

XXXVII. ALLOCATIONS TO LOCAL GOVERNMENT UNITS

A. INTERNAL REVENUE ALLOTMENT

For apportionment of the shares of local government units in the internal revenue taxes in accordance with the purpose indicated hereunder..... P80,990,763,000

New Appropriations, by Purpose
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	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
A. PURPOSE				
a. Share in National Revenue		P80,990,763,000		P80,990,763,000
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TOTAL NEW APPROPRIATIONS		P80,990,763,000		P80,990,763,000
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Special Provisions

1. Allocation and Release of Fund. The amount herein appropriated shall be apportioned among the local government units in accordance with the formula prescribed in Section 285 of R.A. No. 7160, the Local Government Code of 1991, after deducting the total actual cost of devolution and the cost of city-funded hospitals as of December 31, 1992 which shall be earmarked directly to fund the devolved programs, projects and activities, subject to necessary adjustments as authorized under Section 284 of the Code and to reallocation resulting from land area adjustments duly certified by the Land Management Bureau. The Internal Revenue Allotment shall be released directly by the Department of Budget and Management to the Local Government Units concerned.

2. Use of Funds. The amount herein appropriated shall, pursuant to Section 17(g) of the Code, provide for the cost of basic services and facilities enumerated under Section 17(b) thereof, particularly those devolved by the Department of Health, Department of Social Welfare and Development, Department of Agriculture, and the Department of Environment and Natural Resources as well as other agencies of the National Government, including (1) construction/improvement, repair and maintenance of local roads; (2) concrete barangay roads/multi-purpose pavements, construction and improvement program to be implemented in accordance with R.A. No. 6763; (3) construction, rehabilitation and improvement of communal irrigation projects/systems; and (4) payment of the Magna Carta benefits of devolved health workers pursuant to the provisions of R.A. No. 7305 and other guidelines as may be issued by the Department of Health for the purpose: PROVIDED, That each local government unit shall, in accordance with Section 287 of the Code, appropriate in its budget no less than twenty percent (20%) of its share from Internal Revenue Allotment for development projects: PROVIDED, FURTHER, That an amount equivalent to twenty percent (20%) of the amount appropriated for development projects shall be set aside for programs and activities that address human and ecological security concerns: PROVIDED, FURTHERMORE, That enforcement of the provisions of Sections 325(a) and 331(b) of the Code shall be waived to enable local government units to absorb national government personnel transferred on account of devolution, create the mandatory positions specified in the Code, continue the implementation of the Compensation Standardization authorized under R.A. No. 6758 for provinces, cities and municipalities and as provided for under existing guidelines for the barangays and the payment of the Magna Carta benefits of public health workers as provided above: AND PROVIDED, FINALLY, That the capitalization of the Partido Development Administration to be subscribed and paid by the member-municipalities pursuant to R.A. 7820 may be charged against the respective IRA of the member-municipalities.

New Appropriations, by Object of Expenditures
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(In Thousand Pesos)

A. Purpose

Current Operating Expenditures

Maintenance and Other Operating Expenses	
10 Grants, Subsidies and Contributions	80,990,763

Total Maintenance and Other Operating Expenses	80,990,763

Total Current Operating Expenditures	80,990,763

TOTAL NEW APPROPRIATIONS	80,990,763

B. SPECIAL SHARES OF LOCAL GOVERNMENT UNITS IN THE PROCEEDS OF NATIONAL TAXES

For apportionment of the shares of local government units in the proceeds of other national taxes in accordance with the purposes indicated hereunder.....P 2,054,911,000

New Appropriations, by Purpose
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	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
A. PURPOSES				
a. Share in Tobacco Excise Tax Pursuant to R.A. No. 7171.		P 1,841,000,000		P 1,841,000,000
b. Share in the Utilization and Development of National Wealth under R.A. No. 7160.		198,675,000		198,675,000
c. Share in the Gross Income Taxes Paid by all Businesses and Enterprises within the ECOZONES Pursuant to R.A. No. 7227.		15,236,000		15,236,000
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TOTAL NEW APPROPRIATIONS		P 2,054,911,000		P 2,054,911,000
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Special Provisions

1. Remittance and Use of Share in Tobacco Excise Tax. The amount herein appropriated for the share in tobacco excise tax shall be remitted to the local government unit concerned and used in accordance with the provisions of R.A. No. 7171 and Memorandum Circular No. 61-A.

