

**Department of Finance**  
**BUREAU OF LOCAL GOVERNMENT FINANCE**



**LGU FISCAL AND  
FINANCIAL PROFILE**

***STATEMENT OF INCOME AND EXPENDITURES***  
***CY 2004 PUBLICATION***

**VOLUME I**

The CY 2004 Statement of Income and Expenditure  
is a maiden publication prepared by the  
Bureau of Local Government Finance (BLGF)  
of the Department of Finance (DOF).  
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All financial data related to the Statement of Income and Expenditures were derived from the reports submitted by the LGUs and certified by their respective Treasurers

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## *MESSAGE*

We take this opportune time to thank all the Local Government Units who have been religiously submitting their Statement of Income and Expenditure (SIE) to the BLGF. Since it was promulgated in CY 2001 as the primary data capture instrument to reflect local fiscal and financial operations, submission has consistently increased, reaching its peak at 98% in CY 2004. The manifestation of the genuine effort of cooperation has prompted us to push for this publication. Hopefully, the policy makers, government agencies, academe, local government units, and other stakeholders can utilize the information in shaping up a better decentralization environment in the near future.

The maiden publication provides a compilation of CY 2004 SIE submissions and CY 2001 SIE used as baseline data to measure the overall trends and directions of each LGU. This period exhibited major fluctuations as a result of reenacted IRA, business tax collection efforts, real property slowdown, low level borrowings and high positive surplus. Through the collective efforts of the LGUs and the BLGF-DOF, policy directions and interventions were set as safety nets to lessen the impact of global and political setbacks. While a decrease of IRA shares by 2% followed by an increase of LGU revenues indicates growth in local revenues, there is still continuing dependence of LGUs from IRA, particularly the provinces and municipalities.

For the majority of the summary, the breakdown is between internally and externally generated resources and profile for the year. There may not be much elaboration as to the major income and expenditure clusters, but we shall be making some meaningful adjustments in the next issuance. In fact, there are attempts of interpreting and highlighting individual LGU performances as well as minor comparative analyses between the performing LGUs. We shall continue to improve on the content and focus on the more important and useful information for our end users.

We encourage the readers to provide feedbacks so we can continue to improve the publication. You may include figures you may want to see so that these can be integrated in the subsequent publication.

Looking forward, we will not stop with portrayal of collections, dependency ratios, borrowings and surpluses. We will also pursue further analysis in collection efficiencies and cost to collection ratios. If there will be success in reflecting the financial profile with rating service delivery these will be accordingly published in the near future. This maiden issue is the start of the reporting tradition, aimed at presenting the LGUs in their aspiration to contribute to national development through transparency and accountability.



**MA. PRESENTACION R. MONTESA**  
Executive Director

## *FOREWORD*

Local Government Units (LGUs) are critical pillars of national development even before the Decentralization Act was passed in CY 1992. It was only through that Act that the LGUs were formally empowered resulting in massive efforts to address the current challenges. In synergy with Bureau of Local Government Finance (BLGF) – Department of Finance (DOF), from the period of transition to experimentation and innovation, the LGUs diligently strived hard to mobilize resources and keep at pace with the national development goals.

This LGU Fiscal and Financial Profile is a way to characterize the kind of efforts and magnitude of fiscal and financial accomplishments that the LGUs exerted over so many years. It is an attempt to reflect which among the provinces, cities and municipalities have creditably performed, the range of activities they have engaged in, the achiever regional groups and the LGU contributions to the overall fiscal efforts.

Among the many statistical data that will be presented, it may be of interest to know the basic facts and figures such as per capita income, rate of expenditure, expenditure directions and debt service. The idea is for BLGF to be able to provide pro-active advisory to the LGUs and management on the policy formulation, and synchronize performance based targeting for capacity building activities. It is the intent of the publication to become a useful tool not only as reference but for a more active effort at the LGU level.

Since this is the maiden publication, readers will find deficiencies in the forms and substance. We have exerted full efforts to minimize these deficiencies but in case of oversight we will gladly accept constructive observations. You may send them to the Bureau of Local Government Finance at the 8<sup>th</sup> floor, EDPC Building, Bangko Sentral ng Pilipinas Complex, Roxas Blvd, Manila or email: [www.blgf.gov.ph](http://www.blgf.gov.ph). Rest assured that BLGF will try to keep pace with your expectations.

Thank you and may this publication be useful to the sector!!!

**FROM THE EDITOR**

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# DEFINITION OF TERMS

## I. INCOME

- **Business Tax:** The tax on business is an annual tax imposed on the act of doing business within the LGU.
- **Extraordinary Receipts / Aids:** foreign and domestic aid or grant provided for the LGU in the form of money and/or materials
- **Income:** consists of monies and resources of the local government which are available for payment of expenditures, obligations or purposes not specifically declared by law as accruing and chargeable to, or payable from, any other fund.
- **Loans / Borrowings:** proceeds of loans from foreign and domestic sources and bond flotation; and transfer between funds and LGU's
- **Local Sources/Revenues:** consist of income coming from locally collected tax and fees.
- **Non-Tax Revenues:** financial charges in the form of fees for the rent of Government property, and purchase of Government permits and forms
- **Other Receipts for Non-Tax Revenues:** receipts not falling in any of the other Non-Tax Revenue categories
- **Other Tax Revenues:** financial charges in the form of taxation imposed on transaction related to transfer of property/ ownership, practice of profession requiring Government exam, and all inhabitants of the Philippines 18 yrs old and above
- **Real Property Tax:** this account is used to record the ad valorem tax imposed on real properties and their improvements. Real Property includes land, buildings, machinery and other improvements affixed or attached to the real property.
- **Receipts from Economic Enterprises:** Impositions for the operation of economic enterprises in connection with the government's exercise of its proprietary functions.
- **Regulatory Fees:** fees derived from the exercise of the regulatory powers of local governments (police power) such as Mayor's Permit, Slaughter Permit Fees, etc.
- **Service / User Charge:** reasonable charges for services rendered
- **Shares from National Tax Collection:** monetary allotment coming from shares in various national level grants, aids and tax collection.
- **Tax Revenue:** are compulsory contributions to finance government operations. Taxes are computed at the rate established by law to a defined base such as income, estate, imports, exports, foreign exchange, etc., without any direct relation to the services rendered to the individual assessed
- **Toll Fees:** toll fees or charges for the use of any public road, pier or wharf, waterway, bridge or telecommunications system.

## II. EXPENDITURE

- **Debt Service:** This sector covers expenditures for the repayment of loans, interest and other service charges for debts of the LGU.
- **Economics:** This sector refers to activities directed to the promotion and enhancement and the attainment of desired economic growth.
- **Education:** This sector covers expenditures for the support of schools and education facilities; planning and manpower development; sports and cultural preservation and enrichment.
- **General Public Service:** This sector covers expenditures for services that are indispensable to the existence of an organized state. This includes executive and legislative services; overall financial and fiscal services; the civil service; planning; conduct of foreign affairs; general research; public order and safety and centralized services. This excludes general administration, regulation, research and other support services of departments that can be identified under a separate sector.
- **Health:** This sector covers expenditures for the health program including medical, dental and health services; planning and administration of nutrition programs, population and family planning programs and administration of these programs.
- **Housing:** This sector covers expenditures for the provision of housing and sanitary services, promotion of community development, slum clearance, zoning and control of pollution.
- **Labor:** This sector covers expenditures for the formulation, implementation and regulation of labor policies; promotion, placement, and regulation of domestic and overseas employment and the maintenance of industrial peace.
- **Other Purposes:** This sector covers expenditures for all other services not falling under any of the other sectors.
- **Social Service:** This sector covers expenditures for the upliftment of disadvantaged families and children; the rehabilitation of the physically and socially handicapped; assistance to distressed and displaced individuals and families; care of the aged and other welfare services and payments for retirement, pension and other social security benefits. Also included are expenditures for the provision of services and facilities for recreational, religious and other social activities not elsewhere classified.

## III. OTHERS

- **Income Class:** social class dictated by the income / revenue generated by each LGU.
- **Per Capita Income(Y):** ( $Y = \text{Total Income Generated} / \text{Population}$ ), average annual income of each individual under an LGU.
- **Rate of Expenditure (RE):** ( $RE = [\text{Expenditure} / \text{Income}] \times 100\%$ ) average consumption of available resource in a year.



# ***CHAPTER I:*** **THE BUREAU OF LOCAL GOVERNMENT FINANCE**

Striving to provide policy direction and universal goals for development, the Bureau of Local Government Finance (BLGF) is the sole Government office that is centered in advocating and implementing the financial element of the Local Government Code.

The BLGF is one of the attached bureaus under the Department of Finance which coordinates and links with all the provinces, cities and municipalities. It provides the LGUs with the necessary support through capacity building, policy, training, and other services which they need to implement the Local Government Code.

## **HISTORICAL ANTECEDENT**

The past year saw the evolution of the Bureau of Local Government Finance from a mere organizational unit of the Provincial and Municipal Finance Division of the Department of Finance to its present status as a specialized bureau centered in servicing the LGUs. The former unit was restructured into Local Government Finance Division consisting of 35 personnel. On September 24, 1972, three days after the declaration of Martial Law, PD No. 1 was enacted to effect reorganization and administrative reforms in the government machinery thus the Local Government Finance Division evolved into Local Government Finance Service.

On December 21, 1977, PD 1266 was enacted to provide for the establishment of the Regional Offices of the Department of Finance and to further restructure the Local Government Finance Service into the Office of the Local Government Finance. This Decree was aimed at providing effective mechanism for the implementation, coordination and monitoring of national and local fiscal plans and programs at the local level. The Office of Local Government Finance, headed by a Director and two Assistant Directors for Local Fiscal operations and the Real Property Tax Administration, exercise direct



supervision over the regional offices of the Department, as well as local treasury and assessment offices at the provincial, city and municipal levels.

