



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2995

HOUSE OF REPRESENTATIVES

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Introduced By:

REP. FRANCISCO JOSE F. MATUGAS II, 1ST District, Surigao del Norte
REP. PROSPERO A. PICHAY JR., 1ST District, Surigao del Sur
REP. JOHNNY T. PIMENTEL, 2ND District, Surigao del Sur

EXPLANATORY NOTE

This bill, which was approved by the House of Representatives of the 15th Congress and refiled in the present Congress, seeks to provide for the automatic and direct remittance, to the host local government unit, of its forty percent (40%) share of the proceeds from the development and utilization of national wealth.

By allowing the host local government units to directly receive their just share from national wealth taxes, we will be helping our local executives increase their operational expenses and thus, improve the delivery of basic services to their constituents. Moreover, this bill will also resolve the present bureaucratic intricacies where funds are first remitted to the national government before they are apportioned to the local government units. With the passage of this bill, local legislative bodies will be able to immediately appropriate funds for their priority development projects.

Our local executives are the first to respond to the needs of the people. It is but logical that they are empowered to serve the citizens well. This is just one of the measures that seek to broaden the local fiscal resource generation of the local government units. Hence, immediate approval of this bill is earnestly sought.


FRANCISCO JOSE F. MATUGAS II


PROSPERO A. PICHAY JR.


JOHNNY T. PIMENTEL



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Seventeenth Congress
First Regular Session

HOUSE BILL NO. **2995**

Introduced By:

REP. FRANCISCO JOSE F. MATUGAS II, 1ST District, Surigao del Norte

REP. PROSPERO A. PICHAY JR., 1ST District, Surigao del Sur

REP. JOHNNY T. PIMENTEL, 2ND District, Surigao del Sur

AN ACT

PROVIDING FOR THE DIRECT REMITTANCE TO THE HOST LOCAL GOVERNMENT OF ITS FORTY PERCENT (40%) SHARE OF THE PROCEEDS DERIVED FROM THE UTILIZATION AND DEVELOPMENT OF NATIONAL WEALTH, AMENDING FOR THE PURPOSE SECTION 293 OF REPUBLIC ACT NO. 7160, AS AMENDED, OTHERWISE KNOWN AS THE "LOCAL GOVERNMENT CODE OF 1991"

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

1 SECTION 1. Section 293 of Republic Act No. 7160, as amended,
2 otherwise known as the "Local Government Code of 1991", is hereby further
3 amended to read as follows:

4
5 "Sec. 293. *Remittance of the Share of Local Government*
6 *Units* – **ANY PERSON, NATURAL OR JURIDICAL, INCLUDING**
7 **GOVERNMENT AGENCIES OR GOVERNMENT-OWNED OR -**
8 **CONTROLLED CORPORATIONS, ENGAGED IN THE UTILIZATION AND**
9 **DEVELOPMENT OF NATIONAL WEALTH SHALL DIRECTLY REMIT TO**

1 THE PROVINCIAL, CITY, MUNICIPAL OR BARANGAY TREASURER, OF
2 THE HOST LOCAL GOVERNMENT UNIT CONCERNED, THE LATTER'S
3 FORTY PERCENT (40%) SHARE FROM THE UTILIZATION AND
4 DEVELOPMENT OF NATIONAL WEALTH, WITHIN FIVE (5) DAYS AFTER
5 THE END OF EACH QUARTER: PROVIDED, THAT, SAID SHARE SHALL
6 NOT BE SUBJECT TO ANY LIEN OR HOLDBACK THAT MAY BE
7 IMPOSED BY THE NATIONAL GOVERNMENT FOR WHATEVER
8 PURPOSE.

9 THE SECRETARY OF FINANCE, IN CONSULTATION WITH THE
10 SECRETARY OF BUDGET AND MANAGEMENT, WITHIN SIX (6)
11 MONTHS FROM THE EFFECTIVITY OF THIS ACT, SHALL PROMULGATE
12 THE NECESSARY RULES AND REGULATIONS FOR THE DIRECT
13 REMITTANCE OF THE LOCAL GOVERNMENT UNITS' SHARE TO THEM.

14 [The share of local government units from the utilization and
15 development of national wealth shall be remitted in accordance
16 with Section 286 of this Code: Provided, however, That in the
17 case of any government agency or government-owned or
18 controlled corporation engaged in the utilization and
19 development of the national wealth, such share shall be directly
20 remitted to the provincial, city, municipal or barangay treasurer
21 concerned within five (5) days after the end of each quarter.]"

22
23 SEC. 2. All laws, decrees, orders, rules and regulations or parts thereof
24 inconsistent with the provisions of this Act are hereby amended or modified
25 accordingly.

1 SEC. 3. This Act shall take effect fifteen (15) days after its publication in
2 the Official Gazette or in two (2) national newspapers of general circulation.

3 Approved,