2. Allocation, Release and Use of Share in National Wealth. The amount herein appropriated for the share in the utilization and development of national wealth shall be allocated among entitled provinces, cities, municipalities and barangays in accordance with the formula prescribed under Section 292 of R.A. No. 7160 and shall be released directly by the Department of Budget and Management to the provincial, city, municipal or barangay treasurers, as the case may be: PROVIDED, That the computation of the share of each local government unit in the proceeds from the development and utilization of national wealth realized in 1997 shall be submitted by the revenue collecting agencies to the Department of Budget and Management not later than 15 March 1998: PROVIDED, FURTHER, That the proceeds from the utilization and development of the national wealth shall be appropriated by the respective sanggunian to finance local development and livelihood projects duly recommended by their respective Development Councils in coordination with the representative of the legislative district concerned: PROVIDED, FINALLY, That at least eighty percent (80%) of the proceeds derived from the development and utilization of hydrothermal, geothermal and other sources of energy shall be applied to lower the cost of electricity in the local government units where such source of energy is located, and any savings from such proceeds shall be utilized as additional livelihood support fund for the LGUs concerned.

The Secretary of Budget and Management is hereby authorized to adjust the distribution of shares in prior years due to miscalculations.

3. Allocation and Release of LGU Share in the Gross Income Tax Paid by all Businesses and Enterprises within the ECOZONES. The amount herein appropriated for the share of LGUs in the gross income tax paid by all businesses and enterprises located within the ECOZONES shall be allocated among entitled Local Government Units in accordance with the pertinent provisions of R.A. No. 7227 and shall be released by the Department of Budget and Management directly to the LGUs concerned. Should the allocation formula consider population and land area, the data to be used shall be consistent with those used in the allocation of Internal Revenue Allotment (IRA) of LGUs concerned: PROVIDED, That the release from the one percent (1%) Development Fund to the eligible LGUs shall be based on the guidelines to be issued by the Subic Bay Metropolitan Authority.

New Appropriations, by Object of Expenditures
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(In Thousand Pesos)

A. Purposes

Current Operating Expenditures

Maintenance and Other Operating Expenses

10 Grants, Subsidies and Contributions	2,054,911
Total Maintenance and Other Operating Expenses	2,054,911
Total Current Operating Expenditures	2,054,911
TOTAL NEW APPROPRIATIONS	2,054,911

C. LOCAL OFFICIALS INSURANCE PREMIUM FUND

For payments of insurance premiums of local officials, as indicated hereunder.....P 37,000,000

New Appropriations, by Purpose
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Current Operating Expenditures

Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
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A. PURPOSE

a. Payment of Insurance Premiums of Local Officials
under R.A. No. 6942

P	37,000,000		P 37,000,000
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TOTAL NEW APPROPRIATIONS

P	37,000,000		P 37,000,000
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Special Provision

1. Use of the Fund. The amount authorized herein shall be used for payment of insurance premiums of local officials in accordance with R.A. No. 6942.

New Appropriations, by Object of Expenditures
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(In Thousand Pesos)

A. Purpose

Current Operating Expenditures

Personal Services

Other Compensation

Social Security Insurance Premiums

37,000

Total Other Compensation

37,000

Gross Compensation

37,000

01 Total Personal Services

37,000

Total Current Operating Expenditures

37,000

TOTAL NEW APPROPRIATIONS

37,000

D. MUNICIPAL DEVELOPMENT FUND

For foreign-assisted projects of local government units, as indicated hereunder P 1,672,104,000

New Appropriations, by Program/Project

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
A. PROJECTS				
I. Foreign-Assisted Projects				
a. Program for Essential Municipal Infrastructure Utilities, Maintenance and Engineering Development (PREMIUMED) Phase II (IBRD-3435PH)			P 1,000,000	P 1,000,000
Peso Counterpart			1,000,000	1,000,000
b. Metro Cebu Development Projects (MCDP) III - 20th Yen			927,030,000	927,030,000
Peso Counterpart			287,098,000	287,098,000
Loan Proceeds			639,932,000	639,932,000
c. Agrarian Reform Communities Development Project (ARCDP)			226,156,000	226,156,000
Peso Counterpart			7,582,000	7,582,000
Loan Proceeds			218,574,000	218,574,000
d. Bukidnon Integrated Area Development Project (BIADP)			25,380,000	25,380,000
Loan Proceeds			25,380,000	25,380,000
e. Third Elementary Education Project (TEEP)			492,538,000	492,538,000
Peso Counterpart			211,088,000	211,088,000
Loan Proceeds			281,450,000	281,450,000
Sub-Total, Foreign-Assisted Projects			1,153,186,000	1,153,186,000
Peso Counterpart			506,768,000	506,768,000
Loan Proceeds			1,165,336,000	1,165,336,000
Total, Projects			1,672,104,000	1,672,104,000
TOTAL NEW APPROPRIATIONS			P 1,672,104,000	P 1,672,104,000