The issuance of Executive Order 766 on January 7, 1982 effected the turn-over of supervision of the Real Property Tax Administration (RPTA) Program from the Ministry of Local Government and Community Development (MLGCD) to the Ministry of Finance (MOF) including the technical and administrative support of the project together with the personnel, appropriations, equipment and records. The transfer of the administration of the RPTA Project was a result of evaluation of the project conducted and the consensus of the agencies directly involved in the project – rationalizing the MOF as the agency responsible for the administration of the real property tax as provided under the Real Property Tax Code (PD 464).

The urgent demands of national economic recovery after the 1986 February revolution necessitated changes in the organizational and functional structure of the bureaucracy. Hence, on January 30, 1987, by virtue of Sec. 43 of the Executive Order No. 127, the Department of Finance was reorganized, and the Office of the Local Government Finance was elevated to a Bureau, headed by an Executive Director and assisted by two Deputy Directors. The structure of the Bureau was adapted accordingly to provide for the workforce required to carry out its expanded functions supportive of the national development objectives. On July 25, 1987, Sec. 40 and 41 of Executive Order No. 292 promulgated the Administrative Code of 1987 which stated that the Regional Offices of each operating Bureau under the Department of Finance should be under the technical supervision and control of the head of the Bureau to which they belong.

At present, the BLGF Central Office is composed of five major units – the Internal Administration Office; the Local Finance Policy Enforcement Service; the Intelligence and Investigation Office; the Field Operations Examination Group; the Special Projects Management Service and fourteen Regional Offices. The Bureau has a personnel complement of 116 in the Central Office and 280 in the regional offices at present.

## **BLGF MISSION STATEMENT**

The Bureau of Local Government Finance is a God-centered and service-oriented agency that links the national and local governments. It is a change agent in the field of local government finance, providing guidance and assistance to LGUs, the public and private sectors, through responsive local fiscal policies, transforming LGUs into self-reliant and financially viable communities. It is vigilant and dedicated to the continuous discipline, development and professionalization of the Bureau and the local treasury and assessment services

## **BLGF MANDATE**

The following are the BLGF mandate under Section 43 of Executive Order No. 127, as amended, PD 1914, other pertinent provisions of the Local Government Code of 1991 and other related laws:

- Assist in the formulation and implementation of policies on local government revenue administration and fund management;
- Assist LGUs in the development and implementation of Real Property Tax Administration (RPTA) projects;
- Develop plans and programs for the improvement of tax collection enforcement mechanism and credit utilization schemes at the local levels;
- Exercise administrative and/or technical supervision over local treasury and assessment operations;
- Exercise line supervision over its regional offices and coordinate regional activities to maximize manpower and financial resources; and
- Perform such other appropriate functions as maybe assigned by the Secretary or Undersecretary of Finance.

## *BLGF LOGO*

**Our Symbol** expresses our ideology of service to the Filipino people with the seal of the Republic of the Philippines.

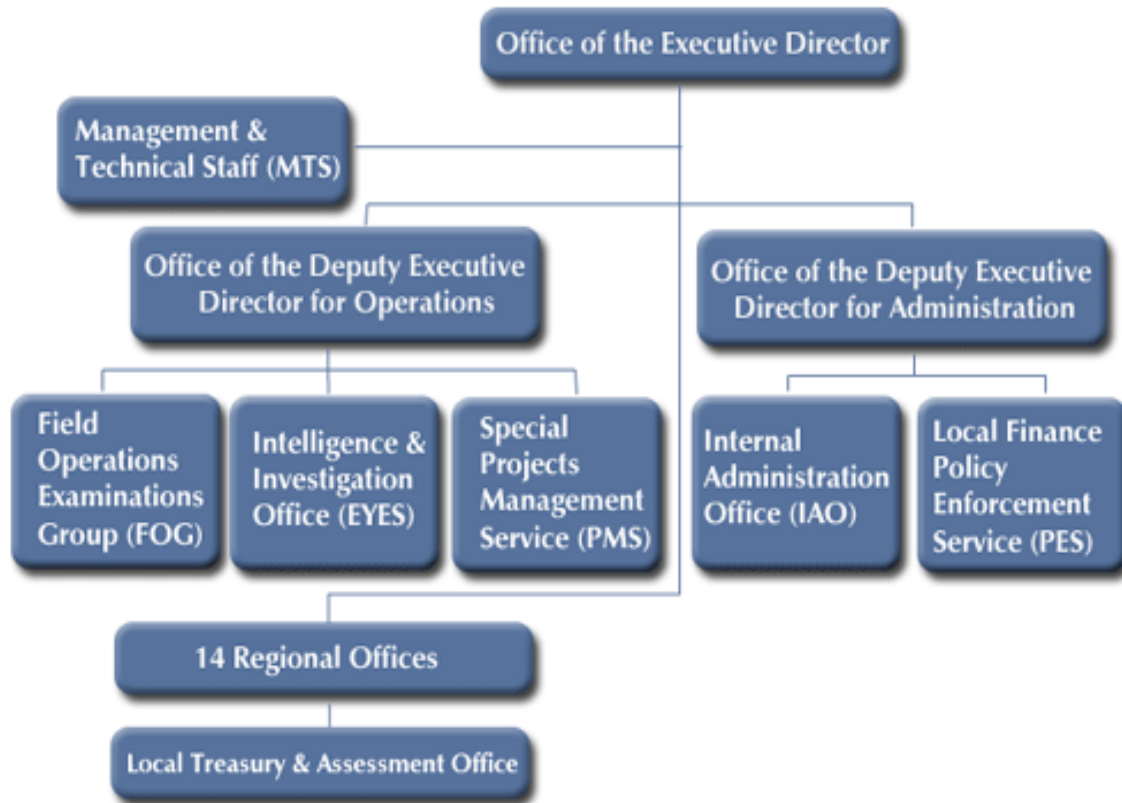
**As the center, the core of the whole** guarded with two sea lions which symbolize the relentless vigilance and commitment of the Bureau in carrying out its objectives and mission embedded in the mandate of the whole structural institution and in consonance with the socio-economic objectives of the national development programs



**The key and plume** symbolizing the continuous efforts in harnessing local resources and talents to achieve economic and financial stability for local treasury and assessment offices.

**The colors:** gold for prosperity with equality, purple for valor and virility, red for bravery and audacity, blue for truth and serenity, white for purity, and yellow symbolizing collaborative efforts and unity to serve the people and the nation as a whole.

## BLGF ORGANIZATIONAL CHART



\* For details and functions of each unit, visit our website [www.blgf.gov.ph](http://www.blgf.gov.ph).



## ***CHAPTER II*** **NOTES ON THE INCOME AND EXPENDITURES**

The Bureau of Local Government Finance was created to fully implement, through efficient and equitable governance, the financial objectives of the Local Government Code. One of its key mandates is ***to collect and maintain financial information on all local government units, monitor LGU performance, and assist in the development of LGUs access to private capital sources.*** This stirred the Bureau to design and implement the **Statement of Income and Expenditures (SIE)** reporting system by virtue of DOF Department Order 04-2003 dated January 3, 2003 as well as the institutionalization of the SIE Manual. The system developed aims to provide near realistic and timely information on the fiscal performance of LGUs.

In order to achieve the goals of the reporting system, the BLGF- Local Revenue Enforcement Division (REV) updates and maintains the SIE database with the guidance of the SIE Manual by collection of baseline data submitted by all 79 Provinces, 117 Cities and 1,501 Municipalities. Financial data from the SIE reports of the LGUs are processed and managed for simulation to produce basic and vital information needed by the management, other government agencies, private sector, the academe and other researchers.

This maiden publication contains all LGU SIE data for CY 2004 (Cumulative Cash Basis) covering financial records on Tax Revenue, Non-Tax Revenue, and other sources of income such as Loans, Grants, Transfers, Borrowings and the Shares from the National Government. CY 2001 SIE data were also utilized for comparative assessment of the performance of the LGUs in terms of growth or decline in income generation.

**Volume I** of this report is divided into four chapters containing the Profile of the BLGF, analysis of income and expenditure, Top 10 LGUs in terms of Income Generation and the latest Income Reclassification of LGU's. Also included in this volume are the Definition of Terms, Directory of Central and Regional Offices, and the Messages of DOF Undersecretary Roberto B. Tan and Executive Director Ma. Presentacion R. Montesa.

**Volume II** contains the detailed statements of income and expenditures of all provinces, cities and municipalities.





# CHAPTER III

## STATEMENT OF INCOME AND EXPENDITURE ANALYSIS

Development of LGU functions in the recent years has paved way to more productive local units where accountability and responsibility matter. This direction led to growth in income generation and broader sources of aids and grants to assist in improving basic services. On the national level, this improvement led to an increase in contribution to the overall fiscal effort and eventually became the second biggest contributor of income.

In CY 2004, the total LGU revenue contribution to the national income reached Php 14.8 billion, second only to the combined collection of GSIS/SSS/PHIC. This has been the trend for the last three years when LGU contribution ballooned by more than fifteen times its CY 2001 contribution. Capacity building efforts supported by advocacy of various intervention programs that efficiently and equitably deliver LGU services has proved valuable in this development.

### ***A high compliance rate of SIE Submission. . .***

The Statement of Income and Expenditure (SIE) is the primary data capture instrument promulgated by the Bureau of Local Government Finance (BLGF) to monitor the fiscal and financial performance of the local government units. It superseded the Budget Operations Statement (BOS) with more details hoping to provide policy makers, LGU creditors, researchers, financial officers, and other LGU stakeholders with complete, accurate and timely information. It is a baseline for simulation, deeper analysis and evidence based decisions.

