serve as such in an ex officio capacity without additional compensation.

(b) The chairman of the Board shall have the power to designate any employee of the province or city to serve as secretary to the Board also without additional compensation.

(c) The chairman and members of the Board of Assessment appeals of the province or city shall assume their respective positions without need of further appointment or special designation immediately upon effectivity of this Code. They shall take an oath or affirmation of office in the prescribed form.

(d) In provinces and cities without a provincial or city engineer, the district engineer shall serve as member of the Board. In the absence of the Registrar of Deeds, or the provincial or city prosecutor, or the provincial or city engineer, or the district engineer, the persons performing their duties, whether in an acting capacity or as a duly designated officer-in-charge, shall automatically become the chairman or member, respectively, of the said Board, as the case maybe.

SECTION 233. Meetings and Expenses of the Local Board of Assessment Appeals. - (a) The Board of Assessment appeals of the province or city shall meet once a month and as often as may be necessary for the prompt disposition of appealed cases. No member of the Board shall be entitled to per diems or traveling expenses for his attendance in Board meetings, except when conducting an ocular inspection in connection with a case under appeal.

(b) All expenses of the Board shall be charged against the general fund of the province or city, as the case may be. The Sanggunian concerned shall appropriate the necessary funds to enable the Board in their respective localities to operate effectively.

4423 **SECTION 234. Action by the Local Board of Assessment Appeals.** - (a) The
4424 Board shall decide the appeal within one hundred twenty (120) days from the date of
4425 receipt of such appeal. The Board, after hearing, shall render its decision based on
4426 substantial evidence or such relevant evidence on record as a reasonable mind might
4427 accept as adequate to support the conclusion.

4428

4429 (b) In the exercise of its appellate jurisdiction, the Board shall have the power to
4430 summon witnesses, administer oaths, conduct ocular inspection, take depositions,
4431 and issue subpoena and subpoena duces tecum. The proceedings of the Board
4432 shall be conducted solely for the purpose of ascertaining the facts without
4433 necessarily adhering to technical rules applicable in judicial proceedings.

4434

4435 (c) The secretary of the Board shall furnish the owner of the property or the person
4436 having legal interest therein and the provincial or city assessor with a copy of the
4437 decision of the Board. In case the provincial or city assessor concurs in the
4438 revision or the assessment, it shall be his duty to notify the owner of the property
4439 or the person having legal interest therein of such fact using the form prescribed
4440 for the purpose. The owner of the property or the person having legal interest
4441 therein or the assessor who is not satisfied with the decision of the Board, may,
4442 within thirty (30) days after receipt of the decision of said Board, appeal to the
4443 Bangsamoro Board of Assessment Appeals, as provided in the succeeding
4444 section. The decision of the Bangsamoro Board shall be final and executory.

4445

4446 **SECTION 235. Central Board of Assessment Appeals.** – Unless otherwise
4447 provided by a law passed by the Parliament, the Central Board of Assessment Appeals
4448 created under Republic Act No. 7160 shall have appellate jurisdiction over all assessment
4449 cases decided by the Local Board of Assessment Appeals.

4450

4451 The Ministry of Finance, and Budget and Management, in consultation with the
4452 Intergovernmental Relations Body, shall promulgate rules and regulations necessary in
4453 the implementation of this Chapter.⁴¹

4454

4455 **SECTION 236. Effect of Appeal on the Payment of Real Property Tax.** -
4456 Appeal on assessment of real property made under the provisions of this Code shall, in no
4457 case, suspend the collection of the corresponding realty taxes on the property involved as
4458 assessed by the provincial or city assessor, without prejudice to subsequent adjustment
4459 depending upon the final outcome of the appeal.

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4461

CHAPTER IV Imposition of Real Property Tax

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4464 **SECTION 237. Power to Levy Real Property Tax.** - A province or city, may
4465 levy an annual ad valorem tax on real property such as land, building, machinery, and

⁴¹ The Central Board of Assessment Appeals is an office created by the national government under the Department of Finance. The team recommends that the appellate jurisdiction is still the same.

4466 other improvement not hereinafter specifically exempted.

4467

4468 **SECTION 238. Rates of Levy.** - A province or city, shall fix a uniform rate of
4469 basic real property tax applicable to their respective localities as follows:

4470

4471 (a) In the case of a province, at the rate not exceeding one percent (1%) of the
4472 assessed value of real property; and

4473

4474 (b) In the case of a city, at the rate not exceeding two percent (2%) of the assessed
4475 value of real property.

4476

4477 **SECTION 239. Exemptions from Real Property Tax.** - The following are
4478 exempted from payment of the real property tax:

4479

4480 (a) Real property owned by the Republic of the Philippines or any of its political
4481 subdivisions except when the beneficial use thereof has been granted, for
4482 consideration or otherwise, to a taxable person;

4483

4484 (b) Charitable institutions, churches, parsonages or convents appurtenant thereto,
4485 mosques, nonprofit or religious cemeteries and all lands, buildings, and
4486 improvements actually, directly, and exclusively used for religious, charitable or
4487 educational purposes;

4488

4489 (c) All machineries and equipment that are actually, directly and exclusively used
4490 by local water districts and government-owned or -controlled corporations
4491 engaged in the supply and distribution of water and/or generation and
4492 transmission of electric power;

4493

4494 (d) All real property owned by duly registered cooperatives as provided for under R.
4495 A. No. 6938; and

4496

4497 (e) Machinery and equipment used for pollution control and environmental
4498 protection. Except as provided herein, any exemption from payment of real
4499 property tax previously granted to, or presently enjoyed by, all persons, whether
4500 natural or juridical, including all government- owned or -controlled corporations
4501 are hereby withdrawn upon the effectivity of this Code.

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4506 **SECTION 240. Additional Levy on Real Property for the Special Education**

4507 **Fund.** - A province or city, may levy and collect an annual tax of one percent (1%) on the
4508 assessed value of real property which shall be in addition to the basic real property tax.

4509 The proceeds thereof shall exclusively accrue to the Special Education Fund (SEF).

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CHAPTER V Special Levies on Real Property

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SECTION 246. Ordinance Imposing a Special Levy. - A tax ordinance imposing a special levy shall describe with reasonable accuracy the nature, extent, and location of the public works projects or improvements to be undertaken, state the estimated cost thereof, specify the metes and bounds by monuments and lines and the number of annual installments for the payment of the special levy which in no case shall be less than five (5) nor more than ten (10) years. The Sanggunian concerned shall not be obliged, in the apportionment and computation of the special levy, to establish a uniform percentage of all lands subject to the payment of the tax for the entire district, but it may fix different rates for different parts or sections thereof, depending on whether such land is more or less benefited by the proposed work.

SECTION 247. Publication of Proposed Ordinance Imposing a Special Levy. - Before the of an imposing a special levy, the Sanggunian concerned shall conduct a public hearing thereon; notify in writing the owners of the real property to be affected or the persons having legal interest therein as to the date and place thereof and afford the latter the opportunity to express their positions or objections relative to the proposed ordinance.

SECTION 248. Fixing the Amount of Special Levy. - The special levy authorized herein shall be apportioned, computed, and assessed according to the assessed valuation of the lands affected as shown by the books of the assessor concerned, or its current assessed value as fixed by said assessor if the property does not appear of record in his books. Upon the effectivity of the ordinance imposing special levy, the assessor concerned shall forthwith proceed to determine the annual amount of special levy assessed against each parcel of land comprised within the area especially benefited and shall send to each landowner a written notice thereof by mail, personal service or publication in appropriate cases.

SECTION 249. Taxpayers' Remedies Against Special Levy. - Any owner of real property affected a special levy or any person having a legal interest therein may, upon receipt of the written notice of assessment of the special levy, avail of the remedies provided for in Chapter 3, Title Two, Book II of this Code.

SECTION 250. Accrual of Special Levy. -The special levy shall accrue on the first day of the next following the effectivity of the ordinance imposing such levy.

CHAPTER VI
Collection of Real Property Tax

SECTION 251. Date of Accrual of Tax. - The real property tax for any year shall accrue on the first day of January and from that date it shall constitute a lien on the property which shall be superior to any other lien, mortgage, or encumbrance of any kind whatsoever, and shall be extinguished only upon the payment of the delinquent tax.

4601 **SECTION 252. Collection of Tax.** - The collection of the real property tax with
4602 interest thereon and related expenses, and the enforcement of the remedies provided for
4603 in this Title or any applicable laws, shall be the responsibility of the city or municipal
4604 treasurer concerned. The city or municipal treasurer may deputize the Barangay treasurer
4605 to collect all taxes on real property located in the Barangay: Provided, That the Barangay
4606 treasurer is properly bonded for the purpose: Provided, further, That the premium on the
4607 bond shall be paid by the city or municipal government concerned.

4608
4609 **SECTION 253. Assessor to Furnish Local Treasurer with Assessment Roll.** -
4610 The provincial, city or municipal assessor shall prepare and submit to the treasurer of the
4611 local government unit, on or before the thirty-first (31st) day of December each year, an
4612 assessment roll containing a list of all persons whose real properties have been newly
4613 assessed or reassessed and the values of such properties.

4614
4615 **SECTION 254. Notice of Time for Collection of Tax.** - The city or municipal
4616 treasurer shall, on or before the thirty-first (31st) day of January each year, in the case of
4617 the basic real property tax and the additional tax for the Special Education Fund (SEF) or
4618 on any other date to be prescribed by the Sanggunian concerned in the case of any other
4619 tax levied under this Title, post the notice of the dates when the tax may be paid without
4620 interest at a conspicuous and publicly accessible place at the city or municipal hall. Said
4621 notice shall likewise be published in a newspaper of general circulation in the locality
4622 once a week for two (2) consecutive weeks.

4623
4624 **SECTION 255. Payment of Real Property Taxes in Installments.** - The owner
4625 of the real property or the person having legal interest therein may pay the basic real
4626 property tax and the additional tax for Special Education Fund (SEF) due thereon without
4627 interest in four (4) equal installments; the first installment to be due and payable on or
4628 before March Thirty-first (31st); the second installment, on or before June Thirty (30);
4629 the third installment, on or before September Thirty (30); and the last installment on or
4630 before December Thirty-first (31st), except the special levy the payment of which shall
4631 be governed by ordinance of the Sanggunian concerned. The date for the payment of any
4632 other tax imposed under this Title without interest shall be prescribed by the Sanggunian
4633 concerned. Payments of real property taxes shall first be applied to prior years
4634 delinquencies, interests, and penalties, if any, and only after said delinquencies are settled
4635 may tax payments be credited for the current period.

4636
4637 **SECTION 256. Tax Discount for Advanced Prompt Payment.** - If the basic
4638 real property tax and the additional tax accruing to the Special Education Fund (SEF) are
4639 paid in advance in accordance with the prescribed schedule of payment as provided under
4640 Section 125, the Sanggunian concerned may grant a discount not exceeding twenty
4641 percent (20%) of the annual tax due.

4642
4643 **SECTION 257. Payment Under Protest.** - (a) No protest shall be entertained
4644 unless the taxpayer first pays the tax. There shall be annotated on the tax receipts the
4645 words "paid under protest". The protest in writing must be filed within thirty (30) days

4646 from payment of the tax to the provincial or city treasurer, who shall decide the protest
4647 within sixty (60) days from receipt.

4648
4649 (b) The tax or a portion thereof paid under protest, shall be held in trust by the
4650 treasurer concerned.

4651
4652 (c) In the event that the protest is finally decided in favor of the taxpayer, the
4653 amount or portion of the tax protested shall be refunded to the protestant, or applied as
4654 tax credit against his existing or future tax liability.

4655
4656 (d) In the event that the protest is denied or upon the lapse of the sixty days (60)
4657 period prescribed in subparagraph (a), the taxpayer may avail of the remedies as provided
4658 for in Chapter 3, Title II, Book II of this Code.

4659
4660 **SECTION 258. Repayment of Excessive Collections.** - When an assessment of
4661 basic real property tax, or any other tax levied under this Title, is found to be illegal or
4662 erroneous and the tax is accordingly reduced or adjusted, the taxpayer may file a written
4663 claim for refund or credit for taxes and interests with the provincial or city treasurer
4664 within two (2) years from the date the taxpayer is entitled to such reduction or adjustment.
4665 The provincial or city treasurer shall decide the claim for tax refund or credit within sixty
4666 (60) days from receipt thereof. In case the claim for tax refund or credit is denied, the
4667 taxpayer may avail of the remedies as provided in Chapter 3, II, Book II of this Code.

4668
4669 **SECTION 259. Notice of Delinquency in the Payment of the Real Property**
4670 **Tax.** - (a) When the real property tax or any other tax imposed under this Title becomes
4671 delinquent, the provincial, city or municipal treasurer shall immediately cause a notice of
4672 the delinquency to be posted at the main entrance of the provincial capitol, or city or
4673 municipal hall and in a publicly accessible and conspicuous place in each Barangay of the
4674 local government unit concerned. The notice of delinquency shall also be published once
4675 a week for two (2) consecutive weeks, in a newspaper of general circulation in the
4676 province, city, or municipality.

4677
4678 (b) Such notice shall specify the date upon which the tax became delinquent and
4679 shall state that personal property may be distrained to effect payment. It shall
4680 likewise state that at any time before the distraint of personal property, payment
4681 of the tax with surcharges, interests and penalties may be made in accordance
4682 with the next following Section, and unless the tax, surcharges and penalties are
4683 paid before the expiration of the year for which the tax is due except when the
4684 notice of assessment or special levy is contested administratively or judicially
4685 pursuant to the provisions of Chapter 3, Title II, Book II of this Code, the
4686 delinquent real property will be sold at public auction, and the title to the
4687 property will be vested in the purchaser, subject, however, to the right of the
4688 delinquent owner of the property or any person having legal interest therein to
4689 redeem the property within one (1) year from the date of sale.

4690

4691 **SECTION 260. Interests on Unpaid Real Property Tax.** - In case of failure to
4692 pay the basic real property tax or any other tax levied under this Title upon the expiration
4693 of the periods as provided in Section 250, or when due, as the case may be, shall subject
4694 the taxpayer to the payment of interest at the rate of two percent (2%) per month on the
4695 unpaid amount or a fraction thereof, until the delinquent tax shall have been fully paid:
4696 Provided, however, That in no case shall the total interest on the unpaid tax or portion
4697 thereof exceed thirty-six (36)months.

4698
4699 **SECTION 261. Remedies for The Collection Of Real Property Tax.** - For the
4700 collection of the basic real property tax and any other tax levied under this Title, the local
4701 government unit concerned may avail of the remedies by administrative action thru levy
4702 on real property or by judicial action.

4703
4704 **SECTION 262. Local Governments Lien.** - The basic real property tax and any
4705 other tax levied under this Title constitutes a lien on the property subject to tax, superior
4706 to all liens, charges or encumbrances in favor of any person, irrespective of the owner or
4707 possessor thereof, enforceable by administrative or judicial action, and may only be
4708 extinguished upon payment of the tax and the related interests and expenses.

4709
4710 **SECTION 263. Levy on Real Property.** - After the expiration of the time
4711 required to pay the basic real property tax or any other tax levied under this Title, real
4712 property subject to such tax may be levied upon through the issuance of a warrant on or
4713 before, or simultaneously with, the institution of the civil action for the collection of the
4714 delinquent tax. The provincial or city treasurer, as the case may be, when issuing a
4715 warrant of levy shall prepare a duly authenticated certificate showing the name of the
4716 delinquent owner of the property or person having legal interest therein, the description
4717 of the property, the amount of the tax due and the interest thereon. The warrant shall
4718 operate with the force of a legal execution throughout the province or city. The warrant
4719 shall be mailed to or served upon the delinquent owner of the real property or person
4720 having legal interest therein, or in case he is out of the country or cannot be located, to
4721 the administrator or occupant of the property. At the same time, written notice of the levy
4722 with the attached warrant shall be mailed to or served upon the assessor and the Registrar
4723 of Deeds of the province or city where the property is located, who shall annotate the
4724 levy on the tax declaration and certificate of title of the property, respectively. The
4725 levying officer shall submit a report on the levy to the Sanggunian concerned within ten
4726 (10) days after receipt of the warrant by the owner of the property or person having legal
4727 interest therein.

4728
4729 **SECTION 264. Penalty for Failure to Issue and Execute Warrant.** - Without
4730 prejudice to criminal prosecution under the Revised Penal Code and other applicable laws,
4731 any local treasurer or his deputy who fails to issue or execute the warrant of levy within
4732 one (1) year from the time the tax becomes delinquent or within thirty (30) days from the
4733 date of the issuance thereof, or who is found guilty of abusing the exercise thereof in an
4734 administrative or judicial proceeding shall be dismissed from the service.

4735

4736 **SECTION 265. Advertisement and Sale.** - Within thirty (30) days after service
4737 of the warrant of levy, the local treasurer shall proceed to publicly advertise for sale or
4738 auction the property or a usable portion thereof as may be necessary to satisfy the tax
4739 delinquency and expenses of sale. The advertisement shall be effected by posting a notice
4740 at the main entrance of the provincial, city or municipal building, and in a publicly
4741 accessible and conspicuous place in the Barangay where the real property is located, and
4742 by publication once a week for two (2) weeks in a newspaper of general circulation in the
4743 province, city or municipality where the property is located. The advertisement shall
4744 specify the amount of the delinquent tax, the interest due thereon and expenses of sale,
4745 the date and place of sale, the name of the owner of the real property or person having
4746 legal interest therein, and a description of the property to be sold. At any time before the
4747 date fixed for the sale, the owner of the real property or person having legal interest
4748 therein may stay the proceedings by paying the delinquent tax, the interest due thereon
4749 and the expenses of sale. The sale shall be held either at the main entrance of the
4750 provincial, city or municipal building, or on the property to be sold, or at any other place
4751 as specified in the notice of the sale.

4752
4753 Within thirty (30) days after the sale, the local treasurer or his deputy shall make a
4754 report of the sale to the Sanggunian concerned, and which shall form part of his records.
4755 The local treasurer shall likewise prepare and deliver to the purchaser a certificate of sale
4756 which shall contain the name of the purchaser, a description of the property sold, the
4757 amount of the delinquent tax, the interest due thereon, the expenses of sale and a brief
4758 description of the proceedings: Provided, however, That proceeds of the sale in excess of
4759 the delinquent tax, the interest due thereon, and the expenses of sale shall be remitted to
4760 the owner of the real property or person having legal interest therein. The local treasurer
4761 may, by ordinance duly approved, advance an amount sufficient to defray the costs of
4762 collection thru the remedies provided for in this Title, including the expenses of
4763 advertisement and sale.

4764
4765 **SECTION 266. Redemption of Property Sold.** - Within one (1) year from the
4766 date of sale, the owner of the delinquent real property or person having legal interest
4767 therein, or his representative, shall have the right to redeem the property upon payment to
4768 the local treasurer of the amount of the delinquent tax, including the interest due thereon,
4769 and the expenses of sale from the date of delinquency to the date of sale, plus interest of
4770 not more than two percent (2%) per month on the purchase price from the date of sale to
4771 the date of redemption. Such payment shall invalidate the certificate of sale issued to the
4772 purchaser and the owner of the delinquent real property or person having legal interest
4773 therein shall be entitled to a certificate of redemption which shall be issued by the local
4774 treasurer or his deputy. From the date of sale until the expiration of the period of
4775 redemption, the delinquent real property shall remain in the possession of the owner or
4776 person having legal interest therein who shall be entitled to the income and other fruits
4777 thereof. The local treasurer or his deputy, upon receipt from the purchaser of the
4778 certificate of sale, shall forthwith return to the latter the entire amount paid by him plus
4779 interest of not more than two percent (2%) per month. Thereafter, the property shall be
4780 free from the lien of such delinquent tax, interest due thereon and expenses of sale.

4781

4782 **SECTION 267. Final Deed to Purchaser.** - In case the owner or person having
4783 legal interest fails to redeem the delinquent property as provided herein, the local
4784 treasurer shall execute a deed conveying to the purchaser said property, free from lien of
4785 the delinquent tax, interest due thereon and expenses of sale. The deed shall briefly state
4786 the proceedings upon which the validity of the sale rests.

4787

4788 **SECTION 268. Purchase of Property by the Local Government Units for**
4789 **Want of Bidder.** - In case there is no bidder for the real property advertised for sale as
4790 provided herein, or if the highest bid is for an amount insufficient to pay the real property
4791 tax and the related interest and costs of sale the local treasurer conducting the sale shall
4792 purchase the property in behalf of the local government unit concerned to satisfy the
4793 claim and within two (2) days thereafter shall make a report of his proceedings which
4794 shall be reflected upon the records of his office. It shall be the duty of the Registrar of
4795 Deeds concerned upon registration with his office of any such declaration of forfeiture to
4796 transfer the title of the forfeited property to the local government unit concerned without
4797 the necessity of an order from a competent court.

4798

4799 Within one (1) year from the date of such forfeiture, the taxpayer or any of his
4800 representative, may redeem the property by paying to the local treasurer the full amount
4801 of the real property tax and the related interest and the costs of sale. If the property is not
4802 redeemed as provided herein, the ownership thereof shall be fully vested on the local
4803 government unit concerned.

4804

4805 **SECTION 269. Resale of Real Estate Taken for Taxes, Fees, or Charges.** -
4806 The Sanggunian concerned may, by ordinance duly approved, and upon notice of not less
4807 than twenty (20) days, sell and dispose of the real property acquired under the preceding
4808 section at public auction. The proceeds of the sale shall accrue to the general fund of the
4809 local government unit concerned.

4810

4811 **SECTION 270. Further Distraint or Levy.** - Levy may be repeated if necessary
4812 until the full due, including all expenses, is collected.

4813

4814 **SECTION 271. Collection of Real Property Tax Through the Courts.** - The
4815 local government unit concerned may enforce the collection of the basic real property tax
4816 or any other tax levied under this Title by civil action in any court of competent
4817 jurisdiction. The civil action shall be filed by the local treasurer within the period
4818 prescribed in Section 145 of this Code.

4819

4820 **SECTION 272. Action Assailing Validity of Tax Sale.** - No court shall entertain
4821 any action assailing the validity of any sale at public auction of real property or rights
4822 therein under this Title until the taxpayer shall have deposited with the court the amount
4823 for which the real property was sold, together with interest of two percent (2%) per
4824 month from the date of sale to the time of the institution of the action. The amount so
4825 deposited shall be paid to the purchaser at the auction sale if the deed is declared invalid

4826 but it shall be returned to the depositor if the action fails. Neither shall any court declare a
4827 sale at public auction invalid by reason of irregularities or informalities in the
4828 proceedings unless the substantive rights of the delinquent owner of the real property or
4829 the person having legal interest therein have been impaired.

4830

4831 **SECTION 273. Payment of Delinquent Taxes on Property Subject of**
4832 **Controversy.** - In any action involving the ownership or possession of, or succession to,
4833 real property, the court may, motu proprio or upon representation of the provincial, city, or
4834 municipal treasurer or his deputy, award such ownership, possession, or succession to
4835 any party to the action upon payment to the court of the taxes with interest due on the
4836 property and all other costs that may have accrued, subject to the final outcome of the
4837 action.

4838

4839 **SECTION 274. Treasurer to Certify Delinquencies Remaining Uncollected.** -
4840 The provincial, city or municipal treasurer or their deputies shall prepare a certified list
4841 of all real property tax delinquencies which remained uncollected or unpaid for at least
4842 one (1) year in his jurisdiction, and a statement of the reason or reasons for such non-
4843 collection or non-payment, and shall submit the same to the Sanggunian concerned on or
4844 before December thirty-first (31st) of the year immediately succeeding the year in which
4845 the delinquencies were incurred, with a request for assistance in the enforcement of the
4846 remedies for collection provided herein.

4847

4848 **SECTION 275. Periods Within Which to Collect Real Property Taxes.** - The
4849 basic real property tax and any other tax levied under this Title shall be collected within
4850 five (5) years from the date they become due. No action for the collection of the tax,
4851 whether administrative or judicial, shall be instituted after the expiration of such period.
4852 In case of fraud or intent to evade payment of the tax, such action may be instituted for
4853 the collection of the same within ten (10) years from the discovery of such fraud or intent
4854 to evade payment. The period of prescription within which to collect shall be suspended
4855 for the time during which:

4856

4857 (1) The local treasurer is legally prevented from collecting the tax;

4858

4859 (2) The owner of the property or the person having legal interest therein requests
4860 for reinvestigation and executes a waiver in writing before the expiration of
4861 the period within which to collect; and

4862

4863 (3) The owner of the property or the person having legal interest therein is out of
4864 the country or otherwise cannot be located.

4865

4866

4867

CHAPTER VII Disposition of Proceeds

4868

4869 **SECTION 276. Distribution of Proceeds.** - The proceeds of the basic real
4870 property tax, including interest thereon, and proceeds from the use, lease or disposition,

4871 sale or redemption of property acquired at a public auction in accordance with the
4872 provisions of this Title by the province or city shall be distributed as follows:

4873

4874 (a) In the case of provinces:

4875

4876 (1) province - Thirty-five percent (35%) shall accrue to the general fund;

4877

4878 (2) municipality - Forty percent (40%) to the general fund of the municipality
4879 where the property is located; and

4880

4881 (3) Barangay - Twenty-five percent (25%) shall accrue to the Barangay where
4882 the property is located.

4883

4884 (b) In the case of cities:

4885

4886 (1) city - Seventy percent (70%) shall accrue to the general fund of the city; and

4887

4888 (2) Thirty percent (30%) shall be distributed among the component Barangays of
4889 the cities where the property is located in the following manner:

4890

4891 (i) Fifty percent (50%) shall accrue to the Barangay where the property is
4892 located; and

4893

4894 (ii) Fifty percent (50%) shall accrue equally to all component Barangays of
4895 the city;

4896

4897 (c) The share of each Barangay shall be released, without need of any further action,
4898 directly to the Barangay treasurer on a quarterly basis within five (5) days after
4899 the end of each quarter and shall not be subject to any lien or holdback for
4900 whatever purpose.

4901

4902 **SECTION 277. Application of Proceeds of the Additional One Percent SEF**

4903 **Tax.** - The proceeds the additional one percent (1%) tax on real property accruing to the

4904 Special Education Fund (SEF) shall be automatically released to the local school boards:

4905 Provided, That, in case of provinces, the proceeds shall be divided equally between the

4906 provincial and municipal school boards: Provided, however, That the proceeds shall be

4907 allocated for the operation and maintenance of public schools, construction, repair and

4908 improvement of public⁴² school buildings, facilities and equipment, educational research,

4909 purchase of books and periodicals, and sports development as determined and approved

4910 by the Local School Board.

4911

4912 **SECTION 278. Proceeds of the Tax on Idle Lands.** - The proceeds of the

4913 additional real property tax on idle lands shall accrue to the respective general fund of the

42

4914 province or city where the land is located.

4915

4916 **SECTION 279. Proceeds of the Special Levy.** - The proceeds of the special levy
4917 on lands benefited by public works, projects and other improvements shall accrue to the
4918 general fund of the local government unit which financed such public works, projects or
4919 other improvements.

4920

4921

CHAPTER VIII Special Provisions

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4923

4924 **SECTION 280. General Assessment Revision; Expenses Incident Thereto.** -
4925 The Sanggunian of provinces and cities shall provide the necessary appropriations to
4926 defray the expenses incident to the general revision of real property assessment. All
4927 expenses incident to a general revision of real property assessments shall, by ordinance of
4928 the Sangguniang Panlalawigan, be apportioned between the province and the
4929 municipality on the basis of the taxable area of the municipality concerned.

4930

4931 **SECTION 281. Condonation or Reduction of Real Property Tax and Interest.**
4932 - In case of a general failure of crops or substantial decrease in the price of agricultural or
4933 agribased products, or calamity in any province, city, or municipality, the Sanggunian
4934 concerned, by ordinance passed prior to the first (1st) day of January of any year and
4935 upon recommendation of the Local Disaster Coordinating Council, may condone or
4936 reduce, wholly or partially, the taxes and interest thereon for the succeeding year or years
4937 in the city or municipality affected by the calamity.

4938

4939 **SECTION 282. Condonation or Reduction of Tax by the President of the**
4940 **Philippines.** - The President of the Philippines may, when public interest so requires,
4941 condone or reduce the real property tax and interest for any year in any province or city.

4942

4943 **SECTION 283. Duty of Registrar of Deeds and Notaries Public to Assist the**
4944 **Provincial, City or Municipal Assessor.** - It shall be the duty of the Registrar of Deeds
4945 and notaries public to furnish the provincial, city or municipal assessor with copies of all
4946 contracts selling, transferring, or otherwise conveying, leasing, or mortgaging real
4947 property received by, or acknowledged before them.

4948

4949 **SECTION 284. Insurance Companies to Furnish Information.** - Insurance
4950 companies are hereby required to furnish the provincial, city or municipal assessor copies
4951 of any contract or policy insurance on buildings, structures, and improvements insured by
4952 them or such other documents which may be necessary for the proper assessment thereof.

4953

4954 **SECTION 285. Fees in Court Actions.** - All court actions, criminal or civil,
4955 instituted at the instance of the provincial, city or municipal treasurer or assessor under
4956 the provisions of this Code, shall be exempt from the payment of court and sheriff's fees.

4957

4958 **SECTION 286. Fees in Registration of Papers or Documents on Sale of**

4959 **Delinquent Real Property to Province, City or Municipality.** - All certificates,
4960 documents, and papers covering the sale of delinquent property to the province, city or
4961 municipality, if registered in the Registry of Property, shall be exempt from the
4962 documentary stamp tax and registration fees.

4963

4964 **SECTION 287. Real Property Assessment Notices or Owner's Copies of Tax**
4965 **Declarations to be Exempt from Postal Charges or Fees.** - All real property
4966 assessment notices or owner's copies of tax declaration sent through the mails by the
4967 assessor shall be exempt from the payment of postal charges or fees.

4968

4969 **SECTION 288. Sale and Forfeiture Before Effectivity of Code.** - Tax
4970 delinquencies incurred, and sales and forfeitures of delinquent real property effected,
4971 before the effectivity of this Code shall be governed by the provisions of applicable laws
4972 then in force.

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4975 **TITLE III**
4976 **SHARES OF LOCAL GOVERNMENT UNITS IN THE PROCEEDS OF**
4977 **NATIONAL TAXES**

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SECTION 289. Allotment of Internal Revenue Taxes. – The local government units shall have a Forty Percent (40%) share in all national taxes⁴³ based on the collection of the third fiscal year preceding the current fiscal year. Provided further, that in the event that the national government incurs an unmanageable public sector deficit, the President is authorized, upon the recommendation of Secretary of Finance, Secretary of Interior and Local Government, and Secretary of Budget and Management, and subject to consultation with the presiding officers of both Houses of Congress and the presidents of the “Liga”, to make necessary adjustment in the internal revenue allotment of local government units but in no case shall the allotment be less than thirty percent (30%) of the collection of national taxes of the third fiscal year preceding current fiscal year: Provided further, the allotment for years 2020 to 2021 shall be based on national internal revenues taxes: Provided finally, That the internal revenue allotment shall include the cost of devolved functions for essential public services.

SECTION 290. Allocation to Local Government Units. - The share of local government units in the allotment shall be allocated in the following manner:

- (a) Provinces - Twenty-three percent (23%);

⁴³ Per Supreme Court ruling in Mandanas Case (GR No. 199802; July 3, 2018), computation of the internal revenue allotment should not only be limited to the collections of Bureau of Internal Revenue but also include all of forms of national tax collection like that of Bureau of Customs. Moreover, the ruling provides that the new computation should be applied in Fiscal Year 2022.

- 5000 (b) Cities - Twenty-three percent (23%);
5001
5002 (c) Municipalities - Thirty-four percent (34%); and
5003
5004 (d) Barangays - Twenty percent (20%) Provided, however, That the share of each
5005 province, city, and municipality shall be determined on the basis of the following
5006 formula:
5007
5008 (a) Population - Fifty percent (50%);
5009
5010 (b) Land Area - Twenty-five percent (25%); and
5011
5012 (c) Equal sharing - Twenty-five percent (25%)
5013

5014 Provided, further, That the share of each Barangay with a population of not less than
5015 one hundred (100) inhabitants shall not be less than Eighty thousand pesos (P 80,000.00)
5016 per annum chargeable against the twenty percent (20%) share of the Barangay from the
5017 internal revenue allotment, and the balance to be allocated on the basis of the following
5018 formula:

- 5019
5020 (1) Population - Sixty percent (60%); and
5021
5022 (2) Equal Sharing - Forty percent (40%).
5023

5024 Provided, finally, That the financial requirements of Barangays created by local
5025 government units after the effectivity of this Code shall be the responsibility of the local
5026 government unit concerned.

5027
5028 **SECTION 291. Automatic Release of Shares.** - (a) The share of each local
5029 government unit shall be released, without need of any further action, directly to the
5030 provincial, city, municipal or Barangay treasurer, as the case may be, on a quarterly basis
5031 within five (5) days after the end of each quarter, and which shall not be subject to any
5032 lien or holdback that may be imposed by the national government for whatever purpose.

5033
5034 (b) Nothing in this Chapter shall be understood to diminish the share of local
5035 government units under existing laws.
5036

5037 **SECTION 292. Local Development Projects.** - Each local government unit shall
5038 appropriate in its annual budget no less than twenty percent (20%) of its annual internal
5039 revenue allotment for development projects. Copies of the development plans of local
5040 government units shall be furnished the Ministry of the Interior and Local Government.
5041

5042 **SECTION 293. Gender and Development Plan and Budget.** - Each local
5043 government unit shall ensure that at least five percent (5%) of its Annual Budget
5044 correspond to activities supporting Gender and Development programs, policies and

5045 projects and shall endeavor to influence that remaining ninety-five (95%) of the budget
5046 towards gender responsiveness. It shall submit a Gender and Development Plan and
5047 Budget to the Ministry of the Interior and Local Government for review and
5048 endorsement and be returned to the local government units for integration in the
5049 Annual Investment Plan and funding.

5050

5051 The Gender and Development Plan and Budgets of the local government units,
5052 accompanied by their Gender and Development Accomplishment Reports shall be
5053 submitted to the Regional Office of Ministry of the Interior and Local Government in
5054 case of Provinces, Highly-Urbanized Cities, and Independent Component Cities. It
5055 shall be submitted to the Provincial Office of Ministry of the Interior and Local
5056 Government in case of Component Cities and Municipalities. And to the City or
5057 Municipal Offices of the Ministry of the Interior and Local Government in case of
5058 Barangays⁴⁴.

5059

5060 **SECTION 294. Rules and Regulations.** - The Ministry of Finance, and Budget
5061 and Management, in consultation with the Department of Budget and Management, shall
5062 promulgate the necessary rules and regulations for a simplified disbursement scheme
5063 designed for the speedy and effective enforcement of the provisions of this Chapter.

5064

5065 **CHAPTER 2 - SHARE IN EXPLORATION, DEVELOPMENT AND**
5066 **UTILIZATION OF NATURAL RESOURCES**

5067 **SECTION 295. Amount of share in Exploration, Development, and**
5068 **Utilization of Natural Resources.** - – The share of the constituent local government
5069 units in the share of the Bangsamoro Government in the revenues generated from the
5070 exploration, development, and utilization of all natural resources in the Bangsamoro
5071 Autonomous Region, including mines and minerals, uranium and fossil fuels, in
5072 accordance with Section 35, Article XII of Republic Act No. 11054, is apportioned as
5073 follows:

- 5074 a. Twenty percent (20%) to the provinces;
5075 b. Fifteen percent (15%) to the cities;
5076 c. Twenty percent (20%) to the municipalities;
5077 d. Fifteen (15%) to the barangays;

5078 The share of the local government units shall be based on the taxes that has been
5079 collected from the revenue generated therein.

5080 **SECTION 296. Share of Indigenous Communities.** - Indigenous peoples and
5081 communities shall have an equitable share of the revenues generated from the exploration,
5082 development, and utilization of natural resources that are found within the territories
5083 covered by a native, traditional, or customary title in their favor, by way of direct benefits.

⁴⁴ Incorporated the requirements of Magna Carta for Women and Section 5, Article XII, RA 11054 – Gender and Development

5084 The share shall not be more than ten percent (10%) of the revenues generated and shall be
5085 directly given by the Bangsamoro Government to the communities. Provided, That the
5086 rights and privileges granted to indigenous peoples by Republic Act No. 8371 and other
5087 laws pertaining to indigenous peoples shall not be diminished.

5088 **CHAPTER 2 - SHARE IN TAXES, FEES, AND CHARGES COLLECTED IN**
5089 **THE BANGSAMORO AUTONOMOUS REGION**

5090
5091 **SECTION 297. Amount of share in Taxes, Fees, and Charges collected in the**
5092 **Bangsamoro Autonomous Region, other than Tariff and Customs Duties.** - The
5093 constituent local government units shall have a (50%) share in the share of the
5094 Bangsamoro Government from the taxes, fees, and charges collected in the Bangsamoro
5095 territorial jurisdiction by the National Government, to be distributed as follows⁴⁵:

- 5096
5097 e. Fifteen Percent (15%) to the provinces;
5098 f. Fifteen Percent (15%) to the cities;
5099 g. Fifty Percent (50%) to the municipalities; and
5100 h. Twenty Percent (20%) to the barangays.

5101
5102 **SECTION 298. Share of the Local Governments from any Government**
5103 **Agency or - Owned and Controlled Corporation.** – The local government units shall
5104 have a share based on the preceding fiscal year from the proceeds derived by any
5105 government agency or government-owned or -controlled corporation engaged in the
5106 utilization and development of the national wealth based on the following formula
5107 whichever will produce a higher share for the local government unit:

- 5108
5109 (a) One percent (1%) of the gross sales or receipts of the preceding calendar year; or
5110
5111 (b) Forty percent (40%) of the mining taxes, royalties, forestry and fishery charges
5112 and such other taxes, fees or charges, including related surcharges, interests, or
5113 fines the government agency or government -owned or -controlled corporation
5114 would have paid if it were not otherwise exempt.

5115
5116 **SECTION 299. Allocation of Shares.** - The share in the preceding Section shall
5117 be distributed in the following manner:

- 5118 (a) Where the natural resources are located in the province
5119
5120 (1) Province - Twenty percent (20%);
5121
5122 (2) Component city/municipality - Forty-five percent (45%); and
5123

⁴⁵ Section 10, Article XII, RA 11054 – Sharing of Taxes Collected by the National Government. The team recommends that the 75% share of the Bangsamoro Government be divided equally with the local government units and that 50% of that share be allotted to the municipalities due to their substantial number in BARMM and they provide more basic services to the constituents.

5124 (3) Barangay - Thirty-five percent (35%).

5125

5126 Provided, however, That where the natural resources are located in two (2) or
5127 more provinces, or in two (2) or more component cities or municipalities or in two (2) or
5128 more Barangays, their respective shares shall be computed on the basis of:

5129

5130 (1) Population - Seventy percent (70%); and

5131

5132 (2) Land area - Thirty percent (30%).

5133

5134 (b) Where the natural resources are located in a highly urbanized or independent
5135 component city:

5136

5137 (1) city - Sixty-five percent (65%); and

5138

5139 (2) Barangay - Thirty-five percent (35%)

5140

5141 Provided, however, That where the natural resources are located in such two (2)
5142 or more cities, the allocation of shares shall be based on the formula on population and
5143 land area as specified in paragraph (a) of this Section.

5144

5145 **SECTION 300. Remittance of the Share of Local Government Units.** - The
5146 share of local government units from the utilization and development of national wealth
5147 shall be remitted in accordance with Section 161 of this Code: Provided, however, That
5148 in the case of any government agency or government-owned or -controlled corporation
5149 engaged in the utilization and development of the national wealth, such share shall be
5150 directly remitted to the provincial, city, municipal or Barangay treasurer concerned
5151 within five (5) days after the end of each quarter.

5152

5153 **SECTION 301. Development and Livelihood Projects.** - The proceeds from the
5154 share of local government units pursuant to this chapter shall be appropriated by their
5155 respective Sanggunian to finance local development and livelihood projects: Provided,
5156 however, That at least eighty percent (80%) of the proceeds derived from the
5157 development and utilization of hydrothermal, geothermal, and other sources of energy
5158 shall be applied solely to lower the cost of electricity in the local government unit where
5159 such a source of energy is located.

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TITLE IV CREDIT FINANCING

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5165

5166 **SECTION 302. Scope.** - This Title shall govern the power of local government
5167 units to create indebtedness and to enter into credit and other financial transactions.

5168

5169 **SECTION 303. General Policy.** - (a) It shall be the basic policy that any local
5170 government unit may create indebtedness, and avail of credit facilities to finance local
5171 infrastructure and other socio- economic development projects in accordance with the
5172 approved local development plan and public investment program.

5173

5174 (b) A local government unit may avail of credit lines from government or private
5175 banks and lending institutions for the purpose of stabilizing local finances.

5176

5177 **SECTION 304. Loans, Credits, and Other Forms of Indebtedness of Local**
5178 **Government Units.** - (a) A local government unit may contract loans, credits, and other
5179 forms of indebtedness with any or domestic private bank and other lending institutions to
5180 finance the construction, installation, improvement, expansion, operation, or maintenance
5181 of public facilities, infrastructure facilities, housing projects, the acquisition of real
5182 property, and the implementation of other capital investment projects, and for the
5183 development and welfare of the people of the Bangsamoro, subject to such terms and
5184 conditions as may be agreed upon by the local government unit and the lender. The
5185 proceeds from such transactions shall accrue directly to the local government unit
5186 concerned.

5187

5188 (b) A local government unit may likewise secure from any government bank and
5189 lending short, medium and long-term loans and advances against security of real
5190 estate or other acceptable assets for the establishment, development, or
5191 expansion of agricultural, industrial, commercial, house financing projects,
5192 livelihood projects, and other economic enterprises.

5193

5194 (c) Government financial and other lending institutions are hereby authorized to
5195 grant loans, credits, and other forms of indebtedness out of their loanable funds
5196 to local government units for purposes specified above.

5197

5198 **SECTION 305. Deferred-Payment and other Financial Schemes.** - Provincial,
5199 city and municipal governments may likewise acquire property, plant, machinery,
5200 equipment, and such necessary accessories under a supplier's credit, deferred payment
5201 plan, or other financial scheme.

5202

5203 **SECTION 306. Bonds and Other Long-Term Securities.** - Subject to the rules
5204 and regulations of the Central Bank and the Securities and Exchange Commission,
5205 provinces, cities, and municipalities are hereby authorized to issue bonds, debentures,
5206 securities, collaterals, notes and other obligations to finance self-liquidating, income-
5207 producing development or livelihood projects pursuant to the priorities established in the
5208 approved local development plan or the public investment program. The Sanggunian
5209 concerned shall, through an ordinance approved by a majority of all its members, declare
5210 and state the terms and conditions of the bonds and the purpose for which the proposed
5211 indebtedness is to be incurred.

5212

5213 **SECTION 307. Inter-Local Government Loans, Grants, and Subsidies.** -
5214 Provinces, Cities and Municipalities may, upon approval of the majority of all members
5215 of the Sanggunian concerned and in amounts not exceeding their surplus funds, extend

5216 loans, grants, or subsidies to other local government units under such terms and
5217 conditions as may be agreed upon by the contracting parties. Local government units may,
5218 upon approval of their respective Sanggunian, jointly or severally contract loans, credits,
5219 and other forms of indebtedness for purposes mutually beneficial to them.

5220

5221 **SECTION 308. Loans from Funds Secured by the National Government**

5222 **from Foreign Sources.** - (a) The President, or his duly authorized representative, may,
5223 through any government financial or other lending institution, relend to any province, city,
5224 municipality, or Barangay, the proceeds of loans contracted with foreign financial
5225 institutions or other international funding agencies for the purpose of financing the
5226 construction, installation, improvement, expansion, operation, or maintenance of public
5227 utilities and facilities, infrastructure facilities, or housing projects, the acquisition of real
5228 property, and the implementation of other capital investment projects, subject to such
5229 terms and conditions as may be agreed upon by the President and the local government
5230 unit. The proceeds from such loans shall accrue directly to the local government
5231 concerned.

5232

5233 (b) The President may likewise authorize the relending to local government units the
5234 proceeds of grants secured from foreign sources, subject to the provisions of
5235 existing laws and the applicable grant agreements.

5236

5237 (c) Repayment or amortization of loans including accrued interest thereon, may be
5238 financed from the income of the projects or services and from the regular income
5239 of the local government unit, which must be provided for and appropriated
5240 regularly in its annual budget until the loan and the interest thereon shall have
5241 been fully paid.

5242

5243 **SECTION 309. Financing, Construction, Maintenance, Operation, and**
5244 **Management of Infrastructure Projects by the Private Sector.** - (a) Local

5245 government units may enter into contracts with any duly prequalified individual
5246 contractor, for the financing, construction, operation, and maintenance of any financially
5247 viable infrastructure facilities, under the build-operate-and- transfer agreement, subject to
5248 the applicable provisions of Republic Act Numbered Sixty-nine hundred fifty-seven (R.A.
5249 No. 6957) authorizing the financing, construction, operation and maintenance of
5250 infrastructure projects by the private sector and the rules and regulations issued
5251 thereunder and such terms and conditions provided in this Section.

5252

5253 (b) Local government units shall include in their respective local development plans
5254 and public investment programs priority projects that may be financed,
5255 constructed, operated and maintained by the private sector under this Section. It
5256 shall be the duty of the local government unit concerned to disclose to the public
5257 all projects eligible for financing under this Section, including official
5258 notification of duly registered contractors and publication in newspapers of
5259 general or local circulation and in conspicuous and accessible public places.
5260 Local projects under the build-operate-and-transfer agreement shall be confirmed

5261 by the local development councils.

