

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Eighteenth Congress
First Regular Session

HOUSE BILL NO. 1613



Introduced by Honorable Neptali M. Gonzales II

EXPLANATORY NOTE

Section 6, Article X of the 1987 Philippine Constitution provides that:

"Local government units shall have a just share, as determined by law, in the national taxes which shall be automatically released to them."

This proposed measure mandates that any person, natural or juridical engaged in the utilization and development of the national wealth should remit forty percent (40%) of the gross collection derived by the national government from the national wealth taxes directly to the host local government units and the remaining sixty percent (60%) to the national government.

This bill will allow the host local government unit to directly receive its just share from the national wealth taxes, thereby improving the delivery of basic services to the public.

In view of the foregoing, immediate approval of this bill is earnestly sought.


NEPTALI M. GONZALES II

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AN ACT
PROVIDING FOR THE DIRECT REMITTANCE TO THE HOST LOCAL
GOVERNMENT OF ITS FORTY PERCENT SHARE (40%) 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:*

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

"SEC. 293. *Remittance of the Share of Local Government Units.* –

The share of local government units from the utilization and development of
national wealth shall be remitted in accordance with Section 286 of this
Code: Provided, however, That ANY PERSON, NATURAL OR
JURIDICAL, INCLUDING [in the case of any] government agency or
government-owned or -controlled corporation engaged in the utilization and
development of the national wealth, [such share] shall [be] directly remit[ted]
to the provincial, city, municipal or barangay treasurer, OF THE HOST
LOCAL GOVERNMENT UNIT concerned ITS FORTY PERCENT (40%)
SHARE DERIVED FROM NATIONAL WEALTH TAXES UNDER

SECTION 290 OF THIS CODE AND THE REMAINING SIXTY
PERCENT (60%) TO THE NATIONAL GOVERNMENT [within five (5)
days after the end of each quarter].”

SEC. 2. *Repealing Clause.* - All laws, decrees, orders, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby amended or modified accordingly.

SEC. 3. *Effectivity.* - This Act shall take effect fifteen (15) days after its publication in any newspaper of national circulation.

Approved,