The SIE was formally adopted in CY 2001 through an issuance with corresponding information dissemination and seminar workshops. While the LGUs experienced initial difficulties in changing to the new reporting formats, familiarity through the years slowly gained momentum and compliance was at its peak in CY 2004 registering a rate of 98%. Out of 1,694 LGUs, 1,641 submitted their 4<sup>th</sup> Quarter SIE reports for the year 2004 which became the basis for this Report.

Table 1. Compliance Rate of SIE Submission of LGUs: CYs 2001 – 2004

	CY 2001			CY 2002			CY 2003			CY 2004		
	Total No. of LGUs	With SIE Report	% Rate	Total No. of LGUs	With SIE Report	% Rate	Total No. of LGUs	With SIE Report	% Rate	Total No. of LGUs	With SIE Report	% Rate
Province	79	79	100%	79	77	97%	79	78	99%	79	77	97%
City	116	116	100%	116	112	97%	116	115	99%	116	116	100%
Municipality	1496	1489	99%	1496	1378	92%	1496	1413	94%	1499	1448	97%
<b>TOTAL</b>	<b>1,691</b>	<b>1,684</b>	<b>99%</b>	<b>1,691</b>	<b>1,567</b>	<b>93%</b>	<b>1,691</b>	<b>1,606</b>	<b>95%</b>	<b>1,694</b>	<b>1,641</b>	<b>97%</b>

## Major sources of income of LGU. . .

Incomes of LGUs can be classified in two main types, namely: (1) revenues; and (2) receipts. Revenues are normally those that are related to taxation while receipts are that of non-tax related. Incomes can also be categorized as regular income to include IRA, taxes, fees and charges which are regularly collected and accrued to the general fund of the LGUs while sale of assets and one time revenues are non-regular income.

According to source, incomes are either internally or externally obtained. Locally or internally sourced income includes tax revenues from real property, business and other local taxes; and non-tax receipts from fees and charges, government business operations, and other miscellaneous income. On the other hand, externally sourced income includes the Internal Revenue Allotment (IRA), shares under special laws, grants and aids and other transfers to LGUs. Table 2 enumerates the income structure of LGUs.

INTERNALLY SOURCED	EXTERNALLY SOURCED
<b>Local Source</b>	Share from National Tax Collection
<b>Tax Revenues</b>	Internal Revenue Allotment
<b>Real Property Tax</b>	Local Govt Stabilization & Equalization Fund
<b>Tax on Business</b>	Local Affirmative Action Project
<b>Other Taxes</b>	Priority Development Assistance Fund
<b>Non-Tax Revenues</b>	Share in National Wealth
<b>Regulatory Fees</b>	Share in Tobacco Excise Tax
<b>Service/User Charges</b>	Share in Expanded Value Added Tax
<b>Receipts from Economic Enterprises</b>	Share from Economic Zone
<b>Toll Fees</b>	Others
<b>Other Receipts</b>	Extraordinary Receipts/Grants/Aids
	Grants (Foreign or Domestic)
	National Aids
	Share from Lotto
	Rebates from MMDA Contribution
	Other Extraordinary Receipts
	Loans and Borrowings
	Foreign
	Domestic
	Bond Floatation
	Inter-Local Transfers

## Overall Revenue Performance of LGUs in CY 2004

As shown in table 3, the LGUs' aggregate income reached Php 178.66 billion as of CY 2004. Since CY 2001, the Sector is experiencing positive growth, however, at a decelerating rate. From a high of 15.7% in CY2001-02, growth rate has declined to a meager 0.9% in CY 2003-04. This was due to the decline of the more dominant externally sourced income particularly the internal revenue allotment.

A positive note for CY 2004 is the strong performance of the LGUs in generating internal resource, increasing local revenues by 5.3% while external sources declined by 1.1%. The steady increment, although decelerating, manifest the growing efforts by LGUs to collect internally resourced revenue despite the economic slowdown, an attempt to counter the syndrome of declining IRA. Although it is not yet the trend, it may be significant to note that share of internally sourced income increased to 32.3%, the highest in four years.



**Table 3. Revenue Performance of LGUs (Local Sources vis á vis External Sources): CY 2001-2004**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>AVERAGE</b>
<b>AMOUNT (in ₱Million)</b>					
Total Revenue	<b><u>138,066.11</u></b>	<b><u>159,709.91</u></b>	<b><u>177,327.07</u></b>	<b><u>178,899.84</u></b>	<b><u>163,500.73</u></b>
Local Sources	43,274.65	49,639.50	54,933.13	57,849.96	51,424.31
External Sources	94,791.46	110,070.41	122,393.94	121,049.88	112,076.42
<b>% DISTRIBUTION</b>					
Total Revenue	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>
Local Sources	31.3%	31.1%	31.0%	32.3%	31.4%
External Sources	68.7%	68.9%	69.0%	67.7%	68.6%
<b>GROWTH RATE</b>					
Total Revenue		<b><u>15.7%</u></b>	<b><u>11.0%</u></b>	<b><u>0.9%</u></b>	<b><u>9.2%</u></b>
Local Sources		14.7%	10.7%	5.3%	10.2%
External Sources		16.1%	11.2%	-1.1%	8.7%

Internal/Locally sourced income continuously increased over the past four years with the highest level achieved in CY 2004. Tax revenues remained to be the lifeblood of local revenues with contributions no less than 75% and steadily increasing but at a decelerating rate. Among few assistance which National Agencies like the BLGF contributed to the LGUs include trainings in updating of the local revenue code (385 LGUs assisted from CY 2001-2004), and resource mobilization (248 LGUs assisted).

While positive growth were noted, it may be significant to point out that the growth of 5.3% is almost equal to the inflation rate for the year. This means that there is no real growth experienced at the local level. LGUs therefore need to exert additional effort to set the increment higher than the inflation rates. The challenge therefore is for the oversight agencies like the BLGF to accelerate its assistance program in mobilizing internally generated income.

**Table 4. Performance of LGUs (Tax Revenue vis á vis Non-Tax Revenue): CY 2001-2004**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>AVERAGE</b>
<b>AMOUNT (in ₱Million)</b>					
Total Local Sources	<b><u>43,274.65</u></b>	<b><u>49,639.50</u></b>	<b><u>54,933.13</u></b>	<b><u>57,849.96</u></b>	<b><u>51,424.31</u></b>
Tax Revenue	32,786.09	38,505.22	41,836.82	43,467.19	39,148.83
Non-Tax Receipts	10,488.56	11,134.28	13,096.31	14,382.77	12,275.48
<b>% DISTRIBUTION</b>					
Total Local Sources	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>
Tax Revenue	75.8%	77.6%	76.2%	75.1%	76.2%
Non-Tax Receipts	24.2%	22.4%	23.8%	24.9%	23.8%
<b>GROWTH RATE</b>					
Total Local Sources		<b><u>14.7%</u></b>	<b><u>10.7%</u></b>	<b><u>5.3%</u></b>	<b><u>10.2%</u></b>
Tax Revenue		17.4%	8.7%	3.9%	10.0%
Non-Tax Receipts		6.2%	17.6%	9.8%	11.2%

Local tax revenues are forced contributions to finance government operations. These are imposed at the rate established by law (through a local ordinance) applied to a defined base. The biggest revenue sources of LGUs are the real property and business taxes.

For the year 2004, the aggregate income of all LGUs from taxation is Php 43.464 billion, where 49.6% comes from real property tax, 44.9% from business taxes and the remaining portion from other taxes. The share of business taxes to LGU revenue performance gained by 2.9% while the real property tax share decreased by 2.7%. The effort of Cities to generate resources such as updating local revenue codes and computerization can explain the huge increase in business tax. On the other hand, there are clear setbacks in real property tax as can be manifested by the declining rate of LGUs conducting general revision. In CY 1992, 88% of the Cities and Provinces revised the real property assessment but through the years, compliance rate declined significantly to 24% in CY 2004. This was further aggravated by some LGUs granting real property tax amnesties and condonation prior to an election.

**Table 5. Tax Revenue Performance of LGUs : CY 2001-2004**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>AVERAGE</b>
<b>AMOUNT (in ₱Million)</b>					
Total Tax Revenue	<b>32,786.09</b>	<b>38,505.22</b>	<b>41,836.82</b>	<b>43,467.19</b>	<b>39,148.83</b>
Real Property Tax	16,842.82	19,531.27	21,877.77	21,569.11	19,955.24
Basic	8,510.48	10,069.25	11,267.56	10,900.07	10,186.84
SEF	8,332.34	9,462.02	10,610.21	10,669.04	9,768.40
Business Taxes	13,784.10	16,705.23	17,574.51	19,511.60	16,893.86
Other Taxes*	2,159.17	2,268.72	2,384.54	2,386.48	2,299.73
<b>% DISTRIBUTION</b>					
Total Tax Revenue	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Real Property Tax	51.4%	50.8%	52.3%	49.6%	51.0%
Basic	26.0%	26.2%	26.9%	25.1%	26.0%
SEF	25.4%	24.6%	25.4%	24.5%	25.0%
Business Taxes	42.0%	43.4%	42.0%	44.9%	43.1%
Other Taxes*	6.6%	5.9%	5.7%	5.5%	5.9%
<b>GROWTH RATE</b>					
Total Tax Revenue		<b>17.4%</b>	<b>8.7%</b>	<b>3.9%</b>	<b>10.0%</b>
Real Property Tax		16.0%	12.0%	-1.4%	8.9%
Basic		18.3%	11.9%	-3.3%	9.0%
SEF		13.6%	12.1%	0.6%	8.7%
Business Taxes		21.2%	5.2%	11.0%	12.5%
Other Taxes*		5.1%	5.1%	0.1%	3.4%

Non-tax receipts include the aggregate of regulatory fees, service/user charges, receipts from economic enterprises, toll fees and others. On the national level, LGUs posted a 9.8% increase in CY 2004 which is much higher than the percentage increase in tax revenue collections.