5262

5263 (c) Projects implemented under this Section shall be subject to the following terms
5264 and conditions:

5265

5266 (1) The provincial, city, or municipal engineer, as the case may be, upon formal
5267 request in writing by the local chief executive, shall prepare the plans and
5268 specifications for the proposed project, which shall be submitted to the
5269 Sanggunian for approval.

5270

5271 (2) Upon approval by the Sanggunian of the project plans and specifications, the
5272 provincial, city, or municipal engineer shall, as the case may be, cause to be
5273 published once every week for two (2) consecutive weeks in at least one (1)
5274 local newspaper which is circulated in the region, province, city or
5275 municipality in which the project is to be implemented, a notice inviting all
5276 duly qualified contractors to participate in a public bidding for the projects so
5277 approved. The conduct of public bidding and award of contracts for local
5278 government projects under this Section shall be in accordance with this Code
5279 and other applicable laws, rules and regulations.

5280

5281 In the case of a build-operate-and-transfer agreement, the contract shall be
5282 awarded to the lowest complying bidder whose offer is deemed most advantageous to the
5283 local government and based on the present value of its proposed tolls, fees, rentals, and
5284 charges over a fixed term for the facility to be constructed, operated, and maintained
5285 according to the prescribed minimum design and performance standards, plans, and
5286 specifications. For this purpose, the winning contractor shall be automatically granted by
5287 the local government unit concerned the franchise to operate and maintain the facility,
5288 including the collection of tolls, fees, rentals, and charges in accordance with subsection
5289 (c-4) hereof.

5290

5291 In the case of a build-operate-and-transfer agreement, the contract shall be
5292 awarded to the lowest complying bidder based on the present value of its proposed
5293 schedule of amortization payments for the facility to be constructed according to the
5294 prescribed minimum design and performance standards, plans, and specifications.

5295

5296 (3) Any contractor who shall undertake the prosecution of any project under this
5297 Section shall post the required bonds to protect the interest of the province,
5298 city, or municipality, in such amounts as may be fixed by the Sanggunian
5299 concerned and the provincial, city, or municipal engineer shall not, as the
5300 case may be, allow any contractor to initiate the prosecution of projects
5301 under this Section unless such contractor presents proof or evidence that he
5302 has posted the required bond.

5303

5304 (4) The contractor shall be entitled to a reasonable return of its investment in
5305 accordance with its bid proposal as accepted by the local government unit

5306 concerned.

5307

5308 In the case of a build-operate-and-transfer agreement, the repayment shall be
5309 made by authorizing the contractor to charge and collect reasonable tolls, fees, rentals,
5310 and charges for the use of the project facility not exceeding those proposed in the bid and
5311 incorporated in the contract: Provided, That the local government unit concerned shall,
5312 based on reasonableness and equity, approve the tolls, fees, rentals and charges: Provided,
5313 further, That the imposition and collection of tolls, fees, rentals and charges shall be for a
5314 fixed period as proposed in the bid and incorporated in the contract which shall in no case
5315 exceed fifty (50) years: Provided, finally, That during the lifetime of the contract, the
5316 contractor shall undertake the necessary maintenance and repair of the facility in
5317 accordance with standards prescribed in the bidding documents and in the contract.

5318

5319 In the case of a build-operate-and-transfer agreement, the repayment shall be
5320 made through amortization payments in accordance with the schedule proposed in the bid
5321 and incorporated in the contract. In case of land reclamation or construction of industrial
5322 estates, the repayment plan may consist of the grant of a portion or percentage of the
5323 reclaimed land or the industrial estate constructed.

5324

5325 (5) Every infrastructure project undertaken under this Section shall be
5326 constructed, operated, and maintained by the contractor under the technical
5327 supervision of the local government unit and in accordance with the plans,
5328 specifications, standards, and costs approved by it.

5329

5330 (d) The provincial, city or municipal legal officer shall, as the case may be, review
5331 the contracts executed pursuant to this Section to determine their legality,
5332 validity, enforceability and correctness of form.

5333

5334 **SECTION 310. Remedies and Sanctions.** - Local government units shall
5335 appropriate in their respective annual budgets such amounts as are sufficient to pay the
5336 loans and other indebtedness incurred or redeem or retire bonds, debentures, securities,
5337 notes and other obligations issued under this Title: Provided, that failure to provide the
5338 appropriations herein required shall render their annual budgets inoperative.

5339

5340

**TITLE V
LOCAL FISCAL ADMINISTRATION**

5341

5342

5343

**CHAPTER I
General Provisions**

5344

5345

5346 **SECTION 311. Scope.** - This Title shall govern the conduct and management of
5347 financial affairs, transactions, and operations of provinces, cities, municipalities, and
5348 Barangays.

5349

5350 **SECTION 312. Fundamental Principles.** - The financial affairs, transactions,

5351 and operations of local government units shall be governed by the following fundamental
5352 principles:

5353

5354 (a) No money shall be paid out of the local treasury except in pursuance of an
5355 appropriations ordinance or law;

5356

5357 (b) Local government funds and monies shall be spent solely for public purposes;

5358

5359 (c) Local revenue is generated only from sources expressly authorized by law or
5360 ordinance, and collection thereof shall at all times be acknowledged properly;

5361

5362 (d) All monies officially received by a local government officer in any capacity or
5363 on any occasion shall be accounted for as local funds, unless otherwise provided
5364 bylaw;

5365

5366 (e) Trust funds in the local treasury shall not be paid out except in fulfillment of the
5367 purpose for which the trust was created or the funds received;

5368

5369 (f) Every officer of the local government unit whose duties permit or require the
5370 possession or custody of local funds shall be properly bonded, and such officer
5371 shall be accountable and responsible for said funds and for the safekeeping
5372 thereof in conformity with the provisions of law;

5373

5374 (g) Local governments shall formulate sound financial plans, and the local budgets
5375 shall be based on functions, activities, and projects, in terms of expected results;

5376

5377 (h) Local budget plans and goals shall, as far as practicable, be harmonized with
5378 national development plans, goals, and strategies in order to optimize the
5379 utilization of resources and to avoid duplication in the use of fiscal and physical
5380 resources;

5381

5382 (i) Local budgets shall operationalize approved local development plans;

5383

5384 (j) Local government units shall ensure that their respective budgets incorporate the
5385 requirements of their component units and provide for equitable allocation of
5386 resources among these component units;

5387

5388 (k) National planning shall be based on local planning to ensure that the needs and
5389 aspirations of the people as articulated by the local government units in their
5390 respective local development plans are considered in the formulation of budgets
5391 of national line agencies or offices;

5392

5393 (l) Fiscal responsibility shall be shared by all those exercising authority over the
5394 financial affairs, transactions, and operations of the local government units; and

5395

5396 (m) The local government unit shall endeavor to have a balanced budget in each
5397 fiscal year of operation.

5398

5399 (n) The local government units shall promote honest, transparent, and orderly
5400 management of public funds, and increase the Bangsamoro people's awareness
5401 on local budget and allocated amount for development projects in their localities
5402 in accordance with the full disclosure policy of the Bangsamoro Government.⁴⁶

5403

5404 **SECTION 313. Definitions.** - When used in this Title, the term - (a) "Annual
5405 Budget" refers to a financial plan embodying the estimates of income and expenditures
5406 for one (1) fiscal year;

5407

5408 (b) "Appropriation" refers to an authorization made by ordinance, directing the
5409 payment of goods and services from local government funds under specified
5410 conditions or for specific purposes;

5411

5412 (c) "Budget Document" refers to the instrument used by the local chief executive to
5413 present a comprehensive financial plan to the Sanggunian concerned;

5414

5415 (d) "Capital Outlays" refers to appropriations for the purchase of goods and services,
5416 the benefits of which extend beyond the fiscal year and which add to the assets
5417 of the local government unit concerned, including investments in public utilities
5418 such as public markets and slaughterhouses;

5419

5420 (e) "Continuing Appropriation" refers to an appropriation available to support
5421 obligations for a specified purpose or projects, such as those for the construction
5422 of physical structures or for the acquisition of real property or equipment, even
5423 when these obligations are incurred beyond the budget year;

5424

5425 (f) "Current Operating Expenditures" refers to appropriations for the purchase of
5426 goods and services for the conduct of normal local government operations within
5427 the fiscal year, including goods and services that will be used or consumed
5428 during the budget year;

5429

5430 (g) "Expected Results" refers to the services, products, or benefits that will accrue to
5431 the public, estimated in terms of performance measures or physical targets;

5432

5433 (h) "Fund" refers to a sum of money, or other assets convertible to cash, set aside for
5434 the purpose of carrying out specific activities or attaining certain objectives in
5435 accordance with special regulations, restrictions, or limitations, and constitutes
5436 an independent fiscal and accounting entity;

5437

5438 (i) "Income" refers to all revenues and receipts collected or received forming the
5439 gross accretions of funds of the local government unit;

⁴⁶ Section 40, Article XII, RA 11054 - Full Disclosure Policy

- 5440
5441 (j) "Obligations" refers to an amount committed to be paid by the local government
5442 unit for any lawful act made by an accountable officer for and in behalf of the
5443 local unit concerned;
5444
5445 (k) "Personal Services" refers to appropriations for the payment of salaries, wages
5446 and other compensation of permanent, temporary, contractual, and casual
5447 employees of the local government unit;
5448
5449 (l) "Receipts" refers to income realized from operations and activities of the local
5450 government or are received by it in the exercise of its corporate functions,
5451 consisting of charges for services rendered, conveniences furnished, or the price
5452 of a commodity sold, as well as loans, contributions or aids from other entities,
5453 except provisional advances for budgetary purposes; and
5454
5455 (m) "Revenue" refers to income derived from the regular system of taxation enforced
5456 under authority of law or ordinance, and, as such, accrue more or less regularly
5457 every year.
5458

5459 **CHAPTER II**
5460 **Local and Other Special Funds**

5461 **ARTICLE I**
5462 **Receipts, Safekeeping and Disposition of Local Funds**

5463 **SECTION 314. Remittance of Government Monies to the Local Treasury. -**
5464 Officers of the local authorized to receive and collect monies arising from taxes, revenues,
5465 or receipts of any kind shall remit the full amount received and collected to the treasury
5466 of such local government unit which shall be credited to the particular account or
5467 accounts to which the monies in question properly belong.
5468
5469

5470 **SECTION 315. Local Funds. -** Every local government unit shall maintain a
5471 General Fund which shall be used to account for such monies and resources as may be
5472 received by and disbursed from the local treasury. The General Fund shall consist of
5473 monies and resources of the local government which are available for the payment of
5474 expenditures, obligations or purposes not specifically declared by law as accruing and
5475 chargeable to, or payable from, any other fund.
5476
5477

5478 **SECTION 316. Special Funds. -** There shall be maintained in every provincial,
5479 city, or municipal treasury the following special funds:
5480

- 5481 (a) Special Education Fund (SEF) shall consist of the respective shares of provinces,
5482 cities, and Barangays in the proceeds of the additional tax on real property to be
5483 appropriated for purposes prescribed in Section 147 of this Code; and
5484

5485 (b) Trust Funds shall consist of private and public monies which have officially
5486 come into the possession of the local government or of a local government
5487 official as trustee, agent or administrator, or which have been received as a
5488 guaranty for the fulfillment of some obligation. A trust fund shall only be used
5489 for the specific purpose for which it was created or for which it came into the
5490 possession of the local government unit.

5491
5492 **SECTION 317. Separation of Books and Depository Accounts.** - Local
5493 accountants and treasurers shall maintain separate books and depository accounts,
5494 respectively, for each fund in their custody or under such rules and regulations as the
5495 Commission on Audit may prescribe.

5496
5497 **SECTION 318. Depository Accounts.** - Local treasurers shall maintain
5498 depository accounts in the of their respective local government units with banks,
5499 preferably government-owned, located in or nearest to their respective areas of
5500 jurisdiction. Earnings of each depository account shall accrue exclusively thereto.

5501
5502 **SECTION 319. Separation of Personal Money from Public Funds.** - Local
5503 treasurers and other accountable officers shall keep personal monies separate and distinct
5504 from local public funds in their custody and shall not make profit out of public money or
5505 otherwise apply the same to any use not authorized by law or ordinance.

5506
5507 **ARTICLE II**
5508 **Special Accounts**

5509
5510 **SECTION 320. Special Accounts to be Maintained in the General Fund.** -
5511 Local government units shall maintain special accounts in the general fund for the
5512 following:

- 5513
5514 (a) Public utilities and other economic enterprises;
5515
5516 (b) Loans, interests, bond issues, and other contributions for specific purposes; and
5517
5518 (c) Development projects funded from the share of the local government unit
5519 concerned in the internal revenue allotment and such other special accounts
5520 which may be created by law or ordinance. Receipts, transfers, and expenditures
5521 involving the foregoing special accounts shall be properly taken up thereunder.
5522 Profits or income derived from the operation of public utilities and other
5523 economic enterprises, after deduction for the cost of improvement, repair and
5524 other related expenses of the public utility or economic enterprise concerned,
5525 shall first be applied for the return of the advances or loans made therefor. Any
5526 excess shall form part of the general fund of the local government unit concerned.

5527 **CHAPTER III**
5528 **Budgeting**

5529

ARTICLE I
Local Government Budgets

SECTION 321. Form and Content. - (a) Local government budgets shall primarily consist of two (2) parts:

- (1) estimates of receipts; and
- (2) The total appropriations covering the current operating expenditures and capital outlays.

(b) The budget document shall contain:

- (1) A budget message of the local chief executive setting forth in brief the significance of the executive budget, particularly in relation to the approved local development plan;
- (2) A brief summary of the functions, projects, and activities to be accomplished in of the goals and objectives of the local government unit for the ensuing fiscal year, specifically the delivery of basic services or facilities enumerated under Section 17 of this Code;
- (3) Summary of financial statements setting forth:
 - (i) The actual income and expenditures during the immediately preceding year;
 - (ii) The actual income and expenditures of the first two (2) quarters and the estimates of income and expenditures for the last two (2) quarters of the current fiscal year;
 - (iii) The estimates of income for the ensuing fiscal year from ordinances and laws existing at the time the proposed budget is transmitted, together with other revenue-raising proposals;
 - (iv) The estimated expenditures necessary to carry out the functions, projects, and activities of the local government unit for the ensuing fiscal year;
 - (v) All essential facts regarding the bonded and other long-term obligations and indebtedness of the local government unit, if any;
 - (vi) Summary statement of all statutory and contractual obligations due; and
 - (vii) Such other financial statements and data as are deemed necessary or desirable in order to disclose in all practicable detail the financial

5575 condition of the local government unit.

5576

5577 **SECTION 322. Submission of Detailed Statements of Income and**
5578 **Expenditures.** - (a) On or before the fifteenth (15th) day of July of each year, local
5579 treasurers shall submit to their respective local chief executives a certified statement
5580 covering the income and expenditures of the preceding fiscal year, the actual income and
5581 expenditures of the first two (2) quarters of the current year, and the estimated income
5582 and expenditures for the last two (2) quarters of the current year.

5583

5584 **SECTION 323. Local Finance Committee.** - There is hereby created in every
5585 province, city, or municipality a local finance committee to be composed of the local
5586 planning and development officer, the local budget officer, and the local treasurer. It shall
5587 exercise the following functions:

5588

5589 (a) Determine the income reasonably projected as collectible for the ensuing fiscal
5590 year;

5591

5592 (b) Recommend the appropriate tax and other revenue measures or borrowings,
5593 which may be appropriate to support the budget;

5594

5595 (c) Recommend to the local chief executive concerned the level of the annual
5596 expenditures and the ceilings of spending for economic, social, and general
5597 services based on the approved local development plans;

5598

5599 (d) Recommend to the local chief executive concerned the proper allocation of
5600 expenditures

5601 for each development activity between current operating expenditures and
5602 capital outlays;

5603

5604 (e) Recommend to the local chief executive concerned the amount to be allocated
5605 for capital under each development activity or infrastructure project;

5606

5607 (f) Assist the Sangguniang Panlalawigan in the review and evaluation of budget of
5608 component cities and municipalities in the case of provincial finance committee,
5609 the Barangay budgets in the case of city or municipal finance committee, and
5610 recommend the appropriate action thereon;

5611

5612 (g) Assist the Sanggunian concerned in the analysis and review of annual regular
5613 and budgets of the respective local government unit to determine compliance
5614 with statutory and administrative requirements; and

5615

5616 (h) Conduct semi-annual review and general examination of cost and
5617 accomplishments against performance standards applied in undertaking
5618 development projects. A copy of this report shall be furnished the local chief
5619 executive and the Sanggunian concerned, and shall be posted in conspicuous and

5620 publicly accessible places in the provinces, cities, municipalities and barangays.

5621

5622 **SECTION 324. Submission of Budget Proposals by Heads of Departments or**

5623 **Offices.** - (a) Each head of department or office shall submit a budget proposal for his
5624 department or office to the local chief executive on or before the fifteenth (15th) of July
5625 of each year: Provided, That the budget proposal of each department or office shall be
5626 categorized under either economic, social or general services: Provided, further, That
5627 each service shall be covered by the budget of at least one (1) department or office of the
5628 local government unit concerned.

5629

5630 The said budget proposal shall be prepared in accordance with such policy and
5631 program as the local chief executive concerned may issue in conformity with the local
5632 development plan, the budgetary ceilings prescribed by the local finance committee, and
5633 the general requirements prescribed in this Title.

5634

5635 (b) Budget proposals of departments or offices shall be divided into two (2) primary
5636 categories, namely: the current operating expenditures and the capital outlays.
5637 Such budget proposals shall contain the following information:

5638

5639 (1) Objectives, functions, and projects showing the general character and relative
5640 importance of the work to be accomplished or the services to be rendered,
5641 and the cost thereof;

5642

5643 (2) Organizational charts and staffing patterns indicating the list of plantilla
5644 positions with their corresponding salaries, and proposals for reclassification
5645 of positions and salary changes, as well as the creation of new positions with
5646 their proposed salary grade, duly supported by proper justification;

5647

5648 (3) Brief description of the functions, projects and activities for the ensuing
5649 fiscal year, expected results for each function, project and activity, and the
5650 nature of work to be performed, including the objects of expenditure for each
5651 function, project and activity;

5652

5653 (4) Relation of the work and financial proposals to approved local development
5654 plans;

5655

5656 (5) Estimated current operating expenditures and capital outlays with
5657 comparative data for the last two (2) preceding, current, and ensuing fiscal
5658 years; and

5659

5660 (6) Accomplishment reports for the last two (2) preceding and current fiscal
5661 years.

5662

5663 **SECTION 325. Preparation of the Budget by the Local Chief Executive.** -

5664 Upon receipt of the statements of income and expenditures from the treasurer, the budget

5665 proposals of the heads of departments and offices, and the estimates of income and
5666 budgetary ceilings from the local finance committee, the local chief executive shall
5667 prepare the executive budget for the ensuing fiscal year in accordance with the provisions
5668 of this Title.

5669

5670 The local chief executive shall submit the said executive budget to the
5671 Sanggunian concerned not later than the sixteenth (16th) of October of the current fiscal
5672 year. Failure to submit such budget on the date prescribed herein shall subject the local
5673 chief executive to such criminal and administrative penalties as provided for under this
5674 Code and other applicable laws.

5675

5676 **SECTION 326. Legislative Authorization of the Budget.** - On or before the end
5677 of the current fiscal year, the Sanggunian concerned shall enact, through an ordinance,
5678 the annual budget of the local government unit for the ensuing fiscal year on the basis of
5679 the estimates of income and expenditures submitted by the local chief executive.

5680

5681 **SECTION 327. Effectivity of Budgets.** - The ordinance enacting the annual
5682 budget shall take effect at the beginning of the ensuing calendar year. An ordinance
5683 enacting a supplemental budget, however, shall take effect upon its approval or on the
5684 date fixed therein.

5685

5686 The responsibility for the execution of the annual and supplemental budgets and
5687 the accountability therefore shall be vested primarily in the local chief executive
5688 concerned.

5689

5690 **SECTION 328. Changes in the Annual Budget.** - All budgetary proposals shall
5691 be included and in the budget preparation process. After the local chief executive
5692 concerned shall have submitted the executive budget to the Sanggunian, no ordinance
5693 providing for a supplemental budget shall be enacted, except when supported by funds
5694 actually available as certified by the local treasurer or by new revenue sources.

5695

5696 A supplemental budget may also be enacted in times of public calamity by way of
5697 budgetary realignment to set aside appropriations for the purchase of supplies and
5698 materials or the payment of services which are exceptionally urgent or absolutely
5699 indispensable to prevent imminent danger to, or loss of, life or property, in the
5700 jurisdiction of the local government unit or in other areas declared by the President in a
5701 state of calamity. Such ordinance shall clearly indicate the sources of funds available for
5702 appropriations, as certified under oath by the local treasurer and local accountant and
5703 attested by the local chief executive, and the various items of appropriations affected and
5704 the reasons for the change.

5705

5706 **SECTION 329. Reversion of Unexpended Balances of Appropriations,**
5707 **Continuing Appropriations.** - Balances of appropriations authorized in the annual
5708 appropriations ordinance shall revert to the surplus of the general fund at the end of the
5709 fiscal year and shall not thereafter be available for expenditure except by subsequent

5710 enactment. However, appropriations for capital outlays shall continue and remain valid
5711 until fully spent, reverted or the project is completed. Reversions of continuing
5712 appropriations shall not be allowed unless obligations therefor have been fully paid or
5713 otherwise settled.

5714

5715 The balances of continuing appropriations shall be reviewed as part of the annual
5716 budget preparation and the Sanggunian concerned may approve, upon recommendation
5717 of the local chief executive, the reversion of funds no longer needed in connection with
5718 the activities funded by said continuing appropriations subject to the provisions of this
5719 Section.

5720

5721 **SECTION 330. Failure to Enact the Annual Appropriations.** - In case the
5722 Sanggunian concerned fails to pass the ordinance authorizing the annual appropriations at
5723 the beginning of the ensuing fiscal year, it shall continue to hold sessions, without
5724 additional remuneration for its members, until such ordinance is approved, and no other
5725 business may be taken up during such sessions. If the Sanggunian still fails to enact such
5726 ordinance after ninety (90) days from the beginning of the fiscal year, the ordinance
5727 authorizing the appropriations of the preceding year shall be deemed reenacted and shall
5728 remain in force and effect until the ordinance authorizing the proposed appropriations is
5729 passed by the Sanggunian concerned. However, only the annual appropriations for
5730 salaries and wages of existing positions, statutory and contractual obligations, and
5731 essential operating expenses authorized in the annual and supplemental budgets for the
5732 preceding year shall be deemed reenacted and disbursement of funds shall be in
5733 accordance therewith.

5734

5735 In the implementation of such reenacted ordinance, the local treasurer concerned
5736 shall exclude from the estimates of income for the preceding fiscal year those realized
5737 from nonrecurring sources, like national aids, proceeds from loans, sale of assets, prior
5738 year adjustments, and other analogous sources of income. No ordinance authorizing
5739 supplemental appropriations shall be passed in place of the annual appropriations. In case
5740 the revised income estimates be less than the aggregate reenacted appropriations, the
5741 local treasurer concerned shall accordingly advise the Sanggunian concerned which shall,
5742 within ten (10) days from the receipt of such advice, make the necessary adjustments or
5743 reductions. The revised appropriations authorized by the Sanggunian concerned shall
5744 then be the basis for disbursements.

5745

5746 **SECTION 331. Budgetary Requirements.** - The budgets of local government
5747 units for any fiscal year shall comply with the following requirements: (a) The aggregate
5748 amount appropriated shall not exceed the estimates of income:

5749

5750 (b) Full provision shall be made for all statutory and contractual obligations of the
5751 local government unit concerned: Provided, however, That the amount of
5752 appropriations for debt servicing shall not exceed twenty percent (20%) of the
5753 regular income of the local government unit concerned;

5754

5755 (c) In the case of provinces, cities, and municipalities, aid to component Barangays
5756 shall be in amounts of not less than One thousand pesos (P1,000.00) per
5757 Barangay; and
5758

5759 (d) Five percent (5%) of the estimated revenue from regular sources shall be set
5760 aside as an annual lump sum appropriation for unforeseen expenditures arising
5761 from the occurrence of calamities: Provided, however, That such appropriation
5762 shall be used only in the area, or a portion thereof, of the local government unit
5763 or other areas declared by the President in a state of calamity.
5764

5765 (e) Copies of the annual budget of provincial local government units shall be
5766 furnished to the Ministry of the Interior and Local Government⁴⁷.
5767

5768 **SECTION 332. General Limitations.** - The use of the provincial, city, and
5769 municipal funds shall be subject to the following limitations:
5770

5771 (a) The total appropriations, whether annual or supplemental, for personal services
5772 of a local government unit for one (1) fiscal year shall not exceed forty-five
5773 percent (45%) in the case of first to third class provinces, cities, and
5774 municipalities, and fifty-five percent (55%) in the case of fourth class or lower,
5775 of the total annual income from regular sources realized in the next preceding
5776 fiscal year. The appropriations for salaries, wages, representation and
5777 transportation allowances of officials and employees of the public utilities and
5778 economic enterprises owned, operated, and maintained by the local government
5779 unit concerned shall not be included in the annual budget or in the computation
5780 of the maximum amount for personal services. The appropriations for the
5781 personal services of such economic enterprises shall be charged to their
5782 respective budgets;
5783

5784 (b) No official or employee shall be entitled to a salary rate higher than the
5785 maximum fixed for his position or other positions of equivalent rank by
5786 applicable laws or rules and regulations issued there under;
5787

5788 (c) No local fund shall be appropriated to increase or adjust salaries or wages of
5789 officials and employees of the national government, except as may be expressly
5790 authorized by law; (d) In cases of abolition of positions and the creation of new
5791 ones resulting from the abolition of existing positions in the career service, such
5792 abolition or creation shall be made in accordance with pertinent provisions of
5793 this code and the civil service law, rules and regulations;
5794

5795 (e) Positions in the official plantilla for career positions which are occupied by
5796 incumbents holding permanent appointments shall be covered by adequate
5797 appropriations;

⁴⁷ The team recommends that Bangsamoro Government be given a copy of the annual budget of provinces for monitoring and policy making purposes.

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- (f) No changes in designation or nomenclature of positions resulting in a promotion or demotion in rank or increase or decrease in compensation shall be allowed, except when the position is actually vacant, and the filling of such positions shall be strictly made in accordance with the civil service law, rules and regulations;
- (g) The creation of new positions and salary increases or adjustments shall in no case be made retroactive; and
- (h) The annual appropriations for discretionary purposes of the local chief executive shall not exceed two percent (2%) of the actual receipts derived from basic real property tax in the next preceding calendar year. Discretionary funds shall be disbursed only for public purposes to be supported by appropriate vouchers and subject to such guidelines as may be prescribed by law. No amount shall be appropriated for the same purpose except as authorized under this Section.

SECTION 333. Review of Appropriation Ordinances of Component Cities and Municipalities. - The Sangguniang Panlalawigan shall review the ordinance authorizing annual or supplemental appropriations of component cities and municipalities in the same manner and within the same period prescribed for the review of other ordinances.

If within ninety (90) days from receipt of copies of such ordinance, the Sangguniang Panlalawigan takes no action thereon, the same shall be deemed to have been reviewed in accordance with law and shall continue to be in full force and effect. If within the same period, the Sangguniang Panlalawigan shall have ascertained that the ordinance authorizing annual or supplemental appropriations has not complied with the requirements set forth in this Title, the Sangguniang Panlalawigan shall, within the ninety-day period hereinabove prescribed, declare such ordinance inoperative in its entirety or in part. Items of appropriation contrary to limitations prescribed in this Title or in excess of the amounts prescribed herein shall be disallowed or reduced accordingly.

The Sangguniang Panlalawigan shall within the same period advise the Sangguniang Panlungsod or Sangguniang Bayan concerned through the local chief executive of any action on the ordinance under review. Upon receipt of such advice, the city or municipal treasurer concerned shall not make further disbursements of funds from any of the items of appropriation declared inoperative, disallowed or reduced.

SECTION 334. Duration of Appropriation. - Appropriations for ordinary administrative purposes not duly obligated shall terminate with the fiscal year and all unexpended balances thereof shall be automatically reverted on the thirty-first (31st) day of December of each year to the general fund of the local government unit.

ARTICLE II
Barangay Budgets

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SECTION 335. Barangay Funds. - Unless otherwise provided in this Title, all the income of the Barangay from whatever source shall accrue to its general fund and shall, at the option of the Barangay concerned, be kept as trust fund in the custody of the city or municipal treasurer or be deposited in a bank, preferably government-owned, situated in or nearest to its area of jurisdiction. Such funds shall be disbursed in accordance with the provisions of this Title. Ten percent (10%) of the general fund of the Barangay shall be set aside for the Sangguniang Kabataan.

SECTION 336. Submission of Detailed Statements of Income and Expenditures for the Barangay Budgets. - On or before the fifteenth (15th) day of September of each year, the Barangay Treasurer shall submit to the Punong Barangay a statement covering the estimates of income and expenditures for the ensuing fiscal year, based on a certified statement issued by the city or municipal treasurer covering the estimates of income from local sources for the Barangay concerned.

SECTION 337. Preparation of the Barangay Budget. - (a) Upon receipt of the statement of income and expenditures from the Barangay Treasurer, the Punong Barangay shall prepare the Barangay budget for the ensuing fiscal year in the manner and within the period prescribed in this Title and submit the annual Barangay budget to the Sangguniang Barangay for legislative enactment.

(b) The total annual appropriations for personal services of a Barangay for one (1) fiscal year shall not exceed fifty-five percent (55%) of the total annual income actually realized from local sources during the next preceding fiscal year.

(c) The Barangay budget shall likewise be subject to the same budgetary requirements and limitations herein above prescribed.

SECTION 338. Effectivity of Barangay Budgets. - The ordinance enacting the annual budget shall take effect at the beginning of the ensuing calendar year. An ordinance enacting a supplemental budget, however, shall take effect upon its approval or on the date fixed therein. The responsibility for the execution of the annual and supplemental budgets and the accountability therefor shall be vested primarily in the Punong Barangay concerned.

SECTION 339. Review of the Barangay Budget. - (a) Within ten (10) days from its approval, copies of the Barangay ordinance authorizing the annual appropriations shall be furnished the Sangguniang Panlungsod or the Sangguniang Bayan, as the case may be, through the city or municipal budget officer. The Sanggunian concerned shall have the power to review such ordinance in order to ensure that the provisions of this Title are complied with. If within sixty (60) days after the receipt of the ordinance, the Sanggunian concerned takes no action thereon, the same shall continue to be in full force and effect. If within the same period, the Sanggunian concerned shall have ascertained that the ordinance contains appropriations in excess of the estimates of the income duly

5888 certified as collectible, or that the same has not complied with the budgetary requirements
5889 set forth in this Title, the said ordinance shall be declared inoperative in its entirety or in
5890 part. Items of appropriation contrary to, or in excess of, any of the general limitations or
5891 the maximum amount prescribed in this Title shall be disallowed or reduced accordingly.

5892

5893 (b) Within the period hereinabove fixed, the Sangguniang Panlungsod or
5894 Sangguniang Bayan concerned shall return the Barangay ordinance, through the
5895 city or municipal budget officer, to the Punong Barangay with the advice of
5896 action thereon for proper adjustments, in which event, the Barangay shall operate
5897 on the ordinance authorizing annual appropriations of the preceding fiscal year
5898 until such time that the new ordinance authorizing annual appropriations shall
5899 have met the objections raised. Upon receipt of such advice, the Barangay
5900 treasurer or the city or municipal treasurer who has custody of the funds shall not
5901 make further disbursement from any item of appropriation declared inoperative,
5902 disallowed, or reduced.

5903

5904 **SECTION 340. Barangay Financial Procedures.** - (a) The Barangay treasurer
5905 shall collect all taxes, fees, and other charges due and contributions accruing to the
5906 Barangay for which he shall issue official receipts, and shall deposit all collections with
5907 the city or municipal treasury or in the depository account maintained in the name of the
5908 Barangay within five (5) days after receipt thereof. He may collect real property taxes
5909 and such other taxes as may be imposed by a province, city or municipality that are due
5910 in his Barangay only after being deputized by the local treasurer concerned for the
5911 purpose.

5912

5913 (b) The Barangay treasurer may be authorized by the Sangguniang Barangay to
5914 make direct purchases amounting to not more than One thousand pesos
5915 (Php1,000.00) at any time for the ordinary and essential needs of the Barangay.
5916 The petty cash that the Barangay treasurer may be authorized to hold for the
5917 purpose shall not exceed twenty percent (20%) of the funds available and to the
5918 credit of the Barangay treasury.

5919

5920 (c) The financial records of the Barangay shall be kept in the office of the city or
5921 municipal accountant in simplified manner as prescribed by the Commission on
5922 Audit. Representatives of the Commission on Audit shall audit such accounts
5923 annually or as often as may be necessary and make a report of the audit to the
5924 Sangguniang Panlungsod or Sangguniang bayan, as the case may be. The
5925 Commission on Audit shall prescribe and put into effect simplified procedures
5926 for Barangay finances within six (6) months following the effectivity of this
5927 Code.

5928

5929

5930 **CHAPTER IV**
5931 **EXPENDITURES, DISBURSEMENTS, ACCOUNTING AND**
5932 **ACCOUNTABILITY**

5933 **SECTION 341. Prohibitions Against Expenditures for Religious or Private**
5934 **Purposes.** - No public money or property shall be appropriated or applied for religious or
5935 private purposes.
5936

5937 **SECTION 342. Use of Appropriated Funds and Savings.** - Funds shall be
5938 available exclusively for the specific purpose for which they have been appropriated. No
5939 ordinance shall be passed authorizing any transfer of appropriations from one item to
5940 another. However, the local chief executive or the presiding officer of the Sanggunian
5941 concerned may, by ordinance, be authorized to augment any item in the approved annual
5942 budget for their respective offices from savings in other items within the same expense
5943 class of their respective appropriations.
5944

5945 **SECTION 343. Restriction Upon Limit of Disbursements.** - Disbursements in
5946 accordance with appropriations in the approved annual budget may be made from any
5947 local fund in the custody of the treasurer, but the total disbursements from any local fund
5948 shall in no case exceed fifty percent (50%) of the uncollected estimated revenue accruing
5949 to such local fund in addition to the actual collections: Provided, however, That no cash
5950 overdraft in any local fund shall be incurred at the end of the fiscal year.
5951

5952 In case of emergency arising from a typhoon, earthquake, or any other calamity,
5953 the Sanggunian concerned may authorize the local treasurer to continue making
5954 disbursements from any local fund in his possession in excess of the limitations herein
5955 provided, but only for such purposes and amounts included in the approved annual
5956 budgets. Any overdraft which may be incurred at the end of the year in any local fund by
5957 virtue of the provisions hereof shall be covered with the first collections of the
5958 immediately succeeding fiscal year accruing to such local fund.
5959

5960 **SECTION 344. Prohibitions Against Advance Payments.** - No money shall be
5961 paid on account of any contract under which no services have been rendered or goods
5962 delivered.
5963

5964 **SECTION 345. Cash Advances.** - No cash advance shall be granted to any local
5965 official or employee, elective or appointive, unless made in accordance with the rules and
5966 regulations as the Commission on Audit may prescribe.
5967

5968 **SECTION 346. Persons Accountable for Local Government Funds.** - Any
5969 officer of the local government unit whose duty permits or requires the possession or
5970 custody of local government funds shall be accountable and responsible for the
5971 safekeeping thereof in conformity with the provisions of this Title. Other local officers
5972 who, though not accountable by the nature of their duties, may likewise be similarly held
5973 accountable and responsible for local government funds through their participation in the
5974 use or application thereof.
5975

5976 **SECTION 347. Prohibitions Against Pecuniary Interest.** - Without prejudice
5977 to criminal prosecution under applicable laws, any local treasurer, accountant, budget

5978 officer, or other accountable local officer having any pecuniary interest, direct or indirect,
5979 in any contract, work or other business of the local government unit of which he is an
5980 accountable officer shall be administratively liable therefor.

5981

5982 **SECTION 348. Liability for Acts Done Upon Direction of Superior Officer,**
5983 **or Upon Participation of Other Department Heads or Officers of Equivalent Rank. -**

5984 Unless he registers his objection in writing, the local treasurer, accountant, budget officer,
5985 or other accountable officer shall not be relieved of liability for illegal or improper use or
5986 application or deposit of government funds or property by reason of his having acted
5987 upon the direction of a superior officer, elective or appointive, or upon participation of
5988 other department heads or officers of equivalent rank. The superior officer directing, or
5989 the department head participating in such illegal or improper use or application or deposit
5990 of government funds or property, shall be jointly and severally liable with the local
5991 treasurer, accountant, budget officer, or other accountable officer for the sum or property
5992 so illegally or improperly used, applied or deposited.

5993

5994 **SECTION 349. Prohibition Against Expenses for Reception and**
5995 **Entertainment. -** No money shall be appropriated, used, or paid for entertainment or
5996 reception except to the extent of the representation allowances authorized by law or for
5997 the reception of visiting dignitaries of foreign governments or foreign missions, or when
5998 expressly authorized by the President in specific cases.

5999

6000 **SECTION 350. Certification on, and Approval of, Vouchers. -** No money shall
6001 be disbursed unless the local budget officer certifies to the existence of appropriation that
6002 has been legally made for the purpose, the local accountant has obligated said
6003 appropriation, and the local treasurer certifies to the availability of funds for the purpose.
6004 Vouchers and payrolls shall be certified to and approved by the head of the department or
6005 office who has administrative control of the fund concerned, as to validity, propriety, and
6006 legality of the claim involved. Except in cases of disbursements involving regularly
6007 recurring administrative expenses such as payrolls for regular or permanent employees,
6008 expenses for light, water, telephone and telegraph services, remittances to government
6009 creditor agencies such as the GSIS, SSS, LBP, DBP, National Printing Office,
6010 Procurement Service of the DBM and others, approval of the disbursement voucher by
6011 the local chief executive himself shall be required whenever local funds are disbursed.

6012

6013 In cases of special or trust funds, disbursements shall be approved by the
6014 administrator of the fund. In case of temporary absence or incapacity of the department
6015 head or chief of office, the officer next-in-rank shall automatically perform his function
6016 and he shall be fully responsible therefor.

6017

6018 **SECTION 351. Officials Authorized to Draw Checks in Settlement of**
6019 **Obligations. -** Checks in settlement of obligations shall be drawn by the local treasurer
6020 and countersigned by the local administrator. In case of temporary absence or incapacity
6021 of the foregoing officials, these duties shall devolve upon their immediate assistants.

6022

6023 **SECTION 352. Disbursements of Local Funds and Statement of Accounts. -**
6024 Disbursements shall be made in accordance with the ordinance authorizing the annual or
6025 supplemental appropriations without the prior approval of the Sanggunian concerned.
6026 Within thirty (30) days after the close of each month, the local accountant shall furnish
6027 the Sanggunian with such financial statements as may be prescribed by the Commission
6028 on Audit. In the case of the year-end statement of accounts, the period shall be sixty (60)
6029 days after the thirty-first (31st) of December.

6030
6031 **SECTION 353. Rendition of Accounts. -** Local treasurers, accountants and other
6032 local accountable officers shall render their accounts within such time, in such form, style,
6033 and content and under such as the Commission on Audit may prescribe. Provincial, city,
6034 and municipal auditors shall certify the balances arising in the accounts settled by them to
6035 the Chairman of the Commission on Audit and to the local treasurer, accountant, and
6036 other accountable officers. Copies of the certification shall be prepared and furnished
6037 other local officers who may be held jointly and severally liable for any loss or illegal,
6038 improper or unauthorized use or misappropriation of local funds or property.

6039
6040 **SECTION 354. Auditorial Visitation. -** The books, accounts, papers, and cash
6041 of local treasurer, accountant, budget officer, or other accountable officers shall at all
6042 times be open for inspection of the Commission on Audit or its duly authorized
6043 representative.

6044
6045 In case an examination of the accounts of a local treasurer discloses a shortage in
6046 cash which should be on hand, it shall be the duty of the examining officer to seize the
6047 office and its contents, notify the Commission on Audit, the local chief executive
6048 concerned, and the local accountant. Thereupon, the examining officer shall immediately
6049 turn over to the accountable officer next-in-rank in the local treasury service, unless the
6050 said officer is likewise under investigation, the office of the treasurer and its contents, and
6051 close and render his accounts on the date of turnover. In case the accountable officer next
6052 in rank is under investigation, the auditor shall take full possession of the office and its
6053 contents, close and render his accounts on the date of taking possession, and temporarily
6054 continue the public business of such office until such time that the local treasurer is
6055 restored or a successor has been duly designated. The local treasurer or accountable
6056 officer found with such shortage shall be automatically suspended from office.

6057
6058 **SECTION 355. Accounting for Revenues. -** Estimated revenues which remain
6059 unrealized at the close of the fiscal year shall not be booked or credited to the
6060 unappropriated surplus or any other account.

6061
6062 **SECTION 356. Accounting for Obligations. -** All lawful expenditures and
6063 obligations incurred during a fiscal year shall be taken up in the accounts of that year.

6064
6065 **SECTION 357. General Liability for Unlawful Expenditures. -** Expenditures
6066 of funds or use of property in violation of this Title and other laws shall be a personal
6067 liability of the official or employee responsible therefor.

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SECTION 358. Posting of the Summary of Income and Expenditures. - Local treasurers, accountants, budget officers and other accountable officers shall, within thirty (30) days from the end of each fiscal year, post in at least three (3) publicly accessible and conspicuous places in the local government unit a summary of all revenues collected and funds received including the appropriations and disbursements of such funds during the preceding fiscal year.

SECTION 359. The Official Fiscal Year. - The official fiscal year of local government units shall be the period beginning with the first day of January and ending with the thirty-first day of December of the same year.

SECTION 360. Administrative Issuances; Budget Operations Manual. – Until a manual is issued by the Ministry of Finance, and Budget and Management for local government units of Bangsamoro Autonomous Region, the Budget Operations Manual promulgated by the Department of Budget and Management shall govern to improve and systematize methods, techniques, and procedures employed in budget preparation, authorization, execution, and accountability⁴⁸.

TITLE VI
PROPERTY AND SUPPLY MANAGEMENT IN THE LOCAL GOVERNMENT UNITS

SECTION 361. Scope. - This Title shall govern the procurement, care, utilization, custody, and disposal of supplies, as defined herein, by local government units and the other aspects of supply management at the local levels.

SECTION 362. General Rule in Procurement or Disposal. - Except as otherwise provided herein, the procurement of goods⁴⁹ by the local government units shall be through competitive public bidding. Supplies which have become unserviceable or no longer needed shall be sold, whenever applicable, at public auction, subject to applicable rules and regulations.

SECTION 363. Definition of Terms. – When used in this Title, the term:

(a) “Competitive Bidding” Refers to a method of procurement which is open to participation by any interested party and which consists of the following processes: advertisement, pre-bid conference, eligibility screening of prospective bidders, receipt and opening of bids, evaluation of bids, post-qualification, and award of contract;

(b) “Goods” refer to all items, supplies, materials and general support services, except Consulting Services and infrastructure projects, which may be needed in the

⁴⁸ The team recommends that a manual may be issued by MFBM for the constituent local government units of BARMM to ensure that it is consistent and in line with the objectives of the Bangsamoro Government.

⁴⁹ Proposed provisions in this Chapter are based on RA 9184 or “the Government Procurement Reform Act”

6110 transaction of public businesses or in the pursuit of any government undertaking,
6111 project or activity, whether in the nature of equipment, furniture, stationery, materials
6112 for construction, or personal property of any kind, including non-personal or
6113 contractual services, such as, the repair and maintenance of equipment and furniture, as
6114 well as trucking, hauling, janitorial, security, and related or analogous services, as well
6115 as procurement of materials and supplies provided by the Procuring Entity for such
6116 services. The term “related” or “analogous services” shall include, but is not limited to,
6117 lease of office space, media advertisements, health maintenance services, and other
6118 services essential to the operation of the Procuring Entity;

6119
6120 (c) “Lowest Complying and Responsible Bid” refers to the proposal of one who
6121 offers the lowest price, meets all the technical specifications and requirements of the
6122 supplies desired and, as a dealer in the line of supplies involved, maintains a regular
6123 establishment, and has complied consistently with previous commitments;

6124
6125 (d) “Suitable Substitute” refers to that kind of article which would serve
6126 substantially the same purpose or produce substantially the same results as the brand,
6127 type, or make of article originally desired or requisitioned;

6128
6129 (e) “Procurement” refers to the acquisition of goods, consulting services, and the
6130 contracting for infrastructure projects by the Procuring Entity. Procurement shall also
6131 include the lease of goods and real estate. With respect to real property, its procurement
6132 shall be governed by the provisions of Republic Act No. 10752 and other applicable
6133 laws, rules and regulations; and

6134
6135 (d) “Terms and Conditions” refer to other requirements not affecting the technical
6136 specifications and requirements of the required supplies desired such as bonding, terms
6137 of delivery and payment, and related preferences.

6138
6139 **SECTION 364. Requirement of Requisition.** - Any order for supplies shall be
6140 filled by the provincial or city general services officer or the municipal or Barangay
6141 treasurer concerned, as the case may be, for any office or department of a local
6142 government unit only upon written requisition as herein after provided.

