



**TOURISM  
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**MEMORANDUM**

**FOR** : **The Manager, Legal Department**  
**FROM** : **The Manager, Corporate Planning Department**  
**RE** : ***Request for Legal Opinion***  
**DATE** : **04 February 2021**

This refers to the Corporate Budget Memorandum No. 43 issued on 12 January 2021 by the Department of Budget and Management (DBM) in which, arising from the Supreme Court (SC) ruling on the joint Mandanas-Garcia petitions (G.R. Nos. 199802 and 208488, July 3, 2018) whereby LGUs will be receiving a substantial increase in Internal Revenue Allotments (IRA) beginning 2022, one of its paragraphs states:

*2.7 More specifically relative to these devolved functions, concerned GOCCs/GFIs shall be guided by the following: 1) to refrain from including in their proposals, funding for devolved local projects for LGUs belonging to the 1st to 4th income classifications; 2) include the funding requirement for capacity building for these LGUs to enable them to assume these functions; and 3) limit subsidies for local projects of LGUs to LGUs belonging to the 5th and 6th income classes, the Geographically Isolated and Depressed Areas (GIDA) as well as those with the highest poverty incidences, ranked in top third highest. (Emphasis supplied)*

In view thereof, may we know how this will affect TIEZA's policy relative to providing financial assistance to the tourism infrastructure projects being requested by LGUs.

We would very much appreciate receiving your response the soonest as there will be a conduct of a Strategic Planning tentatively scheduled on the 3<sup>rd</sup> week of February 2021 in which one of the major topics to be discussed is TIEZA's 2022 budget, specifically what projects should be included thereto for DBM/GAA funding.

Thank you.

**FRANCIS RANDY J. HORTELANO**