Table 6 also highlights the emergence of economic enterprises as an earner under the non-tax receipts as it produced more than Php 6 billion in collection, the highest in its account. This is due to an influx of borrowed and financed economic enterprises such as markets, slaughterhouses or bus terminals. However, while it is true that economic enterprise produced income, it may be interesting to verify if the enterprises financed through borrowings are revenue positive to benefit the LGUs.

Cursory assessment of the figures also points to the inability of LGUs to properly price their services because collections from service fees/user charges are extremely low producing, with only 13.4% of the account in CY 2004. In the case of garbage fees as an example, cost for cleaning the surroundings, and collecting and disposing waste are more than the amount of aggregated resources generated by all LGUs. Such services are provided only because they are heavily subsidized by the Government. The oversight agencies may initiate an in-depth review of the cost-benefit of LGUs' delivery of services

and operations of economic enterprises. This should not be the case in the long-run since the aim of the LGC is to make the LGUs self-sufficient to reduce the burden in the national government.

*Table 6. Non-Tax Revenue Performance of LGUs : CY 2001-2004*

	2001	2002	2003	2004	AVERAGE
<b>AMOUNT (in ₱Million)</b>					
Total Non-Tax Revenue	<b>10,488.56</b>	<b>11,134.28</b>	<b>13,096.31</b>	<b>14,382.77</b>	<b>12,275.48</b>
Regulatory Fees	2,679.55	2,893.59	3,424.64	3,396.71	3,098.62
Service/User Charges	1,525.94	1,300.06	1,634.42	1,920.30	1,595.18
Receipts from Economic Ent.	3,487.74	4,539.70	5,909.57	6,319.65	5,064.17
Other Receipts	2,795.33	2,400.93	2,127.68	2,746.11	2,517.51
<b>% DISTRIBUTION</b>					
Total Non-Tax Revenue	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Regulatory Fees	25.5%	26.0%	26.1%	23.6%	25.3%
Service/User Charges	14.5%	11.7%	12.5%	13.4%	13.0%
Receipts from Economic Ent.	33.3%	40.8%	45.1%	43.9%	40.8%
Other Receipts*	26.7%	21.6%	16.2%	19.1%	20.9%
<b>GROWTH RATE</b>					
Total Non-Tax Revenue		<b>6.2%</b>	<b>17.6%</b>	<b>9.8%</b>	<b>11.2%</b>
Regulatory Fees		8.0%	18.4%	-0.8%	8.5%
Service/User Charges		-14.8%	25.7%	17.5%	9.5%
Receipts from Economic Ent.		30.2%	30.2%	6.9%	22.4%
Other Receipts		-14.1%	-11.4%	29.1%	1.2%

The amount of IRA actually received by provinces, cities and municipalities surprisingly declined in CY 2004 from Php 122.39 billion to Php 121.05 billion. The reenacted budget compounded by the loan deductions may have contributed to the decrease. It is also important to take note that aside from the IRA, the rest of the LGU shares are negligible and erratically structured. This was due to the difficulty in estimation, and release procedures.

Borrowings have reached the Php 3.3 billion mark thrice in 4 years. This trend shows that borrowing is fast becoming a popular mode of financing development project. This shows that more LGUs have performed since they already have the borrowing capacity to avail of higher loanable amount. It also indicates that more Provinces, Cities and Municipalities are also primed at having development projects to provide better basic services to their locality.

**Table 7. External Source of LGU Receipts: CY 2001-2004**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>AVERAGE</b>
<b>AMOUNT (in ₱Million)</b>					
Total External Source	<b><u>94,791.46</u></b>	<b><u>110,070.41</u></b>	<b><u>122,393.94</u></b>	<b><u>121,049.88</u></b>	<b><u>112,076.44</u></b>
Shares from Nat'l Tax Collection	88,285.02	107,595.58	116,472.02	115,402.61	106,938.82
IRA	87,146.09	107,063.80	113,917.46	113,103.88	105,307.81
Special Allocations <sup>1/</sup>	-	7.20	523.29	296.72	206.80
National Wealth	396.39	292.84	385.56	371.94	361.68
Economic Zone	742.54	231.74	1,140.25	524.05	659.65
Tobacco Excise Tax	-	-	26.65	9.01	8.92
EVAT	-	-	478.40	1,089.07	391.87
Other Receipts <sup>2/</sup>	-	-	0.41	7.94	2.09
Extraordinary Receipts/Grants/Aids	1,081.20	592.04	1,796.04	1,013.82	1,120.78
Loans and Borrowings	4,929.19	1,415.65	3,287.82	3,358.31	3,247.74
Inter-Local Transfers	496.05	467.14	838.06	1,275.14	769.10
<b>% DISTRIBUTION</b>					
Total External Source	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>
Shares from Nat'l Tax Collection	93.1%	97.8%	95.2%	95.3%	95.3%
IRA	91.9%	97.3%	93.1%	93.4%	93.9%
Special Allocation <sup>1/</sup>	0.0%	0.0%	0.4%	0.2%	0.2%
National Wealth	0.4%	0.3%	0.3%	0.3%	0.3%
Economic Zone	0.0%	0.0%	0.4%	0.9%	0.3%
Tobacco Excise Tax	0.8%	0.2%	0.9%	0.4%	0.6%
EVAT	0.0%	0.0%	0.0%	0.0%	0.0%
Other Receipts <sup>2/</sup>	0.0%	0.0%	0.0%	0.0%	0.0%
Extraordinary Receipts/Grants/Aids	1.1%	0.5%	1.5%	0.8%	1.0%
Loans and Borrowings	5.2%	1.3%	2.7%	2.8%	3.0%
Inter-Local Transfers	0.5%	0.4%	0.7%	1.1%	0.7%
<b>GROWTH RATE</b>					
Total External Source		<b><u>16.1%</u></b>	<b><u>11.2%</u></b>	<b><u>-1.1%</u></b>	<b><u>8.7%</u></b>
Shares from Nat'l Tax Collection		21.9%	8.2%	-0.9%	9.7%
IRA		22.9%	6.4%	-0.7%	9.5%
Special Allocation <sup>1/</sup>		0.0%	7167.9%	-43.3%	3562.3%
National Wealth		-26.1%	31.7%	-3.5%	0.7%
Economic Zone		0.0%	0.0%	127.6%	127.6%
Tobacco Excise Tax		-68.8%	392.0%	-54.0%	89.7%
EVAT		0.0%	0.0%	-66.2%	-66.2%
Other Receipts <sup>2/</sup>		0.0%	0.0%	1836.6%	1836.6%
Extraordinary Receipts/Grants/Aids		-45.2%	203.4%	-43.6%	38.2%
Loans and Borrowings		-71.3%	132.2%	2.1%	21.0%
Inter-Local Transfers		-5.8%	79.4%	52.2%	41.9%

## **A. INCOME BY LEVEL OF LGUs**

### **1. Income Generated by LGUs**

The provinces posted a total income of Php 41.15 billion in CY 2004 which is about 0.5% lower compared to the income figure registered in CY 2003. The decrease in income attributed to a decrease in the share from externally sourced income particularly the internal revenue allotment by 1.3%. The income from tax revenues increased by 4.3% and non-tax revenues by 29.4%, however, this performance failed to offset the negative increment from IRA. Provinces remained too dependent on the IRA by some 85% of income.

**Table 8. Revenue Performance of Provinces: CY 2001-2004**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>AVERAGE</b>
<b>AMOUNT (in ₱Million)</b>					
Total Revenue	<u>33,698.97</u>	<u>37,800.50</u>	<u>41,360.05</u>	<u>41,148.11</u>	<u>38,501.92</u>
Local Sources	5,172.43	5,197.02	5,445.22	6,180.94	5,498.91
Tax Revenue	3,209.38	3,334.72	3,446.36	3,594.00	3,396.12
Non-Tax Revenue	1,963.05	1,862.30	1,998.86	2,586.94	2,102.79
External Sources	28,526.54	32,603.48	35,914.83	34,967.17	33,003.01
IRA	25,956.80	31,864.47	33,571.84	33,149.99	31,135.78
Others	0.00	0.00	0.00	0.00	0.00
<b>% DISTRIBUTION</b>					
Total Revenue	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Local Sources	15.3%	13.7%	13.2%	15.0%	14.3%
Tax Revenue					
Non-Tax Revenue					
External Sources	84.7%	86.3%	86.8%	85.0%	85.7%
IRA					
Others					
<b>GROWTH RATE</b>					
Total Revenue		<u>12.2%</u>	<u>9.4%</u>	<u>-0.5%</u>	<u>7.0%</u>
Local Sources		0.5%	4.8%	13.5%	6.3%
Tax Revenue		3.9%	3.3%	4.3%	3.8%
Non-Tax Revenue		-5.1%	7.3%	29.4%	10.5%
External Sources		14.3%	10.2%	-2.6%	7.3%
IRA		22.8%	5.4%	-1.3%	9.0%
Others		0.0%	0.0%	0.0%	0.0%

The cities can be considered as the best performing LGU group posted a total income of Php 74.15 billion in CY 2004, or an annual growth of 2.0%. Partly attributable to the extensive revenue raising powers granted to the Cities under the Local Government Code and their extensive collection efforts, income from tax revenues and non-tax receipts increased by 3.3% and 4.8% respectively. As an LGU group, Cities IRA dependency ratio is below 50%. In fact, they have consistently reduced their dependency from IRA through the last four years.