6143
6144 **SECTION 365. Officers Having Authority to Draw Requisitions.** -
6145 Requisitions shall be prepared by the head of office or department needing the supplies,
6146 who shall certify as to their necessity for official use and specify the project or activity
6147 where the supplies are to be used.

6148
6149 **SECTION 366. Certification by the Local Budget Officer, Accountant, and**
6150 **Treasurer.** - Every requisition must be accompanied by a certificate signed by the local
6151 budget officer, the local accountant, and the local treasurer showing that an appropriation
6152 therefor exists, the estimated amount of such expenditure has been obligated, and the
6153 funds are available for the purpose, respectively.

6154

6155 **SECTION 367. Approval of Requisitions.** - Approval of the requisition by the
6156 head of office or department concerned who has administrative control of the
6157 appropriation against which the proposed expenditure is chargeable is deemed sufficient,
6158 except in case of requisition for supplies to be carried in stock which shall be approved
6159 by the local chief executive concerned: Provided, That such supplies are listed or
6160 included in the annual procurement plan and the maximum quantity thereof does not
6161 exceed the estimated consumption corresponding to a programmed three-month period:
6162 Provided, further, That nothing herein contained shall be held as authorizing the purchase
6163 of furniture and equipment for stock purposes.

6164
6165 **SECTION 368. Call for Bids.** – When procurement is to be made by local
6166 government units, the provincial or city general services officer or the municipal or
6167 barangay treasurer shall call bids for open public competition. The call for bids shall
6168 show the complete specifications and technical descriptions of the required supplies and
6169 shall embody all terms and conditions of participation and award, terms of delivery and
6170 payment, and all other covenants affecting the transaction. In all calls for bids, the right to
6171 waive any defect in the tender as well as the right to accept the bid most advantageous to
6172 the government shall be reserved. In no case, however, shall failure to meet the
6173 specifications or technical requirements of the supplies desired be waived.

6174
6175 **SECTION 369. Publication of Call for Bids.** – The call for bids shall be given
6176 the widest publicity possible, sending, by mail or otherwise, any known prospective
6177 participant in the locality, of copies of the call and by posting copies of the same in at
6178 least three (3) publicly accessible and conspicuous places in the provincial capitol or city,
6179 municipal, or barangay hall, as the case may be. It shall also be posted in the website of
6180 the local government unit concerned.

6181
6182 The notice of the bidding may likewise be published in a newspaper of general
6183 circulation in the territorial jurisdiction of the local government unit concerned when the
6184 provincial or city general services officer or the municipal or barangay treasurer, as the
6185 case may be, deems it necessary in order to obtain the lowest responsible and complying
6186 bid.

6187
6188 The opening of bids shall only be made in the presence of the provincial or city
6189 auditor or his duly authorized representative who shall initial and secure copies of the
6190 bids and certify the abstract of the bidding.

6191
6192 **SECTION 370. Bids and Awards Committee.** – There shall be in every
6193 province, city or municipality a Bids and Awards Committee to ensure that the winning
6194 bids and questions of awards on procurement and disposal of property are in accordance
6195 with this Code. The Local Government Units shall be considered as the Procuring Entity
6196 and shall act through the Head of the Procuring Entity.

6197
6198 The Head of the Procuring Entity in local government units shall be the Local
6199 Chief Executive who shall be the Governor (for Provinces) or the Mayor (for Cities and

6200 Municipalities). All procurement activities of the local government units require the
6201 approval of the Head of the Procuring Entity.

6202

6203 The Bids and Awards Committee shall consist of at least five (5) members and
6204 shall not exceed seven (7) and all should be personnel occupying plantilla positions of the
6205 local government concerned. The Local Chief Executive shall designate the members and
6206 be composed of the following:

6207

6208 i. One representative each from the regular offices under the Office of
6209 the Local Chief Executive such as, but not limited to, the following:
6210 Office of the Administrator, Budget Office, Legal Office,
6211 Engineering Office, General Services Offices; and

6212

6213 ii. A representative from the end-user unit

6214 The Chairperson and Vice-Chairperson shall be designated by the Local Chief
6215 Executive. The Chairperson of the Bids and Awards Committee shall be at least a third
6216 (3rd) ranking permanent official of the Procuring Entity. In case of provinces, cities and
6217 municipalities, the head of any of the regular offices under the Office of the Local Chief
6218 Executive shall be considered third (3rd) ranking permanent employee. The first (1st)
6219 ranking official shall be the Mayor or the Governor, while the second (2nd) ranking
6220 permanent official shall be the Vice- Governor or Vice-Mayor.

6221

6222 The results of the bidding shall be made public by conspicuously posting the same
6223 in the provincial capitol or city, municipal, or barangay hall.

6224

6225 **SECTION 371. Terms of Membership** - The Bids and Awards Committee
6226 members shall be designated for a term of one (1) year only, reckoned from the date of
6227 designation. However, the LCE may renew or terminate such designation at his discretion.

6228

6229 The designation of the Bids and Awards Committee members is within the
6230 exclusive prerogative and discretion of the Local Chief Executive and they may be
6231 removed from such designation for justifiable causes. In case of resignation, retirement,
6232 separation, transfer, re-assignment, or removal of a Bids and Awards Committee member,
6233 the Local Chief Executive shall designate a replacement that has similar qualifications as
6234 the official replaced. The replacement shall serve for the unexpired term. In case of leave
6235 or suspension, the replacement shall serve only for the duration of the leave or suspension.

6236

6237 Upon expiration of the terms of the current members, they shall continue to
6238 exercise their functions until new Bids and Awards Committee members are designated.

6239

6240 **SECTION 372. Prohibited Bids and Awards Committee Members**-The
6241 following officials are disqualified from membership in the BAC:

6242

6243 a. LCE and other elective officials of the province/city/municipality;

6244

6245 b. Official who approves procurement contracts;

6246

6247 c. Chief Accountant or Head of the Provincial/City/Municipal Accounting Office
6248 and his/her staff, unless the Accounting Department is the end- user unit, in which case
6249 the Chief Accountant, Head of the Accounting Department or his/her staff may be
6250 designated as an end-user member.

6251

6252 **SECTION 373. Quorum** - The simple majority (one-half of membership plus
6253 one) of the BAC members shall constitute a quorum, provided that the Chairperson or the
6254 Vice- Chairperson should be present in all meetings and deliberations.

6255

6256 Physical presence of the Chairperson or the Vice Chairperson is necessary for the
6257 BAC to conduct its business. The Chairperson or, in his absence, the Vice- Chairperson
6258 shall preside over the meetings. The Chairperson or the Vice-Chairperson, acting as the
6259 Presiding Officer shall vote only in case of a tie.

6260

6261 Presence of alternate Bids and Awards Committee members in meetings are
6262 considered for purposes of quorum. On the other hand, representatives of Bids and
6263 Awards Committee members shall be allowed to sit and listen during meetings but they
6264 shall not be considered for purposes of quorum.

6265

6266 All Bids and Awards Committee decisions should be embodied in resolutions
6267 duly signed by at least a majority of the members and the Chairperson or Vice-
6268 Chairperson thereof, as the case may be.

6269

6270 **SECTION 374. BAC Secretariat.** - The Head of Procuring Entity shall create a
6271 Secretariat which will serve as the main support unit of the Bids and Awards Committee.
6272 An existing organic office within the Procuring Entity may also be designated to serve as
6273 Secretariat.

6274

6275 **SECTION 375. Technical Work Group** - The Bids and Awards Committee may
6276 create a TWG from a pool of technical, financial and/or legal experts to assist in the
6277 procurement process, particularly in the eligibility screening, evaluation of bids and post-
6278 qualification.

6279

6280 **SECTION 376. Observers.** - To enhance the transparency of the process, the
6281 Bids and Awards Committee shall, during the eligibility checking, shortlisting, pre-bid
6282 conference, preliminary examination of bids, bid evaluation, and post-qualification, invite,
6283 in addition to the representative of the Commission On Audit, at least two (2) observers,
6284 who shall not have the right to vote, to sit in its proceedings where:

6285

6286 i. At least one (1) shall come from a duly recognized private group in a sector or
6287 discipline relevant to the procurement at hand, such as the Philippine Chamber of
6288 Commerce and Industry;

6289

6290 ii. The other observer shall come from an accredited Civil Society Organization.
6291

6292 **SECTION 377. Technical Work Group** - The Bids and Awards Committee may
6293 create a TWG from a pool of technical, financial and/or legal experts to assist in the
6294 procurement process, particularly in the eligibility screening, evaluation of bids and post-
6295 qualification.
6296

6297 **SECTION 378. Rule on Awards.** – Awards in the procurement of supplies shall
6298 be given to the Lowest Calculated and Responsive Bid or Highest Rated and Responsive
6299 Bid which meets all the terms and conditions of the contract or undertaking.
6300

6301 **SECTION 379. Alternative Modes of Procurement.** – Procurement of supplies
6302 may be made without the benefit of public bidding under any of the following modes:
6303

- 6304 (a) Shopping;
- 6305 (b) Emergency cases;
- 6306 (c) Negotiated procurement;
- 6307 (d) Direct contracting; and
- 6308 (e) Purchase from other government entities.
6309

6310 **SECTION 380. Shopping** – Upon approval by the Head of Procuring Entity,
6311 procurement of supplies may be effected by sending requests for the submission of price
6312 quotation for readily available off-the-shelf goods or ordinary/regular equipment to be
6313 procured directly from suppliers of known qualifications. This method of procurement
6314 shall be employed in any of the following cases:
6315

6316 a) When there is an unforeseen contingency requiring immediate purchase, the
6317 amount shall not exceed the following:
6318

Classification of LGUs	Province	City	Municipality
1 st Class	200,000	200,000	100,000
2 nd Class	200,000	200,000	100,000
3 rd Class	200,000	160,000	100,000
4 th Class	160,000	120,000	100,000
5 th Class	120,000	100,000	100,000
6 th Class	100,000	100,000	100,000

6319
6320 In the case of barangays, Fifty Thousand Pesos (₱50,000).
6321

6322 b) Procurement of ordinary or regular office supplies and equipment not available
6323 in the DBM-PS, the amount shall not exceed the following:
6324

Classification of LGUs	Province	City	Municipality
-------------------------------	-----------------	-------------	---------------------

1 st Class	1,000,000	1,000,000	200,000
2 nd Class	1,000,000	1,000,000	200,000
3 rd Class	1,000,000	800,000	200,000
4 th Class	800,000	600,000	100,000
5 th Class	600,000	400,000	100,000
6 th Class	400,000	200,000	100,000

6325

6326

In the case of barangays, Fifty Thousand Pesos (₱50,000)

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The phrase “*ordinary or regular office supplies*” shall be understood to include those supplies, commodities, or materials which are necessary in the transaction of its official businesses, and consumed in the day-to-day office operations. However, office supplies shall not include services such as repair and maintenance of equipment and furniture, as well as trucking, hauling, janitorial, security, and related or analogous services.

SECTION 381. Emergency Cases. – In cases of imminent danger to life or property during a state of calamity, or when time is of the essence arising from natural or man-made calamities or other causes where immediate action is necessary to prevent damage to or loss of life or property, or to restore vital public services, where the need for the supplies is exceptionally urgent or absolutely indispensable, local government units may, through the recommendation of the Bids and Awards Committee, directly negotiate with a supplier with technical, legal and financial capability to deliver the goods to address the emergency, regardless of amount, without public bidding. The local chief executive shall evaluate recommendation and approves or disapproves the same.

After the approval is issued by the local chief executive and contractual procedures have been accomplished, it shall be immediately Award the contract to the supplier. Delivery of purchase orders or utilization of repair orders pursuant to this section shall be made within ten (10) days after placement of the same and must be utilized or availed of within fifteen (15) days from the date of delivery or availability.

In all instances of this Section, the local chief executive, shall confirm in writing the existence and veracity of the ground or grounds relied upon before approving the ensuing contract.

When the ground is based on imminent danger to life during a state of calamity, there must be a declaration by a competent authority of a state of calamity pursuant to existing laws, rules and regulations before any procurement activity may be undertaken

Without prejudice to criminal prosecution under applicable laws, the local chief executive, the head of department, or the chief of office making the procurement shall be administratively liable for any violation of this section and shall be a ground for suspension or dismissal from service.

6364 **SECTION 382. Negotiated Procurement.** – (a) In cases where public biddings
6365 have failed for two (2) consecutive times and no suppliers have qualified to participate or
6366 win in the biddings, local government units may, through the local chief executive
6367 concerned, undertake the procurement of supplies by negotiated purchase, regardless of
6368 amount, without public bidding: Provided, however, That the contract covering the
6369 negotiated procurement shall be approved by the Sanggunian concerned. Delivery of
6370 purchase orders or utilization of repair orders pursuant to this section shall be made
6371 within seven (7) days after placement of the same. Immediately after the negotiated
6372 purchase or repair order is made, the local chief executive concerned shall draw a regular
6373 requisition to cover the same which shall contain the following:

- 6374
- 6375 (1) A complete description of the supplies acquired or the work done or to be
6376 performed;
 - 6377
 - 6378 (2) By whom furnished or executed;
 - 6379
 - 6380 (3) Date of placing the order and the date and time of delivery or execution;
 - 6381
 - 6382 (4) The unit price and the total contract price;
 - 6383
 - 6384 (5) A recommendation from the Bids and Awards Committee that the supplier
6385 was Single or Lowest Calculated and Responsive Quotation;
 - 6386
 - 6387 (6) A Notice of Award issued by the local chief executive upon approval of the
6388 recommendation from the Bids and Awards Committee;
 - 6389
 - 6390 (7) A certification of the local budget officer as to the existence of appropriations
6391 for the purpose, the local accountant as to the obligation of the amount
6392 involved, and the local treasurer as to the availability of funds.
 - 6393

6394 (b) In case of repeat orders for regular supplies, procurement may be made by
6395 negotiated purchase: Provided, That the repeat order is made within six (6) months from
6396 the last procurement of the same item awarded through public bidding and there has been
6397 partial delivery, inspection and acceptance of the goods within the same period: Provided,
6398 however, That the unit prices must be the same as or lower than those in the original
6399 contract and are still the most advantageous to the government after price verification:
6400 Provided, further, That the same terms and conditions of sale are obtained for the said
6401 repeat order. Provided, finally, That repeat orders shall not exceed twenty-five percent
6402 (25%) of the quantity of each item in the original contract. In order not to exceed the 25%
6403 threshold, the goods under the original contract must be:

- 6404
- 6405 i. Quantifiable;
 - 6406 ii. Divisible; and
 - 6407 iii. Consisting of at least four (4) units per item.
- 6408

6409 **SECTION 383. Direct Contracting.** – Direct Contracting or single source
6410 procurement is a method of procurement of goods that does not require elaborate Bidding
6411 Documents. The supplier is simply asked to submit a price quotation or a pro-forma
6412 invoice together with the conditions of sale. The offer may be accepted immediately or
6413 after some negotiations. Direct Contracting may be resorted to under any of the following
6414 conditions:

6415
6416 a) Procurement of goods of proprietary nature which can be obtained only from
6417 the proprietary source, i.e., when patents, trade secrets, and copyrights prohibit
6418 others from manufacturing the same item;

6419
6420 b) When the procurement of critical components from a specific supplier is a
6421 condition precedent to hold a contractor to guarantee its project performance, in
6422 accordance with the provisions of its contract; or

6423
6424 c) Those sold by an exclusive dealer or manufacturer which does not have sub-
6425 dealers selling at lower prices and for which no suitable substitute can be obtained
6426 at more advantageous terms to the government.

6427
6428 To justify the need to procure through the Direct Contracting method, the End-
6429 User should conduct a survey of the industry and determine the supply source. In all
6430 cases where Direct Contracting is contemplated, the survey must be conducted prior to
6431 the commencement of the procurement process. Moreover, the End-User must justify the
6432 necessity for an item that may only be procured through Direct Contracting, and it must
6433 be able to prove that there is no suitable substitute in the market that can be obtained at
6434 more advantageous terms.

6435
6436 Procurement may be made directly from duly licensed manufacturers in cases of
6437 supplies of Philippine manufacture or origin and in case there are two (2) or more
6438 manufacturers of the required supplies, canvass of the known manufacturers shall be
6439 conducted to obtain the lowest price for the quality of the said supplies.

6440
6441 **SECTION 384. Procurement from Government Entities.** – Procurement may
6442 be made directly from the government entities producing the required supplies, including
6443 units or agencies of foreign governments with which the Philippines maintains diplomatic
6444 relations. In the latter case, prior authority from the Office of the President shall be
6445 required.

6446
6447 **SECTION 385. Annual Procurement Program.** – (a) On or before the fifteenth
6448 (15th) day of July each year, the local chief executive shall prepare an annual
6449 procurement program for the ensuing fiscal year which shall contain an itemized list of
6450 the estimated quantity of supplies needed for such year, a complete description thereof as
6451 to kind, quality, estimated cost, and balance on hand: Provided, however, That the total
6452 estimated cost of the approved annual procurement program shall not exceed the total
6453 appropriations authorized for the acquisition of supplies. The local government units may

6454 augment the supplies and equipment provided by the Supreme Court to the lower courts
6455 located in their respective jurisdictions.

6456

6457 (b) Except in emergency cases or where urgent indispensable needs could not
6458 have been reasonably anticipated, no purchase of supplies shall be made unless included
6459 in, or covered by, the approved procurement program.

6460

6461 (c) The conversion of excess cash into supplies stock is hereby prohibited except
6462 to the extent of the kind and quantity specified in the approved annual procurement plan.

6463

6464 A violation of this section shall be a ground for suspension or dismissal of any
6465 official or employee responsible therefor.

6466

6467 **SECTION 386. Establishment of an Archival System.** - Every local
6468 government unit shall provide for the establishment of an archival system to ensure the
6469 safety and protection of all government property, public documents or records such as
6470 records of births, marriages, property inventory, land assessments, land ownership, tax
6471 payments, tax accounts, and business permits, and such other records or documents of
6472 public interest in the various departments and offices of the provincial, city, or municipal
6473 government concerned.

6474

6475 **SECTION 387. Primary and Secondary Accountability for Government**
6476 **Property.** - (a) Each head of department or office of a province, city, municipality or
6477 Barangay shall be primarily accountable for all government property assigned or issued
6478 to his department or office. The person or persons entrusted with the possession or
6479 custody of government property under the accountability of any head of department or
6480 office shall be immediately accountable to such officer.

6481

6482 (b) The head of a department or office primarily accountable for government
6483 property may any person in possession of the property or having custody and
6484 control thereof under him to keep such records and make reports as may be
6485 necessary for his own information and protection.

6486

6487 (c) Buildings and other physical structures shall be under the accountability and
6488 responsibility of the provincial or city general services officer or the municipal
6489 mayor or Punong Barangay, as the case maybe.

6490

6491 (d) Every officer primarily accountable for government property shall keep a
6492 complete record of all properties under his charge and render his accounts
6493 therefor semiannually to the provincial or city general services officer or the
6494 municipal mayor or Punong Barangay, as the case maybe.

6495

6496 **SECTION 388. Responsibility for Proper Use and Care of Government**
6497 **Property.** - The person in actual physical possession of government property or entrusted
6498 with its custody and control shall be responsible for its proper use and care and shall

6499 exercise due diligence in the utilization and safekeeping thereof.

6500

6501 **SECTION 389. Measure of Liability of Persons Accountable for Government**

6502 **Property.** - (a) The person immediately accountable for government property shall be
6503 liable for its money value in case of the illegal, improper or unauthorized use or
6504 misapplication thereof, by himself or any other person for whose acts he may be
6505 responsible, and he shall be liable for all loss, damage, or deterioration occasioned by
6506 negligence in the keeping or use of such property unless it is proved that he has exercised
6507 due diligence and care in the utilization and safe keeping thereof.

6508

6509 (b) Unless he registers his objection in writing, an accountable person shall not be
6510 relieved from liability by reason of his having acted under the direction of a
6511 superior officer in using property with which he is chargeable; but the officer
6512 directing any illegal, unauthorized or improper use of property shall first be
6513 required to answer therefor.

6514

6515 (c) In cases of loss, damage, or deterioration of government property arising from,
6516 or attributable to, negligence in security, the head of the security agency shall be
6517 held liable therefor.

6518

6519 **SECTION 390. Credit for Loss Occurring in Transit or Due to Casualty.** -

6520 When a loss of government property occurs while the same is in transit or is caused by
6521 fire, theft, force majeure, or other casualty, the officer accountable therefor or having
6522 custody thereof shall immediately notify the provincial or city auditor concerned within
6523 thirty (30) days from the date the loss occurred or for such longer period as the provincial,
6524 city or municipal auditor, as the case may be, may in the particular case allow, and he
6525 shall present his application for relief, with the available evidence in support thereof. An
6526 officer who fails to comply with this requirement shall not be relieved of liability or
6527 allowed credit for any such loss in the settlement of his accounts.

6528

6529 A provincial, city or municipal auditor shall not allow credit for these losses
6530 unless so expressly authorized by the Chairman of the Commission on Audit, to be
6531 exercised only if the loss is not in excess of fifty thousand pesos (Php50,000.00). In any
6532 case when the allowance of credit is not within the competence of the provincial, city or
6533 municipal auditor, the application and evidence, with the recommendation of the auditor
6534 concerned, shall be forwarded to the Chairman of the Commission on Audit for his
6535 appropriate action.

6536

6537 **SECTION 391. Property Disposal.** - When property of any local government

6538 unit has become unserviceable for any cause or is no longer needed, it shall, upon
6539 application of the officer accountable therefor, be inspected and appraised by the
6540 provincial, city or municipal auditor, as the case may be, or his duly authorized
6541 representative or that of the Commission on Audit and, if found valueless or unusable,
6542 shall be destroyed in the presence of the inspecting officer.

6543

6544 If found valuable, the same shall be sold at public auction to the highest bidder
6545 under the supervision of the committee on awards and in the presence of the provincial,
6546 city or municipal auditor or his duly authorized representative. Notice of the public
6547 auction shall be posted in at least three (3) publicly accessible and conspicuous places,
6548 and if the acquisition cost exceeds One hundred thousand pesos (Php100,000.00) in the
6549 case of provinces and cities, and Fifty thousand (Php50,000.00) in the case of
6550 municipalities, notice of auction shall be published at least two (2) times within a
6551 reasonable period in a newspaper of general circulation in the locality.

6552

6553 **SECTION 392. Negotiated Sale of Property.** - Property no longer needed may
6554 also be disposed of at a private sale at such price as may be determined by the Bids and
6555 Awards Committee subject to the approval of the Commission on Audit or its duly
6556 authorized representative when the acquisition or transfer cost of the property exceeds
6557 Fifty thousand pesos (Php50,000.00) in the case of provinces and cities, and Twenty-five
6558 thousand (Php25,000.00) in the case of municipalities and Barangays. In case of real
6559 property, the disposal shall be subject to the approval of the Commission on Audit
6560 regardless of the value or cost involved.

6561

6562 **SECTION 393. Transfer Without Cost.** - Property which has become
6563 unserviceable or is no longer needed may be transferred without cost to another office,
6564 agency, subdivision or instrumentality of the national government or another local
6565 government unit at an appraised valuation determined by the local committee on awards.
6566 Such transfer shall be subject to the approval of the Sanggunian concerned making the
6567 transfer and by the head of the office, agency, subdivision, instrumentality or local
6568 government unit receiving the property.

6569

6570 **SECTION 394. Tax Exemption Privileges of Local Government Units.** - Local
6571 government units shall be exempt from the payment of duties and taxes for the
6572 importation of heavy equipment or machineries which shall be used for the construction,
6573 improvement, repair, and maintenance of roads, bridges and other infrastructure projects,
6574 as well as garbage trucks, fire trucks, and other similar equipment: Provided, however,
6575 That such equipment or machineries shall not be disposed of, either by public auction or
6576 negotiated sale as hereinabove provided, within five (5) years from the importation
6577 thereof. In case the machinery or equipment is sold within the five-year period, the
6578 purchasers or recipients shall be considered the importers thereof, and shall be liable for
6579 duties and taxes computed on the book value of such importation.

6580

6581 **SECTION 395. Implementing Rules and Regulations.** - The implementation of
6582 the provisions of this Title, including requirements as to testing, inspection, and
6583 standardization of supply and property shall be in accordance with the rules and
6584 regulations promulgated by the Commission on Audit and Government Procurement and
6585 Policy Board of the Department of Budget and Management.

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BOOK III
BANGSAMORO CONSTITUENT UNITS

TITLE I
THE BARANGAY

CHAPTER I
Role and Creation of the Barangay

SECTION 396. Role of Barangay. - As the basic political unit, the barangay serves as the primary planning and implementing unit of government policies, plans, programs, projects and activities in the community, as well as a forum wherein the collective views of the people may be expressed, crystallized and considered, and where disputes may be amicably settled.

SECTION 397. Manner of Creation. - A barangay may be created, divided, merged, abolished, or its boundary substantially altered in accordance with the law enacted by the Sangguniang Panlalawigan, Sangguniang Panlungsod or Bangsamoro Parliament⁵⁰, subject to approval by a majority of the votes cast in a plebiscite to be conducted by the COMELEC in the directly affected local government unit or units within such period as may be determined by law or ordinance creating said barangay.

SECTION 398. Requisites for Creation. - (a) A barangay may be created out of a contiguous territory with a population of at least two thousand (2,000) inhabitants as certified by the Philippine Statistics Authority. Provided, that the creation thereof shall not reduce the population of the original barangay or barangays to less than the minimum requirement prescribed herein.

To enhance the delivery of basic services in the indigenous cultural communities, barangays may be created in such communities by an Act of Sangguning Panlalawigan or the Bangsamoro Parliament, notwithstanding the above requirement.

(b) The territorial jurisdiction of the new barangay shall be properly identified by metes and bounds or by more or less permanent natural boundaries. The territory need not be contiguous if it comprises two (2) or more islands.

(c) There shall be a commitment to donate a lot area of not less than one hectares for the construction of a permanent government center like the barangay hall, health center, daycare center, health center, multi-purpose hall and similar others. The copy of intent to donate shall be attached to the petition for creation of barangay, municipality or province and copy furnished to the Ministry of Interior and Local Government⁵¹;

(d) The concerned office of the city or municipal mayor may prepare a consolidation plan for barangays, based on the criteria prescribed in this Section. The

⁵⁰ sec. 10. R.A 11054. Par. 2. The parliament has been empowered to create barangays.

⁵¹ To avoid unnecessary transfer of barangay halls whenever new officials were elected.

6625 plan shall be submitted to the Pangguniang Panlungsod or Sangguniang Panlalawigan for
6626 appropriate action with copy furnished to the Bangsamoro parliament.

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CHAPTER II

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Barangay Officials and Offices

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SECTION 399. Chief Officials and Offices. – (a) There shall be in each barangay a Punong Barangay, seven (7) Sangguniang Barangay Members, the Sangguniang Kabataan Chairman, a Barangay Secretary and a Barangay Treasurer.

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(b) There shall also be in every Barangay a Lupon Tagapamayapa, Day Care Teacher, Barangay Health Worker, Purok Leader and Local Farm Technicians⁵². The Sangguniang Barangay may form community brigades and create such other positions or offices as may be deemed necessary to carry out the purposes of the barangay government in accordance with the needs of public services subject to the budgetary limitations on personal services prescribed under Title Five, Book II of this Code.

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SECTION 400. Persons in Authority. - For purposes of the Revised Penal Code, the Punong Barangay, Sangguniang Barangay Members, and members of the Lupon Tagapamayapa in each barangay shall be deemed as persons in authority in their jurisdictions, while other barangay officials and members who may be designated by law or ordinance, and charged with the maintenance of public order, protection and security of life and property, or the maintenance of a desirable and balanced environment, and any barangay member who comes to the aid of persons in authority, shall be deemed agents of persons in authority.

6650

CHAPTER III

6651

The Punong Barangay

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SECTION 401. Chief Executive: Powers, Duties and Functions. - (a) The Punong Barangay, as the chief executive of the barangay government, shall exercise such powers and perform such duties and functions as provided by this Code and other laws.

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(b) For efficient, effective and economical governance, the purpose of which is the general welfare of the barangay and its inhabitants pursuant to Section 16 of this Code, the Punong Barangay shall:

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(1) Enforce all laws and ordinances which are applicable within the barangay;

(2) Negotiate, enter into, and sign contracts for and in behalf of the barangay, upon authorization of the Sangguniang Barangay;

⁵² There is a need to institutionalize the appointment of Day care teachers and purok leaders, and includes barangay farm technicians because they have substantial contribution in the running the affair of barangays.

- 6664 (3) Maintain public order in the barangay and, in pursuance thereof, assist the city or
6665 municipal mayor and the sanggunian members in the performance of their duties and
6666 functions;
6667
- 6668 (4) Call and preside over the sessions of the Sangguniang Barangay and the Barangay
6669 Assembly, and vote only to break a tie;
6670
- 6671 (5) Upon approval by a majority of all the members of the Sangguniang Barangay,
6672 appoint or replace the Barangay Treasurer, the Barangay Secretary, and other
6673 appointive barangay officials;
6674
- 6675 (6) Organize and lead an emergency group whenever the same may be necessary for
6676 the maintenance of peace and order or on occasions of emergency or calamity within
6677 the barangay;
6678
- 6679 (7) In coordination with the barangay development council, prepare the annual
6680 executive and supplemental budgets of the barangay;
6681
- 6682 (8) Approve vouchers relating to the disbursement of barangay funds;
6683
- 6684 (9) Enforce laws and regulations relating to pollution control and protection of the
6685 environment;
6686
- 6687 (10) Administer the operation of the Katarungang Pambarangay in accordance with the
6688 provisions of this Code;
6689
- 6690 (11) Exercise general supervision over the activities of the Sangguniang Kabataan;
6691
- 6692 (12) The barangay government must ensure the delivery of basic services under
6693 Section 17 of this Code; such as⁵³:
6694
- 6695 (i) **Agricultural Services** such as maintenance of buying station for farm
6696 products (bagsakan), conduct of lectures for farm related activities within
6697 their territorial jurisdiction, assist in the distribution of planting materials like
6698 seeds, fertilizers, and pesticides; maintenance of Gulayan sa Barangay and
6699 introducing improved farm practices as demonstrated in local farm technicians
6700 own farm in the barangay⁵⁴.
6701

⁵³ [We just define further the basic services provided under section 17 of this code](#)

⁵⁴ There is a need to appoint a Barangay Farm Worker or Local Farm Technicians as Suggested by galling pook to support our farmers. They are among neglected sector of our society; thus, they need to be supported.

- 6702 (ii) **Health Services** such as primary health care services like giving first aid,
6703 nutritional education, feeding, immunization education, family planning
6704 education, sanitation and hygiene promotion educations;
6705
- 6706 (iii) **Social Services** such as program for senior citizens, persons with disabilities,
6707 counseling for child in conflict with the law, maintenance of health center like
6708 purchase of tables, chairs and others, maintenance of day care center like
6709 purchase of chairs, tables, chalks, blackboards, and construction or provision
6710 of solid waste collection like material recovery facilities;
6711
- 6712 (iv) **Environment Services** related to community hygiene and sanitation like
6713 beautification, community action for cleanliness and systematic collection,
6714 and disposal of solid waste;
6715
- 6716 (v) Provisions and Maintenance of Katarungang Pambarangay like purchase of
6717 tables, chairs and office supplies;
6718
- 6719 (vi) Maintenance of barangay roads, bridges and water supply system, and for
6720 purposes of barangay road and bridge maintenance, the following are
6721 considered barangay road or bridge:
- 6722 (a) Those constructed by the barangay out of its own funds;
6723
- 6724 (b) Those constructed by higher local government unit or national
6725 government and turned over to the barangay; and
6726
- 6727 (c) Those constructed by private persons or entities and turned over to the
6728 barangay;
6729
- 6730 (vii) Maintenance of multi- purpose hall and purchase of equipment such as chairs,
6731 tables, sound system and others, maintenance of multi-purpose pavement, plaza,
6732 sports center and other similar infrastructure; *however*, in the event that the
6733 barangay has sufficient funds to construct facilities necessary in the delivery of
6734 basic services, there must be proper coordination to the municipal government to
6735 avoid duplicity of projects or programs;
6736
- 6737 (viii) Maintenance of Information and Reading Center or library such as the purchasing
6738 of chairs, tables, books and others;
6739
- 6740 (ix) Maintenance of public market such as provision of drainage, sanitation, peace
6741 and order;
6742
- 6743 (13) Conduct an annual palamong barangay which shall feature traditional sports and
6744 disciplines included in national and international games, in coordination with the
6745 Ministry of Basic, Higher, and Technical Education;

6746

6747 (14) Promote the general welfare of the barangay; and

6748

6749 (15) Exercise such other powers and perform such other duties and functions as may
6750 be prescribed by law or ordinance.

6751

6752 (c) In the performance of his/her peace and order functions and whenever
6753 necessary⁵⁵, the Punong Barangay shall be entitled to possess and carry one short firearm
6754 within his/her territorial jurisdiction, subject to appropriate rules and regulations.

6755

6756

CHAPTER IV The Sangguniang Barangay

6757

6758

6759 **SECTION 402. Composition.** - The Sangguniang Barangay, the legislative body
6760 of the barangay, shall be composed of the Punong Barangay as presiding officer, and the
6761 seven (7) regular Sangguniang Barangay Members elected at large and Sangguniang
6762 Kabataan chairman, as members.

6763

6764 **SECTION 403. Powers, Duties and Functions.** – (a) The Sangguniang
6765 Barangay, as the legislative body of the barangay, shall:

6766

6767 (1) Enact ordinances as may be necessary to discharge the responsibilities conferred
6768 upon it by law or ordinance and to promote the general welfare of the inhabitants
6769 therein;

6770

6771 (2) Enact tax and revenue ordinances, subject to the limitations imposed in this Code;

6772

6773 (3) Enact annual and supplemental budgets in accordance with the provisions of this
6774 Code;

6775

6776 (4) Provide for the construction or maintenance of barangay facilities and other public
6777 works projects chargeable to the general fund of the barangay or such other funds
6778 available for the purpose; *however*, in the event that the barangay has sufficient funds
6779 for the construction of barangay facilities, coordination shall be made to municipal
6780 government to avoid duplicity of the programs or projects⁵⁶;

6781

6782 (5) Submit to the Sangguniang Panlungsod or Sangguniang Bayan such suggestions or
6783 recommendations as it may see fit for the improvement of the barangay or for the
6784 welfare of the inhabitants thereof;

6785

6786 (6) Assist in the establishment, organization, and promotion of cooperative enterprises
6787 that will improve the economic condition and well-being of the residents;

⁵⁵ We regulate the privilege of barangay chairman to carry firearms so that we can establish a community free from firearms and a peaceful barangay.

⁵⁶ Coordination to higher LGU is required to avoid duplicity of programs and projects.

6788 (7) Enact ordinances that regulate the use of multi-purpose halls, multi- purpose
6789 pavements, grain or copra dryers, patios and other post-harvest facilities, barangay
6790 waterworks, barangay markets, parking areas or other similar facilities constructed with
6791 government funds within the jurisdiction of the barangay and charge reasonable fees for
6792 the use thereof;

6793

6794 (8) Solicit or accept monies, materials and voluntary labor for specific public works
6795 and cooperative enterprises of the Barangay from residents, land owners, producers and
6796 merchants in the barangay; monies from grants-in-aid, subsidies, contributions, and
6797 revenues made available to the barangays from national, provincial, city or municipal
6798 funds; and monies from other private agencies and individuals: Provided, however,
6799 That monies or properties donated by private agencies and individuals for specific
6800 purposes shall accrue to the barangay as trust fund;

6801

6802 (9) Solicit or accept, in any or all the foregoing public works and cooperative
6803 enterprises, such cooperation as is made available by national, provincial, city or
6804 municipal agencies established by law to render financial, technical, and advisory
6805 assistance to barangays and to barangay residents: Provided, however, That in soliciting
6806 or accepting such cooperation, the Sangguniang Barangay need not pledge any sum of
6807 money for expenditure in excess of amounts currently in the barangay treasury or
6808 encumbered for other purposes;

6809 (10) Provide compensation, reasonable allowances or per diems as well as travel
6810 expenses for Sangguniang Barangay members and other Barangay officials, subject to
6811 the budgetary limitations prescribed under this Code: Provided, however, That no
6812 increase in the compensation or honoraria of the Sangguniang Barangay members shall
6813 take effect until after the expiration of the full term of all members of the Sangguniang
6814 Barangay approving such increase;

6815 (11) Hold fund-raising activities for Barangay projects without the need of securing
6816 permits from any national or local office or agency. The proceeds from such activities
6817 shall be tax-exempt and shall accrue to the general fund of the Barangay: Provided,
6818 That in the appropriation thereof, the specific purpose for which such fund-
6819 raising activity has been held shall be first satisfied: Provided, further, That no fund-
6820 raising activities shall be held within a period of sixty(60) days immediately preceding
6821 and after a national or local election, recall, referendum, or plebiscite: Provided, finally,
6822 That said fund-raising activities shall comply with national policy standards and
6823 regulations on morals, health, and safety of the persons participating therein. The
6824 Sangguniang Barangay, through the Punong Barangay, shall render a public accounting
6825 of the funds raised at the completion of the project for which the fund- raising activity
6826 was under- taken;

6827 (12) Authorize the Punong Barangay to enter into contracts in behalf of the Barangay,
6828 subject to the provisions of this Code;

- 6829 (13) Authorize the Barangay treasurer to make direct purchases in an amount not
6830 exceeding Five Thousand Pesos (P 5,000.00⁵⁷) at any one time for the ordinary and
6831 essential administrative needs of the barangay;
- 6832 (14) Prescribe fines in amounts not exceeding three Thousand Pesos (P 3,000.00) for
6833 violation of barangay ordinances;
- 6834 (15) Provide for the administrative needs of the Lupong Tagapamayapa or the pangkat
6835 ng tagapagkasundo;
- 6836 (16) Provide for the organization of community brigades, barangay tanod, or
6837 community service units as may be necessary;
- 6838 (17) Organize regular lectures, programs, or fora on community problems such as
6839 sanitation, nutrition, literacy, and drug abuse, and convene assemblies to encourage
6840 citizen participation in government;
- 6841 (18) Adopt measures to prevent and control the proliferation of squatters and
6842 mendicants in the barangay;
6843
- 6844 (19) Provide for the proper development and welfare of children in the Barangay by
6845 promoting and supporting activities for the protection and total development of children,
6846 and shall establish a Local Council for the Protection of Children (LCPC)⁵⁸;
6847
- 6848 (20) **Organize Barangay Anti-Drug Abuse Council (BADAC)**⁵⁹ and adopt measures
6849 towards the prevention, rehabilitation, and eradication of drug abuse, child abuse and
6850 juvenile delinquency;
- 6851 (21) **Organize Peace and Order Council (BPOC)** and adapt measures toward the
6852 prevention of crimes within their territorial jurisdictions;
- 6853 (22) May initiate or solicit financial assistance for the establishment of a barangay high
6854 school, whenever feasible, in accordance with law;
- 6855 (23) Provide for the establishment of a non-formal or vocational and technological
6856 training education center in the barangay whenever feasible, in coordination with the
6857 Ministry of Basic, Higher and Technical Education;
- 6858 (24) Provide for the Establishment of Violence Against Women and Their Children
6859 (VAWC)⁶⁰ desk in every barangay and provide assistance for the victims;
6860

⁵⁷ We increase the authority of barangay treasurer to direct purchase of office supplies from P1,000 under R.A 7160 to P5,000 due to high price of commodities.

⁵⁸ Title II, Sections 15 of the Juvenile Justice and Welfare Act of 2006 (and Article 87 of Presidential Decree 603) provides for the establishment and strengthening of LCPC in all levels of LGU.

⁵⁹ Organization of BADAC is a grass roots program of DILG being barangay stakeholder as first line of defense in countering drug related cases.

⁶⁰ The DILG, together with the Philippine Commission on Women (PCW), DSWD, Department of Education and Department of Health issued JMC 2010-2 which provides for the establishment of a VAW Desk in every barangay to ensure that violence against women cases are fully addressed in a gender-responsive manner.

6861 (25) Provide and establish **Barangay Citizens' Charter**⁶¹. The Charter should contain
6862 the Barangay's specific frontline services, detailed steps or procedures, time allotted to
6863 accomplish each task, as well as the accountable person for each task;

6864
6865 (26) The barangay must organize and provide Barangay Disaster Risk Reduction and
6866 Management Committee (**BDRRMC**)⁶² that shall be responsible for the setting of the
6867 direction, development, coordination of disaster risk reduction program within their
6868 jurisdictions;

6869 (27) Each Barangay must post the flow of its financial transactions for every quarter
6870 outside of its Barangay Hall and at least three conspicuous public places together with
6871 the soft copy of the said financial transactions in the website of the Ministry of Interior
6872 and Local Government (MILG);

6873 (28) There shall be in every Barangay a **Barangay Registry Record** containing of all
6874 the names of Barangay inhabitants. The Sangguniang Barangay must enact an
6875 ordinance that would provide a mechanism or procedure for new entrant and for
6876 exclusions of departing member to keep the Barangay Registry updated.⁶³ and

6877 (29) Exercise such other powers and perform such other duties and functions as may be
6878 prescribed by law, ordinance or higher authority.

6879

6880 **SECTION 404. Other Duties of Sangguniang Barangay Members.** - In
6881 addition to their duties as members of the Sangguniang Barangay, Sangguniang Barangay
6882 members may:

6883

6884 (a) Assist the Punong Barangay in the discharge of his/her duties and functions;

6885

6886 (b) Act as peace officers in the maintenance of public order and safety;

6887

6888 (c) The Barangay must Establish a community-based monitoring system with
6889 representative from Civic Society Organization (CSO), Religious sector and Academe
6890 that will monitor and report the conduct of government officials and/or status of
6891 government projects/facilities within their territorial jurisdiction;⁶⁴ . The Barangay
6892 Monitoring Team may submit their report to higher local government unit and copy
6893 furnished to office of chief minister through Ministry of interior and local government;
6894 and

6895

6896 (d) Perform such other duties and functions as the Punong Barangay may delegate.

⁶¹ R.A 9485 or anti red tape act of 2007 and to address our effort of advocacy on transparency and moral governance.

⁶² sec. 12 of disaster risk reduction management act of 2010.

⁶³ Suggested by galing pook to monitor the number of barangay inhabitant for proper allocation or delivery basic of services .

⁶⁴ R.A 11315, to monitor the status of project in the community and the act of government officials.

6897 **SECTION 405. Benefits of Barangay Officials.** - The following are benefits of
6898 barangay officials:

6899 (a) The Barangay Chairman shall receive a fix salary of equivalent to or not more
6900 than salary grade fourteen (14), but in no case be less than an honorarium of Five
6901 Thousand Pesos (₱5,000.00)⁶⁵;

6902 The payment thereof shall be subsidized and paid by Bangsamoro government
6903 through ministry of interior and local government commences from January 2021.

6904 However, if after determination by Bangsamoro government through ministry of
6905 interior and local government that the funds of barangay are sufficient to pay the salary of
6906 punong barangay, the salary of such official shall be charge to barangay funds.

6907 (b) The Member of Sangguniang Barangay including Barangay Secretary, Barangay
6908 Treasurer and the Sangguniang Kabataan Chairman shall receive a salary equivalent to or
6909 not more than salary grade ten (10) subject to the availability and capability of their
6910 barangay funds but in no case be less than an honorarium of Three Thousand Pesos
6911 (₱3,000.00) every month. Provided, however, That the annual appropriations for
6912 personal services shall be subject to the budgetary limitations prescribed under this Code;

6913 (c) The incumbent barangay officials including the barangay treasurer and the
6914 barangay secretary shall be entitled to personal insurance coverage of the Government
6915 Service Insurance System. The payment of its annual contribution must not be less than
6916 Two Hundred Pesos (₱200.00) nor exceeding Four Hundred Pesos (₱400.00) which shall
6917 be shouldered and charged to the budget of the barangay⁶⁶;

6918
6919 (d) The Punong Barangay, the Sangguniang Barangay Members, the Barangay
6920 Treasurer, and the Barangay Secretary shall be entitled to Rice allowance of not less than
6921 two Thousand Pesos (₱2,000.00) each, but not more than fifty (50%) percent of their
6922 monthly salary or honorarium subject to the availability of barangay funds. The funds for
6923 the purpose shall be taken from the general fund of the barangay or from such other funds
6924 appropriated by the national government;⁶⁷

6925
6926 (e) Be entitled to free medical care including subsistence, medicines and medical
6927 attendance in any government hospital or institution: Provided, that such hospital care
6928 shall include surgery or surgical expenses, medicines, X-rays, laboratory fees and other
6929 hospital expenses.

6930

⁶⁵ E.O 332, series of 1996. integrating the barangay governments into the revised position classification and compensation system in the government, and Local Budget Circular-63,(3.1) oct.22, 1996.

⁶⁶ R.A 6942 an act increasing the insurance benefits of local government officials and providing funds therefor. However, Based on DILG legal opinion no. 25, s. 2015. The benefits of incumbent Barangay officials under section 393(b)(2) has been suspended due to nonpayment of funds. Thus, the Barangay funds must be utilized to that effect.

⁶⁷ Suggested by stakeholder during consultation.

6931 (f) In case of extreme urgency where there is no available government hospital or
6932 institution, the barangay officials concerned may submit himself/herself for immediate
6933 medical attendance to the nearest private clinic, hospital or institution and the expenses
6934 not exceeding Five Thousand Pesos (P5,000.00) that may be incurred therein shall be
6935 chargeable against the funds of the barangay concerned.

