



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT (DBM)
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT (DILG)
DEPARTMENT OF FINANCE (DOF)

JOINT CIRCULAR NO. 1, s. 2023
Date: April 17, 2023

To : HEADS OF DEPARTMENTS (DOF, DBM, DILG)
BUREAU OF THE TREASURY (BTr), BUREAU OF FIRE PROTECTION (BFP)
LOCAL CHIEF EXECUTIVES, TREASURERS AND ALL OTHERS CONCERNED

Subject : **REVISED GUIDELINES ON THE RELEASE OF THE TWENTY PERCENT (20%) SHARES OF LOCAL GOVERNMENT UNITS (LGUs) IN THE FIRE CODE FEES**

1.0 BACKGROUND/RATIONALE

Pursuant to Section 13¹ of Republic Act (RA) No. 9514 or (Fire Code of the Philippines of 2008), all taxes, fees and fines provided thereof shall be collected by BFP, provided, that twenty percent (20%) of all such collections shall be set aside and retained for use by the city or municipal government concerned, which shall appropriate the same exclusively for the use of the operation and maintenance of its local fire station, including the construction and repair of fire station.

Relatedly, DOF-DBM-DILG Joint Circular (JC) No. 2015-01 dated February 12, 2015² prescribes, among others, that the Certificate of Remittance from city/municipal treasurers shall be submitted as part of documentary requirements in the Special Budget Request for the release of the twenty percent (20%) shares of LGUs in fire code fees.³

Pursuant to a letter dated November 14, 2022 of Director Louie S. Puracan, the BFP recommended the exclusion of the submission of the Certificate of Remittance from the City/Municipal treasurer as part of the list of documentary requirements. As justification, the BFP states that City/Municipal Treasurers were unwilling to issue certifications on fire code fees collections since they are not aware of it, and given that it is the BFP collecting officers and designated agents who have collected the fire code fees. The collections are then remitted by the BFP collecting officers and designated agents to the BTr.

Considering the foregoing provisions of Section 13 of RA No. 9514, which states that BFP shall collect all taxes, fees, and fines, as well as the justifications provided by the BFP, it is

¹ Sec. 13. Collection of Taxes, Fees and Fines. – All taxes, fees and fines provided in this Code shall be collected by the BFP: Provided, that twenty percent (20%) of all such collections shall be set aside and retained for use by the city or municipal government concerned which shall appropriate the same exclusively for the use of the operation and maintenance of its local fire station, including the construction and repair of fire station: Provided, further, That the remaining eighty percent (80%) shall be remitted to the National Treasury under a trust fund assigned for the modernization of the BFP.”

² Guidelines on the Release of the Twenty Percent (20%) LGU Share from Fire Code Revenues

³ 5.1.4 Prepare SBR for the release of the twenty percent (20%) LGU share to the DBM supported by the following:

5.1.4.3 Certificate of Remittance from city/municipal Treasurers.

deemed necessary that DBM-DILG-DOF JC No. 2015-01 be amended to exclude the Certificate of Remittance from City/Municipal Treasurer from the list of documentary requirements to be submitted.

2.0 PURPOSE

This JC is being issued to amend the responsibilities and documentary requirements prescribed under DOF-DBM-DILG JC No. 2015-01.

3.0 AMENDMENTS

3.1 The following items in DOF-DBM-DILG JC No. 2015-01 are hereby amended as follows:

"4.5 For CY 2014 collections and thereafter, the BTr to assume the responsibilities mentioned, including the preparation of the Notice of Authority to Debit Account Issued and forward the same to the LGUs informing them of the date when the amount of their shares shall be credited to their depository accounts, and other pertinent information of the fund transfer pursuant to Section 5.1.3⁴ of DOF-DBM JC No. 2016-1.⁵"

"4.6 To ensure proper monitoring of fire code fees collections, the 20% share of the LGUs shall be deposited to the BTr pursuant to Section 44,⁶ Chapter 5, Book VI of Executive Order No. 292, s. 1987 and Section 65⁷ of Presidential Decree No. 1445."