**Table 9. Revenue Performance of Cities: CY 2001-2004**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>AVERAGE</b>
<b>AMOUNT (in ₱Million)</b>					
Total Revenue	<u>57,062.83</u>	<u>64,572.84</u>	<u>72,720.59</u>	<u>74,147.57</u>	<u>67,125.96</u>
Local Sources	28,507.93	33,293.58	37,604.22	38,952.62	34,589.59
Tax Revenue	23,462.11	27,894.33	30,840.60	31,862.92	28,514.99
Non-Tax Revenue	5,045.82	5,399.25	6,763.62	7,089.70	6,074.60
External Sources	28,554.90	31,279.26	35,116.37	35,194.95	32,536.37
IRA	25,329.29	30,106.37	32,018.34	31,878.30	29,833.08
Others*					
<b>% DISTRIBUTION</b>					
Total Revenue	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Local Sources	50.0%	51.6%	51.7%	52.5%	51.4%
Tax Revenue					
Non-Tax Revenue					
External Sources	50.0%	48.4%	48.3%	47.5%	48.6%
IRA					
Others*					
<b>GROWTH RATE</b>					
Total Revenue		<u>13.2%</u>	<u>12.6%</u>	<u>2.0%</u>	<u>9.2%</u>
Local Sources		16.8%	12.9%	3.6%	11.1%
Tax Revenue		18.9%	10.6%	3.3%	10.9%
Non-Tax Revenue		7.0%	25.3%	4.8%	12.4%
External Sources		9.5%	12.3%	0.2%	7.3%
IRA		18.9%	6.4%	-0.4%	8.3%
Others*		0.0%	0.0%	0.0%	0.0%

The municipalities posted a total income of Php 63.604 billion, an increase of 0.6% compared to Year 2003. Aggregate Income from tax and non-tax revenues increased by 6.1% and 8.6% respectively. Dependency from IRA remained high at about 80%, which is slightly a better ratio compared to provinces.

**Table 10. Revenue Performance of Municipalities: CY 2001-2004**

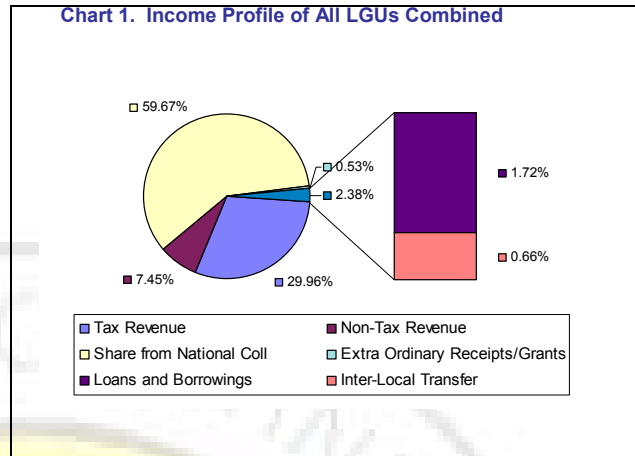
	2001	2002	2003	2004	AVERAGE
<b>AMOUNT (in ₱Million)</b>					
Total Revenue	<u>47,304.31</u>	<u>57,336.57</u>	<u>63,246.43</u>	<u>63,604.16</u>	<u>57,872.87</u>
Local Sources	9,594.29	11,148.90	11,883.69	12,716.40	11,335.82
Tax Revenue	6,114.60	7,276.17	7,549.86	8,010.27	7,237.73
Non-Tax Revenue	3,479.69	3,872.73	4,333.83	4,706.13	4,098.10
External Sources	37,710.02	46,187.67	51,362.74	50,887.76	46,537.05
IRA	35,860.00	45,092.96	48,327.28	48,075.59	44,338.96
Others*	0.00	0.00	0.41	1.90	0.58
<b>% DISTRIBUTION</b>					
Total Revenue	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Local Sources	20.3%	19.4%	18.8%	20.0%	19.6%
Tax Revenue					
Non-Tax Revenue					
External Sources	79.7%	80.6%	81.2%	80.0%	80.4%
IRA					
Others*					
<b>GROWTH RATE</b>					
Total Revenue		<u>21.2%</u>	<u>10.3%</u>	<u>0.6%</u>	<u>10.7%</u>
Local Sources		16.2%	6.6%	7.0%	9.9%
Tax Revenue		19.0%	3.8%	6.1%	9.6%
Non-Tax Revenue		11.3%	11.9%	8.6%	10.6%
External Sources		22.5%	11.2%	-0.9%	10.9%
IRA		25.7%	7.2%	-0.5%	10.8%
Others*				363.4%	363.4%

**Table 11. Average Percent Distribution and Growth Rate of Revenue: CY 2001-2004**

	TOTAL	PROVINCES	CITIES	MUNICIPALITIES
<b>AVERAGE % DISTRIBUTION</b>				
Total Revenue		<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
Local Sources		14.3%	51.4%	19.6%
Tax Revenue		61.9%	82.5%	63.9%
Non-Tax Revenue		38.1%	17.5%	36.1%
External Sources		85.7%	48.6%	80.4%
IRA		94.3%	91.7%	95.3%
Others*		0.0%	0.0%	0.0%
<b>AVERAGE GROWTH RATE</b>				
Total Revenue		<u>7.0%</u>	<u>9.2%</u>	<u>10.7%</u>
Local Sources		6.3%	11.1%	9.9%
Tax Revenue		3.8%	10.9%	9.6%
Non-Tax Revenue		10.5%	12.4%	10.6%
External Sources		7.3%	7.3%	10.9%
IRA		9.0%	8.3%	10.8%
Others*		0.0%	0.0%	363.4%

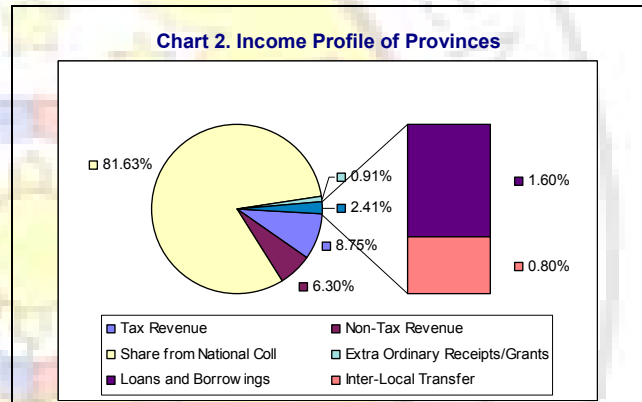
### 1. a. Income Profile of Local Government Units

**Chart 1** shows the aggregate income profile of all LGUs. Fifty Nine and 67/100 percent (59.67%) of the total income comes from the share from nat'l tax collection/IRA. Only 29.96% and 7.45% comes from tax revenue and non-tax revenue respectively. Loans and borrowings remained at low 1.72% while inter local transfers and extra ordinary receipts are negligible. (Chart 1)



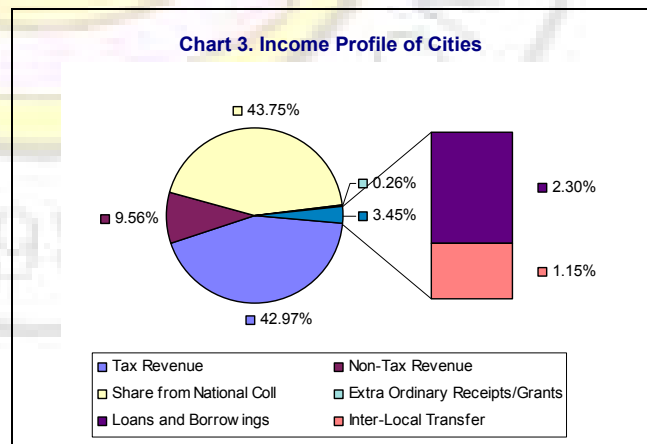
### 1. b. Income Profile of Provinces

**Provinces:** Locally sourced income from tax revenue and non-tax revenue of provinces only accounts for 8.75 % and 6.30% respectively of the aggregate income of the province. Eighty One and 63/100 percent (81.63%) of the total income of provinces comes from the share from national tax collection/IRA. Loans and borrowings and other sources of income are negligible. (Chart 2)



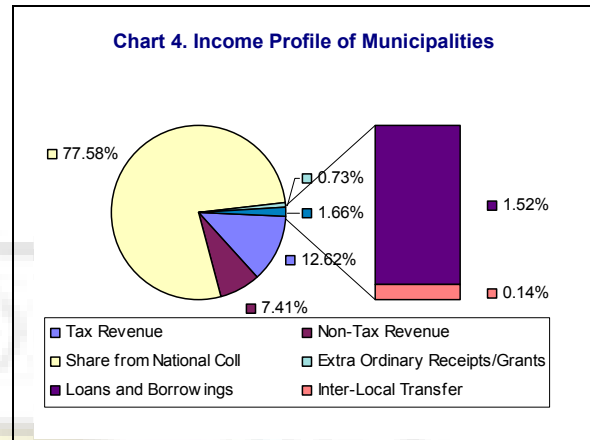
### 1. c. Income Profile of Cities

**Cities:** In contrast to the provinces, the share from national tax collection/IRA of cities only accounts for 43.75% of the total income, making them not IRA dependent. Locally sourced income from tax revenue and non-tax receipts accounts for 42.97% and 9.56% respectively. Cities registered a slightly higher but low level of borrowings. (Chart 3)



## 1. d. Income Profile of Municipalities

**Municipalities.** Similar to the provinces, the municipalities are highly dependent on the share from national collection/IRA. Total share from national tax collection/IRA accounts for 77.58% of the total income. Income from tax revenue and non-tax revenue only accounts for 12.62% and 7.41% respectively. Borrowings remained at low 1.52%. (Chart 4)



## 2. Income of LGUs from Tax Revenue

**Provinces.** The real property tax is still the biggest earner among the provincial taxes producing 81.9% of total taxes generated in CY 2004. Despite the many business taxes allocated by the Local Government Code for the Provinces, these have very limited potentials. The income of provinces from tax revenue increased by 4.18% over last year's tax revenue mainly due to the increase of business tax by 14.06% with the help of real property tax by only 3.73% while other local taxes decreased by 3.60%.