6936

6937 In the event that, the government hospitals or its officers and personnel refuse or fail to
6938 grant the medical privileges granted by this Code to the elective barangay officials
6939 including the treasurer and secretary without justifiable grounds, criminal, civil or
6940 administrative case may be filed against them;⁶⁸

6941

6942 (g) Be exempted during their incumbency from paying tuition and matriculation fees
6943 for their legitimate dependent children attending public/state colleges or universities. He
6944 or she may likewise avail of such educational benefits in a state college or university
6945 located within the province or city to which the barangay belongs.

6946

6947 In the event that, the school or its administrators and personnel refuse or fail to grant the
6948 educational benefits granted by this Code to the legitimate dependent children of elective
6949 barangay officials including treasurer and secretary without justifiable grounds, criminal,
6950 civil or administrative case may be filed against them;

6951

6952 (h) Be entitled to appropriate civil service eligibility on the basis of the number of
6953 years of service to the barangay, pursuant to the rules and regulations issued by the Civil
6954 Service Commission;

6955

6956 (i) Elective barangay officials shall have preference in appointments to any
6957 government position or in any government-owned or -controlled corporations, including
6958 their subsidiaries, after their tenure of office, subject to the requisite qualifications and
6959 the provisions of the immediately preceding paragraph; and

6960

6961 (j) The incumbent barangay purok leaders, barangay tanod or their equivalent which
6962 shall compose of not more than twenty (20) persons shall be entitled to personal
6963 insurance coverage of the Government Service Insurance System. The payment of its
6964 annual contribution must not be less than One Hundred Eighty Pesos (P180.00) which
6965 shall be shouldered and charged to the budget of the barangay they belong.⁶⁹

6966

6967 (k) The Punong Barangay with the concurrence of majority member of barangay
6968 kagawads may appoint a purok leaders with the same compensation and privileges to that
6969 of barangay tanods.

6970

⁶⁸ This penal clause was suggested by stakeholders during consultation because many hospitals and schools denies this privilege granted by R.A 7160 to the barangay officials including sangguniang kabataan.

⁶⁹ Suggested by stakeholder during consultation, The barangay tanods maintain peace and order, thus, their lives always in danger, hence, there should be an insurance for them.

6971 (1) The honorarium of purok leaders and barangay tanods must be fixed through an
6972 ordinance enacted by the sangguniang barangay subject on the availability and
6973 capability of their funds.⁷⁰

6974

6975

CHAPTER V Appointive Barangay Officials

6976

6977

6978 **SECTION 406. Barangay Secretary: Appointment, Qualifications, Powers**
6979 **and Duties.** – (a) The Barangay Secretary shall be appointed by the Punong Barangay
6980 with the concurrence of the majority of all the Sangguniang Barangay Members. The
6981 appointment of the Barangay Secretary shall not be subject to attestation by the Civil
6982 Service Commission.

6983 (b) The Barangay Secretary shall be of legal age, a qualified voter and an actual resident
6984 of the barangay concerned.

6985

6986 (c) No person shall be appointed Barangay Secretary if he is a Sangguniang Barangay
6987 member, a government employee, or a relative of the Punong Barangay within the fourth
6988 civil degree of consanguinity or affinity.

6989

6990 (d) Barangay Secretary shall:

6991

6992 (1) Keep custody of all records of the Sangguniang Barangay and the Barangay
6993 Assembly meetings;

6994

6995 (2) Prepare and keep the minutes of all meetings of the Sangguniang Barangay and
6996 the Barangay Assembly;

6997

6998 (3) Prepare a list of members of the Barangay Assembly and have the same posted in
6999 conspicuous places within the barangay;

7000

7001 (4) Assist in the preparation of all necessary forms for the conduct of barangay
7002 elections, initiatives, referenda or plebiscites, in coordination with the COMELEC;

7003

7004 (5) Assist the municipal civil registrar in the registration of births, deaths and
7005 marriages;

7006

7007 (6) Keep an updated Barangay Registry Record of all inhabitants of the barangay
7008 containing the following items of information: name, address, place and date of birth,
7009 sex, civil status, citizenship, occupation, and such other items of information as may be
7010 prescribed by law or ordinance;

⁷⁰ The honorarium of porok leader, lupon and barangay tanod must be fixed by an ordinance for purpose of transparency.

7011

7012 (7) Submit a report on the actual number of barangay residents as often as may be
7013 required by the Sangguniang Barangay; and

7014

7015 (8) Exercise such other powers and perform such other duties and functions as may
7016 be prescribed by law or ordinance.

7017

7018 **SECTION 407. Barangay Treasurer: Appointment, Qualifications, Powers**

7019 **and Duties.** – (a) The Barangay Treasurer shall be appointed by the Punong Barangay
7020 with the concurrence of the majority of all the Sangguniang Barangay Members. The
7021 appointment of the Barangay Treasurer shall not be subject to attestation by the Civil
7022 Service Commission.

7023

7024 (b) The Barangay Treasurer shall be of legal age, a qualified voter, and an actual resident
7025 of the barangay concerned.

7026

7027 (c) No person shall be appointed Barangay Treasurer if he is a Sangguniang Barangay
7028 Member, a government employee, or a relative of the Punong Barangay within the fourth
7029 civil degree of consanguinity or affinity.

7030

7031 (d) The Barangay Treasurer shall be bonded in accordance with existing laws in an
7032 amount to be determined by the Sangguniang Barangay but not exceeding Ten Thousand
7033 Pesos (P10,000.00), premiums for which shall be paid by the barangay.

7034

7035 (e) The Barangay Treasurer shall:

7036

7037 (1) Keep custody of barangay funds and properties;

7038

7039 (2) Collect and issue official receipts for taxes, fees, contributions, monies,
7040 materials, and all other resources accruing to the barangay treasury and
7041 deposit the same in the account of the barangay as provided under Title
7042 Five, Book II of this Code;

7043

7044 (3) Disburse funds in accordance with the financial procedures provided in
7045 this Code;

7046

7047 (4) Submit to the Punong Barangay a statement covering the actual and
7048 estimates of income and expenditures for the preceding and ensuing
7049 calendar years, respectively, subject to the provisions of Title Five, Book
7050 II of this Code;

7051

7052 (5) Render a written accounting report of all barangay funds and property
7053 under his/her custody at the end of each calendar year, and ensure that

7054 such report shall be made available to the members of the barangay
7055 assembly and other government agencies concerned;

7056
7057 (6) Certify as to the availability of funds whenever necessary;

7058
7059 (7) Plan and attend to the rural postal circuit within his jurisdiction; and

7060
7061 (8) Exercise such other powers and perform such other duties and functions
7062 as may be prescribed by law or ordinance.

7063

7064 **SECTION 408. Other Appointive Officials.** - The qualifications, duties and
7065 functions of all other barangay officials appointed by the Punong Barangay shall be
7066 governed by the provisions of this Code and other laws or by barangay ordinances.

7067

7068

CHAPTER VI Barangay Assembly

7069

7070

7071 **SECTION 409. Composition; Meetings.** - (a) There shall be a barangay
7072 assembly composed of all persons who are actual residents of the barangay for at least six
7073 (6) months, fifteen (15) years of age or over, citizens of the Philippines and duly
7074 registered in the list of barangay assembly members.

7075

7076 (b) The barangay assembly shall meet at least twice a year to hear and discuss the
7077 semestral report of the Sangguniang Barangay concerning its activities and finances as
7078 well as problems affecting the barangay including revenue collection like real property
7079 tax. Its meetings shall be held upon call of the Punong Barangay or of at least four (4)
7080 members of the Sangguniang Barangay, or upon written petition of at least five percent
7081 (5%) of the assembly members.

7082

7083 (c) No meeting of the barangay assembly shall take place unless a written notice is
7084 given one (1) week prior to the meeting except on matters involving public safety or
7085 security, in which case notice within a reasonable time shall be sufficient. The Punong
7086 Barangay, or in his absence, the Sangguniang Barangay Member acting as Punong
7087 Barangay, or any assembly member selected during the meeting, shall act as presiding
7088 officer in all the meetings of the assembly. The barangay secretary, or in his absence, any
7089 member designated by the presiding officer to act as secretary, shall discharge the duties
7090 of secretary of the barangay assembly.

7091

7092

7093

7094

7095

7096 **SECTION 410. Powers of the Barangay Assembly.** - The Barangay Assembly
7097 shall:

7098

- 7099 (a) Initiate legislative processes by recommending to the Sangguniang Barangay the
7100 adoption of measures for the welfare of the barangay and the city or municipality
7101 concerned;
7102
- 7103 (b) Decide on the adoption of initiative as a legal process whereby the registered
7104 voters of the barangay may directly propose, enact or amend any ordinance; and
7105
- 7106 (c) Hear and pass upon the semestral report of the Sangguniang Barangay concerning
7107 its activities and finances.
7108

7109 **CHAPTER VII**
7110 **Katarungang Pambarangay**

7111 **SECTION 411. Lupong Tagapamayapa.** - (a) There is hereby created in each
7112 barangay a Lupong Tagapamayapa, hereinafter referred to as the Lupon, composed of the
7113 Punong Barangay as chairman and ten(10) to twenty (20) members coming from the
7114 following sectors:⁷¹ Religious (Ustadz/Imam); Elders and/ or Tribal Leaders; Non-
7115 Muslims;Women; PWDs; Youth, and Solo Parents.

7116 The Lupon shall be constituted every three (3) years in the manner provided herein.
7117

7118 (b) Any person actually residing or working in the Barangay, not otherwise expressly
7119 disqualified by law, and possessing integrity, impartiality, independence of mind, sense
7120 of fairness, and reputation for probity, may be appointed a member of the lupon.
7121

7122 (c) A notice to constitute the lupon, which shall include the names of proposed
7123 members who have expressed their willingness to serve, shall be prepared by the Punong
7124 Barangay within the first fifteen (15) days from the start of his term of office. Such notice
7125 shall be posted in three (3) conspicuous places in the Barangay continuously for a period
7126 of not less than three (3) weeks;
7127

7128 (d) The Punong Barangay, taking into consideration any opposition to the proposed
7129 appointment or any recommendations for appointments as may have been made within
7130 the period of posting, shall within ten (10) days thereafter, appoint as members those
7131 whom he determines to be suitable therefor. Appointments shall be in writing, signed by
7132 the Punong Barangay, and attested to by the Barangay secretary.
7133

7134 (e) The list of appointed members shall be posted in three (3) conspicuous places in
7135 the Barangay for the entire duration of their term of office; and
7136

⁷¹ Art. 4, sec. 6 of R.A 11054 which provides: the Bangsamoro Government shall promote unity, justice and goodwill among all people, as well as encourage a just and peaceful settlement of dispute

7137 (f) In Barangays where majority of the inhabitants are members of indigenous
7138 cultural communities, local systems or through their councils of datos or elders shall be
7139 recognized without prejudice to the applicable provisions of this Code.

7140 **SECTION 412. Oath and Term of Office.** - Upon appointment, each lupon
7141 member shall take an oath of office before the Punong Barangay.

7142 Before assumption to the office, the Muslim members of the lupon, must make an
7143 affirmation before the Holy Qur'an and for non- Muslim, to holy books as recognized by
7144 the religious affiliations of such officials to perform their duties based on law, justice and
7145 equity.⁷²

7146 He/she shall hold office until a new lupon is constituted on the third year
7147 following his/her appointment unless sooner terminated by resignation, transfer of
7148 residence or place of work, or withdrawal of appointment by the Punong Barangay with
7149 the concurrence of the majority of all the members of the Lupon.

7150 **SECTION 413. Vacancies.** - Should a vacancy occur in the lupon for any cause,
7151 the Punong Barangay shall immediately appoint a qualified person who shall hold office
7152 only for the unexpired portion of the term.

7153 **SECTION 414. Functions of the Lupon.** - The lupon shall:

7154 (a) Exercise administrative supervision over the conciliation panels provided herein;

7155 (b) Meet regularly once a month to provide a forum for exchange of ideas among its
7156 members and the public on matters relevant to the amicable settlement of disputes, and to
7157 enable various conciliation panel members to share with one another their observations
7158 and experiences in effecting speedy resolution of disputes; and

7159 (c) Exercise such other powers and perform such other duties and functions as may
7160 be prescribed by law or ordinance.

7161 **SECTION 415. Secretary of the Lupon.** - The barangay secretary shall
7162 concurrently serve as the secretary of the lupon. He/she shall record the results of
7163 mediation proceedings before the Punong Barangay and shall submit a report thereon to
7164 the proper city or municipal courts. He/she shall also receive and keep the records of
7165 proceedings submitted to him/her by the various conciliation panels.

7166 **SECTION 416. Pangkat ng Tagapagkasundo.** - (a) There shall be constituted
7167 for each dispute brought before the lupon a conciliation panel to be known as the pangkat
7168 ng tagapagkasundo, hereinafter referred to as the pangkat, consisting of three (3)
7169 members who shall be chosen by the parties to the dispute from the list of members of the
7170 lupon.

⁷² It was suggested by stakeholders during consultation to ensure impartiality in deciding a case under their jurisdictions.

7177 Should the parties fail to agree on the pangkat membership, the same shall be
7178 determined by lots drawn by the lupon chairman.

7179

7180 (b) The three (3) members constituting the pangkat shall elect from among
7181 themselves the chairman and the secretary. The secretary shall prepare the minutes of the
7182 pangkat proceedings and submit a copy duly attested to by the chairman to the lupon
7183 secretary and to the proper city or municipal court. He shall issue and cause to be served
7184 notices to the parties concerned.

7185

7186 The lupon secretary shall issue certified true copies of any public record in his custody
7187 that is not by law otherwise declared confidential.

7188

7189 **SECTION 417. Vacancies in the Pangkat.** - Any vacancy in the pangkat shall
7190 be chosen by the parties to the dispute from among the other lupon members. Should the
7191 parties fail to agree on a common choice, the vacancy shall be filled by lot to be drawn by
7192 the lupon chairman.

7193

7194 **SECTION 418. Character of Office and Service of Lupon Members.** - (a) The
7195 lupon members, while in the performance of their official duties or on the occasion
7196 thereof, shall be deemed as persons in authority, as defined in the Revised Penal Code.

7197

7198 (b) The lupon or pangkat members shall receive honorarium as determined by
7199 sangguniang barangay. While in the performance of their duties, the lupon or pangkat
7200 members, whether in public or private employment, shall be deemed to be on official
7201 time, and shall not suffer from any diminution in compensation or allowance from said
7202 employment.

7203

7204 **SECTION 419. Legal Advice on Matters Involving Questions of Law.** - The
7205 provincial, city legal officer or prosecutor or the municipal legal officer shall render legal
7206 advice on matters involving questions of law to the Punong Barangay or any lupon or
7207 pangkat member whenever necessary in the exercise of his/her functions in the
7208 administration of the Katarungang Pambarangay

7209

7210 **SECTION 420. Subject Matter for Amicable Settlement; Exception Thereto.**
7211 - The lupon of each barangay shall have authority to bring together the parties residing in
7212 the same city or municipality for amicable settlement of all disputes except:

7213 (a) Where one party is the government, or any subdivision or instrumentality thereof;

7214

7215 (b) Where one party is a public officer or employee, and the dispute relates to the
7216 performance of his/her official functions;

7217

7218 (c) Offenses punishable by imprisonment exceeding one (1) year or a fine exceeding
7219 Five Thousand Pesos (P5,000.00);

7220

7221 (d) Offenses where there is no private offended party;

7222 (e) Where the dispute involves real properties located in different cities or
7223 municipalities unless the parties thereto agree to submit their differences to amicable
7224 settlement by an appropriate lupon;

7225

7226 (f) Disputes involving parties who actually reside in barangays of different cities or
7227 municipalities, except where such barangay units adjoin each other and the parties thereto
7228 agree to submit their differences to amicable settlement by an appropriate lupon;

7229

7230 (h) Such other classes of disputes which the Parliament may determine in the interest of
7231 justice or upon the recommendation of the secretary of Justice.

7232

7233 The court in which non-criminal cases not falling within the authority of the lupon
7234 under this Code are filed may, at any time before trial, motu proprio refer the case to the
7235 lupon concerned for amicable settlement.

7236

7237 **SECTION 421. Prohibition on Collection of Money or its Equivalent-** No
7238 money or its equivalent shall be collected from the complainant or respondent in availing
7239 the services of the lupon and/or barangay officials except on minimal amount during the
7240 filling of complaint as a form of filing fee as provided by a barangay ordinance.

7241

7242 Any barangay official or lupon member found to have collected any amount in
7243 violation of the preceding paragraph shall suffer the penalty of reprimand, suspension or
7244 removal from office after the observance of due process.⁷³

7245

7246 **SECTION 422. Venue.** - (a) Disputes between persons actually residing in the
7247 same barangay shall be brought for amicable settlement before the lupon of said barangay.

7248 (b) Those involving actual residents of different barangays within the same city or
7249 municipality shall be brought in the Barangay where the respondent or any of the
7250 respondents actually resides, at the election of the complainant.

7251

7252 (c) All disputes involving real property, or any interest therein shall be brought in the
7253 Barangay where the real property or the larger portion thereof is situated.

7254

7255 (d) Those arising at the workplace where the contending parties are employed or at
7256 the institution where such parties are enrolled for study, shall be brought in the Barangay
7257 where such workplace or institution is located.

7258

7259 Objections to venue shall be raised in the mediation proceedings before the
7260 Punong Barangay; otherwise, the same shall be deemed waived. Any legal question
7261 which may confront the Punong Barangay in resolving objections to venue herein
7262 referred to may be submitted to the secretary of Justice, or his duly designated
7263 representative, whose ruling thereon shall be binding.

⁷³ It was suggested by participant during consultation because accordingly, some barangay officials or lupon member collected substantial amount of money to both complainant and respondent before or after the deliberation of their case.

7264 **SECTION 423. Procedure for Amicable Settlement.** - (a) Who may initiate
7265 proceeding - Upon payment of the appropriate filing fee, any individual who has a cause
7266 of action against another individual involving any matter within the authority of the lupon
7267 may complain, orally or in writing, to the lupon chairman of the barangay.
7268

7269 (b) Mediation by lupon chairman - Upon receipt of the complaint, the lupon chairman
7270 shall within the next working day summon the respondent(s), with notice to the
7271 complainant(s) for them and their witnesses to appear before him for a mediation of their
7272 conflicting interests. If he fails in his mediation effort within fifteen (15) days from the
7273 first meeting of the parties before him, he shall forthwith set a date for the constitution of
7274 the pangkat in accordance with the provisions of this Chapter.
7275

7276 (c) Suspension of prescriptive period of offenses - While the dispute is under
7277 mediation, conciliation, or arbitration, the prescriptive periods for offenses and cause of
7278 action under existing laws shall be interrupted upon filing of the complaint with the
7279 Punong Barangay. The prescriptive periods shall resume upon receipt by the complainant
7280 of the complaint or the certificate of repudiation or of the certification to file action
7281 issued by the lupon or pangkat secretary: Provided, however, That such interruption shall
7282 not exceed sixty (60) days from the filing of the complaint with the Punong Barangay.
7283

7284 (d) Issuance of summons; hearing; grounds for disqualification- The pangkat shall
7285 convene not later than three (3) days from its constitution, on the day and hour set by the
7286 lupon chairman, to hear both parties and their witnesses, simplify issues, and explore all
7287 possibilities for amicable settlement. For this purpose, the pangkat may issue summons
7288 for the personal appearance of parties and witnesses before it. In the event that a party
7289 moves to disqualify any member of the pangkat by reason of relationship, bias, interest,
7290 or any other similar grounds discovered after the constitution of the pangkat, the matter
7291 shall be resolved by the affirmative vote of the majority of the pangkat whose decision
7292 shall be final. Should disqualification be decided upon, the resulting vacancy shall be
7293 filled as herein provided for.
7294

7295 (e) Period to arrive at a settlement - The pangkat shall arrive at a settlement or
7296 resolution of the dispute within fifteen (15) days from the day it convenes in accordance
7297 with this section. This period shall, at the discretion of the pangkat, be extendible for
7298 another period which shall not exceed fifteen (15) days, except in clearly meritorious
7299 cases.
7300

7301 **SECTION 424. Form of Settlement.** - All amicable settlements shall be in
7302 writing, in a language or dialect known to the parties, signed by them, and attested to by
7303 the lupon chairman or the pangkat chairman, as the case may be. When the parties to the
7304 dispute do not use the same language or dialect, the settlement shall be written in the
7305 language or dialect known to them.
7306

7307 **SECTION 425. Conciliation.** - (a) Pre-condition to Filing of Complaint in Court.
7308 - No complaint, petition, action, or proceeding involving any matter within the authority

7309 of the lupon shall be filed or instituted directly in court or any other government office
7310 for adjudication, unless there has been a confrontation between the parties before the
7311 lupon chairman or the pangkat, and that no conciliation or settlement has been reached as
7312 certified by the lupon secretary or pangkat secretary as attested to by the lupon or pangkat
7313 chairman or unless the settlement has been repudiated by the parties thereto.

7314

7315 (b) Where Parties May Go Directly to Court. - The parties may go directly to court in
7316 the following instances:

7317

7318 (1) Where the accused is under detention;

7319

7320 (2) Where a person has otherwise been deprived of personal liberty calling for habeas
7321 corpus proceedings;

7322

7323 (3) Where actions are coupled with provisional remedies such as preliminary
7324 injunction, attachment, delivery of personal property, and support pendente lite; and

7325

7326 (4) Where the action may otherwise be barred by the statute of limitations.

7327

7328 (c) **Conciliation Among Members of Indigenous Cultural Communities.** - The
7329 customs and traditions of indigenous cultural communities shall be applied in settling
7330 disputes between members of the cultural communities.

7331 **SECTION 426. Arbitration.** - (a) The parties may, at any stage of the
7332 proceedings, agree in writing that they shall abide by the arbitration award of the lupon
7333 chairman or the pangkat. Such agreement to arbitrate may be repudiated within five (5)
7334 days from the date thereof for the same grounds and in accordance with the procedure
7335 hereinafter prescribed. The arbitration award shall be made after the lapse of the period
7336 for repudiation and within ten (10) days thereafter.

7337 (b) The arbitration award shall be in writing in a language or dialect known to the parties.
7338 When the parties to the dispute do not use the same language or dialect, the award shall
7339 be written in the language or dialect known to them.

7340

7341 **SECTION 427. Proceedings Open to the Public; Exception.** - All proceedings
7342 for settlement shall be public and informal: Provided, however, That the lupon chairman
7343 or the pangkat chairman, as the case may be, may motu proprio or upon request of a party,
7344 exclude the public from the proceedings in the interest of privacy, decency, or public
7345 morals.

7346 **SECTION 428. Appearance of Parties in Person.** - In all Katarungang
7347 PamBarangay proceedings, the parties must appear in person without the assistance of
7348 counsel or representative, except for minors and incompetents who may be assisted by
7349 their next-of-kin who are not lawyers.

7350 **SECTION 429. Effect of Amicable Settlement and Arbitration Award.** - The
7351 amicable settlement and arbitration award shall have the force and effect of a final
7352 judgment of a court upon the expiration of ten (10) days from the date thereof, unless
7353 repudiation of the settlement has been made or a petition to nullify the award has been
7354 filed before the proper city or municipal court.

7355 **SECTION 430. Execution.** - The amicable settlement or arbitration award may
7356 be enforced by execution by the lupon within six (6) months from the date of the
7357 settlement. After the lapse of such time, the settlement may be enforced by action in the
7358 appropriate city or municipal court.

7359 **SECTION 431. Repudiation.** -Any party to the dispute may, within ten (10)
7360 days from the date of the settlement, repudiate the same by filing with the lupon chairman
7361 a statement to that effect sworn to before him, where the consent is vitiated by fraud,
7362 violence, or intimidation. Such repudiation shall be sufficient basis for the issuance of the
7363 certification for filing a complaint as hereinabove provided.

7364 **SECTION 432. Transmittal of Settlement and Arbitration Award to the**
7365 **Court.** - The secretary of the lupon shall transmit the settlement or the arbitration award
7366 to the appropriate city or municipal court within five (5) days from the date of the award
7367 or from the lapse of the ten-day period repudiating the settlement and shall furnish copies
7368 thereof to each of the parties to the settlement and the lupon chairman.

7369 **SECTION 433. Power to Administer Oaths.** - The Punong Barangay, as
7370 chairman of the Lupon Tagapamayapa, and the members of the pangkat are hereby
7371 authorized to administer oaths in connection with any matter relating to all proceedings in
7372 the implementation of the Katarungang PamBarangay.

7373 **SECTION 434. Administration; Rules and Regulations.** - The city or
7374 municipal mayor, as the case may be, shall see to it the efficient and effective
7375 implementation and administration of the Katarungang PamBarangay. The secretary of
7376 Justice shall promulgate the rules and regulations necessary to implement this Chapter.
7377

7378 **SECTION 435. Appropriations.** - Such amount as may be necessary for the
7379 effective implementation of the Katarungang PamBarangay shall be provided for in the
7380 annual budget of the city or municipality concerned.

7381
7382
7383
7384

CHAPTER VIII Sangguniang Kabataan

7385 **SECTION 436. Creation and Election.** - (a) There shall be in every Barangay a
7386 Sangguniang Kabataan to be composed of a chairman, seven (7) members, a secretary,
7387 and a treasurer.

7388 (b) A Sangguniang Kabataan official who, during his term of office, shall have
7389 passed the age of twenty-four (24) years shall be allowed to serve the remaining portion
7390 of the term for which he was elected.

7391 **SECTION 437. Katipunan ng Kabataan.** - The Katipunan ng Kabataan shall
7392 be composed of all citizens of the Philippines actually residing in the Barangay for at
7393 least six (6) months, who are fifteen (15) but not more than thirty (30) years of age, and
7394 who are duly registered in the list of the Sangguniang Kabataan or in the official
7395 Barangay list in the custody of the Barangay secretary.

7396
7397 **SECTION 438. Meetings of the Katipunan ng Kabataan.** - The Katipunan ng
7398 Kabataan shall meet at least once in every six (6) months, or at the call of the chairman of
7399 the Sangguniang Kabataan or upon written petition of at least one-twentieth (1/20) of its
7400 members, to decide on important issues affecting the youth of the Barangay.

7401
7402 **SECTION 439. Powers and Functions of the Sangguniang Kabataan.** -
7403 Powers and Functions of the Sangguniang Kabataan. - The Sangguniang Kabataan shall:

7404
7405 (a) Promulgate resolutions necessary to carry out the objectives of the youth in the
7406 Barangay in accordance with the applicable provisions of this Code;

7407
7408 (b) Initiate programs designed to enhance the social, political, economic, cultural,
7409 intellectual, moral, spiritual, and physical development of the members;

7410
7411 (c) Hold fund-raising activities, the proceeds of which shall be tax-exempt and shall
7412 accrue to the general fund of the Sangguniang Kabataan: Provided, however, That in the
7413 appropriation thereof, the specific purpose for which such activity has been held shall be
7414 first satisfied;

7415
7416 (d) Create such bodies or committees as it may deem necessary to effectively carry
7417 out its programs and activities;

7418
7419 (e) Submit annual and end-of-term reports to the Sangguniang Barangay on their
7420 projects and activities for the survival and development of the youth in the Barangay ;

7421
7422 (f) Consult and coordinate with all youth organizations in the Barangay for policy
7423 formulation and program implementation;

7424
7425 (g) Coordinate with the appropriate national agency for the implementation of youth
7426 development projects and programs at the national level; and

7427
7428 (h) Exercise such other powers and perform such other duties and functions as the
7429 Sangguniang Barangay may determine or delegate or as may be prescribed by law or
7430 ordinance.

7431
7432 **SECTION 440. Meetings of the Sangguniang Kabataan.** - The Sangguniang
7433 Kabataan shall meet regularly once a month on the date, time, and place to be fixed by
7434 the said sanggunian. Special meetings may be called by the Sangguniang Kabataan
7435 chairman or any three (3) of its members by giving written notice to all members of the

7436 date, time, place, and agenda of the meeting at least one (1) day in advance. Notices of
7437 regular or special meetings shall be furnished the Punong Barangay and the Sangguniang
7438 Barangay.

7439

7440 **SECTION 441. Qualifications.** – The Sangguniang Kabataan chairman and
7441 members shall have the following qualifications:

7442

7443 1) A citizen of the Philippines;

7444

7445 2) A qualified voter of the Katipunan ng Kabataan;

7446

7447 3) A resident of the barangay for not less than one (1) year immediately preceding the
7448 day of the elections;

7449

7450 4) At least 18 years but not more than 24 years of age on the day of the elections;

7451

7452 5) At least junior high school level for Sangguniang Kabataan chairman and elementary
7453 level for member of Sangguniang Kabataan;⁷⁴

7454

7455 6) Must not be related within the second civil degree of consanguinity or affinity to any
7456 incumbent elected national official or to any incumbent elected regional, provincial, city,
7457 municipal or barangay official in the locality where the aspirant seeks to be elected;⁷⁵ and

7458

7459 7) Must not have been convicted by final judgment of any crime involving moral
7460 turpitude.

7461

7462 **SECTION 442. Term of Office.** - The Sangguniang Kabataan chairman and
7463 members shall hold office for a period of three (3) years, unless sooner removed for cause
7464 as provided by law, permanently incapacitated, die or resigned from office.

7465

7466 **SECTION 443. Sangguniang Kabataan Chairman.** - The registered voters of
7467 the Katipunan ng Kabataan shall elect the chairman of the Sangguniang Kabataan who
7468 shall automatically serve as an ex-officio member of the Sangguniang Barangay upon
7469 his/her assumption to office. As such, he/she shall exercise the same powers, discharge
7470 the same duties and functions, and enjoy the same privileges as the regular Sangguniang
7471 Barangay members, and shall be the chairman of the committee on youth and sports
7472 development in the said sanggunian.

7473

7474 **SECTION 444. Powers and Duties of the Sangguniang Kabataan Chairman.**

7475 - In addition to the duties which may be assigned to him/her by the Sangguniang
7476 Barangay, the Sangguniang Kabataan chairman shall:

⁷⁴ It is to encourage our youth to study because they are the future leader of our community. Moreover, under SK reform law of 2015, the Sangguniang Kabataan is mandated to enact a resolution and other measures for the welfare of the youth. They are now responsible for the disbursement of their shares in barangay IRA.

⁷⁵ It was adopted under SK reform law.

- 7477 (a) Call and preside over all meetings of the Katipunan ng Kabataan and the
7478 Sangguniang Kabataan;
- 7479 (b) Implement policies, programs and projects within his/her jurisdiction in
7480 coordination with the Sangguniang Barangay;
- 7481
- 7482 (c) Exercise general supervision over the affairs and activities of the Sangguniang
7483 Kabataan and the official conduct of its members, and such other officers of the
7484 Sangguniang Kabataan within his/her jurisdiction;
- 7485
- 7486 (d) With the concurrence of the Sangguniang Kabataan, appoint from among the
7487 members of the Sangguniang Kabataan, the secretary and treasurer, and such other
7488 officers as may be deemed necessary;
- 7489
- 7490 (e) Submission of a Sangguniang Kabataan 3-year comprehensive development plan;
7491 ⁷⁶ and
- 7492
- 7493 (f) Exercise such other powers and perform such other duties and functions as may
7494 be prescribed by law or ordinance.

7495

7496 **SECTION 445. Sangguniang Kabataan Secretary.** – The Sangguniang
7497 Kabataan Secretary shall:

- 7498 (a) Keep all records of the katipunan ng kabataan and Sangguniang Kabataan;
- 7499
- 7500 (b) Prepare and keep the minutes of all meetings of the katipunan ng kabataan and
7501 Sangguniang Kabataan;
- 7502
- 7503 (c) Prepare all forms necessary for the conduct of registrations, elections, initiatives,
7504 referenda, or plebiscites, in coordination with the Barangay secretary and the Comelec;
7505 and
- 7506
- 7507 (d) Perform such other duties and discharge such other functions as the chairman of
7508 the Sangguniang Kabataan may prescribe or direct.

7509

7510 **SECTION 446. Sangguniang Kabataan Treasurer.** - The Sangguniang
7511 Kabataan Treasurer shall:

- 7512 (a) Take custody of all Sangguniang Kabataan property and funds not otherwise
7513 deposited with the city or municipal treasurer;
- 7514
- 7515 (b) Collect and receive contributions, monies, materials, and all other resources
7516 intended for the Sangguniang Kabataan and katipunan ng kabataan;
- 7517
- 7518 (c) Disburse funds in accordance with an approved budget of the Sangguniang
7519 Kabataan;

7520

⁷⁶ It was mandated under [SK reform law](#)

- 7521 (d) Certify to the availability of funds whenever necessary;
7522
- 7523 (e) Submit to the Sangguniang Kabataan and to the Sangguniang Barangay certified
7524 and detailed statements of actual income and expenditures at the end of every month; and
7525
- 7526 (f) Perform such other duties and discharge such other functions as the chairman of
7527 the Sangguniang Kabataan may direct.

7528 **SECTION 447. Privileges of Sangguniang Kabataan Officials.**⁷⁷ – (1) The
7529 Sangguniang Kabataan chairman shall have the same privileges enjoyed by other
7530 Sangguniang Barangay officials under this Code subject to such requirements and
7531 limitations provided herein. During their incumbency, Sangguniang Kabataan officials
7532 shall be exempt from payment of tuition and matriculation fees while enrolled in public
7533 tertiary schools, including state colleges and universities. The national government shall
7534 reimburse said college or university the amount of the tuition and matriculation fees:
7535 Provided, That, to qualify for the privilege, the said officials shall enroll in the state
7536 college or university within or nearest their area of jurisdiction.

7537 (2) Be exempt from taking the National Service Training Program-Civic Welfare
7538 Training Service (NSTP-CWTS) subjects. In lieu thereof, concerned Sangguniang
7539 Kabataan officials shall submit written reports, preferably with photographs, or other
7540 documentations of their participation in the implementation of programs, projects and
7541 activities as outlined in the Comprehensive Barangay Investment Program. Absence of
7542 such reports and documentations or a finding to the contrary upon verification of
7543 submitted reports, will disqualify the concerned Sangguniang Kabataan officials from
7544 this privilege.

7545 (3) Be excused from attending their regular classes, if they are currently enrolled in any
7546 school, while attending then- regular or special Sangguniang Kabataan meetings, and the
7547 Sangguniang Barangay sessions, in case of the Sangguniang Kabataan chairperson. A
7548 certification of attendance shall be issued by the Sangguniang Kabataan secretary,
7549 attested by the Sangguniang Kabataan chairperson and duly noted by the Punong
7550 Barangay and shall be submitted to the concerned faculty member and the dean of the
7551 educational institution as proof of attendance. In the case of the Sangguniang Kabataan
7552 secretary, the Sangguniang Kabataan chairperson shall issue the certification duly noted
7553 by the Punong Barangay. In the case of the Sangguniang Kabataan chairperson, the
7554 barangay secretary shall issue the certification of attendance duly noted by the Punong
7555 Barangay. Any person who shall falsely certify as to the attendance of any Sangguniang
7556 Kabataan official shall be criminally and administratively liable;

7557 (4) Be provided by the National Government with Philippine Health Insurance
7558 Corporation (Philhealth) coverage;

⁷⁷ Adopted under SK reform law

7559 (5) Be entitled to receive actual travelling reimbursements as may be authorized by law,
7560 and subject to the availability of funds: *Provided*, That, such travel is directly related to
7561 the performance of their functions as Sangguniang Kabataan officials and is supported by
7562 duly approved travel order by the Punong Barangay in the case of the Sangguniang
7563 Kabataan chairperson, or by the Sangguniang Kabataan chairperson in the case of the
7564 other Sangguniang Kabataan officials; and

7565

7566 (6) The Sangguniang Kabataan chairperson shall have the same privileges enjoyed by
7567 other Sangguniang Barangay officials under this code subject to such requirements and
7568 limitations provided herein.⁷⁸

7569

7570 **SECTION 448. Succession and Filling of Vacancies.** - (a) In case a
7571 Sangguniang Kabataan chairman refuses to assume office, fails to qualify, is convicted of
7572 a felony, voluntarily resigns, dies, is permanently incapacitated, is removed from office,
7573 or has been absent without leave for more than three (3) consecutive months, the
7574 Sangguniang Kabataan member who obtained the next highest number of votes in the
7575 election immediately preceding shall assume the office of the chairman for the unexpired
7576 portion of the term, and shall discharge the powers and duties, and enjoy the rights and
7577 privileges appurtenant to the office. In case the said member refuses to assume the
7578 position or fails to qualify, the sanggunian member obtaining the next highest number of
7579 votes shall assume the position of the chairman for the unexpired portion of the term.

7580

7581 (b) Where two (2) or more Sangguniang Kabataan members obtained the same next
7582 highest number of votes, the other Sangguniang Kabataan members shall conduct an
7583 election to choose the successor to the chairman from among the said members.

7584

7585 (c) After the vacancy shall have been filled, the Sangguniang Kabataan chairman
7586 shall call a special election to complete the membership of said sanggunian. Such
7587 Sangguniang Kabataan member shall hold office for the unexpired portion of the term of
7588 the vacant seat.

7589

7590 (d) In case of suspension of the Sangguniang Kabataan chairman, the successor, as
7591 determined in subsections (a) and (b) of this Section shall assume the position during the
7592 period of such suspension.

7593

7594

CHAPTER IX Pederasyon ng mga Sangguniang Kabataan

7595

7596

7597 **SECTION 449. Pederasyon ng mga Sangguniang Kabataan.** - (a) There shall
7598 be an organization of all the Pederasyon ng mga Sangguniang Kabataan to be known as
7599 follows:

7600

7601 (1) in municipalities, pambayang pederasyon ng mga Sangguniang Kabataan;

⁷⁸ Adopted under SK Reform Law

- 7602
7603 (2) in cities, panlungsod na pederasyon ng mga Sangguniang Kabataan;
7604
7605 (3) in provinces, panlalawigang pederasyon ng mga Sangguniang Kabataan;
7606 (4) in Bangsamoro Autonomous Region in Muslim Mindanao, panrehiyong
7607 pederasyon ng Sangguniang Kabataan;⁷⁹ and
7608
7609 (5) on the national level, pambansang pederasyon ng mga Sangguniang Kabataan.
7610
7611 (b) The pederasyon ng mga Sangguniang Kabataan shall, at all levels, elect from
7612 among themselves the president, vice-president and such other officers as may be
7613 necessary and shall be organized in the following manner:
7614
7615 1. The panlungsod and pambayang pederasyon shall be composed of the
7616 Sangguniang Kabataan chairmen of barangays in the city or municipality, respectively;
7617
7618 2. The panlalawigang pederasyon shall be composed of presidents of the panlungsod
7619 and pambayang pederasyon;
7620
7621 3. The pangrehiyong pederasyon shall be composed of presidents of the panlungsod
7622 and panlalawigang pederasyon;
7623
7624 (c) The elected presidents of the pederasyon at the provincial and highly urbanized
7625 city shall constitute the pambansang katipunan ng mga Sangguniang Kabataan.
7626
7627 **SECTION 450. Constitution and By-Laws.** - The term of office, manner of
7628 election, removal and suspension of the officers of the pederasyon ng mga Sangguniang
7629 Kabataan at all levels shall be governed by the constitution and by-laws of the
7630 pederasyon in conformity with the provisions of this Code and regional policies on youth.
7631
7632 **SECTION 451. Membership in the Sanggunian.** - (a) A Sangguniang Kabataan
7633 chairman shall, upon certification of his/her election by the COMELEC and during
7634 his/her tenure of office is elected as pederasyon president, serve as an ex-officio member
7635 of the Sanggunian Panlalawigan, Sangguniang Panlungsod, and Sangguniang Bayan, as
7636 the case may be, without need of further appointment.
7637
7638 (b) The vice-president of the pederasyon whose president has been elected as
7639 president of a higher pederasyon shall serve as ex-officio member of the sanggunian
7640 concerned without need of further appointment.
7641
7642 (c) The pederasyon president or vice-president, as the case may be, shall be the
7643 chairman of the committee on youth and sports development of the sanggunian concerned.
7644
7645

CHAPTER X

⁷⁹ Suggested during public consultation to have regional federation for the Sangguniang Kabataan officials.

7646 **Linggo ng Kabataan**

7647
7648 **SECTION 452. Observance of Linggo ng Kabataan.**- (a) Every barangay,
7649 municipality, city and province shall, in coordination with the pederasyon ng mga
7650 Sangguniang Kabataan at all levels, conduct an annual activity to be known as the Linggo
7651 ng Kabataan on such date as shall be determined by the Office of the President.

7652
7653 (b) The observance of the Linggo ng Kabataan shall include the election of the
7654 counterparts of all local elective and appointive officials, as well as heads of national
7655 offices or agencies stationed or assigned in the territorial jurisdiction of the local
7656 government unit, among in-school and community youth residing in the local government
7657 unit concerned from ages fourteen (14) to eighteen (18). During said week, they shall
7658 hold office as boy and girl officials and shall perform such duties and conduct such
7659 activities as may be provided in the ordinance enacted pursuant to this Chapter.

7660
7661 **TITLE II**
7662 **THE MUNICIPALITY**

7663
7664 **CHAPTER I**
7665 **Role and Creation of the Municipality**

7666
7667 **SECTION 453. Role of the Municipality.** - The municipality, consisting of a
7668 group of Barangays, serves primarily as a general-purpose government for the
7669 coordination and delivery of basic, regular and direct services and effective governance
7670 of the inhabitants within its territorial jurisdiction.

7671
7672 **SECTION 454. Manner of Creation.** - A municipality may be created, divided,
7673 merged, abolished, or its boundary substantially altered by an act of congress or the
7674 Parliament and subject to the approval by a majority vote of electorate⁸⁰ of the votes cast
7675 in a plebiscite to be conducted by the COMELEC in the local government unit or units
7676 directly affected. Provided, that the criteria laid down in RA 7160 shall be satisfied., the
7677 plebiscite shall be held within one hundred twenty (120) days from the date of its
7678 effectivity.

7679
7680 **SECTION 455. Requisites for Creation.** – (a) A municipality may be created if it
7681 has average annual income of at least P2.5 million for the last two consecutive years as certified
7682 by Bangsamoro Treasury⁸¹;

7683
7684 (b) a population of at least twenty-five thousand (25,000) inhabitants as certified by the
7685 Philippine Statistics Authority; and

7686
7687 (c) A contiguous territory of at least fifty (50) square kilometers as certified by the Land
7688 Management Bureau: Provided, That the creation thereof shall not reduce the land area,

⁸⁰ Art. 6. sec. 10. R.A 11054. Par. 2. The parliament was empowered to create municipality

7689 population or income of the original municipality or municipalities at the time of said
7690 creation to less than the minimum requirements prescribed herein.

7691

7692 There shall be a commitment to donate a lot area of not less than three hectares
7693 for the construction of a permanent government center like the municipal hall, health
7694 center, health center, multi-purpose hall and similar others. The copy of intent to donate
7695 shall be attached to the petition for creation of municipality or province and copy
7696 furnished to the Ministry of Interior and Local Government;⁸²

7697

7698 **SECTION 456. Municipalities Converted into Regular Municipality.** – The
7699 municipalities existing as of the date of the effectivity of this Code like Al-Barka, Hadji
7700 Muhammad Ajul, Akbar, and Hadji Muhtamad in the Province of Basilan; and Datu
7701 Blah Sinsuat, Pandag, Mangudadatu, Northern Kabuntalan, Datu Anggal Midtimbang,
7702 Datu Hofer Ampatuan and Datu Salibo in the Province of Maguindanao shall be
7703 converted into regular municipalities entitled to IRA⁸³.

7704 **SECTION 457. Municipalities That May Be Created After the Effectivity of**
7705 **this Code.** - Any municipality that may be created after the effectivity of this Code must
7706 comply with the minimum standard laid down by RA 7160 and this Code: Provided, that
7707 it shall be approved by a majority of the votes cast in a plebiscite conducted in the
7708 political unit directly affected.⁸⁴

7709

7710

7711

CHAPTER II Municipal Officials in General

7712 **SECTION 458. Officials of the Municipal Government.** - (a) There shall be in
7713 each municipality a municipal mayor, a municipal vice-mayor, Sangguniang Bayan
7714 members, a secretary to the Sangguniang

7715 Bayan, a municipal treasurer, a municipal assessor, a municipal accountant, a
7716 municipal budget officer, a municipal planning and development coordinator, a municipal
7717 engineer/building official, a municipal health officer and a municipal civil registrar.

7718 (b) The mayor may also appoint a municipal agriculturist, a municipal environment and
7719 natural resources officer, a municipal social welfare and development officer.

7720 (c) The mayor may appoint a municipal administrator, a municipal legal officer and
7721 municipal information officer and municipal population officer.

7722 (d) In the appointment of municipal employees especially on career positions, preference
7723 shall be given to qualified residents of the municipality.⁸⁵

⁸² To avoid unnecessary transfer of municipal set of government whenever new officials were elected.

⁸³ Art. 18, sec.2 of R.A 11054;

⁸⁴ art. 6, sec. 10, par. 2. Of R.A 11054;

⁸⁵ Recommended by participant during consultation to optimized localized hiring;

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SECTION 459. Other Mandatory Position for Municipality-The Municipal government must also appoint the following officers and provide office space, administrative support and allocate funding thereof, to wit:

Local Disaster Risk and Reduction Management Officer⁸⁶, Local Economic Investment Promotion Officer⁸⁷, Tourism Officer⁸⁸, Environmental Officers, Information and Communication Technology Officer⁸⁹ and Community-Based Training for Enterprise Development⁹⁰, Local Youth and Development Officer.