"5.1 The BFP shall:

xxx

5.1.4 Prepare SBR for the release of the twenty percent (20%) LGU share to the DBM supported by the following:

5.1.4.1 A specific breakdown of LGUs with their corresponding shares; and

5.1.4.2 The Certificate of Collection and Deposit from the BTr."

⁴ 5.1.3 BTr

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5.1.3.3 Assume the applicable responsibilities specified in item 6.1 of DBM-DOF Joint Circular No. 2013-1 (Guidelines in the Use of Authority to Debit Account for Transfer to Local Government Units), as follows:

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- Prepare the Notice of ADA Issued and forward the same to the LGUs informing them of the date when the amount of their shares shall be credited to their depository accounts, and other pertinent information on the fund transfer.

⁵ Guidelines for the Direct Release of Funds by the Bureau of the Treasury (BTr) to Local Government Units (LGUs) in FYc2016 and Thereafter

⁶ Section 44. Accrual of Income to Unappropriated Surplus of the General Fund.—Unless otherwise specifically provided by law, all income accruing to the departments, offices and agencies by virtue of the provisions of existing laws, orders and regulations shall be deposited in the National Treasury or in the duly authorized depository of the Government and shall accrue to the unappropriated surplus of the General Fund of the Government: Provided, That amounts received in trust and from the business-type activities of government may be separately recorded and be disbursed in accordance with such rules and regulations as may be determined by the Permanent Committee created under this Act.

⁷ Section 65. Accrual of income to unappropriated surplus of the General Fund

(1) Unless otherwise specifically provided by law, income accruing to the agencies by virtue of the provisions of law, orders and regulations shall be deposited in the National Treasury or in any duly authorized government depository, and shall accrue to the unappropriated surplus of the General Fund of the Government.

(2) Amounts received in trust and from business-type activities of government may be separately recorded and disbursed in accordance with such rules and regulations as may be determined by a Permanent Committee composed of the Secretary (Minister) of Finance as Chairman, and the Commissioner of the Budget and the Chairman, Commission of Audit, as members.

"5.2 The Bureau of the Treasury shall:

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5.2.3 Assume the responsibilities mentioned under Item 5.1.3 of DOF-DBM JC No. 2016-1 for collections during 2014 and henceforth."

"5.3 The DBM shall:

5.3.1 Release of SARO and NCA to the BFP (2010 to 2013 collections) and to the BTr (collections 2014 and onwards) upon receipt of the SBR together with all the supporting documents for collections:

5.3.1.1 A specific breakdown of LGUs with their corresponding shares; and

5.3.1.2 The Certificate of Collection and Deposit from the BTr."

4.0 **RESPONSIBILITY AND ACCOUNTABILITY**

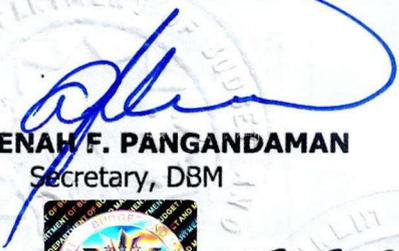
The responsibility and accountability in the identification and implementation of the eligible programs and projects, and proper utilization and disbursement of the LGU shares shall rest upon the local chief executive and other local officials concerned.

5.0 **AMENDATORY CLAUSE**

All other provisions of DOF-DBM-DILG JC No. 2015-01 that are not affected by the foregoing amendment shall remain in full force and effect.

6.0 **EFFECTIVITY**

This Circular shall take effect immediately upon its complete publication in the Official Gazette or in newspaper of general circulation.


AMENAH F. PANGANDAMAN
Secretary, DBM



BENJAMIN C. ABALOS, JR.
Secretary, DILG



Digitally signed by
Benjamin Diokno
Date: 2023.02.09
11:07:14 +08'00'

BENJAMIN E. DIOKNO
Secretary, DOF

