



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

**LOCAL BUDGET MEMORANDUM**

No. 70-A  
Date: December 29, 2015

TO : The Local Chief Executives, Members of the Local Sanggunian, Local Budget Officers, Local Treasurers, Local Development and Planning Officers, Local Accountants, and All Others Concerned

SUBJECT : **ADJUSTED FY 2016 INTERNAL REVENUE ALLOTMENT (IRA) SHARES OF LOCAL GOVERNMENT UNITS (LGUs)**

- 1.0 By virtue of Republic Act (RA) No. 10675<sup>1</sup> enacted on August 19, 2015, the Municipality of General Trias of the Province of Cavite was converted into a component city of the same Province. The conversion was ratified and approved through a Plebiscite conducted by the Commission on Elections on December 12, 2015.
- 2.0 Anent thereto, Section 93 of the General Provisions of the FY 2016 General Appropriations Act (GAA), RA No. 10717 provides the following:

*"Sec. 93. Internal Revenue Allotment for LGUs. **The IRA, which is automatically appropriated, shall be apportioned among LGUs, including provinces, cities, and municipalities created, approved, and ratified in 2015** in accordance with the allocation formula prescribed under Section 285 of R.A. No. 7160, taking into consideration the following:*

- (a) *The land area shall be based on the FY 2001 Land Management Bureau (LMB) certified Masterlist of Land Area unless the FYs 2004 and 2007 LMB certified Masterlist of Land Area has been validated by the DILG, NAMRIA and representatives of the Leagues of Provinces, Cities and Municipalities, and endorsed by the Secretary of DENR and the Regional Secretary of the ARMM to DBM on or before December 31, 2015; and*
- (b) *The population shall be based on the FY 2010 Presidential Proclamation on the Official Population Count of the Philippines by Province, City, Municipality and Barangay.*

<sup>1</sup> An Act Converting the Municipality of General Trias in the Province of Cavite into a Component City to be Known as the City of General Trias

All valid adjustments, changes, modifications, or alterations in any of the factors affecting the computation of IRA that occurred or happened, including final and executory court decisions made effective, during the current fiscal year, shall only be considered and implemented by the DBM in the subsequent fiscal year from receipt by the DBM of the notice of said change.

LGUs shall include in their budgets income both from local and external sources, and receipts from borrowings, including the amount of their IRA, as identified by the DBM, which shall be approved by their respective sanggunian. Member-municipalities of the Partido Development Administration may charge the capitalization requirement under R.A. No. 7820 against their respective IRA.

Enforcement of the Personnel Services limitations under Sections 325 (a) and 331 (b) of R.A. No. 7160 shall be waived to enable LGUs to: (i) absorb the cost of hospital services transferred from province to newly created cities; (ii) fund the initial requirements for newly created mandatory positions in the LGUs, as confirmed by DBM; (iii) pay the CNA incentives of their employees upon compliance with the rules and regulations issued by the DBM; (iv) pay the retirement and terminal leave benefits of their employees; and (v) pay the minimum year-end bonus of One Thousand Pesos (P1,000) for the punong barangay and Six Hundred Pesos (P600) for other mandatory barangay officials, and their cash gifts.

The IRA and all LGU shares appropriated herein shall be released directly by the BTr to the LGU beneficiaries only through authorized government servicing banks.” (emphasis supplied)

- 3.0 In view of the foregoing, the FY 2016 IRA shares of LGUs pursuant to Local Budget Memorandum (LBM) No. 70<sup>2</sup> dated June 15, 2015 are hereby adjusted as follows:

Level of LGU	No. of LGUs	Share Equivalent to the Cost of Devolved Functions/City-Funded Hospitals, as of December 31, 1992	Share Determined on the Basis of Section 285 of RA No. 7160	Total IRA Shares
Provinces	82	2,845,490,826	97,092,917,343	99,938,408,169
Cities	145	1,031,550,030	97,092,917,343	98,124,467,373
Municipalities	1,477	2,599,358,264	143,528,660,419	146,128,018,683
Barangays	41,889	-	84,428,623,775	84,428,623,775
<b>TOTAL</b>	<b>43,593</b>	<b>6,476,399,120</b>	<b>422,143,118,880</b>	<b>428,619,518,000</b>