The minimum qualification of the applicant for the above position are the following to wit:

- a. Must be a college a graduate of any relevant course;
- b. Must have at least 60 hours of training relevant to the position he/she wish to apply;
- c. Holder of second level eligibility or its equivalent;
- d. Must be a resident of the Municipality he/she may be assigned.

The officer/s appointed to the above position must enjoy all rights and protection afforded by law and same privileges granted by Municipal Government to its regular employees

CHAPTER III
Officials and Offices Common to All Municipalities
Article I - The Municipal Mayor

SECTION 460. The Chief Executive: Powers, Duties, Functions and Compensation. – (a) The municipal mayor, as the chief executive of the municipal government, shall exercise such powers and perform such duties and functions as provided by this Code and other laws.

(b) For efficient, effective and economical governance the purpose of which is the general welfare of the municipality, the municipal mayor shall:

- (1) Exercise general supervision and control over all programs, projects, services, and activities within his municipality (of the municipal government,) for the general welfare of his constituent and in this connection, he shall:

⁸⁶ R.A 10121 and DILG M.C. no. 113 series of 2010. Strengthening Disaster Risk Reduction and Management system;
⁸⁷ DILG- MC-2010-113 requiring all LGU to designate LEIPO;
⁸⁸ R.A 9593, tourism act of 2009, purposely to boost tourism industry in all level of LGU ,thus, bringing income to LGU concerned;
⁸⁹ Suggested by participant during consultation to address the new era of technology and address online reporting;
⁹⁰ DILG-MC- 2003-174 institutionalization of community-based training for enterprises development. (CBTED)

- 7762 (i) Formulate the guidelines of municipal policies and be responsible to the
7763 Sangguniang Bayan for the program of government;
- 7764 (ii) Propose or Order the formulation of the municipal development plan, with
7765 the assistance of the municipal development council, and upon approval thereof
7766 by the Sangguniang Bayan, implement the same;
- 7767 (iii) At the opening of the regular session of the Sangguniang Bayan for every
7768 calendar year and, as may be deemed necessary, present the program of
7769 government and propose policies and projects for the consideration of the
7770 Sangguniang Bayan as the general welfare of the inhabitants and the needs of
7771 the municipal government may require;
7772
- 7773 (iv) Initiate and propose legislative measures to the Sangguniang Bayan and,
7774 from time to time as the require, provide such information and data needed or
7775 requested by said sanggunian in the performance of its legislative functions;
7776 Appoint all officials and employees whose salaries and wages are wholly or
7777 mainly paid out of municipal funds and whose appointments are not otherwise
7778 provided for in this Code, as well as those he may be authorized by law to
7779 appoint; situation may
7780
- 7781 (v) Appoint all officials and employees whose salaries and wages are wholly
7782 or mainly paid out of municipal funds and whose appointments are not
7783 otherwise provided for in this Code, as well as those he may authorized by law
7784 to appoint;
7785
- 7786 (vi) Upon authorization by the Sangguniang Bayan, represent the municipality
7787 in all its business transactions and sign on its behalf all bonds, contracts, and
7788 obligations, and such other documents made pursuant to law or ordinance;
7789
- 7790 (vii) Carry out such emergency measures as may be necessary during and in the
7791 aftermath of man-made and natural disasters and calamities assist them to return
7792 to normal life by providing livelihood, social, and psychological support (stress
7793 debriefing, focused group discussions, etc.) or programs to start a new life;⁹¹
7794
- 7795 (viii) Determine, according to law or ordinance, the time, manner and place of
7796 payment of salaries or wages of the officials and employees of the
7797 municipality;
7798
- 7799 (ix) Allocate and assign office space to municipal and other officials and
7800 employees who, by law or ordinance, are entitled to such space in the
7801 municipal hall and other buildings owned or leased by the municipal
7802 government;
7803

⁹¹ Suggested by participants during consultation because accordingly, after the calamity, the victims left no more assistant from Igu. They are just depending on the help of NGO.

- 7804 (x) Ensure that all executive officials and employees of the municipality
7805 faithfully discharge their duties and functions as provided by law and this
7806 Code, and cause to be instituted administrative or judicial proceedings against
7807 any official or employee of the municipality who may have committed an
7808 offense in the performance of his official duties;
7809
- 7810 (xi) Examine the books, records and other documents of all offices, officials,
7811 agents or employees of the municipality and in aid of his executive powers
7812 and authority, require all national officials and employees stationed in or
7813 assigned to the municipality to make available to him such books, records, and
7814 other documents in their custody, except those classified by law as
7815 confidential;
- 7816 (xii) Furnish copies of executive orders issued by him to the provincial
7817 governor within seventy-two (72) hours after their issuance and to the Office
7818 of the Chief Minister through the Ministry of Interior and Local
7819 Government;⁹²
7820
- 7821 (xiii) Must visit component Barangays of the municipality at least once a
7822 month and consider such visit an outreach program for Delivering Basic
7823 Services to Barangays and to deepen his/her understanding on problems or
7824 conditions therein. He/She may also conduct ulat sa Barangay to inform the
7825 component Barangay officials and inhabitants of general laws and ordinances
7826 which especially concern them, listen and give appropriate counsel to local
7827 officials or inhabitants , featuring achievement of Barangay concern and the
7828 municipal government, financial reporting, recognition of local innovations⁹³
7829 and conduct inspections to the end that the governance of the municipality
7830 will improve the quality of life of the inhabitants;
7831
- 7832 (xiv) Submit to the provincial governor, and to the Office of the Chief Minister
7833 through Ministry of Interior and Local Government⁹⁴ the following reports: an
7834 annual report containing a summary of all matters pertaining to the
7835 management, administration and development of the municipality and all
7836 information and data relative to its political, social and economic conditions;
7837 and supplemental reports when unexpected events and situations arise at any
7838 time during the year, particularly when man-made or natural disasters or
7839 calamities affect the general welfare of the municipality, province, region or
7840 country.
7841
- 7842 (xv) Act on leave applications of officials and employees appointed by him and
7843 the commutation of the monetary value of leave credits according to law;

⁹² To monitor the LGU whether or not, they issued an executive order in accordance within their power and authority.

⁹³ Suggested by galing pook to bring government in the barangay level and to see their actual situation for possible intervention. It will also increase the trust and confidence of the people to the government.

⁹⁴ This is an exercise of power of supervision by the chief minister over constituent LGU to ensure that they acted within their powers and to monitor their activity as well in their respective jurisdiction.

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(xvi) Authorize official trips outside of the municipality of municipal officials and employees for a period not exceeding thirty (30) days;

(xvii) Call upon any national official or employee stationed in or assigned to the municipality to advise him on matters affecting the municipality and to make recommendations thereon, or to coordinate in the formulation and implementation of plans, programs and projects, and when appropriate, initiate an administrative or judicial action against a national government official or employee who may have committed an offense in the performance of his official duties while stationed in or assigned to the local government unit concerned;

(xviii) Subject to availability of funds, authorize payment of medical care, necessary transportation, subsistence, hospital or medical fees of municipal officials and employees who are injured while in the performance of their official duties and functions;

(xix) Solemnize marriages for non- muslim;

(xx) Conduct a palamong bayan, in coordination with the Ministry of Basic, Higher, and Technical Education, as an annual activity which shall feature traditional sports and disciplines included in national and international games; and

(2) Enforce all laws and ordinances relative to the governance of the municipality and the exercise of its corporate powers provided for under this Code, implement all approved policies, programs, projects, services and activities of the municipality and, in addition to the foregoing, shall:

(i) Ensure that the acts of the municipality's component Barangays and of its officials and employees are within the scope of their prescribed powers, functions, duties and responsibilities;

(ii) Call conventions, conferences, seminars or meetings of any elective and appointive officials of the municipality, including provincial officials and national officials and employees stationed in or assigned to the municipality at such time and place and on such subject as he may deem important for the promotion of the general welfare of the local government unit and its inhabitants;

All conventions, seminars, conferences or meetings funded by local government unit concerned must be held within the territorial jurisdiction of the municipality or within Bangsamoro Autononmous Region in Muslim

7887 Mindanao; except justifiable reasons upon the approval of the Ministry of
7888 Interior in Local Government.⁹⁵
7889
7890 (iii) Issue such executive orders as are necessary for the proper enforcement
7891 and execution of laws and ordinances;
7892
7893 (iv) Whenever necessary, be entitled to carry one short firearm within his
7894 territorial jurisdiction; subject to the existing laws and regulation promulgated by
7895 a competent authority;
7896
7897 (v) Act as the deputized representative of the National Police Commission,
7898 formulate the peace and order plan of the municipality and upon its approval,
7899 implement the same and exercise general and operational control and supervision
7900 over the local police forces in the municipality in accordance with R.A. No. 6975;
7901
7902 (vi) Call upon the appropriate law enforcement agencies of the BARMM to
7903 suppress disorder, riot, lawless violence, sedition or to apprehend violators of the
7904 law when public interest so requires, and the municipal police forces are
7905 inadequate to cope with the situation or the violators;
7906
7907 (vii) Establish a Local Council for the Protection of Children⁹⁶;
7908
7909 (viii) Established a Municipal Youth Development Council which shall assist the
7910 planning and execution of projects and programs of the Sangguniang Kabataan
7911 and the Pederasyons in all levels. The council shall be put under the Office of the
7912 Local Chief Executive, the Office of the Planning and Development, the Office of
7913 the Social Welfare, or in any other office deemed appropriate by the local
7914 government unit⁹⁷
7915
7916 (3) Initiate and maximize the generation of resources and revenues, and apply the same
7917 to the implementation of development plans, program objectives and priorities as
7918 provided for under this Code, particularly those resources and revenues programmed
7919 for agro-industrial development and country-wide growth and progress, and relative
7920 thereto, shall:
7921
7922 (i) Require each head of an office or department to prepare and submit an
7923 estimate of appropriations for the ensuing calendar year, in accordance with the
7924 budget preparation process of this Code;
7925

⁹⁵ Suggested by participant during consultation to ensure that the money of BARMM should circulate within the BARMM and also to create more employment within the BARMM.

⁹⁶ Title II, Sections 15 of the Juvenile Justice and Welfare Act of 2006 (and Article 87 of Presidential Decree 603) provides for the establishment and strengthening of LCPC in all levels of LGU

⁹⁷ R.A 10742 or SK reform act of 2015, mandated the creation of LYDC in every level of LGU.

7926 (ii) Prepare and submit to the sanggunian for approval the executive and
7927 supplemental budgets of the municipality for the ensuing calendar year in the
7928 manner provided for under this Code;

7929

7930 (iii) Ensure that all taxes and other revenues of the municipality are collected,
7931 and that municipal funds are applied in accordance with law or ordinance to the
7932 payment of expenses and settlement of obligations of the municipality;

7933

7934 (iv) Issue licenses and permits and suspend or revoke the same for any
7935 violation of the conditions upon which said licenses or permits had been issued,
7936 pursuant to law or ordinance;

7937

7938 (v) Issue permits, without need of approval therefor from any national agency,
7939 for the holding of activities for any charitable or welfare purpose, excluding
7940 prohibited games of chance or shows contrary to law, public policy and public
7941 morals;

7942

7943 (vi) Require owners of illegally constructed houses, buildings or other
7944 structures to obtain the necessary permit, subject to such fines and penalties as
7945 may be imposed by law or ordinance, or to make necessary changes in the
7946 construction of the same when said construction violates any law or ordinance, or
7947 to order the demolition or removal of said house, building or structure within the
7948 period prescribed by law or ordinance;

7949

7950 (vii) Adopt adequate measures to safeguard and conserve land, mineral, marine,
7951 forest, and other resources of the municipality; provide efficient and effective
7952 property and supply management in the municipality; and protect the funds,
7953 credits, rights and other properties of the municipality; and

7954

7955 (viii) Institute or cause to be instituted administrative or judicial proceedings for
7956 violation of ordinances in the collection of taxes, fees or charges, and for the
7957 recovery of funds and property; and cause the municipality to be defended against
7958 all suits to ensure that its interests, resources and rights shall be adequately
7959 protected;

7960

7961 (4) Ensure the delivery of basic services and the provision of adequate facilities as
7962 provided for under this Code:

7963

7964 The following are basic services that must be delivered by the municipality:⁹⁸

7965

7966 **FOR AGRICULTURAL SERVICES:** Extension and on-site research services
7967 and facilities related agriculture and fishery activities which includes, dispersal of
7968 livestock and poultry, fingerlings, and other seeding materials for aquaculture;
7969 palay, corn and vegetable seeds farms; medicinal plant gardens; fruit tree, coconut

⁹⁸ We just define further the basic services under section 17 of this code.

7970 and other kinds of seedling nurseries; demonstration farm; quality control of
7971 copra and improvement and development of local distribution channels preferably
7972 through cooperatives; inter-Barangay irrigation system, water and soil resource
7973 utilization and conservation projects; and enforcement of fishery laws in
7974 municipal waters including the conservation of mangroves;

7975

7976 **ENVIRONMENTAL SERVICES:** Pursuant to national policies and subject to
7977 supervision, control and review of the DENR, implementation of community-
7978 based forestry projects which include: integrated social forestry programs and
7979 similar projects; management and control of communal forests with an area not
7980 exceeding fifty (50) square kilometers; establishment of tree pars, greenbelts, and
7981 similar forest development projects;

7982

7983 **HEALTH SERVICES** which include: the implementation of programs and
7984 communicable and non-communicable disease control services; access to
7985 secondary health services; purchase of medicines, medical supplies, and
7986 equipment needed to carry out the services herein enumerated;

7987

7988 **SOCIAL SERVICES** which include: programs and projects on child and youth
7989 welfare, family and community welfare, women's welfare, welfare of the elderly
7990 and disabled persons; community-based rehabilitation programs for vagrants,
7991 beggars, street children, scavengers, juvenile delinquents, and victim of drug
7992 abuse; livelihood and other pro-poor projects; nutrition services; and family
7993 planning services;

7994

7995 **INFORMATION** services which include investments and job placement
7996 information system, tax and marketing information systems, and maintenance of a
7997 public library;

7998

7999 **SOLID WASTE DISPOSAL SYSTEM** or environmental management system
8000 and services or facilities related to general hygiene and sanitation;

8001

8002 **PUBLIC WORKS OR CONSTRUCTIONS** such as Municipal buildings,
8003 cultural centers, public parks including freedom parks, playgrounds, and sports
8004 facilities and equipment, and other similar facilities;

8005

8006 **INFRASTRUCTURE FACILITIES** intended primarily to service the needs of
8007 the residents of the municipality and which are funded out of municipal funds
8008 including: but not limited to,

8009

8010 **CONSTRUCTION AND MAINTENANCE OF MUNICIPAL ROADS AND**
8011 **BRIDGES;**

8012

8013 The following are municipal roads and/ or bridges:

8014

- 8015 1.Those constructed by municipality out of its own funds;
8016
8017 2.Those constructed by higher local government unit or national
8018 government and turned over to municipality; and
8019
8020 3.Those constructed by private persons or entity and turn over to
8021 municipality.
8022

8023 **CONSTRUCTION OF OTHERS FACILITIES** such as for public
8024 elementary and secondary School; construction of clinics, health centers, and
8025 other health facilities necessary to carry out health services; construction of
8026 communal irrigation, small water impounding projects and other similar projects;
8027 fish ports; construction of artesian wells, spring development, rainwater
8028 collectors and water supply systems; construction of seawalls, dikes, drainage
8029 and sewerage, and flood control; provides traffic signals and road signs, and
8030 similar facilities, construction of public markets, slaughterhouses and other
8031 municipal enterprises; provide lot or space for public cemetery; construction of
8032 Tourism facilities and other tourist attractions, including: the acquisition of
8033 equipment, regulation and supervision of business concessions, and security
8034 services for such facilities; and Provide sites for police and fire stations,
8035 substation and the municipal jail;

8036
8037 and, in addition thereto, shall:
8038

8039 (x) Ensure that the construction and repair of roads and highways funded by the
8040 national government shall be, as far as practicable, carried out in a spatially
8041 contiguous manner and in coordination with the construction and repair of the
8042 roads and bridges of the municipality and the province; and
8043

8044 (xi) Coordinate the implementation of technical services rendered by national and
8045 provincial offices, including public works and infrastructure programs in the
8046 municipality;
8047

8048 (5) Exercise such other powers and perform such other duties and functions as may
8049 be prescribed by law or ordinance.
8050

8051 (c) During his incumbency, the municipal mayor shall hold office in the
8052 municipal hall.
8053

8054 (d) The municipal mayor shall receive a minimum monthly compensation
8055 corresponding to Salary Grade twenty-seven (27) as prescribed under R.A. No.
8056 6758 and the implementing guidelines issued pursuant thereto.
8057

8058 **Article II – The Vice Mayor**
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(1) Enact and approve ordinances or pass resolutions necessary for an efficient and effective municipal government, and in this connection shall:

(i) Review all ordinances approved by the Sangguniang Barangay and executive orders issued by the Punong Barangay to determine whether these are within the scope of the prescribed powers of the sanggunian and of the Punong Barangay;

(ii) Maintain peace and order by enacting ordinances or resolutions to prevent and suppress lawlessness, disorder, riot, violence, rebellion or sedition and impose penalties for the violation of said ordinances;

(iii) Approve ordinances imposing a fine not exceeding Five Thousand Pesos (P5,000.00) or an imprisonment for a period not exceeding six (6) months, or both in the discretion of the court, for the violation of a municipal ordinance;

(iv) Enact ordinances or resolutions to protect the inhabitants of the municipality from the harmful effects of man-made or natural disasters and calamities and to provide relief services and assistance for victims during and in the aftermath of said disasters or calamities and their return to productive livelihood following said events;

(v) Enact ordinances or resolutions intended to prevent, suppress and impose appropriate penalties for habitual drunkenness in public places, vagrancy, mendicancy, prostitution, establishment and maintenance of houses of ill repute, gambling and other prohibited games of chance, fraudulent devices and ways to obtain money or property, drug addiction, maintenance of drug dens, drug pushing, juvenile delinquency, the printing, distribution or exhibition of obscene or pornographic materials or publications, and such other activities inimical to the welfare and morals of the inhabitants of the municipality;

(vi) Enact an ordinance that would constitute Municipal Anti-Drug Abuse Council and adopt measures towards the prevention, rehabilitations and eradication of drug abuse, child abuse, and juvenile delinquency;⁹⁹

(vi) Enact ordinances or resolution that will protect the environment and impose appropriate penalties for acts which endanger the environment, such as dynamite fishing and other forms of destructive fishing, illegal logging and smuggling of logs, smuggling of natural resources products and of endangered species of flora and fauna, slash and burn farming, and such other activities which result in pollution, acceleration of eutrophication of rivers and lakes, or of ecological imbalance;

⁹⁹ Organization of MADAC is a gross roots program of DILG in countering drug related cases.

8149
8150 (vii) Subject to the provisions of this Code and pertinent laws, determine
8151 the powers and duties of officials and employees of the municipality;
8152
8153 (viii) Determine the positions and the salaries, wages, allowances and
8154 other emoluments and benefits of officials and employees paid wholly or
8155 mainly from municipal funds and provide for expenditures necessary for
8156 the proper conduct of programs, projects, services, and activities of the
8157 municipal government;
8158
8159 (ix) Authorize the payment of compensation to a qualified person not in
8160 the government service who fills up a temporary vacancy or grant
8161 honorarium to any qualified official or employee designated to fill a
8162 temporary vacancy in a concurrent capacity, at the rate authorized by law;
8163
8164 (x) Provide a mechanism and the appropriate funds therefor, to ensure the
8165 safety and protection of all municipal government property, public
8166 documents, or records such as those relating to property inventory, land
8167 ownership, records of births, marriages, deaths, assessments, taxation,
8168 accounts, business permits, and such other records and documents of
8169 public interest in the offices and departments of the municipal government;
8170
8171 (xi) When the finances of the municipal government allow, provide for
8172 additional allowances and other benefits to judges, prosecutors, public
8173 elementary and high school teachers, and other national government
8174 officials stationed in or assigned to the municipality;
8175
8176 (xii) Provide for legal assistance to Barangay officials, Barangay tanod
8177 and lupon who, in the performance of their official duties or on the
8178 occasion thereof, have to initiate judicial proceedings or defend
8179 themselves against legal action; and
8180
8181 (xiii) Provide for group insurance or additional insurance coverage for
8182 Barangay officials, including members of Barangay tanod brigades and
8183 other service units, with public or private insurance companies, when the
8184 finances of the municipal government allow said coverage.
8185
8186 (2) Generate and maximize the use of resources and revenues for the development plans,
8187 program objectives and priorities of the municipality as provided for under section 18
8188 of this Code with particular attention to agro-industrial development and countryside
8189 growth and progress, and relative thereto, shall:
8190
8191 (i) Approve the annual and supplemental budgets of the municipal
8192 government and appropriate funds for specific programs, projects,
8193 services and activities of the municipality, or for other purposes not

8194 contrary to law, in order to promote the general welfare of the
8195 municipality and its inhabitants;
8196
8197 (ii) Subject to the provisions of Book II of this Code and
8198 applicable laws and upon the majority vote of all the members of the
8199 Sangguniang Bayan, enact ordinances levying taxes, fees and charges,
8200 prescribing the rates thereof for general and specific purposes, and
8201 granting tax exemptions, incentives or reliefs;
8202
8203 (iii) Subject to the provisions of Book II of this Code and upon
8204 the majority vote of all the members of the Sangguniang Bayan,
8205 authorize the municipal mayor to negotiate and contract loans and
8206 other forms of indebtedness;
8207
8208 (iv) Subject to the provisions of this Code and applicable laws
8209 and upon the majority vote of all the members of the Sangguniang
8210 Bayan, enact ordinances authorizing the floating of bonds or other
8211 instruments of indebtedness, for the purpose of raising funds to
8212 finance development projects;
8213
8214 (v) Appropriate funds for the construction and maintenance or
8215 the rental of buildings for the use of the municipality and, upon the
8216 majority vote of all the members of the Sangguniang Bayan,
8217 authorize the municipal mayor to lease to private parties such public
8218 buildings held in a proprietary capacity, subject to existing law, rules
8219 and regulations;
8220
8221 (vi) Whenever necessary, enact an ordinance that would
8222 regulate and/or restraints the use of property within the jurisdiction of
8223 the municipality;
8224
8225 (vii) Adopt a comprehensive land use plan for the municipality:
8226 Provided, that the formulation, adoption, or modification of said plan
8227 shall be in coordination with the approved provincial comprehensive
8228 land use plan; and that would align to Bangsamoro Autonomous
8229 Region in Muslim Mindanao regional plan;
8230
8231 (viii) Reclassify land within the jurisdiction of the municipality,
8232 subject to the pertinent provisions of this Code;
8233
8234 (ix) Enact integrated zoning ordinances in consonance with the
8235 approved comprehensive land use plan, subject to existing laws, rules
8236 and regulations; establish fire limits or zones, particularly in populous
8237 centers; and regulate the construction, repair or modification of

8238 buildings within said fire limits or zones in accordance with the
8239 provisions of the Fire Code;

8240

8241 (x) Subject to national law and Bangsamoro Autonomous
8242 Region in Muslim Mindanao regional law, process and approve
8243 subdivision plans for residential, commercial, or industrial purposes
8244 and other development purposes, and collect processing fees and
8245 other charges, the proceeds of which shall accrue entirely to the
8246 municipality: Provided, however, That, where approval by a national
8247 or Bangsamoro Autonomous Region in Muslim Mindanao regional
8248 agency or office is required, said approval shall not be withheld for
8249 more than thirty (30) days from receipt of the application. Failure to
8250 act on the application within the period stated above shall be deemed
8251 as approval thereof;

8252

8253 (xi) Subject to the provisions of this Code, grant the exclusive
8254 privilege of constructing fish corrals or fish pens, or the taking or
8255 catching of bangus fry, prawn fry or kawag-kawag or fry of any
8256 species or fish within the municipal waters;

8257

8258 (xii) With the concurrence of at least two-thirds (2/3) of all the
8259 members of the Sangguniang Bayan, grant tax exemptions, incentives
8260 or reliefs to entities engaged in community growth-
8261 inducing industries, subject to the provisions of this Code;

8262

8263 (xiii) Grant loans or provide grants to other local government
8264 units or to national, provincial and municipal charitable, benevolent
8265 or educational institutions: Provided, That said institutions are
8266 operated and maintained within the municipality;

8267

8268 (xiv) Regulate the numbering of residential, commercial and
8269 other buildings; and

8270

8271 (xv) Regulate the inspection, weighing and measuring of articles
8272 of commerce.

8273

8274 (3) Subject to the provisions of this code, grant franchises, enact ordinances authorizing
8275 the issuance of permits or licenses, or enact ordinances levying taxes, fees and charges
8276 upon such conditions and for such purposes intended to promote the general welfare of
8277 the inhabitants of the municipality, and pursuant to this legislative authority shall:

8278

8279 (i) Fix and impose reasonable fees and charges for all services
8280 rendered by the municipal government to private persons or entities;

8281

8282 (ii) Regulate any business, or practice of profession or calling
8283 which does not require government examination within the
8284 municipality and the conditions under which the license for said
8285 business or practice of profession may be issued or revoked;

8286
8287 (iii) Prescribe the terms and conditions under which public
8288 utilities owned by the municipality shall be operated by the municipal
8289 government or leased to private persons or entities, preferably
8290 cooperatives;

8291
8292 (iv) Regulate the display of and fix the license fees for signs,
8293 signboards, or billboards at the place or places where the profession
8294 or business advertised thereby is, in whole or in part, conducted;

8295 (v) Prohibit and/or regulate the establishment, operation, and
8296 maintenance of cockpits, and regulate cockfighting and commercial
8297 breeding of gamecocks: Provided, that existing rights should not be
8298 prejudiced;

8299
8300 (vi) Subject to the guidelines prescribed by the Department of
8301 Transportation and Communications, regulate the operation of
8302 tricycles, habal habal and grant franchises for the operation thereof
8303 within the territorial jurisdiction of the municipality;

8304
8305 (vii) Upon approval by a majority vote of all the members of the
8306 Sangguniang Bayan, grant a franchise to any person, partnership,
8307 corporation, or cooperative to establish, construct, operate and
8308 maintain ferries, wharves, markets or slaughterhouses, or such other
8309 similar activities within the municipality as may be allowed by
8310 applicable laws: Provided, That, cooperatives shall be given
8311 preference in the grant of such a franchise.

8312
8313 (4) Regulate activities relative to the use of land, buildings and structures within the
8314 municipality in order to promote the general welfare and for said purpose shall:

8315
8316 (i) Declare, prevent or abate any nuisance;

8317
8318 (ii) Require that buildings and the premises thereof and
8319 any land within the municipality be kept and maintained in a
8320 sanitary condition; impose penalties for any violation thereof, or
8321 upon failure to comply with said requirement, have the work
8322 done and require the owner, administrator or tenant concerned to
8323 pay the expenses of the same; or require the filling up of any land
8324 or premises to a grade necessary for proper sanitation;

8325

- 8326 (iii) Regulate the disposal of clinical and other wastes
8327 from hospitals, clinics and other similar establishments;
8328
- 8329 (iv) Regulate the establishment, operation and
8330 maintenance of cafes, restaurants, beerhouses, hotels, motels,
8331 inns, pension houses, lodging houses, and other similar
8332 establishments, including tourist guides and transports;
8333
- 8334 (v) Prohibit and/or regulate the sale, giving away or
8335 dispensing of any intoxicating malt, vino, mixed or fermented
8336 liquors at any retail outlet;
8337
- 8338 (vi) Regulate the establishment and provide for the
8339 inspection of steam boilers or any heating device in buildings
8340 and the storage of inflammable and highly combustible materials
8341 within the municipality;
8342
- 8343 (vii) Prohibit and/ or regulate the establishment,
8344 operation, and maintenance of entertainment or amusement
8345 facilities, including theatrical performances, circuses, billiard
8346 pools, public dancing schools, public dance halls, sauna baths,
8347 massage parlors, and other places of entertainment or amusement;
8348 regulate such other events or activities for amusement or
8349 entertainment, particularly those which tend to disturb the
8350 community or annoy the inhabitants, or require the suspension or
8351 suppression of the same; or, prohibit certain forms of amusement
8352 or entertainment in order to protect the social and moral welfare
8353 of the community;
8354
- 8355 (viii) Provide a place for impounding stray animals;
8356 regulate the keeping of animals in homes or as part of a business,
8357 and the slaughter, sale or disposition of the same; and adopt
8358 measures to prevent and penalize cruelty to animals; and
8359
- 8360 (ix) Regulate the establishment, operation, and
8361 maintenance of funeral parlors and the burial or cremation of the
8362 dead, subject to existing laws, rules and regulations.
8363
- 8364 (5) Approve ordinances which shall ensure the efficient and effective delivery of the
8365 basic services and facilities as provided for this Code, and in addition to said services
8366 and facilities, shall:
8367
- 8368 (i.) Enact an ordinance that provide for the establishment, maintenance,
8369 protection, and conservation of communal forests and water sheds,

8370 tree parks, greenbelts, mangroves, and other similar forest
8371 development projects;
8372

8373 (ii.) Enact an ordinance that establish markets, slaughterhouses or
8374 animal corrals and authorize the operation thereof, and regulate the
8375 construction and operation of private markets, talipapas or other
8376 similar buildings and structures;
8377

8378 (iii.) Enact an ordinance or resolution that authorize the establishment,
8379 maintenance and operation of ferries, wharves, and other structures,
8380 and marine and seashore or offshore activities intended to accelerate
8381 productivity;
8382

8383 (iv.) Regulate the preparation and sale of meat, poultry, fish, vegetables,
8384 fruits, fresh dairy products, and other foodstuffs for public
8385 consumption;
8386

8387 (v.) Regulate the use of streets, avenues, alleys, sidewalks, bridges,
8388 parks and other public places and approve the construction,
8389 improvement, repair and maintenance of the same; establish bus
8390 and vehicle stops and terminals or regulate the use of the same
8391 by privately-owned vehicles which serve the public; regulate
8392 garages and the operation of conveyances for hire; designate stands
8393 to be occupied by public vehicles when not in use; regulate the
8394 putting up of signs, signposts, awnings and awning posts on the
8395 streets; and provide for the lighting, cleaning and sprinkling of
8396 streets and public places;
8397

8398 (vi.) Regulate traffic on all streets and bridges, prohibit the putting up of
8399 encroachments or obstacles thereon, and, when necessary in the
8400 interest of public welfare, authorize the removal of encroachments
8401 and illegal constructions in public places;
8402

8403 (vii.) Subject to existing laws, provide for the establishment, operation,
8404 maintenance, and repair of an efficient waterworks system to supply
8405 water for the inhabitants; regulate the construction, maintenance,
8406 repair and use of hydrants, pumps, cisterns and reservoirs; protect
8407 the purity and quantity of the water supply of the municipality and,
8408 for this purpose, extend the coverage of appropriate ordinances over
8409 all territory within the drainage area of said water supply and within
8410 one hundred (100) meters of the reservoir, conduit, canal, aqueduct,
8411 pumping station, or watershed used in connection with the water
8412 service; and regulate the consumption, use or wastage of water;
8413

- 8414 (viii.) Regulate the drilling and excavation of the ground for the laying of
8415 water, gas, sewer, and other pipes and the construction, repair and
8416 maintenance of public drains, sewers, cesspools, tunnels and similar
8417 structures; regulate the placing of poles and the use of crosswalks,
8418 curbs, and gutters; adopt measures to ensure public safety against
8419 open canals, manholes, live wires and other similar hazards to life
8420 and property; and, regulate the construction and use of private water
8421 closets, privies and other similar structures in buildings and homes;
8422
- 8423 (ix.) Regulate the placing, stringing, attaching, installing, repair and
8424 construction of all gas mains, electric, telegraph and telephone
8425 wires, conduits, meters and other apparatus; and, provide for the
8426 correction, condemnation or removal of the same when found to be
8427 dangerous, defective or otherwise hazardous to the welfare of the
8428 inhabitants;
- 8429 (x.) Subject to the availability of funds and to existing laws, rules and
8430 regulations, establish and provide for the operation of vocational
8431 and technical schools and similar post-secondary institutions and,
8432 with the approval of the Ministry of Basic, Higher and Technical
8433 Education, fix and collect reasonable fees and other school charges
8434 on said institutions, subject to existing laws on tuition fees;
8435
- 8436 (xi.) Establish a scholarship fund for poor but deserving students
8437 residing within the municipality in schools located within its
8438 jurisdiction;
8439
- 8440 (xii.) Enact an ordinances or resolutions to prevent the introduction and
8441 spread of diseases;
8442
- 8443 (xiii.) Provide for an efficient and effective system of solid waste and
8444 garbage collection and disposal, and prohibit littering and the
8445 placing or throwing of garbage, refuse and other filth and wastes;
8446
- 8447 (xiv.) Provide for the care and support for the paupers, the aged, the sick,
8448 persons of unsound mind, disabled persons, abandoned minors,
8449 juvenile delinquents, drug dependents, abused children and other
8450 needy and disadvantaged persons, particularly children and youth
8451 below eighteen (18) years of age and, subject to availability of
8452 funds, establish and provide for the construction and operation of
8453 centers and facilities for said needy and disadvantaged persons;
8454
- 8455 (xv.) Establish and provide for the maintenance and improvement of
8456 jails and detention centers, institute sound jail management
8457 programs, and appropriate funds for the subsistence of detainees
8458 and convicted prisoners in the municipality;

- 8459
8460 (xvi.) Establish a municipal council whose purpose is the promotion of
8461 culture and the arts, coordinate with government agencies and non-
8462 governmental organizations and, subject to the availability of funds,
8463 appropriate funds for the support and development of the same; and
8464
8465 (xvii.) Establish a municipal council for the elderly which shall formulate
8466 policies and adopt measures mutually beneficial to the elderly and
8467 to the community; provide incentives for non-
8468 governmental agencies and entities and, subject to the availability
8469 of funds, appropriate funds to support programs and projects for the
8470 benefit of the elderly; and
8471

8472 (6) Exercise such other powers and perform such other duties and functions as may be
8473 prescribed by law or ordinance.

8474 The members of the Sangguniang Bayan shall receive a minimum monthly
8475 compensation corresponding to Salary Grade twenty-four (24) as prescribed under R.A.
8476 6758.

8477
8478 **TITLE III**

8479
8480 **THE CITY**

8481
8482 **CHAPTER I**

8483 **Role and Creation of the City**
8484

8485 **SECTION 464. Role of the City.** - The city, consisting of more urbanized and
8486 developed Barangays, serves as a general-purpose government for the coordination and
8487 delivery of basic, regular, and direct services and effective governance of the inhabitants
8488 within its territorial jurisdiction.
8489

8490 **SECTION 465. Manner of Creation.** - A city may be created, divided, merged,
8491 abolished or its boundary substantially altered, only by an Act of Congress, and subject to
8492 approval by a majority of the votes cast in a plebiscite to be conducted by the COMELEC
8493 in the local government unit or units directly affected. Except as may otherwise be
8494 provided in such Act, the plebiscite shall be held within one hundred twenty (120) days
8495 from the date of its effectivity.
8496

8497 **SECTION 466. Requisites for Creation.** – (a) A municipality or a cluster of
8498 barangays may be converted into a component city if it has a locally generated average
8499 annual income, as certified by the Department of Finance, of at least One hundred million
8500 pesos (P100,000,000) for the last two (2) consecutive years, and if it has the following
8501 requisites¹⁰⁰:

¹⁰⁰ Republic act no. 9009, increasing the average annual income requirement for a municipality or cluster of barangays to be converted into a component city

8502
8503 (1) a contiguous territory of at least one hundred (100) square kilometers, as certified
8504 by the Lands Management Bureau; or

8505
8506 (2) a population of not less than one hundred fifty thousand (150,000) inhabitants, as
8507 certified by the Philippine Statistics Authority: Provided, That, the creation thereof
8508 shall not reduce the land area, population, and income of the original unit or units at
8509 the time of said creation to less than the minimum requirements prescribed herein.

8510
8511 (b) The territorial jurisdiction of a newly created city shall be properly identified by
8512 metes and bounds. The requirement on land area shall not apply where the city proposed
8513 to be created is composed of one (1) or more islands. The territory need not be
8514 contiguous if it comprises two (2) or more islands.

8515
8516 (c) The average annual income shall include the income accruing to the general fund,
8517 exclusive of special funds, transfers, and non-recurring income.

8518

8519

CHAPTER II City Officials in General

8520

8521

8522 **SECTION 467. Officials of the City Government.** - (a) There shall be in each city a
8523 mayor, a vice-mayor, Sangguniang Panlungsod members, a secretary to the Sangguniang
8524 Panlungsod, a city treasurer, a city assessor, a city accountant, a city budget officer, a city
8525 planning and development coordinator, a city engineer, a city health officer, a city civil
8526 registrar, a city administrator, a city legal officer, a city veterinarian, a city social welfare
8527 and development officer, and a city general services officer.

8528

8529 The city government must also appoint the following officer and provide office
8530 space, administrative support and allocate funding thereof, to wit: Local Disaster Risk
8531 and Reduction Management Officer; Local Economic Investment Promotion officer;
8532 Tourism Officer; Environmental officers; Information and Communication Technology
8533 Officer; Community-Based Training for Enterprise Development.¹⁰¹

8534

8535 The minimum qualification of the applicant for the above position are the
8536 following to wit:

- 8537 a. Must be a college a graduate of any relevant course;
8538 b. Must have at least 60 hours of training relevant to the position
8539 he/she wish to apply;
8540 c. Holder of second level eligibility or its equivalent;
8541 d. Must be a resident of theCity he/she may be assigned

8542

8543 The office/s appointed to the above position must enjoy all rights, protection and
8544 privileges enjoyed by a regular employee of the said City.

8545

¹⁰¹ Creation of new office necessarily, carries the allocation of funds for its necessary expenses.

8546 (b) In addition, thereto, the city mayor may appoint a city architect, a city information
8547 officer, a city agriculturist, a city population officer, a city environment and natural
8548 resources officer, and a city cooperatives officer.
8549

8550 The appointment of a city population officer shall be optional in the city:
8551 Provided, however, That cities which have existing population offices shall continue to
8552 maintain such offices for a period of five (5) years from the date of the effectivity of this
8553 Code, after which said offices shall become optional.
8554

8555 (c) In the appointment of city employees especially for career positions, preference shall
8556 be given to qualified resident of the city where he/she will be assigned.¹⁰²
8557

8558 (d) The Sangguniang Panlungsod may:
8559

8560 (1) Maintain existing offices not mentioned in subsections (a) and (b) hereof;
8561

8562 (2) Create such other offices as may be necessary to carry out the purposes of the city
8563 government; or
8564

8565 (3) Consolidate the functions of any office with those of another in the interest of
8566 efficiency and economy.
8567

8568 (d) Unless otherwise provided herein, heads of departments and offices shall be
8569 appointed by the city mayor with the concurrence of the majority of all the Sangguniang
8570 Panlungsod members, subject to civil service law, rules and regulations. The
8571 Sangguniang Panlungsod shall act on the appointment within fifteen (15) days from the
8572 date of its submission, otherwise the same shall be deemed confirmed.
8573

8574 (e) Elective and appointive city officials shall receive such compensation, allowances,
8575 and other emoluments as may be determined by law or ordinance, subject to the
8576 budgetary limitations on personal services prescribed under Title Five, Book II of this
8577 Code: Provided, That, no increase in compensation of the mayor, vice-mayor and
8578 Sangguniang Panlungsod members shall take effect until after the expiration of the full
8579 term of the said local officials approving such increase.
8580

8581 **CHAPTER III**
8582 **Officials and Offices Common to All Cities**
8583

8584 **Article I - The City Mayor**
8585

8586 **SECTION 468. Chief Executive; Powers, Duties and Compensation.** – (a) The
8587 city mayor, as chief executive of the city government, shall exercise such powers and
8588 perform such duties and functions as provided by this Code and other laws.

¹⁰² Promote localized hiring

8589 (b) For efficient, effective and economical governance the purpose of which is the
8590 general welfare of the city and its inhabitants pursuant to Section 16 of this Code, the city
8591 mayor shall:

8592

8593 (1) Exercise general supervision and control over all programs, projects, services, and
8594 activities of the city government, and in this connection, shall:

8595

8596 (i) Determine the guidelines of city policies and be responsible to the
8597 Sangguniang Panlungsod for the program of government;

8598

8599 (ii) Direct and or propose the formulation of the city development plan, with the
8600 assistance of the city development council, and upon approval thereof by the
8601 Sangguniang Panlungsod, implement the same;

8602

8603 (iii) Present the program of government and propose policies and projects for the
8604 consideration of the Sangguniang Panlungsod at the opening of the regular
8605 session of the Sangguniang Panlungsod every calendar year and as often as may
8606 be deemed necessary as the general welfare of the inhabitants and the needs of the
8607 city government may require;

8608

8609 (iv) Initiate and propose legislative measures to the Sangguniang Panlungsod and
8610 as often as may be deemed necessary, provide such information and data needed
8611 or requested by said sanggunian in the performance of its legislative functions;

8612

8613 (v) Appoint all officials and employees whose salaries and wages are wholly or
8614 mainly paid out of city funds and whose appointments are not otherwise provided
8615 for in this Code, as well as those he may be authorized by law to appoint;

8616

8617 (vi) Represent the city in all its business transactions and sign in its behalf all
8618 bonds, contracts, and obligations, and such other documents upon authority of the
8619 Sangguniang Panlungsod or pursuant to law or ordinance;

8620

8621 (vii) Carry out such emergency measures as may be necessary during and in the
8622 aftermath of man-made and natural disasters and calamities and assist them to
8623 return in normal life by giving psychological counselling or stress debriefing and
8624 livelihood support or programs to start a new life;¹⁰³

8625

8626 (viii) Determine the time, manner and place of payment of salaries or wages of
8627 the officials and employees of the city, in accordance with law or ordinance;

8628

8629 (ix) Allocate and assign office space to city and other officials and employees who,
8630 by law or ordinance, are entitled to such space in the city hall and other buildings
8631 owned or leased by the city government;

¹⁰³ Suggested by participants during consultation because accordingly, after the calamity, the victims left no more assistant from Igu. They are just depending on the help of NGO.

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(x) Ensure that all executive officials and employees of the city faithfully discharge their duties and functions as provided by law and this Code, and cause to be instituted administrative or judicial proceedings against any official or employee of the city who may have committed an offense in the performance of his official duties;

(xi) Examine the books, records and other documents of all offices, officials, agents or employees of the city and, in aid of his executive powers and authority, require all national officials and employees stationed in or assigned to the city to make available to him such books, records, and other documents in their custody, except those classified by law as confidential;

(xii) Furnish copies of executive orders issued by him, to the provincial governor and copy furnished to the Office of the Chief Minister through Ministry of Interior and Local Government¹⁰⁴ and in the case of component city mayors, to the Office of the President in the case of highly-urbanized city mayors;

(xiii) Visit component Barangays of the city at least once a month and consider such visit as an out reach to deliver basic services. He/ She may also make an Ulat sa Barangay to inform the component Barangay officials and inhabitants of general laws and ordinances which especially concern them, listen and give appropriate counsel to local officials and inhabitants, and conduct visits and inspections to ensure that the governance of the city will improve the quality of life of the inhabitants;

(xiv) Act on leave applications of officials and employees appointed by him and the commutation of the monetary value of their leave credits in accordance with law;

(xv) Authorize official trips of city officials and employees outside of the city for a period not exceeding thirty (30) days;

(xvi) Call upon any national official or employee stationed in or assigned to the city to advise him on matters affecting the city and to make recommendations thereon; coordinate with said official or employee in the formulation and implementation of plans, programs and projects; and, when appropriate, initiate an administrative or judicial action against a national government official or employee who may have committed an offense in the performance of his official duties while stationed in or assigned to the city;

¹⁰⁴ It is in accordance with the power of supervision of chief minister over LGU to ensure that the LGU acted within their authority. It is also an avenue to strengthen the coordination of constituent LGU and regional government.

8673 (xvii)Authorize payment for medical care, necessary transportation, subsistence,
8674 hospital or medical fees of city officials and employees who are injured while in
8675 the performance of their official duties and functions, subject to availability of
8676 funds;

8677

8678 (xviii)Solemnize marriage to non-muslims, any provision of law to the contrary
8679 notwithstanding;

8680

8681 (xix)Conduct an annual palorong panlungsod, which shall feature traditional
8682 sports and disciplines included in national and international games, in
8683 coordination with the Ministry of Basic, Higher, and Technical Education; and

8684

8685 (xx)Submit to the provincial governor and the Office of the Chief Minister
8686 through the Ministry of Interior and Local Government¹⁰⁵ ; the following reports:
8687 an annual report containing a summary of all matters pertinent to the management,
8688 administration and development of the city and all information and data relative to
8689 its political, social and economic conditions; and supplemental reports when
8690 unexpected events and situations arise at any time during the year, particularly
8691 when man-made or natural disasters or calamities affect the general welfare of the
8692 city, province, region or country;

8693

8694 (2)Enforce all laws and ordinances relative to the governance of the city and in the
8695 exercise of the appropriate corporate powers provided for under this Code, implement
8696 all approved policies, programs, projects, services and activities of the city and, in
8697 addition to the foregoing, shall:

8698

8699 (i)Ensure that the acts of the city's component Barangays and of its officials and
8700 employees are within the scope of their prescribed powers, duties and functions;

8701

8702 (ii)Call conventions, conferences, seminars, or meetings of any elective and
8703 appointive officials of the city, including provincial officials and national officials
8704 and employees stationed in or assigned to the city, at such time and place and on
8705 such subject as he may deem important for the promotion of the general welfare
8706 of the local government unit and its inhabitants.