**Cities.** The cities increased income by almost nine times higher than the provinces in CY 2004. This became possible because aside from the fact that Cities can impose the provincial and municipal taxes, the tax rates with certain exceptions can be increased further by 50%.

Likewise, the platform of revenue raising has already changed for the Cities. Collections are more from business taxes than real property taxes posting an increase in income from tax revenue by 3.11%. Income from tax on business reached the Php 15.6 billion mark surpassing the previous years collection by 12.36%. While income from real property tax decreased by 4.79% or Php 14.6 billion. Income from other local taxes, which is only about 0.5% of total income generated, also decreased by 1.46%.

**Municipalities.** The municipalities posted collections of Php 8.01 billion for CY 2004 or an increase in income from tax revenues by 3.97% compared to year 2003. Revenues from real property tax is slightly higher than business taxes registering a collection of Php 21.57 billion, an increase of 0.29%. Tax on business, which grew by 7.9%, registered a collection of Php 19.51 billion. Other local taxes increased also by 8.5%.

Interesting is the discrepancy in the growth rates of real property and business taxes. The real property tax, which is supposed to be within the normal cycle of general revision did not progress very well. This is symptomatic of the declining popularity of the said tax base and the ambivalence of the LGUs to revise existing assessments. Statistics showed that general revision was conducted by



only 24% of the LGUs which maybe accounted for the minimal increase in revenue. On the other hand, the 7.9% growth in business taxes manifests some positive actions done by the LGUs. This may imply passage of local ordinances updating their respective revenue codes or attempts to enhance efficiency because CY 2004 is still a period affected by economic slow down. As the trend will continue, even the municipalities may eventually experience the shift in the revenue platform from real property to business taxes.

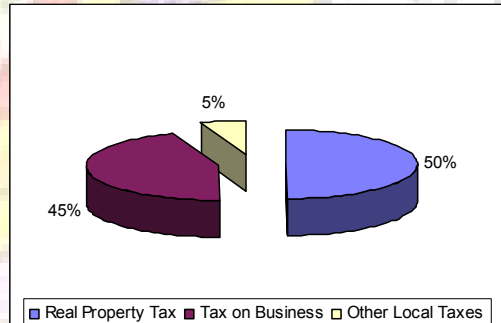
Table 12. Summary of Tax Revenues of LGUs for CY 2004

Tax Revenue	2004
<b>Province</b>	<b>3,590,319,922.35</b>
Real Property Tax	2,940,607,775.66
Tax on Business	388,264,258.83
Other Local Taxes	261,447,887.86
<b>City</b>	<b>31,862,910,018.84</b>
Real Property Tax	14,602,115,284.81
Tax on Business	15,622,706,270.25
Other Local Taxes	1,638,088,463.78
<b>Municipality</b>	<b>8,010,645,085.72</b>
Real Property Tax	4,024,840,219.66
Tax on Business	3,499,743,164.49
Other Local Taxes	486,061,701.57
<b>Total</b>	<b>43,463,875,026.91</b>
Real Property Tax	21,567,563,280.13
Tax on Business	19,510,713,693.57
Other Local Taxes	2,385,598,053.21

### 2.a. Income of Provinces from Tax Revenue

At Forty Nine Percent (49%), receipts from real property tax collection still remains the main source of income from tax revenue of LGUs. This is followed by income from tax on business at 45% and income from other local taxes contributed .06 % of the total collection from tax revenue. (Chart 5)

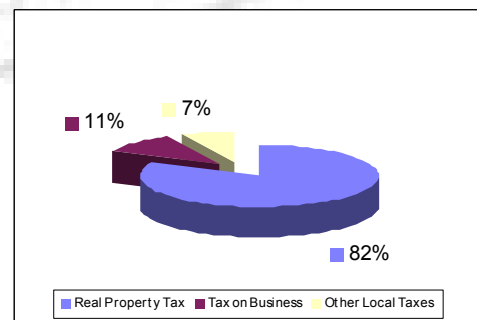
Chart 5. Percentage Distribution of Income from Tax Revenue



### 2.b. Income of Provinces from Tax Revenue

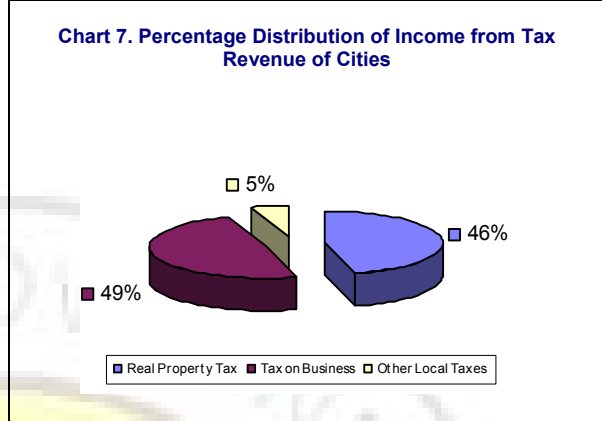
**Provinces.** Among the LGUs, the provinces are heavily dependent from the income from real property tax at 82%. Income from tax on business and other local taxes contributed 11% and 7% respectively. This is due to the fact that the taxing powers of provinces are limited compared to cities and municipalities. (Chart 6)

Chart 6. Percentage Distribution of Income from Tax Revenue of Provinces



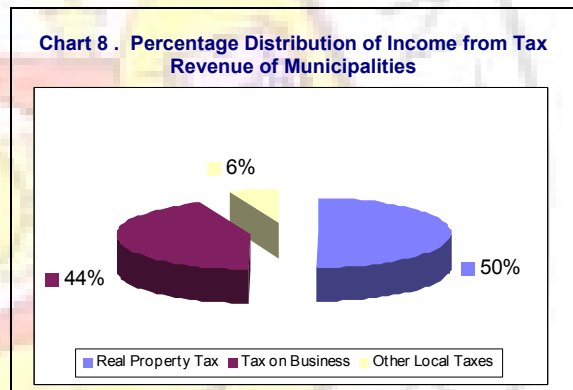
### 2.c. Income of Cities from Tax Revenue

**Cities.** Income from real property tax and tax on business contributed to 49% and 46% respectively to the income on tax revenue. This indicates that cities are not totally dependent on income from real property tax. Income from other local taxes only contributed a meager 5% (Chart 7)



### 2.d. Income of Municipalities from Tax Revenue

**Municipalities:** Income from real property tax contributed 50% of the income of municipalities on tax revenue, while income from tax on business and other local taxes contributed 44% and 6% respectively. Compared to the provinces, the municipalities have bigger tax base.



### 3. Income of LGUs From Non-Tax Revenue

**Provinces.** The provinces registered an over-all increase of 47.0% in non-tax receipts. The increase is attributed to a relatively high collection on toll fees. Collection of service/user charges, registration fees, receipts from economic enterprise and other receipts also increased. Since it is also noted that most LGUs are not properly pricing their services and facilities, this account is expected to produce more in the near future.

**Cities.** Total income from non tax receipts of Cities reached Php 7.09 billion in CY 2004. Moderate increase of 8.0 % was registered. Economic enterprises, despite producing some amounts are expected to produce more since many Cities have borrowed funds to support the construction and management of economic enterprises at the LGU level. Hospitals aside from the traditional market, slaughterhouses and bus terminals have been given attention by many LGUs. User charges given that it will be passed on at full cost should also be expected to produce revenues. Surprisingly, the toll fees and miscellaneous receipts show big leap at 91% and 22% growth respectively.

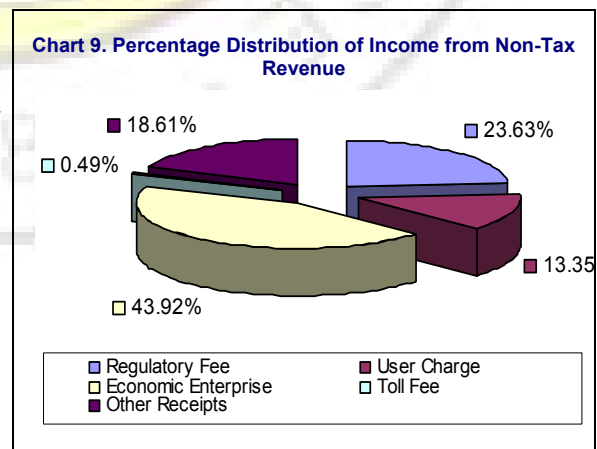
**Municipalities.** The municipalities also registered a slight increase of 8.0% in the collection on non-tax revenues manifesting the same behavior as cities. Given the amounts of income from non-tax receipts, it may be interesting to review the performances of local economic enterprises and the manner by which LGUs pass on user charges to their constituents.

Table 13. Summary of Non-Tax Revenues of LGUs for CY 2004

Non-Tax Revenue	2004	% Inc/Dec
<b>Province</b>	<b>2,582,904,741.26</b>	<b>47%</b>
Reg Fee	215,904,649.52	27%
User Charge	324,094,696.64	48%
Economic Enterprise	1,066,381,903.16	3%
Toll Fee	26,201,961.10	100%
Other Receipts	950,321,530.84	34%
<b>City</b>	<b>7,089,705,861.97</b>	<b>8%</b>
Reg Fee	2,045,626,628.41	5%
User Charge	1,060,924,107.86	8%
Economic Enterprise	2,818,073,736.93	5%
Toll Fee	4,727,023.94	91%
Other Receipts	1,160,354,364.83	22%
<b>Municipality</b>	<b>4,703,742,387.67</b>	<b>8%</b>
Reg Fee	1,135,315,297.10	3%
User Charge	534,668,128.07	13%
Economic Enterprise	2,430,068,554.01	11%
Toll Fee	39,291,767.49	95%
Other Receipts	564,398,641.00	-6%
<b>Total</b>	<b>14,376,352,990.90</b>	<b>15%</b>
Reg Fee	3,396,846,575.03	6%
User Charge	1,919,686,932.57	16%
Economic Enterprise	6,314,524,194.10	7%
Toll Fee	70,220,752.53	97%
Other Receipts	2,675,074,536.67	20%

### 3.a. Income of LGUs from Non-Tax Revenue

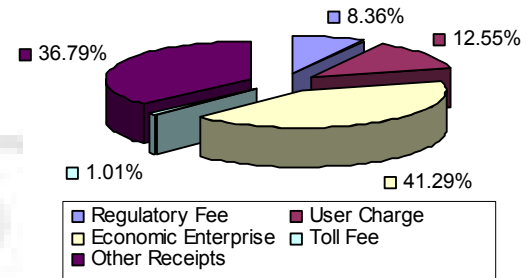
Income from Receipts from Economic Enterprises contributed 43% of the total income from non-tax revenue of LGUs. This is followed by income from regulatory fees, service/user charges and others receipts which contributed 23.63%, 13.35 % and 18.61% respectively.