Special Provision

1. Release and Administration of the Fund. The amount herein appropriated shall be released to, and administered by, the Bureau of Local Government Finance of the Department of Finance.

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

A. Foreign Assisted Projects

Capital Outlays

34 Land and Land Improvements Outlay	1,169,205
35 Buildings and Structures Outlay	493,924
36 Furniture, Fixtures, Equipment and Books Outlay	8,975

Total Capital Outlays	1,672,104
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TOTAL NEW APPROPRIATIONS

1,672,104

E. LOCAL GOVERNMENT EMPOWERMENT FUND

For projects supporting national government priority programs and activities in the 20 priority provinces and the 5th and 6th class local government units identified under the Social Reform Agenda.....P 484,246,000

New Appropriations, by Program/Project

Current Operating Expenditures

	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
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A. PROJECTS

I. Foreign-Assisted Projects

a. Cordillera Highland Agricultural Resources Management (DA)

P	16,693,000	P	89,455,000	P	39,536,000	P	145,684,000
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Peso Counterpart
Loan Proceeds

5,388,000	36,240,000	8,010,000	49,638,000
11,305,000	53,215,000	31,526,000	96,046,000

b. Rural Water Supply, Sewerage and Sanitation Project (DILG)

7,500,000	12,631,000		20,131,000
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Peso Counterpart
Loan Proceeds

7,500,000	3,631,000		11,131,000
	9,000,000		9,000,000

c. Rural Water Supply, Sewerage and Sanitation Project (DOH)

3,162,000	12,839,000	45,000,000	61,001,000
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Peso Counterpart
Loan Proceeds

3,162,000	1,963,000		5,125,000
	10,876,000	45,000,000	55,876,000

d. Rural Water Supply, Sewerage and Sanitation Sector Project III (DPWH)

		27,548,000	27,548,000
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Peso Counterpart
Loan Proceeds

		19,048,000	19,048,000
		8,500,000	8,500,000

e. Integrated Community Health Services Project (ICHS) (DOH)	8,277,000	144,604,000	77,001,000	229,882,000
Peso Counterpart	2,301,000	34,286,000	12,320,000	48,907,000
Loan Proceeds	5,976,000	110,318,000	64,681,000	180,975,000
Sub-Total, Foreign-Assisted Projects	35,632,000	259,529,000	189,085,000	484,246,000
Peso Counterpart	18,351,000	76,120,000	39,378,000	133,849,000
Loan Proceeds	17,281,000	183,409,000	149,707,000	350,397,000
Total, Projects	35,632,000	259,529,000	189,085,000	484,246,000
TOTAL NEW APPROPRIATIONS	P 35,632,000 P	259,529,000 P	189,085,000 P	484,246,000

Special Provision

1. Use and Release of Fund. The amounts herein authorized shall be used to implement devolved activities supportive of major national government programs and projects implemented in the twenty (20) priority provinces and in fifth and sixth class local government units, as may be identified and mutually agreed upon by the funding institutions and the implementing agencies: PROVIDED, That such amount shall be released to the implementing agencies, subject to the guidelines as may be jointly prescribed by the Department of Budget and Management and National Economic and Development Authority for the purpose.