8707

8708 All conventions, seminars, conferences or meetings funded by local government
8709 unit concerned must be held within the territorial jurisdiction of the city or within
8710 Bangsamoro Autonomous Region in Muslim Mindanao; except for some justified
8711 reason upon approval of the Ministry of Interior and Local Government¹⁰⁶;

8712

¹⁰⁵ This is an exercise of power of supervision by the chief minister over constituent LGU to ensure that they acted within their powers and to monitor their activity as well in their respective jurisdiction. It also increases the coordination of LGU and the regional government.

¹⁰⁶ Suggested by participant during consultation to ensure that the money of BARMM should circulate within the BARMM and to create more employment within the BARMM.

8713 (iii) Issue such executive orders for the faithful and appropriate enforcement and
8714 execution of laws and ordinances;

8715

8716 (iv) Whenever necessary, be entitled to carry one short firearm within his
8717 territorial jurisdiction subject to the existing laws and regulation promulgated by
8718 competent authority¹⁰⁷;

8719

8720 (v) Act as the deputized representative of the National Police
8721 Commission, formulate the peace and order plan of the city and upon its approval,
8722 implement the same; and as such exercise general and operational control and
8723 supervision over the local police forces in the city, in accordance with R.A. No.
8724 6975;

8725

8726 (vi) Call upon the appropriate law enforcement agencies of Bangsamoro
8727 Government to suppress disorder, riot, lawless violence, rebellion or sedition, or
8728 to apprehend violators of the law when public interest so requires, and the city
8729 police forces are inadequate to cope with the situation or the violators;

8730

8731 (3) Initiate and maximize the generation of resources and revenues, and apply the same
8732 to the implementation of development plans, program objectives and priorities as
8733 provided for under this Code, particularly those resources and revenues programmed
8734 for agro-industrial development and countryside growth and progress and, relative
8735 thereto, shall:

8736 (i) Require each head of an office or department to prepare and submit an estimate
8737 of appropriations for the ensuing calendar year, in accordance with the budget
8738 preparations process under this Code;

8739

8740 (ii) Prepare and submit to the sanggunian for approval the executive and
8741 supplemental budgets of the city for the ensuing calendar year in the manner
8742 provided for under this Code;

8743

8744 (iii) Ensure that all taxes and other revenues of the city are collected, and that city
8745 funds are applied to the payment of expenses and settlement of obligations of the
8746 city, in accordance with law or ordinance;

8747

8748 (iii) Issue licenses and permits and suspend or revoke the same for any violation of
8749 the conditions upon which said licenses or permits had been issued, pursuant to
8750 law or ordinance;

8751

8752 (iv) Issue permits, without need of approval therefor from any national agency, for
8753 the holding of activities for any charitable or welfare purpose, excluding

¹⁰⁷ We regulate the privilege of local executive to carry firearms so that we can establish a community free from firearms and create an impression of peaceful and safe community.

8754 prohibited games of chance or shows contrary to law, public policy and public
8755 morals;

8756

8757 (vi)Require owners of illegally constructed houses, buildings or other structures to
8758 obtain the necessary permit, subject to such fines and penalties as may be imposed
8759 by law or ordinance, or to make necessary changes in the construction of the same
8760 when said construction violates any law or ordinance, or to order the demolition
8761 or removal of said house, building or structure within the period prescribed by law
8762 or ordinance;

8763

8764 (vii)Adopt adequate measures to safeguard and conserve land, mineral, marine,
8765 forest, and other resources of the city; provide efficient and effective property and
8766 supply management in the city; and protect the funds, credits, rights and other
8767 properties of the city; and

8768

8769 (viii)Institute or cause to be instituted administrative or judicial proceedings for
8770 violation of ordinances in the collection of taxes, fees or charges, and for the
8771 recovery of funds and property; and cause the city to be defended against all suits
8772 to ensure that its interests, resources and rights shall be adequately protected;

8773

8774 (4) Ensure the delivery of basic services and the provision of adequate facilities as
8775 provided for under section 17 of this Code:

8776

8777 All the services and facilities of the municipality and province, and addition
8778 thereto, the following:

8779

8780 (i)Ensure that the construction and repair of roads and highways funded by the
8781 national government shall be, as far as practicable, carried out in a spatially
8782 contiguous manner and in coordination with the construction and repair of the
8783 roads and bridges of the city, and in the case of component cities, of the city and
8784 of the province; and

8785

8786 (ii)Coordinate the implementation of technical services, including public works
8787 and infrastructure programs, rendered by national offices in the case of highly
8788 urbanized and independent component cities, and by national and provincial
8789 offices in the case of component cities; and

8790

8791 (5)Exercise such other powers and perform such other duties and functions as may be
8792 prescribed by law or ordinance.

8793

8794 (c)During his incumbency, the city mayor shall hold office in the city hall.

8795

8796 (d)The city mayor shall receive a minimum monthly compensation corresponding to
8797 Salary Grade thirty (30) as prescribed under R.A. No. 6758 and the implementing
8798 guidelines issued pursuant thereto.

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Article II - The City Vice-Mayor

SECTION 469. Powers, Duties and Compensation. - (a) The city vice-mayor shall:

- (1) Be the presiding officer of the Sangguniang Panlungsod and sign all warrants drawn on the city treasury for all expenditures appropriated for the operation of the Sangguniang Panlungsod;
- (2) Subject to civil service law, rules and regulations, appoint all officials and employees of the Sangguniang Panlungsod, except those whose manner of appointment is specifically provided in this Code;
- (3) Assume the office of the city mayor for the unexpired term of the latter in the event of permanent vacancy as provided for in this Code;
- (4) Exercise the powers and perform the duties and functions of the city mayor in cases of temporary vacancy as provided for in this Code; and
- (5) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

(b) The city vice-mayor shall receive a monthly compensation corresponding to Salary Grade twenty eight (28) for a highly urbanized city and Salary Grade twenty six (26) for a component city, as prescribed under R.A. No. 6758 and the implementing guidelines issued pursuant thereto.

Article III - The Sangguniang Panlungsod

SECTION 470. Composition. - (a) The Sangguniang Panlungsod, the legislative body of the city, shall be composed of the city vice-mayor as presiding officer, the regular sanggunian members, the president of the city chapter of the liga ng mga Barangay, the president of the panlungsod na pederasyon ng mga Sangguniang Kabataan, and the sectoral representatives, as members.

(b) In addition thereto, there shall be three (3) sectoral representatives: one (1) from the women; and, as shall be determined by the sanggunian concerned within ninety (90) days prior to the holding of the local elections, one (1) from the agricultural or industrial workers; and one (1) from indigenous cultural communities¹⁰⁸.

(c) The regular members of the Sangguniang Panlungsod and the sectoral representatives shall be elected in the manner as may be provided for by law.

¹⁰⁸ R.A 8371 (IPRA LAW) Ensure that the ICCs/IPs shall be given mandatory representation in policy-making bodies and other local legislative councils

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SECTION 471. Powers, Duties, Functions and Compensation. - (a) The Sangguniang Panlungsod, as the legislative body of the city, shall enact ordinances, approve resolutions and appropriate funds for the general welfare of the city and its inhabitants pursuant to section 16 of this Code and in the proper exercise of the corporate powers of the city as provided for under section 22 of this Code, and shall:

(1) Approve ordinances and pass resolutions necessary for an efficient and effective city government, and in this connection, shall:

(i) Review all ordinances approved by the Sangguniang Barangay and executive orders issued by the Punong Barangay to determine whether these are within the scope of the prescribed powers of the sanggunian and of the Punong Barangay;

(ii) Maintain peace and order by enacting ordinances to prevent and suppress lawlessness, disorder, riot, terrorism, violent extremism, rebellion or sedition and impose penalties for the violation of said ordinances;

(iii) Approve ordinances imposing a fine not exceeding Five thousand pesos (P5,000.00) or an imprisonment for a period not exceeding one (1) year, or both in the discretion of the court, for the violation of a city ordinance;

(iv) Adopt measures to protect the inhabitants of the city from the harmful effects of man-made or natural disasters and calamities, and to provide relief services and assistance for victims during and in the aftermath of said disasters or calamities and their return to productive livelihood following said events;

(v) Enact ordinances that intended to prevent or prohibit , suppress and impose appropriate penalties for habitual drunkenness in public places, vagrancy, mendicancy, prostitution, establishment and maintenance of houses of ill repute, gambling and other prohibited games of chance, fraudulent devices and ways to obtain money or property, drug addiction, maintenance of drug dens, drug pushing, juvenile delinquency, the printing, distribution or exhibition of obscene or pornographic materials or publications, and such other activities inimical to the welfare and morals of the inhabitants of the city;

(vi) Enact ordinances that protect and rehabilitate the environment and impose appropriate penalties for acts which endanger the environment, such as dynamite fishing and other forms of destructive fishing, illegal logging and smuggling of logs, smuggling of natural resources products and of endangered species of flora and fauna, slash and burn farming, and such other activities which result in pollution, acceleration of eutrophication of rivers and lakes, or of ecological imbalance;

8886 (vii) Subject to the provisions of this Code and pertinent laws, determine the
8887 powers and duties of officials and employees of the city;
8888

8889 (viii) Determine the positions and the salaries, wages, allowances and other
8890 emoluments and benefits of officials and employees paid wholly or mainly from
8891 city funds and provide for expenditures necessary for the proper conduct of
8892 programs, projects, services, and activities of the city government;
8893

8894 (ix) Authorize the payment of compensation to a qualified person not in the
8895 government service who fills up a temporary vacancy or grant honorarium to any
8896 qualified official or employee designated to fill a temporary vacancy in a
8897 concurrent capacity, at the rate authorized by law;
8898

8899 (x) Provide a mechanism and the appropriate funds therefor, to ensure the safety
8900 and protection of all city government property, public documents, or records such
8901 as those relating to property inventory, land ownership, records of births,
8902 marriages, deaths, assessments, taxation, accounts, business permits, and such
8903 other records and documents of public interest in the offices and departments of
8904 the city government;
8905

8906 (xi) When the finances of the city government allow, provide for additional
8907 allowances and other benefits to judges, prosecutors, public elementary and high
8908 school teachers, and other national government officials stationed in or assigned
8909 to the city;
8910

8911 (xii) Provide legal assistance to Barangay officials, tanod and lupon who, in the
8912 performance of their official duties or on the occasion thereof, must initiate
8913 judicial proceedings or defend themselves against legal action; and
8914 (xiii) Provide for group insurance or additional insurance coverage for all
8915 Barangay officials, including members of Barangay tanod brigades and other
8916 service units, with public or private insurance companies, when the finances of
8917 the city government allow said coverage;
8918

8919 (2) Generate and maximize the use of resources and revenues for the development plans,
8920 program objectives and priorities of the city as provided for under section 18 of this
8921 Code, with particular attention to agro-industrial development and city-wide growth
8922 and progress, and relative thereto, shall:
8923

8924 (i) Approve the annual and supplemental budgets of the city government and
8925 appropriate funds for specific programs, projects, services and activities of the
8926 city, or for other purposes not contrary to law, in order to promote the general
8927 welfare of the city and its inhabitants;
8928

8929 (ii) Subject to the provisions of Book II of this Code and applicable laws and upon
8930 the majority vote of all the members of the Sangguniang Panlungsod, enact

8931 ordinances levying taxes, fees and charges, prescribing the rates thereof for
8932 general and specific purposes, and granting tax exemptions, incentives or reliefs;
8933
8934 (iii) Subject to the provisions of Book II of this Code and upon the majority vote
8935 of all the members of the Sangguniang Panlungsod, authorize the city mayor to
8936 negotiate and contract loans and other forms of indebtedness;
8937
8938 (iv) Subject to the provisions of Book II of this Code and applicable laws and upon
8939 the majority vote of all the members of the Sangguniang Panlungsod, enact
8940 ordinances authorizing the floating of bonds or other instruments of indebtedness,
8941 for the purpose of raising funds to finance development projects;
8942
8943 (v) Enact an ordinance that appropriate funds for the construction and
8944 maintenance or the rental of buildings for the use of the city; and, upon the
8945 majority vote of all the members of the Sangguniang Panlungsod, authorize the
8946 city mayor to lease to private parties such public buildings held in a proprietary
8947 capacity, subject to existing laws, rules and regulations;
8948
8949 (vi) Prescribe reasonable limits and restraints on the use of property within the
8950 jurisdiction and enact an ordinance that would regulate and/or restraints the use of
8951 property within the jurisdiction of the municipality;
8952
8953 (vii) Adopt a comprehensive land use plan for the city: Provided, that in the case
8954 of component cities, the formulation, adoption or modification of said plan shall
8955 be in coordination with the approved provincial and regional comprehensive land
8956 use plan;
8957
8958 (viii) Reclassify land within the jurisdiction of the city, subject to the pertinent
8959 provisions of this Code;
8960
8961 (ix) Enact integrated zoning ordinances in consonance with the approved
8962 comprehensive land use plan, subject to existing laws, rules and regulations;
8963 establish fire limits or zones, particularly in populous centers; and regulate the
8964 construction, repair or modification of buildings within said fire limits or zones in
8965 accordance with the provisions of the Fire Code;
8966
8967 (x) Subject to regional law and national law, process and approve subdivision
8968 plans for residential, commercial, or industrial purposes and other development
8969 purposes, and to collect processing fees and other charges, the proceeds of which
8970 shall accrue entirely to the city: Provided, however, That where approval of a
8971 national agency or office is required, said approval shall not be withheld for more
8972 than thirty (30) days from receipt of the application. Failure to act on the
8973 application within the period stated above shall be deemed as approval thereof;
8974

8975 (xi)Subject to the provisions of Book II of this Code, grant the exclusive privilege
8976 of constructing fish corrals or fish pens, or the taking or catching of bangus fry,
8977 prawn fry or kawag-kawag, or fry of any species or fish within the city waters;
8978

8979 (xii)With the concurrence of at least two-thirds (2/3) of all the members of the
8980 Sangguniang Panlungsod, grant tax exemptions, incentives or reliefs to entities
8981 engaged in community growth-inducing industries, subject to the provisions of
8982 this Code;
8983

8984 (xiii)Grant loans or provide grants to other local government units or to national,
8985 provincial, and city charitable, benevolent or educational institutions: Provided,
8986 That, said institutions are operated and maintained within the city;
8987

8988 (xiv)Enact an ordinance that will regulate the numbering of residential,
8989 commercial and other buildings; and
8990

8991 (xv)Regulate the inspection, weighing and measuring of articles of commerce.
8992

8993 (3) Subject to the provisions of Book II of this Code, enact ordinances granting
8994 franchises and authorizing the issuance of permits or licenses, upon such conditions and
8995 for such purposes intended to promote the general welfare of the inhabitants of the city
8996 and pursuant to this legislative authority shall:
8997

8998 (i) Enact an ordinance that will fix and impose reasonable fees and charges for all
8999 services rendered by the city government to private persons or entities;
9000

9001 (ii)Enact an ordinance that will regulate or fix license fees for any business or
9002 practice of profession within the city and the conditions under which the license
9003 for said business or practice of profession may be revoked and enact ordinances
9004 levying taxes thereon;
9005

9006 (iii)Provide for and set the terms and conditions under which public utilities
9007 owned by the city shall be operated by the city government, and prescribe the
9008 conditions under which the same may be leased to private persons or entities,
9009 preferably cooperatives;
9010

9011 (iv) Enact an ordinance that will regulate and / or prohibit the display of and fix
9012 the license fees for signs, signboards, or billboards at the place or places where
9013 the profession or business advertised thereby is, in whole or in part, conducted;
9014

9015 (v)Any law to the contrary notwithstanding, authorize and/ or regulate the
9016 issuance of license to the establishment, operation, and maintenance of cockpits,
9017 and regulate cockfighting and commercial breeding of gamecocks: Provided, that
9018 existing rights should not be prejudiced;
9019

9020 (v)Subject to the guidelines prescribed by the Department of Transportation and
9021 Communications, regulate the operation of tricycles and grant franchises for the
9022 operation thereof within the territorial jurisdiction of the city;

9023

9024 (vii)Upon approval by a majority vote of all the members of the Sangguniang
9025 Panlungsod: grant a franchise to any person, partnership, corporation, or
9026 cooperative to do business within the city; establish, construct, operate and
9027 maintain ferries, wharves, markets or slaughterhouses; or undertake such other
9028 activities within the city as may be allowed by existing laws: Provided, That,
9029 cooperatives shall be given preference in the grant of such a franchise.

9030

9031 (4) Enact ordinances that will regulate activities relative to the use of land, buildings
9032 and structures within the city in order to promote the general welfare and for said
9033 purpose shall:

9034

9035 (i)Declare, prevent or abate any nuisance;

9036

9037 (ii)Enact ordinances that will require that buildings and the premises thereof and
9038 any land within the city be kept and maintained in a sanitary condition; impose
9039 penalties for any violation thereof; or, upon failure to comply with said
9040 requirement, have the work done at the expense of the owner, administrator or
9041 tenant concerned; or require the filling up of any land or premises to a grade
9042 necessary for proper sanitation;

9043

9044 (iii)Regulate the disposal of clinical and other wastes from hospitals, clinics and
9045 other similar establishments;

9046

9047 (iv) Enact ordinances that will prohibit and/ or regulate the establishment,
9048 operation and cafes, restaurants, beerhouses, hotels, motels, inns, pension houses,
9049 lodging houses, and other similar establishments, including tourist guides and
9050 transports;

9051

9052 (iv) Enact ordinances that prohibits and/ or regulate the sale, giving away or
9053 dispensing of any intoxicating malt, vino, mixed or fermented liquors at any
9054 retail outlet;

9055

9056 (vi) Regulate the establishment and provide for the inspection of steam boilers or
9057 any heating device in buildings and the storage of inflammable and highly
9058 combustible materials within the city;

9059

9060 (vi) Enact ordinances that prohibit or regulate the establishment, operation, and
9061 maintenance of any entertainment or amusement facilities, including theatrical
9062 performances, circuses, billiard pools, public dancing schools, public dance halls,
9063 sauna baths, massage parlors, and other places for entertainment or amusement;
9064 regulate such other events or activities for amusement or entertainment,

9065 particularly those which tend to disturb the community or annoy the inhabitants,
9066 or require the suspension or suppression of the same; or, prohibit certain forms of
9067 amusement or entertainment in order to protect the social and moral welfare of
9068 the community;

9069
9070 (viii) Provide for the place of impounding of stray animals; regulate the keeping
9071 of animals in homes or as part of a business, and the slaughter, sale or disposition
9072 of the same; and adopt measures to prevent and penalize cruelty to animals; and
9073

9074 (ix) Regulate the establishment, operation and maintenance of funeral parlors and
9075 the burial or cremation of the dead, subject to existing laws, rules and regulations.
9076

9077 (5) Enact and approve ordinances which shall ensure the efficient and effective delivery
9078 of the basic services and facilities as provided for under Section 17 of this Code, and in
9079 addition to said services and facilities, shall:

9080
9081 (i) Provide for the establishment, maintenance, protection, rehabilitation and
9082 conservation of communal forests, and watersheds, tree parks, greenbelts,
9083 mangroves, and other similar forest development projects;
9084

9085 (ii) Establish and regulate markets, slaughterhouses or animal corrals and
9086 authorize the operation thereof by the city government; and regulate the
9087 construction and operation of private markets, talipapas or other similar buildings
9088 and structures;
9089

9090 (iii) Authorize the establishment, maintenance and operation by the city
9091 government of ferries, wharves, and other structures intended to accelerate
9092 productivity related to marine and seashore or offshore activities;

9093 (iv) Regulate the preparation and sale of meat, poultry, fish, vegetables, fruits,
9094 fresh dairy products, and other foodstuffs for public consumption;
9095

9096 (iv) Regulate the use of streets, avenues, alleys, sidewalks, bridges, parks and
9097 other public places and approve the construction, improvement, repair and
9098 maintenance of the same; establish bus and vehicle stops and terminals or regulate
9099 the use of the same by privately-owned vehicles which serve the public; regulate
9100 garages and the operation of conveyances for hire; designate stands to be
9101 occupied by public vehicles when not in use; regulate the putting up of signs,
9102 signposts, awnings and awning posts on the streets; and provide for the lighting,
9103 cleaning and sprinkling of streets and public places;
9104

9105 (v) Regulate traffic on all streets and bridges; prohibit encroachments or obstacles
9106 thereon and, when necessary in the interest of public welfare, authorize the
9107 removal of encroachments and illegal constructions in public places;
9108

9109 (vii)Subject to existing laws, establish and provide for the maintenance, repair and
9110 operation of an efficient waterworks system to supply water for the inhabitants
9111 and to purify the source of the water supply; regulate the construction,
9112 maintenance, repair and use of hydrants, pumps, cisterns and reservoirs; protect
9113 the purity and quantity of the water supply of the city and, for this purpose, extend
9114 the coverage of appropriate ordinances over all territory within the drainage area
9115 of said water supply and within one hundred (100) meters of the reservoir, conduit,
9116 canal, aqueduct, pumping station, or watershed used in connection with the water
9117 service; and regulate the consumption, use or wastage of water and fix and collect
9118 charges therefor;
9119
9120 (viii)Regulate the drilling and excavation of the ground for the laying of water,
9121 gas, sewer, and other pipes and the construction, repair and maintenance of public
9122 drains, sewers, cesspools, tunnels and similar structures; regulate the placing of
9123 poles and the use of crosswalks, curbs, and gutters; adopt measures to ensure
9124 public safety against open canals, manholes, live wires and other similar hazards
9125 to life and property; and regulate the construction and use of private water closets,
9126 privies and other similar structures in buildings and homes;
9127
9128 (ix)Regulate the placing, stringing, attaching, installing, repair and construction of
9129 all gas mains, electric, telegraph and telephone wires, conduits, meters and other
9130 apparatus; and provide for the correction, condemnation or removal of the same
9131 when found to be dangerous, defective, or otherwise hazardous to the welfare of
9132 the inhabitants;
9133
9134 (x)Subject to the availability of funds and to existing laws, rules and regulations,
9135 establish and provide for the operation of vocational and technical schools and
9136 similar post-Secondary institutions and, with the approval of the Ministry of Basic,
9137 Higher, and Technical Education and subject to existing law on tuition fees, fix
9138 and collect reasonable tuition fees and other school charges in educational
9139 institutions supported by the city government;
9140
9141 (xi)Establish a scholarship fund for the poor but deserving students in schools
9142 located within its jurisdiction or for students residing within the city;
9143
9144 (xii)Approve measures and adopt quarantine regulations to prevent the
9145 introduction and spread of diseases;
9146
9147 (xiii)Provide for an efficient and effective system of solid waste and garbage
9148 collection and disposal; prohibit littering and the placing or throwing of garbage,
9149 refuse and other filth and wastes;
9150
9151 (xiv)Provide for the care and support to disabled persons, paupers, the aged, the
9152 sick, persons of unsound mind, abandoned minors, juvenile delinquents, drug
9153 dependents, abused children and other needy and disadvantaged persons,

9154 particularly children and youth below eighteen (18) years of age; and, subject to
9155 availability of funds, establish and provide for the operation of centers and
9156 facilities for said needy and disadvantaged persons;

9157

9158 (xv) Establish and provide for the maintenance and improvement of jails and
9159 detention centers, institute a sound jail management, and appropriate funds for the
9160 subsistence of detainees and convicted prisoners in the city;

9161

9162 (xvi) Establish a City council whose purpose is the promotion of culture and the
9163 arts, coordinate with government agencies and non-governmental organizations
9164 and, subject to the availability of funds, appropriate funds for the support and
9165 development of the same; and

9166

9167 (xvii) Establish a City council for the elderly which shall formulate policies and
9168 adopt measures mutually beneficial to the elderly and to the community; provide
9169 incentives for non-governmental agencies and entities and, subject to the
9170 availability of funds, appropriate funds to support programs and projects for the
9171 benefit of the elderly; and

9172

9173 (6) Exercise such other powers and perform such other duties and functions as may be
9174 prescribed by law or ordinance.

9175

9176 (b) The members of the Sangguniang Panlungsod of component cities shall receive a
9177 minimum monthly compensation corresponding to Salary Grade twenty-five (25) and
9178 members of the Sangguniang Panlungsod of highly-urbanized cities shall receive a
9179 minimum monthly compensation corresponding to Salary Grade twenty-seven (27), as
9180 prescribed under R.A. 6758 and the implementing guidelines issued pursuant thereto.

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9182

9183

9184 **TITLE IV**

9185 **PARLIAMENTARY DISTRICT**

9186

9187 **SECTION 472. Redistricting for Parliamentary Membership.** - The
9188 parliament may undertake by law the new redistricting in order to ensure a more
9189 equitable representation of the constituent in the parliament¹⁰⁹.

9190

9191 **SECTION 473. Manner of Creation.** - The parliament shall have power to
9192 reconstitute by law the parliamentary district apportioned among provinces, cities,
9193 municipalities, and geographical areas of Bangsamoro autonomous region to ensure
9194 equitable representation in the parliament.

9195

9196 **SECTION 474. Requisites for the Creation.** - The redistricting of province,
9197 cities and municipalities may be made on the following conditions:

¹⁰⁹ art. 7. Sec. 10 of BOL empower the parliament to create parliamentary district.

9198 (a) that each district shall be comprised, as far as practicable, of contiguous, compact,
9199 and adjacent territories; and

9200

9201 (b) that each district shall have a population of at least One Hundred Thousand
9202 (100,000)¹¹⁰.

9203

9204

TITLE V LEGISLATIVE DISTRICT

9205

9206

9207 **SECTION 475. Creation of Legislative District.** - Nothing in this Code shall be
9208 construed to allow the Bangsamoro government to create a legislative district.¹¹¹

9209

9210 **SECTION 476. Procedure in Creating Legislative District.** - When an act
9211 requires the creation of legislative district, the Bangsamoro government shall cooperate
9212 and coordinate with the national government through the Philippine Congress-
9213 Bangsamoro Parliament forum to prioritize the deliberation on the creation of a
9214 legislative district¹¹².

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9216

TITLE VI

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9218

THE PROVINCE

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9220

CHAPTER I

9221

Role and Creation of the Province

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9223 **SECTION 477. Role of the Province.** - The province, composed of a cluster of
9224 municipalities, or municipalities and component cities, and as a political and corporate
9225 unit of government, serves as a dynamic mechanism for developmental processes and
9226 effective governance of local government units within its territorial jurisdiction.

9227

9228 **SECTION 478. Manner of Creation.** - A province may be created, divided,
9229 merged, abolished, or its boundary substantially altered, only by an Act of Congress and
9230 subject to approval by a majority of the votes cast in a plebiscite to be conducted by the
9231 Comelec in the local government unit or units directly affected. The plebiscite shall be
9232 held within one hundred twenty (120) days from the date of effectivity of said Act, unless
9233 otherwise provided therein.

9234

9235 **SECTION 479. Requisites for Creation.** - (a) A province may be created if it
9236 has a locally generated annual income for the last two consecutive years, as certified by
9237 the Department of Finance, of not less than P200 million and either of the following
9238 requisites¹¹³:

¹¹⁰ art. 7. Sec. 10. Par. 2. Of BOL provides for the requisites for creation of parliamentary district.

¹¹¹ art. 6. Sec.10. par. 4. Of BOL provides that only congress can create legislative district.

¹¹² Art. 6. Sec. 10. Par.3 of BOL which provide manner for creation of legislative district.

¹¹³ House Bill 6177 which seeks to rationalize the creation of municipalities, highly urbanized cities, and provinces.

9239
9240 (1) a contiguous territory of at least two thousand (2,000) square kilometers, as
9241 certified by the Land Management Bureau; or

9242
9243 (2) a population of not less than two hundred fifty thousand (250,000) inhabitants
9244 as certified by the Philippine Statistics Authority;

9245
9246 Provided, that the creation thereof shall not reduce the land area, population and
9247 income of the original unit or units at the time of said creation to less than the minimum
9248 requirements prescribed herein.

9249
9250 (b) The territory need not be contiguous if it comprises two (2) or more islands or
9251 is separated by a chartered city or cities which do not contribute to the income of the
9252 province.

9253
9254 (c) The average annual income shall include the income accruing to the general
9255 fund, exclusive of special funds, trust funds, transfers, and non-recurring income.

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CHAPTER II Provincial Officials in General

SECTION 480. Officials of the Provincial Government. – (a) There shall be in each province a governor, a vice-governor, members of the Sangguniang Panlalawigan, a Secretary to the Sangguniang Panlalawigan, a provincial treasurer, a provincial assessor, a provincial accountant, a provincial engineer, a provincial budget officer, a provincial planning and development coordinator, a provincial legal officer, a provincial administrator, a provincial health officer, a provincial social welfare and development officer, a provincial general services officer, a provincial agriculturist, and a provincial veterinarian.

The Provincial government must also appoint the following officer and provide office space, administrative support and allocate funding thereof, to wit: Provincial Local Disaster Risk and Reduction Management Officer; Provincial Local Economic Investment Promotion officer; Provincial Tourism Office; Environmental officer; Provincial Information and Communication Technology Officer; Provincial Community-Based Training for Enterprise Development.

The minimum qualification of the applicant for the above position are the following to wit:

- a. Must be a college a graduate of any relevant course;
- b. Must have at least 60 hours of training relevant to the position he/she wish to apply;
- c. Holder of second level eligibility or its equivalent;
- d. Must be a resident of the Province where he/she may be assigned.

9284 The officer/s appointed to the above position must enjoy all rights, protection and
9285 privileges enjoyed by a regular employee of the said Province.

9286 (b) In addition, thereto, the governor may appoint a provincial population officer, a
9287 provincial natural resources and environment officer, a provincial cooperative officer, a
9288 provincial architect, and a provincial information officer.

9289

9290 The appointment of a provincial population officer shall be optional in the
9291 province: Provided, however, That provinces which have existing population offices shall
9292 continue to maintain such offices for a period of five (5) years from the date of the
9293 effectivity of this Code, after which said offices shall become optional.

9294

9295 (c) In the appointment of provincial employees especially on career positions, preference
9296 shall be given to qualified residents of the province.

9297

9298 (d) The Sangguniang Panlalawigan may:

9299

(1) Maintain existing offices not mentioned in subsections (a) and (b) hereof;

9301

9302 (2) Create such other offices as may be necessary to carry out the purposes of the
9303 provincial government; or

9304

9305 (3) Consolidate the functions of any office with those of another in the interest of
9306 efficiency and economy;

9307

9308 (e) Unless otherwise provided herein, heads of departments and offices shall be appointed
9309 by the governor with the concurrence of the majority of all the Sangguniang
9310 Panlalawigan members, subject to civil service law, rules and regulations. The
9311 Sangguniang Panlalawigan shall act on the appointment within fifteen (15) days from the
9312 date of its submission; otherwise the same shall be deemed confirmed;

9313

9314 (f) Elective and appointive provincial officials shall receive such compensation,
9315 allowances, and other emoluments as may be determined by law or ordinance, subject to
9316 the budgetary limitations on personal services prescribed under Title Five, Book II of this
9317 Code: Provided, That, no increase in compensation shall take effect until after the
9318 expiration of the full term of all the elective officials approving such increase.

9319

9320 **SECTION 481. Residence and Office.** - During the incumbency of the governor,
9321 he shall have his official residence in the capital of the province. All elective and
9322 appointive provincial officials shall hold office in the provincial capital: Provided, That,
9323 upon resolution of the Sangguniang Panlalawigan, elective and appointive provincial
9324 officials may hold office in any component city or municipality within the province for a
9325 period of not more than seven (7) days for any given month.

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9327

CHAPTER III

9328

9329 **Officials and Offices Common to All Provinces**
9330 **Article I - The Provincial Governor**

9331
9332 **SECTION 482. The Chief Executive: Powers, Duties, Functions and**
9333 **Compensation.** - (a) The provincial governor, as the chief executive of the provincial
9334 government, shall exercise such powers and perform such duties and functions as
9335 provided by this Code and other laws.
9336

9337 (b) For efficient, effective and economical governance the purpose of which is the
9338 general welfare of the province and its inhabitants pursuant to Section 16 of this Code,
9339 the provincial governor shall:

9340
9341 (1) Exercise general supervision and control over all programs, projects, services, and
9342 activities of the provincial government, and in this connection, shall:

9343
9344 (i) Formulate the guidelines of provincial policies and be responsible to the
9345 Sangguniang Panlalawigan for the program of government;

9346
9347 (ii) Propose the formulation of the provincial development plan, with the
9348 assistance of the provincial development council, and upon approval thereof by
9349 the Sangguniang Panlalawigan, implement the same;

9350
9351 (iii) Present the program of government and propose policies and projects for the
9352 consideration of the Sangguniang Panlalawigan at the opening of the regular
9353 session of the Sangguniang Panlalawigan every calendar year and as often as may
9354 be deemed necessary as the general welfare of the inhabitants and the needs of the
9355 provincial government may require;

9356
9357 (iv) Initiate and propose legislative measures to the Sangguniang Panlalawigan
9358 and as often as may be deemed necessary, provide such information and data
9359 needed or requested by said sanggunian in the performance of its legislative
9360 functions;

9361
9362 (v) Appoint all officials and employees whose salaries and wages are wholly or
9363 mainly paid out of provincial funds and whose appointments are not otherwise
9364 provided for in this Code, as well as those he may be authorized by law to appoint;

9365 (vi) Represent the province in all its business transactions and sign in its behalf all
9366 bonds, contracts, and obligations, and such other documents upon authority of the
9367 Sangguniang Panlalawigan or pursuant to law or ordinance;

9368
9369 (vii) Carry out such emergency measures as may be necessary during and in the
9370 aftermath of man-made and natural disasters and calamities as well as assist those
9371 affected in returning to normal life by giving them livelihood, and social and
9372 psychological support or programs;

9373

- 9374 (viii) Determine the time, manner and place of payment of salaries or wages of
9375 the officials and employees of the province, in accordance with law or ordinance;
9376
- 9377 (ix) Allocate and assign office space to provincial and other officials and
9378 employees who, by law or ordinance, are entitled to such space in the provincial
9379 capitol and other buildings owned or leased by the provincial government;
9380
- 9381 (x) Ensure that all executive officials and employees of the province faithfully
9382 discharge their duties and functions as provided by law and this Code, and cause
9383 to be instituted administrative or judicial proceedings against any official or
9384 employee of the province who may have committed an offense in the performance
9385 of his official duties;
9386
- 9387 (xi) Examine the books, records and other documents of all offices, officials,
9388 agents or employees of the province and, in aid of his executive powers and
9389 authority, require all national officials and employees stationed in the province to
9390 make available to him such books, records, and other documents in their custody,
9391 except those classified by law as confidential;
9392
- 9393 (xii) Furnish copies of executive orders issued by him/her to the Office of the
9394 Chief Minister through the Ministry of Interior and Local Government
9395 within seventy-two (72) hours after issuance;
9396
- 9397 (xiii) Must visit component cities and municipalities of the province at once a
9398 month and consider such visit an outreach program for Delivering Basic Services
9399 to Municipalities and to deepen his/her understanding on problems or conditions
9400 therein. He/She may also conduct ulat sa Bayan for each municipality or cluster of
9401 municipalities to inform the municipal officials and inhabitants of general laws
9402 and ordinances which especially concern them, listen and give appropriate
9403 counsel to local officials or inhabitants , featuring achievement of the
9404 Municipalities concern and the provincial government, financial reporting,
9405 recognition of local innovations, good practices and present the proposed
9406 comprehensive land used plan.
9407
- 9408 (xiv) Act on leave applications of officials and employees appointed by him and
9409 the commutation of the monetary value of leave credits in accordance with law;
9410
- 9411 (xv) Authorize official trips of provincial officials and employees outside of the
9412 province for a period not exceeding thirty (30) days;
9413
- 9414 (xvi) Call upon any national official or employee stationed in or assigned to the
9415 province to advise him on matters affecting the province and to make
9416 recommendations thereon; coordinate with said official or employee in the
9417 formulation and implementation of plans, programs and projects; and when
9418 appropriate, initiate an administrative or judicial action against a national

9419 government official or employee who may have committed an offense in the
9420 performance of his official duties while stationed in or assigned to the province;

9421

9422 (xvii) Authorize payment for medical care, necessary transportation, subsistence,
9423 hospital or medical fees of provincial officials and employees who are
9424 injured while in the performance of their official duties and functions, subject to
9425 availability of funds;

9426

9427 (xviii) Represent the province in inter-provincial or regional sports councils or
9428 committees, and coordinate the efforts of component cities or municipalities in the
9429 regional or national palaro or sports development activities;

9430

9431 (xix) Conduct an annual palarong panlalawigan, which shall feature traditional
9432 sports and disciplines included in national and international games, in
9433 coordination with the Ministry of Basic, Higher, and Technical Education; and

9434

9435 (xx) Submit to the Office of the Chief Minister through the Ministry of Interior
9436 and Local Government the following reports: an annual report containing a
9437 summary of all matters pertinent to the management, administration and
9438 development of the province and all information and data relative to its political,
9439 social and economic conditions; and supplemental reports when unexpected
9440 events and situations arise at any time during the year, particularly when man-
9441 made or natural disasters or calamities affect the general welfare of the province,
9442 region or country;

9443

9444 (2) Enforce all laws and ordinances relative to the governance of the province and the
9445 exercise of the appropriate corporate powers provided under this Code, implement all
9446 approved policies, programs, projects, services and activities of the province and, in
9447 addition to the foregoing, shall:

9448

9449 (i) Ensure that the acts of the component cities and municipalities of the province
9450 and of its officials and employees are within the scope of their prescribed powers,
9451 duties and functions;

9452

9453 (ii) Call conventions, conferences, seminars, or meetings of any elective and
9454 appointive officials of the province and its component cities and municipalities,
9455 including national officials and employees stationed in or assigned to the province,
9456 at such time and place and on such subject as he may deem important for the
9457 promotion of the general welfare of the province and its inhabitants;

9458

9459 All conventions, seminars, conferences or meetings funded by local
9460 government unit concerned must be held in the establishments within the
9461 territorial jurisdiction of the municipality or, if not available, in any nearest
9462 establishments within the Bangsamoro Autonomous Region in Muslim Mindanao

9463 or, for justifiable reason, outside of BARMM upon approval of the Ministry of
9464 Interior and Local Government;

9465

9466 (iii) Issue such executive orders for the faithful and appropriate enforcement and
9467 execution of laws and ordinances;

9468

9469 (iv) Whenever necessary, be entitled to carry one short firearm within his/her
9470 territorial jurisdiction, subject to the existing laws and regulations;

9471

9472 (v) In coordination with the mayors of component cities and municipalities and
9473 the National Police Commission, formulate the peace and order plan of the
9474 province and upon its approval, implement the same in accordance with R.A. No.
9475 6975;

9476

9477 (vi) Call upon the appropriate national law enforcement agencies to suppress
9478 disorder, riot, lawless violence, rebellion or sedition or to apprehend violators of
9479 the law when public interest so requires and the police forces of the component
9480 city or municipality where the disorder or violation is happening are inadequate to
9481 cope with the situation or the violators; and

9482

9483 (vii) Establish a Local Council for the Protection of Children;

9484

9485 (viii) Establish the Provincial Youth Development Council which shall assist the
9486 planning and execution of projects and programs of the Sangguniang Kabataan,
9487 and the Pederasyons in all levels.

9488

9489 (3) Initiate and maximize the generation of resources and revenues, and apply the same
9490 to the implementation of development plans, program objectives and priorities as
9491 provided for under this Code, particularly those resources and revenues programmed
9492 for agro-industrial development and country-wide growth and progress and, relative
9493 thereto, shall:

9494

9495 (i) Require each head of an office or department to prepare and submit an estimate
9496 of appropriations for the ensuing calendar year, in accordance with the budget
9497 preparation process under this Code;

9498

9499 (ii) Prepare and submit to the sanggunian for approval the executive and
9500 supplemental budgets of the province for the ensuing calendar year in the manner
9501 provided for under this Code;

9502

9503 (iii) Ensure that all taxes and other revenues of the province are collected, and that
9504 provincial funds are applied to the payment of expenses and settlement of
9505 obligations of the province, in accordance with law or ordinance;

9506

9507 (iv) Issue licenses and permits and suspend or revoke the same for any violation of
9508 the conditions upon which said licenses or permits had been issued, pursuant to
9509 law or ordinance;
9510
9511 (v) Adopt adequate measures to safeguard and conserve land, mineral, marine,
9512 forest and other resources of the province, in coordination with the mayors of
9513 component cities and municipalities;
9514
9515 (vi) Provide efficient and effective property and supply management in the
9516 province; and protect the funds, credits, rights, and other properties of the
9517 province; and;
9518
9519 (vii) Institute or cause to be instituted administrative or judicial proceedings for
9520 violation of ordinances in the collection of taxes, fees or charges, and for the
9521 recovery of funds and property; and cause the province to be defended against all
9522 suits to ensure that its interests, resources and rights shall be adequately protected.
9523
9524 (4) The province must ensure the delivery of basic services provided under section 17
9525 of this Code such as:
9526
9527 (i) **AGRICULTURAL SERVICES:** which include:¹¹⁴the prevention and control
9528 of the plant and animal pests and disease; dairy farms, livestock markets, animal
9529 breeding stations, and artificial insemination centers; and assistance in the
9530 organization of farmer's and fishermen's cooperatives and other collective
9531 organizations, as well as the transfer of appropriate technology; Industrial
9532 research and development services, as well as the transfer of appropriate
9533 technology;
9534
9535 (ii) **ENVIRONMENTAL SERVICES:** Pursuant to national policies and subject
9536 to supervision, control and review of the Ministry of Environment, Natural
9537 Resources and Energy , enforcement of forestry laws limited to community-based
9538 forestry projects, pollution control law, small-scale mining law, and other laws on
9539 the protection of the environment; and mini-hydroelectric projects for local
9540 purposes;
9541
9542 (iii) **HEALTH SERVICES:** which include: Construction and maintenance of
9543 district hospitals, provincials' hospitals and other tertiary health services;
9544
9545 (iv) **SOCIAL SERVICES:** which include, programs and projects on rebel
9546 returnees and evacuees; relief operations; and, population development services;
9547 (v) **PUBLIC WORKS/OR CONSTRUCTION OF THE FOLLOWING, to**
9548 **wit:** Provincial buildings, provincial jails, freedom parks and other public
9549 assembly areas and other similar facilities;
9550

¹¹⁴ We just define further the basic services under section 17 of this code.

9551 (vii) Infrastructure Facilities intended to service the needs of the resident of
9552 the province and which are funded out of provincial funds including , but not
9553 limited to, provincial roads and bridges ; inter-municipal waterworks drainage
9554 and sewerage , flood control , and irrigation systems; reclamation projects;
9555 and similar facilities;

9556
9557 (viii) Programs and Project for low-cost housing and other mass dwellings ,
9558 except those funded by the Social Security System (SSS) , Government
9559 Service Insurance System (GSIS) , and the Home Development Mutual Fund
9560 (HDMF): Provided , That national funds for these program and projects shall
9561 be equitably allocated among the regions in proportion to the ratio of the
9562 homeless to the population;

9563
9564 (ix) Investment support services, including access to credit financing;

9565
9566 (x) Upgrading and modernization of tax information and collection services
9567 through the use of computer hardware and software and other means;

9568
9569 (xi) Inter-municipal telecommunication services , subject to national policy
9570 guidelines; and

9571
9572 (xii) Tourism development and promotion programs.

9573
9574 and in addition, thereto, shall:

9575
9576 (xii.i) ensure that all construction or repair of roads and bridges
9577 funded by national government or BARMM as far as practicable,
9578 be carried out in spatially contiguous manner and in coordination
9579 with the LGU where the project is actually located.

9580
9581 (xii.ii) There must be coordination in the implementation of
9582 technical services by BARMM or national offices for the province
9583 and its component cities and municipalities, including public
9584 works and infrastructure programs of the provincial government
9585 and its component cities and municipalities;

9586
9587 (5) Exercise such other powers and perform such other duties and functions as may be
9588 prescribed by law or ordinance.

9589
9590 (c)The provincial governor shall receive a minimum monthly compensation
9591 corresponding to Salary Grade thirty (30) prescribed under R.A. No. 6758 and the
9592 implementing guidelines issued pursuant thereto.

9593
9594 **Article II - The Provincial Vice-Governor**

9595

9596 **SECTION 483. Powers, Duties and Compensation.** - (a) The vice-
9597 governor shall:

9598

9599 (1) Be the presiding officer of the Sangguniang Panlalawigan and sign all warrants
9600 drawn on the provincial treasury for all expenditures appropriated for the operation of
9601 the Sangguniang Panlalawigan;

9602

9603 (2) Subject to civil service law, rules and regulations, appoint all officials and
9604 employees of the Sangguniang Panlalawigan, except those whose manner of
9605 appointment is specifically provided in this Code;

9606

9607 (3) Assume the office of the governor for the unexpired term of the latter in the event of
9608 permanent vacancy as provided for in this Code;

9609

9610 (4) Exercise the powers and perform the duties and functions of the governor in cases
9611 of temporary vacancy as provided for in this Code; and

9612

9613 (5) Exercise such other powers and perform such other duties and functions as may be
9614 prescribed by law or ordinance.