**3.b. Income of Provinces from Tax Revenue**

**Provinces.** Forty Three Percent (41.29%) of the total income on NonTax Revenue of provinces came from Receipt from Economic Enterprises and followed by other receipts and service/user charges at 36.79% and 12.55% respectively. Income from regulatory fees only contributed 8.36% to the total non-tax revenue of the provinces. This is due to the fact that most of the regulations for impositions of non-tax revenue are done at the city and municipal levels.

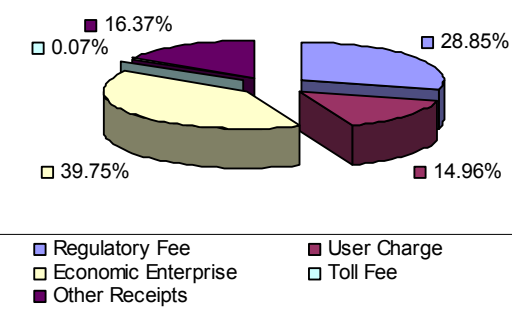
**Chart 10. Percentage Distribution of Income from Non-Tax Revenue of Province**



**3.c. Income of Provinces from Tax Revenue**

**Cities.** Similar to the provinces, the major source of non-tax revenues of cities for this year came from receipts from economic enterprise. Regulatory fees and service/user contributed 28.85% and 14.96% respectively to income on non-tax revenue.

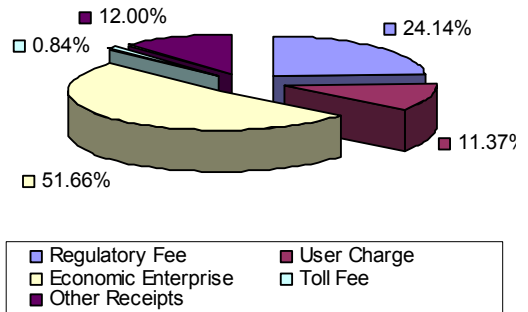
**Chart 11. Percentage Distribution of Income from Non-Tax Revenue of Cities**



**3.d. Income of Provinces from Tax Revenue**

**Municipalities.** Receipts from economic enterprise registered a 51.66% of the total income of municipalities on non-tax revenue. This is followed by regulatory fees and other receipts at 24.14% and 12.00% respectively.

**Chart 12. Percentage Distribution of Income from Non-Tax Revenue of Municipalities**



**B. Expenditures of Local Government Units**

The functional classification of expenditures focuses on the purpose for which expenditures of the LGUs are made. The general purposes of LGUs outlays are categorized into: General Public Services, Education, Health, Nutrition and Population

Control, Labor and Employment, Housing & Community Development, Social Security / Social Services & Welfare, Economic Services, Debt Service, Other Purposes.

### **Expenditure of LGUs by Sector – For Year 2004**

**General Public Services.** This sector covers expenditures for services that are indispensable to the existence of the LGUs. This includes executive and legislative services, overall financial and fiscal services, planning, affairs, general research, public order and safety and centralized services. A total of Php 64.8 billion or 39.91% of the combined total budget were spent by the LGUs (Provinces, cities and municipalities combined) for General Public Services

**Education.** This sector covers expenditure for the support of schools and education facilities; planning and manpower development; sports; and cultural preservation and enrichment. A total of Php 10.7 billion or 2.08% of their combined total budget were spent by the LGUs (Provinces, cities and municipalities combined) for the Department of Education.

**Health, Nutrition and Population Control.** This sector covers expenditures for the health program including medical, dental and health services; planning and administration of nutrition programs, population and family planning programs; and administration of these programs. The LGUs (Provinces, cities and municipalities combined) spent 10.91% of their combined total budget or Php 17.52 billion for health, nutrition and population control.

**Labor and Employment.** This sector covers expenditures for the formulation, implementation and regulation of labor policies; promotion, placement and regulation of employment; and the maintenance of industrial peace. The LGUs (Provinces, cities and municipalities combined) spent Php 115.7 millions or 0.07% of the total budget for labor and employment.

**Housing and Community Development.** This sector covers expenditures for the provision of housing and sanitary services, promotion of community development, slum clearance, zoning and control of population. The LGUs (Provinces, cities and municipalities combined) spent 2.08% of their combined total budget or Php 3.3 billion for housing and community development.

**Social Security / Social Services and Welfare.** This sector covers expenditures for the upliftment of disadvantaged families and children, the rehabilitation of the physically and socially handicapped, assistance to distressed and displaced individuals and families, care of the aged and other welfare services. Also included are expenditures for the provision of services and facilities for the recreational, religious and other social activities not elsewhere classified. The LGUs (Provinces, cities and municipalities combined) spent 2.41% of their combined total budget or Php 3.86 billion for social security/social services and welfare.

**Economic Services.** This sector refers to activities directed to the promotion and enhancement and the attainment of desired economic growth. The LGUs (Provinces, cities and municipalities combined) spent 15.96% of their combined total budget or Php 25.62 billion for economic services.

**Debt Service.** This sector covers expenditures for repayment of loans, interest and other service charges for debts of the LGU. The LGUs (Provinces, cities and municipalities combined) spent 2.76% of their combined total budget or Php 4.43 billion for debt service.

**Other Purpose.** This sector covers expenditures for all other services not falling under any of the other sectors. The LGUs (Provinces, cities and municipalities combined) spent 19.23% of their combined total budget or Php 30.88 billion for other purpose.

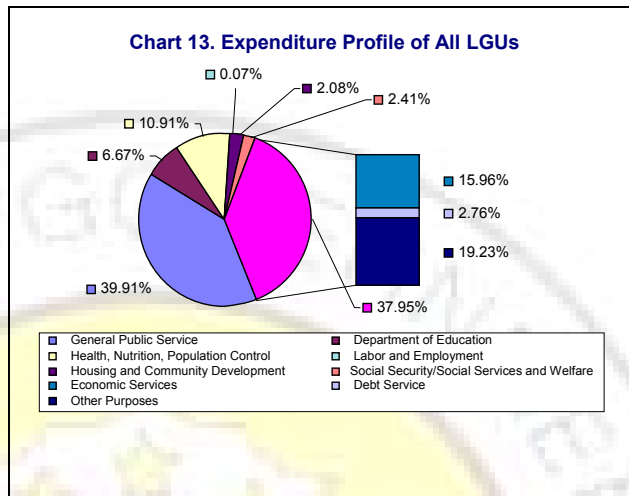
Table 14. Summary of Exoenditures of LGUs for CY 2004

LGU's Expenditure	2004
<b>Province</b>	<b>37,435,594,331.08</b>
General Public Service	11,470,949,737.84
Department of Education	1,951,072,990.58
Health, Nutrition, Population Control	7,550,240,857.29
Labor and Employment	19,085,255.78
Housing and Community Development	328,256,489.45
Social Security/Social Services and Welfare	570,440,250.70
Economic Services	6,249,884,385.08
Debt Service	1,076,636,934.37
Other Purposes	8,219,027,429.99
<b>City</b>	<b>64,773,609,556.57</b>
General Public Service	23,792,842,246.72
Department of Education	6,710,003,674.20
Health, Nutrition, Population Control	5,171,057,748.05
Labor and Employment	25,500,453.48
Housing and Community Development	2,330,115,338.58
Social Security/Social Services and Welfare	1,456,709,120.99
Economic Services	11,449,008,078.07
Debt Service	2,291,160,092.55
Other Purposes	11,547,212,803.93
<b>Municipality</b>	<b>58,288,297,363.08</b>
General Public Service	29,018,351,641.31
Department of Education	1,962,026,152.17
Health, Nutrition, Population Control	4,875,607,349.74
Labor and Employment	59,882,872.71
Housing and Community Development	638,053,141.01
Social Security/Social Services and Welfare	1,809,242,675.01
Economic Services	7,611,445,908.19
Debt Service	1,007,889,103.77
Other Purposes	11,305,798,519.17
<b>Total</b>	<b>160,497,501,250.73</b>
General Public Service	64,282,143,625.87
Department of Education	10,623,102,816.95
Health, Nutrition, Population Control	17,596,905,955.08
Labor and Employment	104,468,581.97
Housing and Community Development	3,296,424,969.04
Social Security/Social Services and Welfare	3,836,392,046.70
Economic Services	25,310,338,371.34
Debt Service	4,375,686,130.69
Other Purposes	31,072,038,753.09

For year 2004, the total expenditure reported by 94% of all LGUs amounted to Php 160.5 billion. This represents a 3.0% increase in expenditure of all LGUs compared to their expenditure in Year 2003. The total expenditure of all provinces increased by 1.0%, cities increased by 5.0% and municipalities also increased by 2.0%.