New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

A. Foreign-Assisted Projects**Current Operating Expenditures****Personal Services****Contractual, Casual and Emery Personnel**

15,463

Total Salaries/Wages

15,463

Other Compensation

Representation and Transportation Allowances

170

Honoraria

3,177

Personnel Economic Relief Allowance

132

Additional P500 Allowance

162

Others

16,528

Total Other Compensation

20,169

01 Total Personal Services

35,632

Maintenance and Other Operating Expenses

02 Travelling Expenses

18,283

03 Communication Services

287

04 Repair and Maintenance of Government Facilities

7,407

05 Repair and Maintenance of Government Vehicles

5,883

06 Transportation Services

1,650

07 Supplies and Materials

39,707

08 Rents

1,175

14 Water, Illumination and Power Services

325

17 Training and Seminar Expenses

61,696

18 Extraordinary and Miscellaneous Expenses

306

21 Taxes, Duties and Fees	9,619
23 Gasoline, Oil and Lubricants	6,184
24 Fidelity Bonds and Insurance Premiums	700
29 Other Services	106,307
Total Maintenance and Other Operating Expenses	259,529
Total Current Operating Expenditures	295,161
Capital Outlays	
35 Buildings and Structures Outlay	87,993
36 Furniture, Fixtures, Equipment and Books Outlay	101,092
Total Capital Outlays	189,085
Total Foreign-Assisted Projects	484,246
TOTAL NEW APPROPRIATIONS	484,246

F. SPECIAL FINANCIAL ASSISTANCE TO LOCAL GOVERNMENT UNITS

For financial assistance in Lahar Devastated Area.....P 15,000,000

New Appropriations, by Program/Project

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Current Operating Expenditures

<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
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A. PURPOSE(S)

I. For Financial Assistance to Local Government Units in Lahar Devastated Areas

P 15,000,000

P 15,000,000

TOTAL NEW APPROPRIATIONS

P 15,000,000

P 15,000,000

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Special Provision

1. Use and Release of the Fund. The amounts herein appropriated shall be allocated among the municipalities and barangays which have been financially dislocated by lahar devastation as determined by the Mt. Pinatubo Commission. The release from this fund shall be made directly to the local government units concerned, subject to approval of the Special Budget to be submitted for the purpose by the Commission pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

A. Purpose

Current Operating Expenditures

Maintenance and Other Operating Expenses

10 Grants, Subsidies and Contributions

15,000

Total Maintenance and Other Operating Expenses

15,000

Total Current Operating Expenditures

15,000

TOTAL NEW APPROPRIATIONS

15,000

G. PALARONG PAMBANSA FUND

For conduct of Palarong Pambansa.....P 180,000,000

New Appropriations, by Program/Project

Current Operating Expenditures

	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A. PURPOSE(S)				
I. For Construction, Repair and/or Development of Sites and Facilities of the Palarong Pambansa			P 180,000,000	P 180,000,000
TOTAL NEW APPROPRIATIONS			P 180,000,000	P 180,000,000

Special Provision

1. Use and Release of the Palarong Pambansa Fund. The amount herein appropriated for Capital Outlays shall be made available for the construction, repair and/or development of sites and facilities necessary for the conduct of the games: PROVIDED, That One Hundred Twenty Five Million Pesos (P125,000,000) and an additional Five Million Pesos (P5,000,000) for Bacolod City, shall be for the 1998 Palarong Pambansa and the balance amounting to Fifty Million Pesos (P50,000,000) for the 1999 Palarong Pambansa. The fund shall be released to the local government unit concerned upon the request by the chief executive thereof. In the event that there are two or more host Local Government Units, the amount appropriated shall be equitably allocated among them, unless otherwise specifically earmarked herein. The design of the sports facilities shall be approved jointly by the Secretary of the Department of Education, Culture and Sports, the Chairman of the Philippine Sports Commission, and the Chief Executive of the host local government unit/s concerned.

A. Purpose

Capital Outlays

35 Buildings and Structures Outlay				180,000
Total Capital Outlays				180,000
TOTAL NEW APPROPRIATIONS				180,000

H. METROPOLITAN MANILA DEVELOPMENT AUTHORITY

For subsidy requirements, in accordance with the programs indicated hereunder P 848,819,000

New Appropriations, by Program/Project

Current Operating Expenditures

	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A. PROGRAMS				
I. Operations				
a. Metro-wide Services as stipulated under Section 3 of R.A. No. 7924, inclusive of the following projects: 1) Operation and Development of Sanitary Landfills; 2) Integrated				

Traffic and Transport Management; and 3) Renovation of MMDA Building, to include the rehabilitation of Annex Building and Parking Area

P	848,819,000	P	848,819,000
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	848,819,000		848,819,000
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	848,819,000		848,819,000
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P	848,819,000	P	848,819,000
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Sub-total, Operations

Total, Programs

TOTAL NEW APPROPRIATIONS

Special Provisions

1. Release and Use of Fund. The amounts herein appropriated shall be released to the MMDA subject to its submission to the Department of Budget and Management of its detailed consolidated budget reflecting its income, including the IRA currently allocated to the defunct Metropolitan Manila Authority and other income authorized under Section 10 of R.A. No. 7924 and its Implementing Rules and Regulations, as well as its projected expenditures as may be approved by the MMDA Council.