<sup>2</sup> FY 2016 IRA Level and Other Local Budget Preparation Matters

- 4.0 The details by region and by level of LGU are provided in the attached Annex A. The LGUs shall be notified of their adjusted IRA shares by the DBM Regional Offices concerned.
- 5.0 The IRA shall be released directly by the Bureau of the Treasury to the LGU beneficiaries in accordance with Section 93 of the General Provisions, and Section 1 of the Special Provisions for the Special Shares of LGUs in the Proceeds of National Taxes under the Allocations to LGUs, under the FY 2016 GAA, RA No. 10717.
- 6.0 All other provisions of LBM No. 70 dated June 15, 2015 which are not inconsistent herewith shall remain in full force and effect.
- 7.0 Please be guided accordingly.

  
**FLORENCIO B. ABAD**  
*Secretary*

CY 2016 INTERNAL REVENUE ALLOTMENT FOR LGUs  
 IRA P428,619,518,000  
 (In P0.00)

Annex A

LOCAL GOVERNMENT UNITS	TOTAL SHARE			GRAND TOTAL P/C/M	TOTAL SHARE BARANGAY	TOTAL IRA
	PROVINCE	CITY	MUNICIPALITY			
NATIONAL CAPITAL REGION	342,048,708	18,858,626,075	114,981,390	19,315,656,173	7,549,727,615	26,865,383,788
CORDILLERA ADMINISTRATIVE REGION	4,255,216,146	1,364,800,325	5,738,888,399	11,358,904,870	1,853,334,063	13,212,238,933
REGIONAL OFFICE NO. I	5,582,916,766	3,351,366,909	9,449,421,892	18,383,705,567	5,309,527,478	23,693,233,045
REGIONAL OFFICE NO. II	5,982,711,825	3,155,956,378	9,241,707,540	18,380,375,743	3,688,676,810	22,069,052,553
REGIONAL OFFICE NO. III	10,460,292,570	7,468,731,996	14,818,263,758	32,747,288,324	7,992,768,907	40,740,057,231
REGIONAL OFFICE NO. IV.A	11,375,021,229	11,678,218,611	14,324,694,628	37,377,934,468	10,104,170,674	47,482,105,142
REGIONAL OFFICE NO. IV.B	5,375,700,189	2,427,554,726	8,210,989,943	16,014,244,858	2,698,291,370	18,712,536,228
REGIONAL OFFICE NO. V	6,922,717,161	3,168,703,638	10,727,696,029	20,819,116,828	5,837,023,291	26,656,140,119
REGIONAL OFFICE NO. VI	7,761,133,860	8,925,314,698	10,937,353,996	27,623,802,554	7,226,407,177	34,850,209,731
REGIONAL OFFICE NO. VII	6,111,351,823	8,458,482,746	9,608,023,501	24,177,858,070	6,174,056,117	30,351,914,187
REGIONAL OFFICE NO. VIII	6,231,998,911	4,353,983,586	10,068,274,617	20,654,257,114	5,926,288,058	26,580,545,172
REGIONAL OFFICE NO. IX inc. ARMM	6,339,338,237	4,624,679,724	9,653,462,713	20,617,480,674	4,862,588,854	25,480,069,528
REGIONAL OFFICE NO. X	5,323,963,441	6,242,223,580	7,550,969,292	19,117,156,313	3,978,296,495	23,095,452,808
REGIONAL OFFICE NO. XI	4,796,618,089	6,559,671,794	5,989,303,064	17,345,592,947	3,299,128,490	20,644,721,437
REGIONAL OFFICE NO. XII inc. ARMM	8,468,939,889	3,785,834,902	13,528,686,081	25,783,460,872	5,535,507,720	31,318,968,592
REGIONAL OFFICE NO. XIII (CARAGA)	4,608,439,325	3,700,317,685	6,165,301,840	14,474,058,850	2,392,830,657	16,866,889,507
<b>GRAND TOTAL</b>	<b>99,938,408,169</b>	<b>98,124,467,373</b>	<b>146,128,018,683</b>	<b>344,190,894,225</b>	<b>84,428,623,775</b>	<b>428,619,518,000</b>

*[Handwritten signature]*