9615

9616 (b) The vice-governor shall receive a monthly compensation corresponding to Salary
9617 Grade twenty-eight (28) as prescribed under R.A. No. 6758 and the implementing
9618 guidelines issued pursuant thereto.

9619

9620 **Article III - The Sangguniang Panlalawigan**

9621

9622 **SECTION 484. Composition.** - (a) The Sangguniang Panlalawigan, the
9623 legislative body of the province, shall be composed of the provincial vice-governor as
9624 presiding officer, the regular sanggunian members, the president of the provincial chapter
9625 of the liga ng mga Barangay, the president of the panlalawigang pederasyon ng mga
9626 Sangguniang Kabataan, the president of the provincial federation of sanggunian members
9627 of municipalities and component cities, and the Sectoral representatives, as members.

9628

9629 (b) In addition thereto, there shall be three (3) Sectoral representatives: one (1) from the
9630 women; and as shall be determined by the sanggunian concerned within ninety (90) days
9631 prior to the holding of the local elections, one (1) from the agricultural or industrial
9632 workers; and one (1) from the other Sectors, including the urban poor, indigenous
9633 cultural communities, or disabled persons.

9634 (c) The regular members of the Sangguniang Panlalawigan and the Sectoral
9635 representatives shall be elected in the manner as may be provided for by law.

9636

9637 **SECTION 485. Powers, Duties, Functions and Compensation.** - (a) The
9638 Sangguniang Panlalawigan, as the legislative body of the province, shall enact ordinances,
9639 approve resolutions and appropriate funds for the general welfare of the province and its
9640 inhabitants and shall:

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(1) Approve ordinances and pass resolutions necessary for an efficient and effective provincial government and, in this connection, shall:

(i) Review all ordinances approved by the sanggunians of component cities and municipalities and executive orders issued by the mayors of said component units to determine whether these are within the scope of the prescribed powers of the sanggunian and of the mayor;

(ii) Maintain peace and order by enacting an ordinance or measures to prevent and suppress lawlessness, disorder, riot, violence, rebellion or sedition and impose penalties for the violation of said ordinances;

(iii) Approve ordinances imposing a fine not exceeding Five thousand pesos (P5,000.00) or imprisonment not exceeding one(1) year, or both in the discretion of the court, for the violation of a provincial ordinance;

(iv) Enact and adopt measures or comprehensive plan to protect the inhabitants of the province from the harmful effects of man-made or natural disasters and calamities, and to provide relief services and assistance for victims during and in the aftermath of said disasters and calamities and their return to productive livelihood following said events;

(v) Enact and approve ordinances intended to prevent, suppress and impose appropriate penalties for habitual drunkenness in public places, vagrancy, mendicancy, prostitution, establishment and maintenance of houses of ill repute, gambling and other prohibited games of chance, fraudulent devices and ways to obtain money or property, drug addiction, maintenance of drug dens, drug pushing, juvenile delinquency, the printing, distribution or exhibition of obscene or pornographic materials or publications, and such other activities inimical to the welfare and morals of the inhabitants of the province;

(vi) Enact and approve ordinances that will protect and rehabilitate the environment and impose appropriate penalties for acts which endanger the environment, such as dynamite fishing and other forms of destructive fishing, illegal logging and smuggling of logs, smuggling of natural resources products and of endangered species of flora and fauna, slash and burn farming, and such other activities which result in pollution, acceleration of eutrophication of rivers and lakes, or of ecological imbalance;

(vii) Subject to the provisions of this Code and pertinent laws, determine the powers and duties of officials and employees of the province;

(viii) Determine the positions and the salaries, wages, allowances and other emoluments and benefits of officials and employees paid wholly or mainly from

9686 provincial funds and provide for expenditures necessary for the proper conduct of
9687 programs, projects, services, and activities of the provincial government;

9688

9689 (ix)Authorize the payment of compensation to a qualified person not in the
9690 government service who fills up a temporary vacancy, or grant honorarium to any
9691 qualified official or employee designated to fill a temporary vacancy in a
9692 concurrent capacity, at the rate authorized by law;

9693

9694 (x)Provide a mechanism and the appropriate funds therefor, to ensure the safety
9695 and protection of all provincial government property, public documents, or
9696 records such as those relating to property inventory, land ownership, records of
9697 births, marriages, deaths, assessments, taxation, accounts, business permits, and
9698 such other records and documents of public interest in the offices and departments
9699 of the provincial government; and

9700

9701 (xi)When the finances of the provincial government allow, provide for additional
9702 allowances and other benefits to judges, prosecutors, public elementary and high
9703 school teachers, and other national government officials stationed or assigned to
9704 the province.

9705

9706 (2) Generate and maximize the use of resources and revenues for the development plans,
9707 program objectives and priorities of the province as provided for under Section 18 of
9708 this Code, with particular attention to agro-industrial development and country-wide
9709 growth and progress and relative thereto, shall:

9710

9711 (i)Enact the annual and supplemental appropriations of the provincial government
9712 and appropriate funds for specific programs, projects, services and activities of
9713 the province, or for other purposes not contrary to law, in order to promote the
9714 general welfare of the province and its inhabitants;

9715

9716 (ii)Subject to the provisions of Book II of this Code, Bangsamoro Organic Law
9717 and applicable laws and upon the majority vote of all the members of the
9718 Sangguniang Panlalawigan, enact ordinances levying taxes, fees and charges,
9719 prescribing the rates thereof for general and specific purposes, and granting tax
9720 exemptions, incentives or reliefs;

9721

9722 (iii)Subject to the provisions of Book II of this Code and applicable laws and
9723 upon the majority vote of all the members of the Sangguniang Panlalawigan,
9724 authorize the provincial governor to negotiate and contract loans and other forms
9725 of indebtedness;

9726

9727 (iv)Subject to the provisions of Book II of this Code and applicable laws and upon
9728 the majority vote of all the members of the Sangguniang Panlalawigan, enact
9729 ordinances authorizing the floating of bonds or other instruments of indebtedness,
9730 for the purpose of raising funds to finance development projects;

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(v) Enact and appropriate ordinances that would appropriate funds for the construction and maintenance or the rental of buildings for the use of the province; and upon the majority vote of all the members of the Sangguniang Panlalawigan, authorize the provincial governor to lease to private parties such public buildings held in a proprietary capacity, subject to existing laws, rules and regulations;

(vi) Enact and approve an ordinance that would regulate or prohibit the use of property within the jurisdiction of the province;

(vii) Review the comprehensive land use plans and zoning ordinances of component cities and municipalities and adopt a comprehensive provincial land use plan that would align to the comprehensive land use plan of the Bangsamoro Autonomous Region in Muslim Mindanao, subject to existing laws;

(3) Adopt measures to enhance the full implementation of the national agrarian reform program in coordination with the Department of Agrarian Reform;

(4) Subject to the provisions of Book II of this Code and the Bangsamoro Organic Law, grant franchises, approve the issuance of permits or licenses, or enact ordinances levying taxes, fees and charges upon such conditions and for such purposes intended to promote the general welfare of the inhabitants of the province, and pursuant to this legislative authority, shall:

(i) Fix and impose reasonable fees and charges for all services rendered by the provincial government to private persons or entities; and

(ii) Regulate and fix the license fees for such activities as provided for under this Code.

(5) Enact and approve ordinances which shall ensure the efficient and effective delivery of the basic services and facilities as provided for under Section 17 of this Code, and, in addition to said services and facilities, shall:

(i) Enact and approve ordinances that safeguards against pollution and for the preservation of the natural ecosystem in the province, in consonance with approved standards on human settlements and environmental sanitation;

(ii) Subject to applicable laws, facilitate or provide for the establishment and maintenance of a waterworks system or district waterworks for supplying water to inhabitants of component cities and municipalities;

(iii) Subject to the availability of funds and to existing laws, rules and regulations, provide for the establishment and operation of vocational and technical schools and similar post-Secondary institutions; and, with the approval of the Ministry of

9776 Basic, Higher, and Technical Education and subject to existing laws on tuition
9777 fees, fix reasonable tuition fees and other school charges in educational
9778 institutions supported by the provincial government;

9779

9780 (iv) Establish a scholarship fund for the poor but deserving students in schools
9781 located within its jurisdiction or for students residing within the province;

9782

9783 (v) Enact and approve ordinances or other quarantine regulations to prevent the
9784 introduction and spread of diseases within its territorial jurisdiction;

9785

9786 (vi) Provide for the care and support for the paupers, the aged, the sick, persons
9787 of unsound mind, abandoned minors, abused children, disabled persons, juvenile
9788 delinquents, rehabilitation for drug dependents, and other needy and
9789 disadvantaged persons, particularly children and youth below eighteen (18) years
9790 of age; subject to availability of funds, establish and support the operation of
9791 centers and facilities for said needy and disadvantaged persons; and facilitate
9792 efforts to promote the welfare of families below the poverty threshold, the
9793 disadvantaged, and the exploited;

9794

9795 (vii) Establish and provide for the maintenance and improvement of jails and
9796 detention centers, institute a sound jail management program, and appropriate
9797 funds for the subsistence of detainees and convicted prisoners in the province;

9798

9799 (viii) Establish a provincial council whose purpose is the promotion of culture and
9800 the arts, coordinate with government agencies and non-governmental
9801 organizations and, subject to the availability of funds, appropriate funds for the
9802 support and development of the same;

9803

9804 (ix) Establish a provincial council for the elderly which shall formulate policies
9805 and adopt measures mutually beneficial to the elderly and to the province; and
9806 subject to the availability of funds, appropriate funds to support programs and
9807 projects for the elderly; and provide incentives for non- governmental agencies
9808 and entities to support the programs and projects of the elderly; and

9809 (x) Exercise such other powers and perform such other duties and functions as
9810 may be prescribed by law or ordinance.

9811

9812 (b) The members of the Sangguniang Panlalawigan shall receive a minimum monthly
9813 compensation corresponding to Salary Grade twenty-seven (27) as prescribed under
9814 R.A. 6758 and the implementing guidelines issued pursuant thereto.

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TITLE VII

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APPOINTIVE LOCAL OFFICIALS COMMON TO ALL MUNICIPALITIES, 9818 CITIES AND PROVINCES

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9821 **Article I - Secretary to the Sanggunian**

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SECTION 486. Qualifications, Powers and Duties. – (a) There shall be a Secretary to the sanggunian who shall be a career official with the rank and salary equal to a head of department or office.

(b) No person shall be appointed Secretary to the sanggunian unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in law, commerce or public administration from a recognized college or university, and a first grade civil service eligible or its equivalent.

The appointment of a Secretary to the sanggunian is mandatory for provincial, city and municipal governments.

(c) The Secretary to the sanggunian shall take charge of the office of the Secretary to the sanggunian and shall:

(1) Attend meetings of the sanggunian and keep a journal of its proceedings;

(2) Keep the seal of the local government unit and affix the same with his signature to all ordinances, resolutions, and other official acts of the sanggunian and present the same to the presiding officer for his signature;

(3) Forward to the governor or mayor, as the case may be, for approval, copies of ordinances enacted by the sanggunian and duly certified by the presiding officer, in the manner provided in Section 54 under Book I of this Code;

(4) Forward to the sanggunian panlungsod or bayan concerned, in the case of the Sangguniang Barangay, and to the Sangguniang Panlalawigan concerned, in the case of the Sangguniang Panlungsod of component cities or Sangguniang Bayan, copies of duly approved ordinances, in the manner provided in Sections 56 and 57 under Book I of this Code;

(5) Furnish, upon request of any interested party, certified copies of records of public character in his custody, upon payment to the treasurer of such fees as may be prescribed by ordinance;

(6) Record in a book kept for the purpose, all ordinances and resolutions enacted or adopted by the sanggunian, with the dates of passage and publication thereof;

(7) Keep his office and all non-confidential records therein open to the public during the usual business hours;

(8) Translate into the dialect used by the majority of the inhabitants all ordinances and resolutions immediately after their approval, and cause the publication of the same together with the original version in the manner provided under this Code; and

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(9) Take custody of the local archives and, where applicable, the local library and annually account for the same; and

(d) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance relative to his position.

Article II - The Treasurer

SECTION 487. Appointment, Qualifications, Powers and Duties. - (a) The treasurer shall be appointed by the Secretary of Finance from a list of at least three (3) ranking, eligible recommended by (of) the governor or mayor, as the case may be, subject to civil service law, rules and regulations.

(b) The treasurer shall be under the administrative supervision of the governor or mayor, as the case may be, to whom he shall report regularly on the tax collection efforts in the local government unit;

(c) No person shall be appointed treasurer unless he is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree preferably in commerce, public administration or law from a recognized college or university, and a first grade civil service eligible or its equivalent. He must have acquired experience in treasury or accounting service for at least five (5) years in the case of the city or provincial treasurer, and three (3) years in the case of the municipal treasurer.

The appointment of a treasurer shall be mandatory for provincial, city and municipal governments.

(d) The treasurer shall take charge of the treasury office, perform the duties provided for under Book II of this Code, and shall:

(1) Advise the governor or mayor, as the case may be, the sanggunian, and other local government and national officials concerned regarding disposition of local government funds, and on such other matters relative to public finance;

(2) Take custody of and exercise proper management of the funds of the local government unit concerned;

(3) Take charge of the disbursement of all local government funds and such other funds the custody of which may be entrusted to him by law or other competent authority;

(4) Inspect private commercial and industrial establishments within the jurisdiction of the local government unit concerned in relation to the implementation of tax ordinances, pursuant to the provisions under Book II of this Code; and

9911 (5) Maintain and update the tax information system of the local government unit;

9912

9913 (e) In the case of the provincial treasurer, exercise technical supervision over all treasury
9914 offices of component cities and municipalities; and

9915

9916 (f) Exercise such other powers and perform such other duties and functions as may be
9917 prescribed by law or ordinance.

9918

9919 **SECTION 488. Assistant Treasurer.** - (a) An assistant treasurer may be
9920 appointed by the Secretary of Finance from a list of at least three (3) ranking, eligible
9921 recommendees of the governor or mayor, subject to civil service law, rules and
9922 regulations.

9923

9924 (b) No person shall be appointed assistant treasurer unless he/she is a citizen of the
9925 Philippines, a resident of the local government unit concerned, of good moral character, a
9926 holder of a college degree preferably in commerce, public administration, or law from a
9927 recognized college or university, and a first grade civil service eligible or its equivalent.
9928 He/she must have acquired at least five (5) years experience in the treasury or accounting
9929 service in the case of the city or provincial assistant treasurer, and three (3) years in the
9930 case of the municipal assistant treasurer.

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9932 The appointment of an assistant treasurer shall be optional for provincial, city and
9933 municipal governments.

9934

9935 (c) The assistant treasurer shall assist the treasurer and perform such duties as the latter
9936 may assign to him/her. He/she shall have authority to administer oaths concerning notices
9937 and notifications to those delinquent in the payment of the real property tax and
9938 concerning official matters relating to the accounts of the treasurer or otherwise arising in
9939 the offices of the treasurer and the assessor.

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Article III - The Assessor

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9943 **SECTION 489. Qualifications, Powers and Duties.** - (a) No person shall be
9944 appointed assessor unless he/she is a citizen of the Philippines, a resident of the local
9945 government unit concerned, of good moral character, a holder of a college degree
9946 preferably in civil or mechanical engineering, commerce, or any other related course
9947 from a recognized college or university, and a first grade civil service eligible or its
9948 equivalent. He/she must have acquired experience in real property assessment work or in
9949 any related field for at least five (5) years in the case of the city or provincial assessor,
9950 and three (3) years in the case of the municipal assessor.

9951

9952 The appointment of an assessor shall be mandatory for provincial, city and
9953 municipal governments.

9954

9955 (b) The assessor shall take charge of the assessor's office, perform the duties provided for
9956 under Book II of this Code and shall:

9957

9958 (1) Ensure that all laws and policies governing the appraisal and assessment of real
9959 properties for taxation purposes are properly executed;

9960

9961 (2) Initiate, review, and recommend changes in policies and objectives, plans and
9962 programs, techniques, procedures and practices in the valuation and assessment of real
9963 properties for taxation purposes;

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9965 (3) Establish a systematic method of real property assessment;

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9967 (4) Install and maintain a real property identification and accounting system;

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9969 (5) Prepare, install and maintain a system of tax mapping, showing graphically all
9970 property subject to assessment and gather all data concerning the same;

9971

9972 (6) Conduct frequent physical surveys to verify and determine whether all real properties
9973 within the province are properly listed in the assessment rolls;

9974

9975 (7) Exercise the functions of appraisal and assessment primarily for taxation purposes of
9976 all real properties in the local government unit concerned;

9977

9978 (8) Prepare a schedule of the fair market value for the different classes of real properties,
9979 in accordance with Title Two under Book II of this Code;

9980

9981 (9) Issue, upon request of any interested party, certified copies of assessment records of
9982 real property and all other records relative to its assessment, upon payment of a service
9983 charge or fee to the treasurer;

9984

9985 (10) Submit every semester a report of all assessments, as well as cancellations and
9986 modifications of assessments to the local chief executive and the sanggunian concerned;

9987

9988 (11) In the case of the assessor of a component city or municipality attend, personally or
9989 through an authorized representative, all sessions of the local board of assessment appeals
9990 whenever his assessment is the subject of the appeal, and present or submit any
9991 information or record in his possession as may be required by the board;

9992

9993 (12) In the case of the provincial assessor, exercise technical supervision and visitorial
9994 functions over all component city and municipal assessors, coordinate with component
9995 city or municipal assessors in the conduct of tax mapping operations and all other
9996 assessment activities, and provide all forms of assistance therefor: Provided, however,
9997 That, upon full provision by the component city or municipality concerned to its
9998 assessor's office of the minimum personnel, equipment, and funding requirements as may

9999 be prescribed by the Secretary of Finance, such functions shall be delegated to the said
10000 city or municipal assessor; and

10001

10002 (c) Exercise such other powers and perform such other duties and functions as may be
10003 prescribed by law or ordinance.

10004

10005 **SECTION 490. Assistant Assessor.** - (a) No person shall be appointed assistant
10006 assessor unless he/she is a citizen of the Philippines, a resident of the local government
10007 unit concerned, of good moral character, a holder of a college degree preferably in civil
10008 or mechanical engineering, commerce, or any related course from a recognized college or
10009 university, and a first grade civil service eligible or its equivalent. He/she must have
10010 acquired experience in assessment or in any related field for at least three (3) years in the
10011 case of the city or provincial assistant assessor, and one (1) year in the case of the city or
10012 provincial assistant assessor.

10013

10014 The appointment of an assistant assessor shall be optional for provincial, city and
10015 municipal governments.

10016

10017 (b) The assistant assessor shall assist the assessor and perform such other duties as the
10018 latter may assign to him/her. He shall have the authority to administer oaths on all
10019 declarations of real property for purposes of assessment.

10020

10021 **Article IV - The Accountant**

10022

10023 **SECTION 491. Qualifications, Powers and Duties.** - (a) No person shall be
10024 appointed accountant unless he/she is a citizen of the Philippines, a resident of the local
10025 government unit concerned, of good moral character, and a certified public accountant.
10026 He/she must have acquired experience in the treasury or accounting service for at least
10027 five (5) years in the case of the provincial or city accountant, and three (3) years in the
10028 case of the municipal accountant.

10029 The appointment of an accountant is mandatory for the provincial, city and
10030 municipal governments.

10031

10032 (b) The accountant shall take charge of both the accounting and internal audit services of
10033 the local government unit concerned and shall:

10034

10035 (1) Install and maintain an internal audit system in the local government unit concerned;

10036

10037 (2) Prepare and submit financial statements to the governor or mayor, as the case may
10038 be, and to the sanggunian concerned;

10039

10040 (3) Apprise the sanggunian and other local government officials on the financial
10041 condition and operations of the local government unit concerned;

10042

- 10043 (4) Certify to the availability of budgetary allotment to which expenditures and
10044 obligations may be properly charged;
10045
- 10046 (5) Review supporting documents before preparation of vouchers to determine
10047 completeness of requirements;
10048
- 10049 (6) Prepare statements of cash advances, liquidation, salaries, allowances,
10050 reimbursements and remittances pertaining to the local government unit;
10051
- 10052 (7) Prepare statements of journal vouchers and liquidation of the same and other
10053 adjustments related thereto;
10054
- 10055 (8) Post individual disbursements to the subsidiary ledger and index cards;
10056
- 10057 (9) Maintain individual ledgers for officials and employees of the local government unit
10058 pertaining to payrolls and deductions;
10059
- 10060 (10) Record and post in index cards details of purchased furniture, fixtures, and
10061 equipment, including disposal thereof, if any;
10062
- 10063 (11) Account for all issued requests for obligations and maintain and keep all records
10064 and reports related thereto;
10065
- 10066 (12) Prepare journals and the analysis of obligations and maintain and keep all records
10067 and reports related thereto; and
10068
- 10069 (13) Exercise such other powers and perform such other duties and functions as may be
10070 provided by law or ordinance.
10071
- 10072 (c) The incumbent chief accountant in the office of the treasurer shall be given preference
10073 in the appointment to the position of accountant.

10074 **Article V - The Budget Officer**

10075

10076 **SECTION 492. Qualifications, Powers and Duties.** - (a) No person shall be
10077 appointed budget officer unless he/she is a citizen of the Philippines, a resident of the
10078 local government unit concerned, of good moral character, a holder of a college degree
10079 preferably in accounting, economics, public administration or any related course from a
10080 recognized college or university, and a first grade civil service eligible or its equivalent.
10081 He/she must have acquired experience in government budgeting or in any related field for
10082 at least five (5) years in the case of the provincial or city budget officer, and at least three
10083 (3) years in the case of the municipal budget officer.
10084

10085 The appointment of a budget officer shall be mandatory for the provincial, city,
10086 and municipal governments.
10087

- 10088 (b) The budget officer shall take charge of the budget office and shall:
10089
10090 (1) Prepare forms, orders, and circulars embodying instructions on budgetary and
10091 appropriation matters for the signature of the governor or mayor, as the case may be;
10092
10093 (2) Review and consolidate the budget proposals of different departments and offices of
10094 the local government unit;
10095
10096 (3) Assist the governor or mayor, as the case may be, in the preparation of the budget
10097 and during budget hearings;
10098
10099 (4) Study and evaluate budgetary implications of proposed legislation and submit
10100 comments and recommendations thereon;
10101
10102 (5) Submit periodic budgetary reports to the Department of Budget and Management;
10103
10104 (6) Coordinate with the treasurer, accountant, and the planning and development
10105 coordinator for the purpose of budgeting;
10106
10107 (7) Assist the sanggunian concerned in reviewing the approved budgets of component
10108 local government units; and
10109
10110 (8) Coordinate with the planning and development coordinator in the formulation of the
10111 local government unit development plan;
10112
10113 (c) Exercise such other powers and perform such other duties and functions as may be
10114 prescribed by law or ordinance.
10115
10116 (d) The appropriations for personal services of the budget officer provided under the
10117 Department of Budget and Management shall, upon effectivity of this Code, be
10118 transferred to the local government unit concerned. Thereafter, the appropriations for
10119 personal services of the budget officer shall be provided for in full in the budget of the
10120 local government unit.
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10122 **Article VI - The Planning and Development Coordinator**

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10124 **SECTION 493. Qualifications, Powers and Duties.** - (a) No person shall be
10125 appointed planning and development coordinator unless he/she is a citizen of the
10126 Philippines, a resident of the local government unit concerned, of good moral character, a
10127 holder of a college degree preferably in urban planning, development studies, economics,
10128 public administration, or any related course from a recognized college or university, and
10129 a first grade civil service eligible or its equivalent. He/she must have acquired experience
10130 in development planning or in any related field for at least five (5) years in the case of the
10131 provincial or city planning and development coordinator, and three (3) years in the case
10132 of the municipal planning and development coordinator.
10133

10133

10134 The appointment of a planning and development coordinator shall be mandatory
10135 for provincial, city and municipal governments.

10136

10137 (b) The planning and development coordinator shall take charge of the planning and
10138 development office and shall:

10139

10140 (1) Formulate integrated economic, social, physical, and other development plans and
10141 policies for consideration of the local government development council;

10142

10143 (2) Conduct continuing studies, researches, and training programs necessary to evolve
10144 plans and programs for implementation;

10145

10146 (3) Integrate and coordinate all sectoral plans and studies undertaken by the different
10147 functional groups or agencies;

10148

10149 (4) Monitor and evaluate the implementation of the different development programs,
10150 projects, and activities in the local government unit concerned in accordance with the
10151 approved development plan;

10152

10153 (5) Prepare comprehensive plans and other development planning documents for the
10154 consideration of the local development council;

10155

10156 (6) Analyze the income and expenditure patterns, and formulate and recommend fiscal
10157 plans and policies for consideration of the finance committee of the local government
10158 unit concerned as provided under Title Five, Book II of this Code;

10159

10160 (7) Promote people participation in development planning within the local government
10161 unit concerned; and

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10163

10164 (8) Exercise supervision and control over the Secretariat of the local development
10165 council;

10166

10167 (c) Exercise such other powers and perform such other functions and duties as may be
10168 prescribed by law or ordinance.

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Article VII - The Engineer

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10172 **SECTION 494. Qualifications, Powers and Duties.** - (a) No person shall be
10173 appointed engineer unless he/she is a citizen of the Philippines, a resident of the local
10174 government unit concerned, of good moral character, and a licensed civil engineer.
10175 He/she must have acquired experience in the practice of his/her profession for at least
10176 five (5) years in the case of the provincial or city engineer, and three (3) years in the case
10177 of the municipal engineer.

10223 be, in order to assist him in the efficient, effective and economical implementation of a
10224 health services program geared to implementation of health- related projects and
10225 activities;
10226
10227 (2) Formulate measures for the consideration of the sanggunian and provide technical
10228 assistance and support to the governor or mayor, as the case may be, in carrying out
10229 activities to ensure the delivery of basic services and provision of adequate facilities
10230 relative to health services provided under Section 17 of this Code;
10231
10232 (3) Develop plans and strategies and upon approval thereof by the governor or mayor as
10233 the case may be, implement the same, particularly those which have to do with health
10234 programs and projects which the governor or mayor, is empowered to implement and
10235 which the sanggunian is empowered to provide for under this Code;
10236
10237 (4) In addition to the foregoing duties and functions, the health officer shall:
10238
10239 (i) Formulate and implement policies, plans, programs and projects to promote the
10240 health of the people in the local government unit concerned;
10241
10242 (ii) Advise the governor or mayor, as the case may be, and the sanggunian on
10243 matters pertaining to health;
10244
10245 (iii) Execute and enforce all laws, ordinances and regulations relating to public
10246 health;
10247
10248 (iv) Recommend to the sanggunian, through the local health board, the passage of
10249 such ordinances as he may deem necessary for the preservation of public health;
10250 (v) Recommend the prosecution of any violation of sanitary laws, ordinances or
10251 regulations;
10252
10253 (vi) Direct the sanitary inspection of all business establishments selling food items
10254 or providing accommodations such as hotels, motels, lodging houses, pension
10255 houses, and the like, in accordance with the Sanitation Code;
10256
10257 (vii) Conduct health information campaigns and render health intelligence
10258 services;
10259
10260 (viii) Coordinate with other government agencies and non-governmental
10261 organizations involved in the promotion and delivery of health services; and
10262
10263 (ix) In the case of the provincial health officer, exercise general supervision over
10264 health officers of component cities and municipalities; and
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10266 (5) Be in the frontline of health services delivery, particularly during and in the
10267 aftermath of man-made and natural disasters and calamities; and

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(c) Exercise such other powers and perform such other duties and functions as may be prescribed by law or ordinance.

Article IX - The Civil Registrar

SECTION 496. Qualifications, Powers and Duties. – (a) No person shall be appointed civil registrar unless he/she is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree from a recognized college or university, and a first grade civil service eligible or its equivalent. He/she must have acquired experience in civil registry work for at least five (5) years in the case of the city civil registrar and three (3) years in the case of the municipal civil registrar.

The appointment of a civil registrar shall be mandatory for city and municipal governments.

(b) The civil registrar shall be responsible for the civil registration program in the local government unit concerned, pursuant to the Civil Registry Law, the Civil Code, and other pertinent laws, rules and regulations issued to implement them.

(c) The Civil Registrar shall take charge of the office of the civil registry and shall:

(1) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with civil registry programs and projects which the mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;

(2) In addition to the foregoing duties and functions, the civil registrar shall:

(i) Accept all registrable documents and judicial decrees affecting the civil status of persons;

(ii) File, keep and preserve in a secure place the books required by law;

(iii) Transcribe and enter immediately upon receipt all registrable documents and judicial decrees affecting the civil status of persons in the appropriate civil registry books;

(iv) Transmit to the Office of the Civil Registrar- General, within the prescribed period, duplicate copies of registered documents required by law;

(v) Issue certified transcripts or copies of any certificate or registered documents upon payment of the prescribed fees to the treasurer;

10313 (vi)Receive applications for the issuance of a marriage license and, after
10314 determining that the requirements and supporting certificates and publication
10315 thereof for the prescribed period have been complied with, issue the license upon
10316 payment of the authorized fee to the treasurer;

10317
10318 (vii)Coordinate with the National Statistics Office in conducting educational
10319 campaigns for vital registration and assist in the preparation of demographic and
10320 other statistics for the local government unit concerned; and

10321
10322 (3) Exercise such other powers and perform such other duties and functions as may be
10323 prescribed by law or ordinance.

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10325 **Article X - The Administrator**

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10327 **SECTION 497. Qualifications, Term, Powers and Duties.** - (a) No person shall
10328 be appointed administrator unless he/she is a citizen of the Philippines, a resident of the
10329 local government unit concerned, of good moral character, a holder of a college degree
10330 preferably in public administration, law, or any other related course from a recognized
10331 college or university, and a first grade civil service eligible or its equivalent. He/she must
10332 have acquired experience in management and administration work for at least five (5)
10333 years in the case of the provincial or city administrator, and three (3) years in the case of
10334 the municipal administrator.

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10336 The term of administrator is coterminous with the appointing authority.

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10338 The appointment of an administrator shall be mandatory for the provincial and
10339 city governments, and optional for the municipal government.

10340

10341 (b) The administrator shall take charge of the office of the administrator and shall:

10342

10343 (1) Develop plans and strategies and upon approval thereof by the governor or mayor,
10344 as the case may be, implement the same particularly those which have to do with the
10345 management and administration-related programs and projects which the governor or
10346 mayor is empowered to implement and which the sanggunian is empowered to provide
10347 for under this Code;

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10349 (2) In addition to the foregoing duties and functions, the administrator shall:

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10351 (i) Assist in the coordination of the work of all the officials of the local
10352 government unit, under the supervision, direction, and control of the governor or
10353 mayor, and for this purpose, he may convene the chiefs of offices and other
10354 officials of the local government unit;

10355

- 10356 (ii) Establish and maintain a sound personnel program for the local government
10357 unit designed to promote career development and uphold the merit principle in the
10358 local government service;
10359
- 10360 (iii) Conduct a continuing organizational development of the local government
10361 unit with the end in view of instituting effective administrative reforms;
10362
- 10363 (3) Be in the frontline of the delivery of administrative support services, particularly
10364 those related to the situations during and in the aftermath of man-made and natural
10365 disasters and calamities;
10366
- 10367 (4) Recommend to the sanggunian and advise the governor and mayor, as the case may
10368 be, on all other matters relative to the management and administration of the local
10369 government unit; and
10370
- 10371 (5) Exercise such other powers and perform such other duties and functions as may be
10372 prescribed by law or ordinance.
10373

10374 **Article XI - The Legal Officer** 10375

10376 **SECTION 498. Qualifications, Term, Powers and Duties.** - (a) No person shall
10377 be appointed legal officer unless he/she is a citizen of the Philippines, a resident of the
10378 local government unit concerned, of good moral character, and a member of the
10379 Philippine Bar. He/she must have practiced his/her profession for at least five (5) years in
10380 the case of the provincial and city legal officer, and three (3) years in the case of the
10381 municipal legal officer. The term of the legal officer shall be coterminous with the
10382 appointing authority. The appointment of legal officer shall be mandatory for the
10383 provincial and city governments and optional for the municipal government.
10384

10385 (b) The legal officer, the chief legal counsel of the local government unit, shall take
10386 charge of the office of legal services and shall:
10387

10388 (1) Formulate measures for the consideration of the sanggunian and provide legal
10389 assistance and support to the governor or mayor, as the case may be, in carrying out the
10390 delivery of basic services and provisions of adequate facilities as provided for under
10391 Section 17 of this Code;
10392

10393 (2) Develop plans and strategies and upon approval thereof by the governor or mayor,
10394 as the case may be, implement the same, particularly those which have to do with
10395 programs and projects related to legal services which the governor or mayor is
10396 empowered to implement and which the sanggunian is empowered to provide for under
10397 this Code.
10398

10399 (3) In addition to the foregoing duties and functions, the legal officer shall:
10400

- 10401 (i) Represent the local government unit in all civil actions and special proceedings
10402 wherein the local government unit or any official thereof, in his official capacity,
10403 is a party: Provided, That, in actions or proceedings where a component city or
10404 municipality is a party adverse to the provincial government or to another
10405 component city or municipality, a special legal officer may be employed to
10406 represent the adverse party;
10407
- 10408 (ii) When required by the governor, mayor or sanggunian, draft ordinances,
10409 contracts, bonds, leases and other instruments, involving any interest of the local
10410 government unit; and provide comments and recommendations on any
10411 instruments already drawn;
10412
- 10413 (iii) Render his opinion in writing on any question of law when requested to do so
10414 by the governor, mayor, or sanggunian;
10415
- 10416 (iv) Investigate or cause to be investigated any local official or employee for
10417 administrative neglect or misconduct in office, and recommend appropriate action
10418 to the governor, mayor or sanggunian, as the case may be;
10419
- 10420 (v) Investigate or cause to be investigated any person, firm or corporation holding
10421 any franchise or exercising any public privilege for failure to comply with any
10422 term or condition in the grant of such franchise or privilege, and recommending
10423 appropriate action to the governor, mayor or sanggunian, as the case may be;
10424
- 10425 (vi) When directed by the governor, mayor, or sanggunian, initiate and prosecute
10426 in the interest of the local government unit concerned any civil action on any bond,
10427 lease or other contract upon any breach or violation thereof; and
10428
- 10429 (vii) Review and submit recommendations on ordinances approved and executive
10430 orders issued by component units;
- 10431 (4) Recommend measures to the sanggunian and advise the governor or mayor as the
10432 case may be on all other matters related to upholding the rule of law;
10433
- 10434 (5) Be in the frontline of protecting human rights and prosecuting any violations thereof,
10435 particularly those which occur during and in the aftermath of man- made or natural
10436 disasters or calamities; and
10437
- 10438 (6) Exercise such other powers and perform such other duties and functions as may be
10439 prescribed by law or ordinance.
10440

10441 **Article XII - The Agriculturist**

10442

10443 **SECTION 499. Qualifications, Powers and Duties.** - (a) No person shall be
10444 appointed agriculturist unless he/she is a citizen of the Philippines, a resident of the local
10445 government unit concerned, of good moral character, a holder of a college degree in

10446 agriculture or any related course from a recognized college or university, and a first grade
10447 civil service eligible or its equivalent. He/she must have practiced his/her profession in
10448 agriculture or acquired experience in a related field for at least five (5) years in the case
10449 of the provincial and city agriculturist, and three (3) years in the case of the municipal
10450 agriculturist.

10451

10452 The position of the agriculturist shall be mandatory for the provincial government
10453 and optional for city and municipal governments. However, five (5) years upon the
10454 effectivity of this Code, the appointment of municipal agriculturist shall be mandatory for
10455 the city and municipality provided that they are technically and financially capable as
10456 may be determined by Ministry of the Interior and Local Government after an assessment
10457 and evaluation to that effect.

10458

10459 (b) The agriculturist shall take charge of the office for agricultural services, and shall:

10460

10461 (1) Formulate measures for the approval of the sanggunian and provide technical
10462 assistance and support to the governor or mayor, as the case may be, in carrying out
10463 said measures to ensure the delivery of basic services and provision of adequate
10464 facilities relative to agricultural services as provided for under Section 17 of this Code;

10465

10466 (2) Develop plans and strategies and upon approval thereof by the governor or mayor,
10467 as the case may be, implement the same, particularly those which have to do with
10468 agricultural programs and projects which the governor or mayor is empowered to
10469 implement and which the sanggunian is empowered to provide for under this Code;

10470

10471 (3) In addition to the foregoing duties and functions, the agriculturist shall:

10472

10473 (i) Ensure that maximum assistance and access to resources in the production,
10474 processing and marketing of agricultural and aqua-cultural and marine products
10475 are extended to farmers, fishermen and local entrepreneurs;

10476 (ii) Conduct or cause to be conducted location-specific agricultural researches and
10477 assist in making available the appropriate technology arising out of and
10478 disseminating information on basic research on crops, preventive and control of
10479 plant diseases and pests, and other agricultural matters which will maximize
10480 productivity;

10481

10482 (iii) Assist the governor or mayor, as the case may be, in the establishment and
10483 extension services of demonstration farms or aqua-culture and marine products;

10484

10485 (iv) Enforce rules and regulations relating to agriculture and aquaculture;

10486

10487 (v) Coordinate with government agencies and non- governmental organizations
10488 which promote agricultural productivity through appropriate technology
10489 compatible with environmental integrity;

10490

10491 (4) Be in the frontline of delivery of basic agricultural services, particularly those
10492 needed for the survival of the inhabitants during and in the aftermath of man-made and
10493 natural disasters; (5) Recommend to the sanggunian and advise the governor or mayor,
10494 as the case may be, on all other matters related to agriculture and aqua- culture which
10495 will improve the livelihood and living conditions of the inhabitants; and
10496

10497 (c) Exercise such other powers and perform such other duties and functions as may be
10498 prescribed by law or ordinance.
10499

10500 **Article XIII - The Social Welfare and Development Officer**

10501

10502 **SECTION 500. Qualifications, Powers and Duties.** - (a) No person shall be
10503 appointed social welfare and development officer unless he/she is a citizen of the
10504 Philippines, a resident of the local government unit concerned, of good moral character, a
10505 duly licensed social worker or a holder of a college degree preferably in sociology or any
10506 other related course from a recognized college or university, and a first grade civil service
10507 eligible or its equivalent. He/she must have acquired experience in the practice of social
10508 work for at least five (5) years in the case of the provincial or city social welfare and
10509 development officer, and three (3) years in the case of the municipal social welfare and
10510 development officer.
10511

10512

10513 The appointment of a social welfare and development officer is mandatory for
10514 provincial and city governments, and optional for municipal government. However, Five
10515 (5) years upon the effectivity of this Code, the appointment of Social Welfare and
10516 Development officer shall be mandatory for municipality provided that are technically
10517 and financially capable as may be determined by Ministry of Interior and Local
10518 Government after an assessment and evaluation to that effect.

10519

10520 (b) The social welfare and development officer shall take charge of the office on social
10521 welfare and development services and shall:

10522 (1) Formulate measures for the approval of the sanggunian and provide technical
10523 assistance and support to the governor or mayor, as the case may be, in carrying out
10524 measures to ensure the delivery of basic services and provision of adequate facilities
10525 relative to social welfare and development services as provided for under Section 17 of
10526 this Code;

10527

10528 (2) Develop plans and strategies and upon approval thereof by the governor or mayor,
10529 as the case may be, implement the same particularly those which have to do with social
10530 welfare programs and projects which the governor or mayor is empowered to
10531 implement and which the sanggunian is empowered to provide for under this Code;

10532

10533 (3) In addition to the foregoing duties, the social welfare and development officer shall:

10534

- 10534 (i) Identify the basic needs of the needy, the disadvantaged and the impoverished
 10535 and develop and implement appropriate measures to alleviate their problems and
 10536 improve their living conditions;
 10537
- 10538 (ii) Provide relief and appropriate crisis intervention for victims of abuse and
 10539 exploitation and recommend appropriate measures to deter further abuse and
 10540 exploitation;
 10541
- 10542 (iii) Assist the governor or mayor, as the case may be, in implementing the
 10543 Barangay level program for the total development and protection of children up to
 10544 six (6) years of age;
 10545
- 10546 (iv) Facilitate the implementation of welfare programs for the disabled, elderly,
 10547 and victims of drug addiction, the rehabilitation of prisoners and parolees, the
 10548 prevention of juvenile delinquency and such other activities which would
 10549 eliminate or minimize the ill-effects of poverty;
 10550
- 10551 (v) Initiate and support youth welfare programs that will enhance the role of the
 10552 youth in nation-building;
 10553
- 10554 (vi) Coordinate with government agencies and non- governmental organizations
 10555 which have for their purpose the promotion and the protection of all needy,
 10556 disadvantaged, underprivileged or impoverished groups or individuals,
 10557 particularly those identified to be vulnerable and high-risk to exploitation, abuse
 10558 and neglect;
 10559
- 10560 (4) Be in the frontline of service delivery, particularly those which have to do with
 10561 immediate relief during and assistance in the aftermath of man-made and natural
 10562 disaster and natural calamities;
 10563
- 10564 (5) Recommend to the sanggunian and advise the governor or mayor, as the case may
 10565 be, on all other matters related to social welfare and development services which will
 10566 improve the livelihood and living conditions of the inhabitants; and
- 10567 (c) Exercise such other powers and perform such other duties and functions as may be
 10568 prescribed by law or ordinance.
 10569

10570 **Article XIV - The Environment and Natural Resources Officer**
 10571

10572 **SECTION 501. Qualifications, Powers and Duties.** - (a) No person shall be
 10573 appointed environment and natural resources officer unless he/she is a citizen of the
 10574 Philippines, a resident of the local government unit concerned, of good moral character, a
 10575 holder of a college degree preferably in environment, forestry, agriculture or any related
 10576 course from a recognized college or university, and a first grade civil service eligible or
 10577 its equivalent. He/she must have acquired experience in environmental and natural
 10578 resources management, conservation, and utilization, of at least five (5) years in the case

10579 of the provincial or city environment and natural resources officer, and three (3) years in
10580 the case of the municipal environment and natural resources officer.

10581

10582 The appointment of the environment and natural resources officer is mandatory
10583 for provincial, city and municipal governments.

10584

10585 (b) The environment and natural resources management officer shall take charge of the
10586 office on environment and natural resources and shall:

10587

10588 (1) Formulate measures for the consideration of the sanggunian and provide technical
10589 assistance and support to the governor or mayor, as the case may be, in carrying out
10590 measures to ensure the delivery of basic services and provision of adequate facilities
10591 relative to environment and natural resources services as provided for under Section 17
10592 of this Code;

10593

10594 (2) Develop plans and strategies and upon approval thereof by the governor or mayor,
10595 as the case may be, implement the same, particularly those which have to do with
10596 environment and natural resources programs and projects which the governor or mayor
10597 is empowered to implement and which the sanggunian is empowered to provide for
10598 under this Code;

10599

10600 (3) In addition to the foregoing duties and functions, the environment and natural
10601 resources officer shall:

10602

10603 (i) Establish, maintain, protect and preserve communal forests, watersheds, tree
10604 parks, mangroves, greenbelts and similar forest projects and commercial forest,
10605 like industrial tree farms and agro-forestry projects;

10606

10607 (ii) Provide extension services to beneficiaries of forest development projects and
10608 technical, financial and infrastructure assistance;

10609

10610 (iii) Manage and maintain seed banks and produce seedlings for forests and tree
10611 parks;

10612 (iv) Provide extension services to beneficiaries of forest development projects and
10613 render assistance for natural resources-related conservation and
10614 utilization activities consistent with ecological balance;

10615

10616 (v) Promote the small-scale mining and utilization of mineral resources,
10617 particularly mining of gold;

10618

10619 (vi) Coordinate with government agencies and non- governmental organizations
10620 in the implementation of measures to prevent and control land, air and water
10621 pollution with the assistance of the Department of Environment and Natural
10622 Resources;

10623

10624 (4) Be in the frontline of the delivery of services concerning the environment and
10625 natural resources, particularly in the renewal and rehabilitation of the environment
10626 during and in the aftermath of man-made and natural calamities and disasters;

10627

10628 (5) Recommend to the sanggunian and advise the governor or mayor, as the case may
10629 be, on all matters relative to the protection, conservation, maximum utilization,
10630 application of appropriate technology and other matters related to the environment and
10631 natural resources; and

10632

10633 (c) Exercise such other powers and perform such other duties and functions as may be
10634 prescribed by law or ordinance.

10635

10636

Article XV - The Architect

10637

10638 **SECTION 502. Qualifications, Powers and Duties.** - (a) No person shall be
10639 appointed architect unless he/she is a citizen of the Philippines, a resident of the local
10640 government unit concerned, of good moral character, a duly licensed architect. He/she
10641 must have practiced his profession for at least five (5) years in the case of the provincial
10642 or city architect, and three (3) years in the case of the municipal architect. The
10643 appointment of the architect is optional for provincial, city and municipal governments.