2. Reporting Requirement. The MMDA shall submit at the end of every quarter a comprehensive report on all its transactions and operations, including construction activities and acquisition of equipment as well as the deployment and hiring of personnel. Such quarterly report shall be submitted to the Office of the President, and to both Houses of Congress.

3. Authority to Use Fines, Fees and Charges. Pursuant to Section 10 of R.A. No. 7924, the Metropolitan Manila Development Authority (MMDA) is hereby authorized to use its proceeds from fines, fees and charges which it may impose and collect, as well as the mandatory remittances of its component local government units, to implement such programs, projects and activities as may be approved by the Metropolitan Manila Development Authority Council.

PROGRAMS AND ACTIVITIES

	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
I. Operations				
a. Metro-wide Services as stipulated under Section 3 of R.A. No. 7924, inclusive of the following projects: 1) Operation and Development of Sanitary Landfills; 2) Integrated Traffic and Transport Management; and 3) Renovation of MMDA Building, to include the rehabilitation of Annex Building and Parking Area	P	848,819,000		P 848,819,000
		-----		-----
Sub-total, Operations		848,819,000		848,819,000
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TOTAL, PROGRAMS AND ACTIVITIES	P	848,819,000		P 848,819,000
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New Appropriations, by Object of Expenditures

(In Thousand Pesos)

A. Programs/Locally-Funded Projects

Current Operating Expenditures

Maintenance and Other Operating Expenses		
10 Grants, Subsidies and Contributions		848,819
Total Maintenance and Other Operating Expenses		848,819

Total Current Operating Expenditures		848,819

TOTAL NEW APPROPRIATIONS		848,819
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I. SUBSISTENCE ALLOWANCE FOR BARANGAY HEALTH WORKERS

For subsidy to local government units for the provision of subsistence allowance of accredited Barangay Health Workers nationwide pursuant to R.A. No. 7883 as indicated hereunder.....P 5,000,000

New Appropriations, by Program/Project

Current Operating Expenditures

A. PURPOSE

1. For subsidy to Local Government Units for Subsistence Allowance of Accredited Barangay Health Workers Nationwide Pursuant to R.A. No. 7883

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
		P 5,000,000		P 5,000,000
<u>Total, Purpose</u>		<u>5,000,000</u>		<u>5,000,000</u>
<u>TOTAL NEW APPROPRIATIONS</u>		<u>P 5,000,000</u>		<u>5,000,000</u>

Special Provision

1. Use of the Fund. The amount herein appropriated shall be used for the payment of subsistence allowance for accredited Barangay Health Workers and shall be released directly to the Local Government Units.

New Appropriations, by Object of Expenditures

(In Thousand Pesos)

A. PURPOSE

Current Operating Expenditures

Maintenance and Other Operating Expenses

10 Grants, Subsidies and Contributions

Total Maintenance and Other Operating Expenses

Total Current Operating Expenditures

TOTAL NEW APPROPRIATIONS

	5,000
	5,000
	5,000
	5,000

(CONDITIONAL IMPLEMENTATION - President's Veto Message, February 14, 1998, page 1517, R.A. 8522)

GENERAL SUMMARY
ALLOCATIONS TO LOCAL GOVERNMENT UNITS

	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
A. Internal Revenue Allotment	P	P80,990,763,000	P	P80,990,763,000
B. Special Shares of Local Government Units in the Proceeds of National Taxes		2,054,911,000		2,054,911,000
C. Local Officials Insurance Premium Fund	37,000,000			37,000,000
D. Municipal Development Fund			1,672,104,000	1,672,104,000
E. Local Government Empowerment Fund	35,632,000	259,529,000	189,085,000	484,246,000
F. Special Financial Assistance to Local Government Units		15,000,000		15,000,000
G. Palarong Pambansa fund			180,000,000	180,000,000
H. Metropolitan Manila Development Authority		848,819,000		848,819,000
I. Subsistence Allowance for Barangay Health Workers		5,000,000		5,000,000
Total New Appropriations, Allocations to Local Government Units	P 72,632,000	P84,174,022,000	P 2,041,189,000	P86,287,843,000