10644

10645 (b) The architect shall take charge of the office on architectural planning and design and
10646 shall:

10647

10648 (1) Formulate measures for the consideration of the sanggunian and provide technical
10649 assistance and support to the governor or mayor, as the case may be, in carrying out
10650 measures to ensure the delivery of basic services and provision of adequate facilities
10651 relative to architectural planning and design as provided for under Section 17 of this
10652 Code;

10653

10654 (2) Develop plans and strategies and upon approval thereof by the governor or mayor, as
10655 the case may be, implement the same, particularly those which have to do with
10656 architectural planning and design programs and projects which the governor or mayor is
10657 empowered to implement and which the sanggunian is empowered to provide for under
10658 this Code;

10659

10660 (3) In addition to foregoing duties and functions, the architect shall:

10661

10662 (i) Prepare and recommend for consideration of the sanggunian the architectural
10663 plan and design for the local government unit or a part thereof, including the
10664 renewal of slums and blighted areas, land reclamation activities, the greening of
10665 land, and appropriate planning of marine and foreshore areas;

10666

10667 (ii) Review and recommend for appropriate action of the sanggunian, governor or
10668 mayor, as the case may be, the architectural plans and design submitted by

10669 governmental and non-governmental entities or individuals, particularly those
10670 for undeveloped, underdeveloped, and poorly-designed areas; and

10671

10672 (iii) Coordinate with government and non-government entities and individuals
10673 involved in the aesthetics and the maximum utilization of the land and water
10674 within the jurisdiction of the local government unit, compatible with
10675 environmental integrity and ecological balance.

10676

10677 (4) Be in the frontline of the delivery of services involving architectural planning and
10678 design, particularly those related to the redesigning of spatial distribution of basic
10679 facilities and physical structures during and in the aftermath of man-made and natural
10680 calamities and disasters;

10681

10682 (5) Recommend to the sanggunian and advise the governor or mayor, as the case may be,
10683 on all other matters relative to the architectural planning and design as it relates to the
10684 total socioeconomic development of the local government unit; and

10685

10686 (c) Exercise such other powers and perform such other duties and functions as may be
10687 prescribed by law or ordinance.

10688

10689

Article XVI - The Information Officer

10690

10691 **SECTION 503. Qualifications, Powers and Duties.** - (a) No person shall be
10692 appointed information officer unless he/she is a citizen of the Philippines, a resident of
10693 the local government unit concerned, of good moral character, a holder of a college
10694 degree preferably in journalism, mass communication or any related course from a
10695 recognized college or university, and a first grade civil service eligible or its equivalent.
10696 He/she must have experience in writing articles and research papers, or in writing for
10697 print, television or broadcast media of at least three (3) years in the case of the provincial
10698 or city information officer, and at least one (1) year in the case of municipal information
10699 officer.

10700

10701 The appointment of the information and communication technology officer is
10702 mandatory for the provincial, city and municipal governments.

10703

10704 The term of the information officer is co-terminous with that of the appointing
10705 authority.

10706 (b) The information officer shall take charge of the office on public information and shall:

10707

10708 (1) Formulate measures for the consideration of the sanggunian and provide technical
10709 assistance and support to the governor or mayor, as the case may be, in providing the
10710 information and research data required for the delivery of basic services and provision
10711 of adequate facilities so that the public becomes aware of said services and may fully
10712 avail of the same;

10713

10714 (2) Develop plans and strategies and, upon approval thereof by the governor or mayor,
10715 as the case may be, implement the same, particularly those which have to do with
10716 public information and research data to support programs and projects which the
10717 governor or mayor is empowered to implement and which the sanggunian is
10718 empowered to provide for under this Code;

10719

10720 (3) In addition to the foregoing duties and functions, the information officer shall:

10721

10722 (i) Provide relevant, adequate, and timely information to the local government
10723 unit and its residents;

10724

10725 (ii) Furnish information and data on local government units to government
10726 agencies or offices as may be required by law or ordinance; and non-
10727 governmental organizations to be furnished to said agencies and organizations;

10728

10729 (iii) Maintain effective liaison with the various Sectors of the community on
10730 matters and issues that affect the livelihood and the quality of life of the
10731 inhabitants and encourage support for programs of the local and national
10732 government;

10733

10734 (4) Be in the frontline in providing information during and in the aftermath of manmade
10735 and natural calamities and disasters, with special attention to the victims thereof, to help
10736 minimize injuries and casualties during and after the emergency, and to accelerate relief
10737 and rehabilitation;

10738

10739 (5) Recommend to the sanggunian and advise the governor or mayor, as the case may
10740 be, on all other matters relative to public information and research data as it relates to
10741 the total socioeconomic development of the local government unit; and

10742

10743 (c) Exercise such other powers and perform such other duties and functions as may be
10744 prescribed by law or ordinance.

10745

10746

Article XVII - The Cooperatives Officer

10747

10748 **SECTION 504. Qualifications, Powers and Duties.** - (a) No person shall be
10749 appointed cooperative officer unless he/she is a citizen of the Philippines, a resident of
10750 the local government unit concerned, of good moral character, a holder of a college
10751 degree preferably in business administration with special training in cooperatives or any
10752 related course from a recognized college or university, and a first grade civil service
10753 eligible or its equivalent. He/she must have experience in cooperatives organization and
10754 management of at least five (5) years in the case of the provincial or city cooperatives
10755 officer, and three (3) years in the case of municipal cooperatives officer.

10756

10757 The appointment of the cooperatives officer is optional for the provincial and city
10758 governments.

10759

10760 (b) The cooperatives officer shall take charge of the office for the development of
10761 cooperatives and shall:

10762

10763 (1) Formulate measures for the consideration of the sanggunian, and provide technical
10764 assistance and support to the governor or mayor, as the case may be, in carrying out
10765 measures to ensure the delivery of basic services and provision of facilities through the
10766 development of cooperatives, and in providing access to such services and facilities;

10767

10768 (2) Develop plans and strategies and, upon approval thereof by the governor or mayor,
10769 as the case may be, implement the same, particularly those which have to do with the
10770 integration of cooperatives principles and methods in programs and projects which the
10771 governor or mayor is empowered to implement and which the sanggunian is
10772 empowered to provide for under this Code;

10773

10774 (3) In addition to the foregoing duties and functions, the cooperatives officer shall:

10775

(i) Assist in the organization of cooperatives;

10777

10778 (ii) Provide technical and other forms of assistance to existing cooperatives to
10779 enhance their viability as an economic enterprise and social organization;

10780

10781 (iii) Assist cooperatives in establishing linkages with government agencies and
10782 non- government organizations involved in the promotion and integration of
10783 the concept of cooperatives in the livelihood of the people and other community
10784 activities;

10785

10786 (4) Be in the frontline of cooperatives organization, rehabilitation or viability-
10787 enhancement, particularly during and in the aftermath of man-made and natural
10788 calamities and disasters, to aid in their survival and, if necessary subsequent
10789 rehabilitation;

10790

10791 (5) Recommend to the sanggunian, and advise the governor or mayor, as the case may
10792 be, on all other matters relative to cooperatives development and viability-
10793 enhancement which will improve the livelihood and quality of life of the inhabitants;
10794 and

10795

10796 (c) Exercise such other powers and perform such other duties and functions as may be
10797 prescribed by law or ordinance.

10798

Article XVIII - The Population Officer

10799

10800 **SECTION 505. Qualifications, Powers and Duties.** - (a) No person shall be
10801 appointed population officer unless he/she is a citizen of the Philippines, a resident of the
10802 local government unit concerned, of good moral character, a holder of a college degree
10803 with specialized training in population development from a recognized college or

10849 case of provincial or city veterinarian and at least one (1) year in the case of the
10850 municipal veterinarian.

10851

10852 The appointment of a veterinarian officer is mandatory for the provincial and city
10853 governments.

10854

10855 (b) The veterinarian shall take charge of the office for veterinary services and shall:

10856

10857 (1) Formulate measures for the consideration of the sanggunian, and provide technical
10858 assistance and support to the governor or mayor, as the case may be, in carrying out
10859 measures to ensure the delivery of basic services and provision of adequate facilities
10860 pursuant to this Code;

10861

10862 (2) Develop plans and strategies and upon approval thereof by the governor or mayor,
10863 as the case may be, implement the same, particularly those which have to do with the
10864 veterinary-related activities which the governor or mayor is empowered to implement
10865 and which the sanggunian is empowered to provide for under this Code;

10866

10867 (3) In addition to the foregoing duties and functions, the veterinarian shall:

10868

10869 (i) Advise the governor or the mayor, as the case may be, on all matters pertaining
10870 to the slaughter of animals for human consumption and the regulation of
10871 slaughterhouses;

10872

10873 (ii) Regulate the keeping of domestic animals;

10874

10875 (iii) Regulate and inspect poultry, milk and dairy products for public consumption;

10876

10877 (iv) Enforce all laws and regulations for the prevention of cruelty to animals; and

10878

10879 (v) Take the necessary measures to eradicate, prevent or cure all forms of animal
10880 diseases;

10881

10882 (4) Be in the frontline of veterinary related activities, such as in the outbreak of highly-
10883 contagious and deadly diseases, and in situations resulting in the depletion of animals
10884 for work and human consumption, particularly those arising from and in the aftermath
10885 of man-made and natural calamities and disasters;

10886

10887 (5) Recommend to the sanggunian and advise the governor or mayor, as the case may
10888 be, on all other matters relative to veterinary services which will increase the number
10889 and improve the quality of livestock, poultry and other domestic animals used for work
10890 or human consumption; and

10891

10892 (c) Exercise such other powers and perform such other duties and functions as may be
10893 prescribed by law or ordinance.

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Article XX - The General Services Officer

SECTION 507. Qualifications, Powers and Duties. - (a) No person shall be appointed general services officer unless he/she is a citizen of the Philippines, a resident of the local government unit concerned, of good moral character, a holder of a college degree on public administration, business administration and management from a recognized college or university, and a first grade civil service eligible or its equivalent. He/she must have acquired experience in general services, including management of supply, property, solid waste disposal, and general sanitation, of at least five (5) years in the case of the provincial or city general services officer, and at least three (3) years in the case of the municipal general services officer. The appointment of a general services officer is mandatory for the provincial and city governments.

(b) The general services officer shall take charge of the office on general services and shall:

(1) Formulate measures for the consideration of the sanggunian and provide technical assistance and support to the governor or mayor, as the case may be, in carrying out measures to ensure the delivery of basic services and provision of adequate facilities pursuant to Section 17 of this Code and which require general services expertise and technical support services;

(2) Develop plans and strategies and upon approval thereof by the governor or mayor, as the case may be, implement the same, particularly those which have to do with the general services supportive of the welfare of the inhabitants which the governor or mayor is empowered to implement and which the sanggunian is empowered to provide for under this Code;

(3) In addition to the foregoing duties and functions, the general services officer shall:

(i) Take custody of and be accountable for all properties, real or personal, owned by the local government unit and those granted to it in the form of donation, reparation, assistance and counterpart of joint projects;

(ii) With the approval of the governor or mayor, as the case may be, assign building or land space to local officials or other public officials, who by law, are entitled to such space;

(iii) Recommend to the governor or mayor, as the case may be, the reasonable rental rates for local government properties, whether real or personal, which will be leased to public or private entities by the local government;

(iv) Recommend to the governor or mayor, as the case may be, reasonable rental rates of private properties which may be leased for the official use of the local government unit;

- 10939
10940 (v) Maintain and supervise janitorial, Security, landscaping and other related
10941 services in all local government public buildings and other real property, whether
10942 owned or leased by the local government unit;
10943
10944 (vi) Collate and disseminate information regarding prices, shipping and other
10945 costs of supplies and other items commonly used by the local government unit;
10946
10947 (vii) Perform archival and record management with respect to records of offices
10948 and departments of the local government unit; and
10949
10950 (viii) Perform all other functions pertaining to supply and property management
10951 heretofore performed by the local government treasurer; and enforce policies on
10952 records creation, maintenance, and disposal;
10953
10954 (4) Be in the frontline of general services related activities, such as the possible or
10955 imminent destruction or damage to records, supplies, properties, and structures and the
10956 orderly and sanitary clearing up of waste materials or debris, particularly during and in
10957 the aftermath of man-made and natural calamities and disasters;
10958
10959 (5) Recommend to the sanggunian and advise the governor or mayor, as the case may
10960 be, on all other matters relative to general services; and
10961
10962 (c) Exercise such other powers and perform such other duties and functions as may be
10963 prescribed by law or ordinance.
10964

TITLE XVIII

LEAGUES OF LOCAL GOVERNMENT UNITS AND ELECTIVE OFFICIALS

CHAPTER I

Leagues of Local Government Units

Article I - Liga ng Mga Barangay

10973 **SECTION 508. Purpose of Organization.** - There shall be an organization of
10974 all Barangays to be known as the Liga ng mga Barangay for the primary purpose of
10975 determining the representation of the Liga in the Sanggunians, and for ventilating,
10976 articulating and crystallizing issues affecting Barangay government administration and
10977 securing, through proper and legal means, solutions thereto.
10978

10979 **SECTION 509. Representation, Chapters, National Liga.** - Every Barangay
10980 shall be represented in said liga by the Punong Barangay, or in his absence or incapacity,
10981 by a sanggunian member duly elected for the purpose among its members, who shall
10982 attend all meetings or deliberations called by the different chapters of the liga. The liga
10983 shall have chapters at the municipal, city, and provincial levels. The municipal and city

10984 chapters of the liga shall be composed of the Barangay representatives of municipal and
10985 city Barangays, respectively. The duly elected presidents of component municipal and
10986 city chapters shall constitute the provincial chapter. The duly elected presidents
10987 of highly-urbanized cities and provincial chapters shall become part of the National Liga
10988 ng mga Barangay.

10989

10990 **SECTION 510. Organization.** - The liga at the municipal, city, provincial,
10991 regional, and national levels directly elect a president, a vice-president, and five (5)
10992 members of the board of directors. The board shall appoint its Secretary and treasurer and
10993 create such other positions as it may deem necessary for the management of the chapter.
10994 A Secretary- general shall be elected from among the members of the national liga and
10995 shall be charged with the overall operation of the liga on the national level. The board
10996 shall coordinate the activities of the chapters of the liga.

10997

10998 **SECTION 511. Ex-Officio Membership in Sanggunians.** - The duly elected
10999 presidents of the liga at the municipal, city and provincial levels, shall serve as ex-
11000 officio members of the Sangguniang Bayan, Sangguniang Panlungsod, Sangguniang
11001 Panlalawigan, respectively. They shall serve as such only during their term of office as
11002 presidents of the liga chapters, which in no case shall be beyond the term of office of the
11003 sanggunian concerned.

11004

11005 **SECTION 512. Powers, Functions and Duties of the Liga.** - The Liga shall:

11006

11007 (a) Give priority to programs designed for the total development of the Barangays and in
11008 consonance with the policies, programs and projects of the national government;

11009

11010 (b) Assist in the education of Barangay residents for people's participation in local
11011 government administration in order to promote united and concerted action to
11012 achieve country-wide development goals;

11013

11014 (c) Supplement the efforts of government in creating gainful employment within the
11015 Barangay;

11016

11017 (d) Adopt measures to promote the welfare of Barangay officials;

11018 (e) Serve as a forum of the Barangays in order to forge linkages with government and
11019 non- governmental organizations and thereby promote the social, economic and political
11020 well- being of the Barangays;

11021

11022 (f) Each Barangay league must submit to the office of the Ministry of Interior and Local
11023 Government a quarterly written report of their meetings and activities including some
11024 recommendation for effective delivery of public services and for good governance;¹¹⁵
11025 they may also give or submit a report to the ministry on interior on local government
11026 anytime and in any form (*written or electronic*) on problems they have observed in the

¹¹⁵ It was suggested during consultation to activate, monitor, and received recommendation from the leagues on matters that affect their groups or their constituent in general.

11027 implementation of government projects within their territorial jurisdiction and/ or the
11028 acts/ performance of any government officials¹¹⁶.

11029

11030 (g) Exercise such other powers and perform such other duties and functions which will
11031 bring about stronger ties between Barangays and promote the welfare of the Barangay
11032 inhabitants.

11033

11034

Article II - League of Municipalities

11035

11036 **SECTION 513. Purpose of Organization.** - There shall be an organization of all
11037 municipalities to be known as league of municipalities for the primary purpose of
11038 ventilating, articulating and crystallizing issues affecting municipal government
11039 administration, and securing, through proper and legal means, solutions thereto. The
11040 league shall form provincial chapters composed of the league presidents for all
11041 component municipalities of the province.

11042

11043 **SECTION 514. Representation.** - Every municipality shall be represented in the
11044 league by the municipal mayor or in his absence, by the vice-mayor or a sanggunian
11045 member duly elected for the purpose by the members, who shall attend all meetings and
11046 participate in the deliberations of the league.

11047

11048 **SECTION 515. Powers, Functions and Duties of the League of Municipalities.**

11049 - The league of municipalities shall:

11050

11051 (a) Assist the Bangsamoro Autonomous Region in Muslim Mindanao and the national
11052 government in the formulation and implementation of the policies, programs and projects
11053 affecting cities as a whole;

11054

11055 (b) Promote local autonomy at the municipal level;

11056

11057 (c) Adopt measures for the promotion of the welfare of all municipalities and its officials
11058 and employees;

11059 (d) Encourage people's participation in local government administration in order to
11060 promote united and concerted action for the attainment of country-wide development
11061 goals;

11062

11063 (e) Supplement the efforts of the Bangsamoro Autonomous Region in Muslim Mindanao
11064 and the national government in creating opportunities for gainful employment within the
11065 municipalities;

11066

11067 (f) Give priority to programs designed for the total development of the municipalities in
11068 consonance with the policies, programs and projects of the national government;

¹¹⁶ Suggested by stakeholder during consultation to help the Bangsamoro government in monitoring the implementation of government project and the performance of government officials from region down to barangay.

- 11069
11070 (g) Each municipal league must submit to the office of the Ministry of Interior and Local
11071 Government a quarterly written report of their meetings and activities including some
11072 recommendation for effective delivery of public services and for good governance¹¹⁷;
11073 they may also give or submit a report to the ministry on interior on local government
11074 anytime and in any form (*written or electronic*) on problems they have observed in the
11075 implementation of government projects within their territorial jurisdiction and/ or the
11076 acts/ performance of any government officials
11077
11078 (h) Serve as a forum for crystallizing and expressing ideas, seeking the necessary
11079 assistance of the national government, and providing the private sector avenues for
11080 cooperation in the promotion of the welfare of the municipalities; and
11081
11082 (i) Exercise such other powers and perform such other duties and functions as the league
11083 may prescribe for the welfare of the municipalities.
11084

11085 **Article III - League of Cities** 11086

11087 **SECTION 516. Purpose of Organization.** - There shall be an organization of all
11088 cities to be known as the League of Cities for the primary purpose of ventilating,
11089 articulating and crystallizing issues affecting city government administration, and
11090 securing, through proper and legal means, solutions thereto. The League may form
11091 chapters at the provincial level for the component cities of a province. Highly
11092 urbanized cities may also form a chapter of the League. The National League shall be
11093 composed of the presidents of the league of highly urbanized cities and the presidents of
11094 the provincial chapters of the league of component cities.
11095

11096 **SECTION 517. Representation.** - Every city shall be represented in the league
11097 by the city mayor or in his absence, by the city vice-mayor or a sanggunian member duly
11098 elected for the purpose by the members, who shall attend all meetings and participate in
11099 the deliberations of the league.
11100

11101
11102 **SECTION 518. Powers, Functions and Duties of the League of City.** - The
11103 league of cities shall:

11104
11105 (a) Assist the Bangsamoro Autonomous Region in Muslim Mindanao and national
11106 government in the formulation and implementation of the policies, programs and projects
11107 affecting cities as a whole;
11108

11109 (b) Promote local autonomy at the (city) all level;
11110

¹¹⁷ It was suggested during consultation to activate, monitor, and received recommendation from the leagues on matters that affect their groups or their constituent in general.

- 11111 (c) Adopt measures for the promotion of the welfare of all cities and its officials and
11112 employees;
11113
- 11114 (d) Encourage people's participation in local government administration in order to
11115 promote united and concerted action for the attainment of country-wide development
11116 goals;
11117
- 11118 (e) Supplement the efforts of Bangsamoro Autonomous Region in Muslim Mindanao and
11119 the national government in creating opportunities for gainful employment the cities;
11120
- 11121 (f) Give priority to programs designed for the total development of constituent unit in
11122 consonance with the policies, programs and projects of the national government;
11123
- 11124 (g) Serve as a forum for crystallizing and expressing ideas, seeking the necessary
11125 assistance of the national government and providing the private sector avenues for
11126 cooperation in the promotion of the welfare of the cities;
11127
- 11128 (h) Each city league must submit to the office of the Ministry of Interior and Local
11129 Government a quarterly written report of their meetings and activities including some
11130 recommendation for effective delivery of public services and for good governance; and
11131 they may also give or submit a report to the ministry on interior on local government
11132 anytime and in any form (*written or electronic*) on problems they have observed in the
11133 implementation of government projects within their territorial jurisdiction and/ or the
11134 acts/ performance of any government officials
11135
- 11136 (i) Exercise such other powers and perform such other duties and functions as the league
11137 may prescribe for the welfare of the cities.
11138

11139 **Article IV - League of Provinces** 11140

11141 **SECTION 519. Purpose of Organization.** - There shall be an organization of
11142 all provinces to be known as the League of Provinces for the primary purpose of
11143 ventilating, articulating and crystallizing issues affecting provincial government
11144 administration, and securing, through proper and legal means, solutions thereto.
11145

11146 **SECTION 520. Representation.** - Every province shall be represented in the
11147 league by the provincial governor or in his/her absence, by the provincial vice-
11148 governor or a sanggunian member duly elected for the purpose by the members, who
11149 shall attend all meetings and participate in the deliberations of the league.
11150

11151 **SECTION 521. Powers, Functions and Duties of the League of Provinces.** -
11152 The league of provinces shall:
11153

- 11154 (a) Assist the Bangsamoro Autonomous Region in Muslim Mindanao and the national
11155 government in the formulation and implementation of the policies, programs and projects
11156 affecting provinces as a whole;
11157
- 11158 (b) Promote local autonomy at the provincial level;
11159
- 11160 (c) Adopt measures for the promotion of the welfare of all provinces and its officials and
11161 employees;
11162
- 11163 (d) Encourage peoples participation in local government administration in order to
11164 promote united and concerted action for the attainment of countrywide development
11165 goals;
11166
- 11167 (e) Supplement the efforts of the Bangsamoro Autonomous Region in Muslim Mindanao
11168 and the national government in creating opportunities for gainful employment within the
11169 province;
11170
- 11171 (f) Give priority to programs designed for the total development of the provinces in
11172 consonance with the policies, programs and projects of the national government;
11173
- 11174 (g) Serve as a forum for crystallizing and expressing ideas, seeking the necessary
11175 assistance of the national government and providing the private sector avenues for
11176 cooperation in the promotion of the welfare of the provinces;
11177
- 11178 (h) Each provincial league must submit to the office of the Ministry of Interior and Local
11179 Government a quarterly written report of their meetings and activities including some
11180 recommendation for effective delivery of public services and for good governance; and
11181 they may also give or submit a report to the ministry on interior on local government
11182 anytime and in any form (*written or electronic*) on problems they have observed in the
11183 implementation of government projects within their territorial jurisdiction and/ or the
11184 acts/ performance of any government officials
11185
- 11186 (i) Exercise such other powers and perform such other duties and functions as the league
11187 may prescribe for the welfare of the provinces.
11188

11189 **Article V - Provisions Common to All Leagues**

11190

11191 **SECTION 522. Funding.** - (a) All leagues shall derive its funds from
11192 contributions of member local government units and from fund-raising projects and
11193 activities without the necessity of securing permits therefor: Provided, That the proceeds
11194 from said fund-raising projects and activities shall be used primarily to fund the projects
11195 for which the said proceeds have been raised, subject to the pertinent provision of this
11196 Code and the pertinent provisions of the Omnibus Election Code.
11197

11198 (b) All funds of leagues shall be deposited as trust funds with its treasurer and shall be
11199 disbursed in accordance with the board of director's resolutions, subject to pertinent
11200 accounting and auditing rules and regulations: Provided, That the treasurer shall be
11201 bonded in an amount to be determined by the board of directors. The funds of a chapter
11202 shall be deposited as chapter funds and funds of the national league shall be deposited as
11203 national funds.

11204
11205 (c) The municipal government, city government and provincial government and regional
11206 government must give financial subsidy to the league in support to their activity subject
11207 to the availability of funds¹¹⁸.

11208
11209 (d) To maximize cooperation, coordination and camaraderie among and between local
11210 government units, They may group themselves or form an alliances for purposes
11211 commonly beneficial to them. The Regional Government is oblige to give financial
11212 subsidy for the said alliances subject for the availability of funds.

11213
11214 **SECTION 523. Organizational Structure.** - To ensure the effective and
11215 efficient administration, the leagues for municipalities, cities and provinces shall elect
11216 chapter- level and national-level boards of directors and a set of officers headed by the
11217 president. A secretary- general shall be chosen from among the national league members
11218 to manage the day to day operation and activities of the national league. The board of
11219 directors on the chapter or national level may create such other positions as may be
11220 deemed necessary for the management of the chapters and of the national league. The
11221 national board of directors of the leagues for municipalities, cities or provinces shall
11222 coordinate programs, projects and activities of chapter and the national-level league.

11223
11224 **SECTION 524. Constitution and By-laws of the Liga and the Leagues.** - All
11225 other matters not herein otherwise provided for affecting the internal organization of the
11226 leagues of local government units shall be governed by their respective constitution
11227 and by-laws which are hereby made suppletory to the provision of this Chapter: Provided,
11228 That said Constitution and By-laws shall always conform to the provisions of the
11229 Constitution and existing laws.

11230

11231

CHAPTER I

11232

Leagues and Federations of Local Elective Officials

11233

11234 **SECTION 525. Organization.** - (a) Vice-governor, vice-mayors, sanggunian
11235 members of barangays, municipalities, component cities, highly-urbanized cities and
11236 provinces, and other elective local officials of local government units may form their
11237 respective leagues or federation, subject to applicable provisions of this Title and
11238 pertinent provisions of this Code;

11239

¹¹⁸ Suggested during consultation because their monthly dues are not sufficient to cover their proposed activities.

11240 (b) Sanggunian members of component cities and municipalities shall form a provincial
11241 federation and elect a board of directors and a set of officers headed by the president. The
11242 duly elected president of the provincial federation of sanggunian members of component
11243 cities and municipalities shall be an ex-officio member of the Sangguniang Panlalawigan
11244 concerned and shall serve as such only during his term of office as president of the
11245 provincial federation of sanggunian members of component cities and municipalities,
11246 which in no case shall be beyond the term of office of the Sanggunian Panlalawigan
11247 concerned.

11248

11249 **SECTION 526. Constitution and By-Laws.** - The leagues or federations shall
11250 adopt a Constitution and by-laws which shall govern their internal organization and
11251 operation: Provided, That said Constitution and by-laws shall always conform to the
11252 provision of the Constitution and existing laws.

11253

11254 **SECTION 527. Funding.** - The leagues and federations may derive their funds
11255 from contributions of individual league or federation members or from fund-
11256 raising projects or activities. The local government unit concerned may appropriate funds
11257 to support the leagues or federation organized pursuant to this Section, subject to the
11258 availability of funds.

11259

11260

BOOK IV MISCELLANEOUS AND FINAL PROVISIONS

11261

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11263

TITLE ONE. – PENAL PROVISIONS

11264

11265 **Section 528. Posting and Publication of Ordinances with Penal Sanctions.** -(a)
11266 Ordinances with penal sanctions shall be posted at three (3) conspicuous¹¹⁹ places in the
11267 provincial capitol, city, municipal or Barangay hall, as the case may be, for a minimum
11268 period of *six (6)* consecutive weeks. Whenever available, such ordinances shall also be
11269 published in a newspaper of general circulation, within the territorial jurisdiction of the
11270 local government unit concerned, or by any other mode of publications¹²⁰. Unless
11271 otherwise provided therein, said ordinances shall take effect on the day following its
11272 publication, or at the end of the period of posting, whichever occurs later.

11273

11274 (b) Any public officer or employee who violates an ordinance shall be meted
11275 administrative disciplinary action, without prejudice to the filing of the appropriate civil
11276 or criminal action.

11277

11278 (c) The secretary to the Sanggunian concerned shall transmit official copies of such
11279 ordinances to the Chief Executive Officer of the Official Gazette within twelve (12) days
11280 following the approval of the said ordinance for publication purposes. The Official
11281 Gazette may publish ordinances with penal sanctions for archival and reference purposes.

¹¹⁹ Amended from prominent place to conspicuous place to ensure that the constituents are properly informed.

¹²⁰ Provided an alternative mode of publication to ensure that information to disseminated to the people

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(d) Publication shall include its translation to local dialects¹²¹.

Section 529. Withholding of Benefits Accorded to Local Government Units Officials and Employees. -Willful and malicious withholding of any of the benefits accorded to Barangay, Municipal, City, or Provincial officials and employees provided by this Code hereof shall be punished with suspension or dismissal, from office of the official or employee responsible therefor.

Section 530. Failure to Post and Publish the Itemized Monthly Collections and Disbursements. - Failure by the local treasurer or the local chief accountant to post the itemized monthly collections and disbursements of the local government unit concerned within ten (10) days following the end of every month and for at least two (2) consecutive weeks at prominent places in the main office building of the local government unit concerned, its plaza and main street, and to publish said itemization in a newspaper of general circulation, where available, in the territorial jurisdiction of such unit, or by any other mode of publication, shall be punished by a fine not exceeding Five *thousand* pesos (Php 5,000.00) or by suspension or by imprisonment not exceeding one (1) *year* or both such fine, suspension or imprisonment at the discretion of the court.

Section 531. Engaging in Prohibited Business Transactions or Possessing Illegal Pecuniary Interest. – Any local official and any person or persons dealing with him who violate the prohibitions provided in Section 89 of Book I hereof, shall be punished with imprisonment for six months and one day to six years, or a fine of not less than Fifteen thousand¹²² pesos (Php 15,000.00) nor more than Fifty thousand pesos (Php50,000.00), or both such imprisonment and fine, at the discretion of the court.

Section 532. Refusal or Failure of Any Party or Witness to Appear before the Lupon or Pangkat. – Refusal or willful failure of any party or witness to appear before the Lupon or Pangkat in compliance with a summons issued pursuant to the provisions on the Katarungang PamBarangay under Chapter 7, Title One of Book III of this Code may be punished by the city or municipal court as for indirect contempt of court upon application filed therewith by the Lupon chairman, the Pangkat chairman, or by any of the contending parties. Such refusal or willful failure to appear shall be reflected in the records of the Lupon secretary or in the minutes of the Pangkat secretary and shall bar the complainant who fails to appear, from seeking judicial recourse for the same cause of action, and the respondent who refuses to appear, from filing any counterclaim arising out of, or necessarily connected with the complaint.

A pangkat member who serves as such shall be entitled to an honorarium, the amount of which is to be determined by the Sanggunian concerned, subject to the provisions in this Code cited above.

¹²¹ Included translation as suggested during consultation because constituent could not understand ordinances from local government units

¹²² Higher penalties would influence violators in not committing the acts as suggested during the consultation with BARMM constituents.

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Section 533. Penalties for Violation of Tax Ordinances. – The Sanggunian of a local government unit is authorized to prescribe fines or other penalties for violation of tax ordinances but in no case shall such fines be less than Ten thousand pesos (Php 10,000.00) nor more than Fifty thousand pesos (Php 50,000.00), nor shall imprisonment be less than one (1) month nor more than six (6) months. Such fine or other penalty, or both, shall be imposed at the discretion of the court. The Sangguniang Barangay may prescribe a fine of not less than One thousand pesos (Php 1000.00) nor more than Ten thousand pesos (Php 10,000.00).

Section 534. Omission of Property from Assessment or Tax Rolls by Officers and Other Acts. – Any officer charged with the duty of assessing real property who willfully fails to assess, or who intentionally omits from the assessment or tax roll any real property which he knows to be taxable, or who willfully or negligently underassesses any real property, or who intentionally violates or fails to perform any duty imposed upon him by law relating to the assessment of taxable real property shall, upon conviction, be punished by a fine of not less than Ten thousand pesos (Php 10,000.00) nor more than Fifty thousand pesos (Php 50,000.00), or by suspension, or by imprisonment of not less than one (1) month nor more than six (6) months, or both such fine and suspension or imprisonment, at the discretion of the court.

The same penalty shall be imposed upon any officer charged with the duty of collecting the tax due on real property who willfully or negligently fails to collect the tax and institute the necessary proceedings for the collection of the same.

Any other officer required by this Code to perform acts relating to the administration of the real property tax or to assist the assessor or treasurer in such administration, who willfully fails to discharge such duties shall, upon conviction be punished by a fine of not less than Five thousand pesos (Php 5,000.00) nor more than Fifty thousand pesos (Php 50,000.00) or suspension, or imprisonment of not less than one (1) month nor more than six (6) months, or both such fine and suspension or imprisonment, at the discretion of the court.

Section 535. Government Agents Delaying Assessment of Real Property and Assessment Appeals.– Any government official who intentionally and deliberately delays the assessment of real property or the filing of any appeal against its assessment shall be liable for suspension ,or upon conviction, be punished by a fine of not less than Five thousand pesos (Php 5000.00) nor more than Fifty thousand pesos (Php 50,000.00), or by imprisonment of not less than one (1) month or more than six (6) months, or both such fine and imprisonment, at the discretion of the court.

Section 536. Failure to Dispose of Delinquent Real Property at Public Auction. – The local treasurer concerned who fails to dispose of delinquent real property at public auction in compliance with the pertinent provisions of this code, and any other local government official whose acts hinder the prompt disposition of delinquent real

11369 property at public auction shall, upon conviction, be subject to a fine of not less than Ten
11370 thousand pesos (Php 10,000.00) nor more than Fifty thousand pesos (Php 50,000.00), or
11371 imprisonment of not less than one (1) month nor more than six (6) months, or both such
11372 fine and imprisonment, at the discretion of the court.

11373

11374 **Section 537. Prohibited Acts Related to the Award of Contracts Under the**
11375 **Provisions on Credit Financing.** – It shall be unlawful for any public official or
11376 employee in the provincial, city, or municipal government, or their relatives within the
11377 fourth civil degree of consanguinity or affinity, to enter into or have any pecuniary
11378 interest in any contract for the construction, acquisition, operation, or maintenance of any
11379 project awarded pursuant to the provisions of Title Four in Book II hereof, or for the
11380 procurement of any supplies, materials, or equipment of any kind toused in the said
11381 project. Any person convicted for violation of the provisions of said Title shall be
11382 removed from office and shall be punishable by imprisonment of not less than two (2)
11383 month, nor more than three (3) years, at the discretion of the court, without prejudice to
11384 prosecution under other law.

11385

11386 **Section 538. Act of Officials in Violation of the Provisions of this Code.** Any
11387 act of officials and employees in violation of the provisions of this Code shall be
11388 administratively liable, without prejudice to the filing of criminal and civil case.

11389

11390 **TITLE TWO. – PROVISIONS FOR IMPLEMENTATION**

11391

11392

11393 **Section 539. Mandatory Review Every Five Years.** – The Bangsamoro
11394 Parliament shall undertake a mandatory review of this Code at least once every five (5)
11395 years and as often as it may deem necessary, with the primary objective of providing a
11396 more responsive and accountable local government structure.

11397

11398 **Section 540. Insurance Coverage.** – The Government Service Insurance System
11399 (GSIS) shall establish and administer an appropriate system under which the Punong
11400 barangay, the members of the Sangguniang Barangay, the Barangay secretary, the
11401 Barangay treasurer, and the members of the Barangay tanod shall enjoy insurance
11402 coverage as provided in this Code and other pertinent laws.

11403

11404 There shall be a system that will provide insurance coverage for the Punong barangay,
11405 the members of the Sangguniang Barangay, the Barangay secretary, the Barangay
11406 treasurer, the members of the Barangay tanod, and the members of the Barangay
11407 Peacekeeping Action Team (BPAT) shall enjoy insurance coverage as provided in this
11408 Code and other pertinent laws.

11409

11410 **Section 541. Personnel Retirement and/or Benefits.** – An official or employee
11411 of the national government or local government unit separated from the service as a result
11412 of reorganization effected under this Code shall, if entitles under the laws then in force,
11413 receive the retirement and other benefits accruing thereunder: Provided, however, That

11414 such benefits shall be given funding priority by the Department of Budget and
11415 Management in the case of national officials and employees, and the local government
11416 unit concerned in the case of local officials and employees.

11417

11418 Where the employee concerned is not eligible for retirement, he shall be entitled to a
11419 gratuity from the national government or the local government unit concerned, as the case
11420 may be, equivalent to an amount not lower than one (1) month salary for every year of
11421 service over and above the monetary value of the leave credits said employee is entitled
11422 to receive pursuant to existing laws.

11423

11424 **Section 542. Inventory of Infrastructure and Other Community Facilities.**– (a)

11425 Each local government unit shall conduct a periodic inventory of infrastructure and other
11426 community facilities and undertake the maintenance, repair, improvement, or
11427 reconstruction of these facilities through a closer cooperation among the various agencies
11428 of the national government operating within the province, city, or municipality concerned.

11429

11430 (b) No infrastructure or community project within the territorial jurisdiction of any local
11431 government unit shall be undertaken without informing the local chief executive and the
11432 Sanggunian concerned.

11433

11434 **Section 543. Records and Properties.** – All records, equipment, buildings,
11435 facilities, and other properties of any office or body of a local government unit abolished
11436 or reorganized under this Code shall be transferred to the office or body to which its
11437 powers, functions, and responsibilities are substantially devolved.

11438

11439 **Section 544. Monitoring and Evaluation System.** The Bangsamoro Government
11440 shall establish a monitoring and evaluation system to ensure full delivery of basic
11441 services, faithful implementation of plans, programs, and projects, and compliance to
11442 existing policies, laws, rules and regulations.¹²³

11443

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11446

11447

TITLE THREE. – TRANSITORY PROVISIONS

11448

11449 **Section 545. Tax Ordinances or Revenue Measures.**– All existing tax
11450 ordinances or revenue measures of local government units shall continue to be in force
11451 and effect after the effectivity of this Code unless amended by the Sanggunian
11452 concerned, or inconsistent with, or in violation of, the provisions of this Code.

11453

11454 **Section 546. Formulation of Implementing Rules and Regulations.**– (a) Within
11455 six (6) months after the approval of this Code, the Chief Minister shall convene the
11456 Oversight Committee as herein provided. The said Committee shall formulate and
11457 issue the appropriate rules and regulations necessary for the efficient and effective

¹²³ Suggested by the constituents that a separate monitoring team be established in BARMM./

11458 implementation of any and all provisions of this Code, thereby ensuring compliance
11459 with the principles of local autonomy as defined under the Constitution.

11460

11461 (b) The Committee shall be composed of the following:

11462

11463 (1) The Executive Secretary, who shall be the Chairperson;

11464

11465 (2) Four (3) members of the Bangsamoro Parliament to be appointed by the Chief
11466 Minister of the Bangsamoro Government, to include the Chairperson of the
11467 Committee on Local Government;

11468

11469 (3) The Cabinet, represented by the following:

11470

11471 (i) Minister of the Interior and Local Government

11472 (ii) Ministry of Finance and Budget and Management

11473

11474 (3) One (1) representative from each of the following:

11475

11476 (i) The League of Provinces;

11477 (ii) The League of Municipalities; and

11478 (iii) The Liga ng mga Barangay.

11479

11480 (c) The Committee shall submit its report and recommendation to the Chief Minister
11481 within two (2) months after its organization. If the Chief Minister fails to act within
11482 thirty (30) days from receipt thereof, the recommendation of the Oversight Committee
11483 shall be deemed approved. Thereafter, the Committee shall supervise the transfer of
11484 such powers and functions mandated under this Code to the local government units,
11485 together with the corresponding personnel, properties, assets and liabilities of the
11486 offices or agencies concerned, with the least possible disruptions to existing programs
11487 and projects. The Committee shall likewise recommend the corresponding
11488 appropriations necessary to effect the said transfer.

11489

11490 For this purpose, the services of a technical staff shall be listed from among the
11491 qualified employees of the Parliament, the regional government offices, and the leagues
11492 constituting the Committee.

11493

11494 (d) The funding requirements and the secretariat of the Committee shall be provided by
11495 the Office of the Chief Minister.

11496

11497 (e) The sum of Three million pesos (P3,000,000.00), which shall be charged against the
11498 appropriations of the Office of the Chief Minister is hereby allotted to the Committee to
11499 fund the undertaking of an information campaign on this Code. The Committee shall
11500 formulate the guidelines governing the conduct of said campaign, and shall determine
11501 the national agencies or offices to be involved for this purpose.

11502

11503 **SECTION 547. Transitory Provisions on the Gradual Devolution.** – Seven (7)
11504 years after the effectivity of the Code, the Committee shall conduct comprehensive
11505 assessment on the capacity of the local government units and promulgate guidelines in
11506 the implementation of the devolution process.

11507
11508 After the completion of the assessment, the Committee shall submit a
11509 comprehensive report on the devolution process including recommendations on effective
11510 collaboration between the Bangsamoro Government and the local government units in the
11511 delivery of devolved services and facilities.

11512
11513 Affected ministries in the implementation of the gradual devolution shall
11514 reorganize their structure and services to avoid overlapping of functions. The ministries
11515 shall ensure the security of tenure of the affected personnel is respected and no demotion
11516 in rank as provided for by the existing rules and regulations. Further, the reorganization
11517 of concerned ministries shall be guided by the following policies:

- 11518
11519 (a) Capacity development intervention to the local government units;
11520 (b) Prioritize regional mandate not covered by the devolved services and facilities;
11521 (c) Ensure the complementation of regional and local government services.

11522
11523 The local government units may be allowed to implement projects funded by the
11524 Bangsamoro Government, particularly, projects operated and maintained by the
11525 concerned units and subject to their absorptive capacity as certified by Ministry of the
11526 Interior and Local Government and Ministry of Public Works.

11527
11528 **SECTION 548. Transitory Provisions on the Barangays Without Internal**
11529 **Revenue Allotment.** - (a) The Ministry of the Interior and Local Government, within 60
11530 days after the effectivity of this Code, shall create a committee that will revalidate the
11531 compliance of those barangays created under Muslim Mindanao Autonomy Act No. 25
11532 that failed to meet the standard requirements laid down in Republic Act No. 7160.

11533
11534 The Committee shall be composed of representatives from the Ministry of the
11535 Interior and Local Government, Philippine Statistics Authority, Ministry of Environment,
11536 Natural Resources and Energy, and Ministry of Finance, and Budget and Management.

11537
11538 After revalidation, the validating team shall submit the result of the validation to
11539 the Office of the Chief Minister for appropriate action of those barangays that have
11540 already met the criteria laid down by Republic Act No. 7160. The said barangays shall
11541 automatically be entitled to the Internal Revenue Allotment as provided in Section 6,
11542 Article X of the 1987 Constitution.

- 11543
11544 (b) Those barangays that still failed to meet the criteria laid down by RA 7160
11545 shall be reverted to their mother barangays.

11546

11547 (c) After the effectivity of this Code, the creation of a new barangay must comply
11548 with the requirements laid down by this Code.

11549

11550 **SECTION 549. Transitory Provisions for Municipality.** - (a) After the
11551 effectivity of this Code, the creation of municipalities must comply with the requisites
11552 provided by this Code such as income, population and territory.

11553

11554 (c) Pending the conversion of the 63 barangays in North Cotabato into appropriate
11555 territorial or political subdivision, the barangays shall be constituted as a Special
11556 Geographic Area and be grouped into eight (8) cluster;

11557

11558 (d) For this purpose, the Parliament shall enact a law creating a Special Geographic
11559 Area Development Authority that will manage the development affairs in the Special
11560 Geographic Area;

11561

11562 (e) The Special Geographic Area Development Authority shall perform those powers
11563 and services devolved to local government units under this Code other than those
11564 delivered by the barangays; and

11565

11566 (f) The Special Geographic Area Development Authority shall be composed of the
11567 Board, Director General, and eight (8) Cluster Coordinators and shall perform planning,
11568 implementation, monitoring, and coordinating function and in the process exercise
11569 supervisory and regulatory authority over the promotion of general welfare of the people
11570 without prejudice to the autonomy of barangay local government units.

11571

11572 (d) The Bangsamoro Government shall provide financial and technical support to these
11573 special geographical units.

11574

11575 **TITLE FOUR. – FINAL PROVISIONS**

11576

11577 **Section 550. Devolved National Agencies and Offices.** – Line agencies of Office of
11578 the National Government devolved to the autonomous region pursuant to Section 4, Art.
11579 XIX of Republic Act No. 6734, as amended by Republic Act No. 9054 shall continue
11580 to be placed under the control and supervision of the Chief Minister.

11581

11582 **Section 551. Repealing Clause.** – (a) All laws, orders, acts, charters, decrees, executive
11583 orders, proclamations, rules and regulation and all other issuances, or part thereof,
11584 which are inconsistent with this code are hereby repealed or modified accordingly.

11585

11586 **Section 552. Separability Clause.**-If, for any reason or reasons, any part or provision
11587 of this Code shall be held to be unconstitutional or invalid, other parts or provisions
11588 hereof which are not affected thereby shall continue to be in full force and effect.

11589

11590 **Section. 553. Effectivity Clause.** – This Code shall take effect immediately following
11591 its complete publication in at least one (1) newspaper of general circulation in the
11592 Bangsamoro Autonomous Region in Muslim Mindanao.

11593

11594

11595

11596

ATTY. ALI PANGALIAN M. BALINDONG

11597

Speaker

11598

11599 This Act was passed by the Bangsamoro Parliament on _____.

11600

11601

11602

11603

PROF. RABY B. ANGKAL

11604

Secretary General

11605

11606 APPROVED:

11607

11608

11609

11610 **AHOD BALAWAG EBRAHIM**

11611 *Chief Minister*

11612 Date: _____