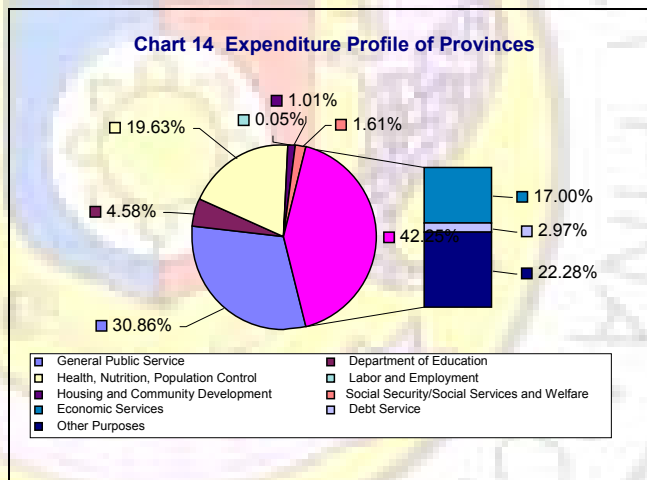
### B.1. Expenditure of LGUs

LGUs in general, spent 39.91% of their total budget to general public services. Only 2.76% went to debt servicing while 19.23%, 15.96% and 10.91% went to other purpose, economic service and health, nutrition and population control. Only a small portion of their budget went to labor & employment, housing & community development and social service at 0.07%, 2.08% and 2.41% respectively.



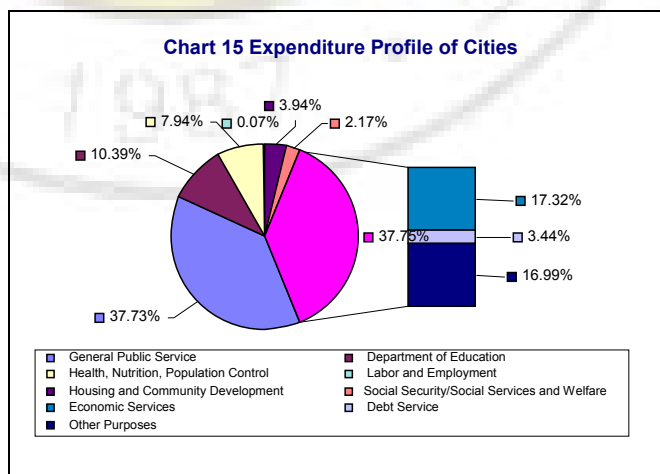
### B.2. Expenditure of Provinces

**Provinces.** Chart 14 shows that 30.86% of the expenditure of the provinces went to general public services, 19.63% went to health, nutrition and population control sector, 22.28% went to other purpose. A small portion went to labor and employment, department of education, social service and debt service at 0.05%, 1.01%, 1.61% and 2.97% respectively (Chart 13).



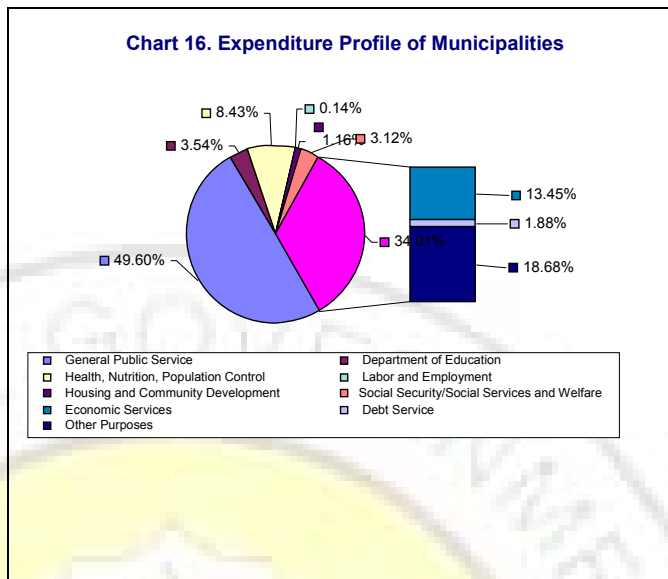
### B.3. Expenditure of Cities

**Cities.** Compared to the provinces, the cities spent more for general public services at 37.73% of their total expenditure. This is followed by expenditure from economic service, other purpose and department of education at 17.32%, 16.99% and 10.39% respectively. Labor and employment, social sector and housing & community development only accounted for 0.07%, 2.17% and 3.94% respectively (Chart 15).



## B.4. Expenditure of Municipalities

**Municipalities.** As shown in Chart 16, the municipalities spent the biggest expenditure in general public services at 49.60% of their income. This is followed by other purpose, economic service and health, nutrition and pop control at 18.68%, 13.45% and 8.43% respectively. Similar to the provinces and cities, municipalities spent only small portion of their budget to labor and employment, housing & community development and social service at 0.14%, 1.16% and 3.12% respectively.



## Surplus / Deficit of Income over Expenditures

Surplus is the difference between incomes and expenditures. It shows the amount of resources which can be carried forward by the LGUs to the subsequent budget year. For CY 2004 the LGUs realized a combined surplus of Php 17.82 billion or approximately 10% of total income generated. The amount however is lesser compared to the surplus reported in Year 2003 in the amount of Php 21.0 billion. The 10% surplus to total income ratio is relatively high considering that CY 2004 is an election year. However, a cursory review of the surplus distribution showed that the amounts are concentrated in endowed LGUs which have started the accumulation of resources as a strategy for future development. The temporary pooling of resources will be utilized for quality infrastructure later on or initiate placements including the possibility of inter-LGU lending.

## Summary

In CY 2004, the fiscal and financial performance of LGUs remained creditable. Against the backdrop of slow economic growth, the LGUs total income reached the new peak of Php 178.90 billion. Although the amount is just 0.9% above the CY2003 performance, the adjustments made in the expenditure side allowed LGUs to realize a Php 17.8 billion surplus or a hefty 10% surplus to income ratio.

On the aggregate, the internal revenue allotment (IRA) remained as the principal source of income contributing no less than 63.5% of total income. The dependency ratio has slightly gone down but it has been fluctuating over the past few years. This was brought about by the unpredictability of the IRA due to successive reenacting of the General Appropriations Act.

Internally sourced income manifested stronger performance than IRA by registering higher growth rate by 5.3%, taxes grew by 3.9% on the other hand non-tax



receipts increased by 9.8%. While these positive ratios are encouraging, the increases are barely equal to the inflation rate meaning the LGUs as a sector is not experiencing real growth. When distribution is considered, many LGUs would be suffering because they can provide fewer services than before. A cross section of the specific revenue sources, show that real property tax remains as the primary revenue source, but manifested some degree of stagnation. A closer look at the cause points to the inability of some 76% to conduct the general revision of real property assessments. Compliance rate to the Codal provision of revising assessments had declined over the last decade, from a high of 88% in CY1994 to just 24% in CY 2004. LGUs on the other hand had shifted to business taxes for revenues to increase income generation. Updating of local revenue codes, activities enhancing the collection efficiency and other measures had propelled growth in revenue under business taxes by 8%. In fact, business taxes contribute the biggest portion on the total revenue source of the Cities.

The Cities, the hub of economic activities and cross roads of development, is the best performing LGU cluster. It generated income and taxes which is approximately twice that of the provinces and nine times than the municipalities. Growth rates were positive. Partly benefited by its expanded revenue raising powers and market based economic structure, it has consistently generated resources greater than the IRA granted to them.

Borrowings have been kept to a minimal level. Although maximum debt service capacity was pegged at 20% of regular income, aggregate debt service is below 2%. LGUs borrow from the growing financing windows such as the GFI's, Municipal Development Fund Office, PFI's and pension funds. This is a manifestation of the increasing confidence in the sector. LGUs also float bonds to a lesser extent for income generating and self-liquidating projects. It is therefore anticipated that new and quality projects will be packaged as the LGUs will be more comfortable with financing and private sector partnerships.

With more resources at their disposal, total LGU expenditures rose by 3% from year 2003. LGU spending on all sectors posted increases except on General Public Service, Housing and Community Development and Social Security Services in the case of provinces, Labor and Employment in the case of cities and Housing and Community Development, Labor and Employment, Economic Services in the case of municipalities.

Overall, the sector ended its CY 2004 with a positive effect to the consolidated public sector deficit. Despite being an election year, LGUs gained a Php 17.8 billion surplus, an indication of the positive gains in decentralization.



## ***CHAPTER IV*** **HIGHLIGHTS OF THE STATEMENT OF INCOME AND EXPENDITURES: *TOP TEN LGU FOR CY 2004***

This chapter of the publication aims to give acknowledgement to the efforts and resourcefulness of those Local Government Units that have exceeded the best performance of the rest.

Listed are the top ten LGUs under the categories of Income, expenditures, revenue from tax and non-tax, and per capita income which falls under each group (Provinces, Cities and Municipalities). Also included in this chapter are the highlights and basic comparative analysis between performances of each performing LGUs.

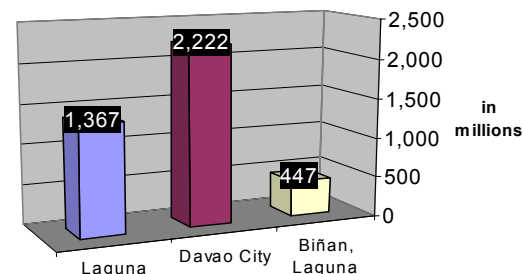
**Top 10 LGUs in terms of highest Total Income generated for CY 2004 as compared to their status in CY 2001 (P0.00)**

REGION	LGU	CY 2004		CY 2001	
		RANK	TOTAL INCOME	RANK	TOTAL INCOME
<b>PROVINCE</b>					
Region IV-A	Laguna	1st	1,367,306,372	1st	1,460,698,000
Region VII	Cebu	2nd	1,347,540,180	8th	865,295,926
Region III	Bulacan	3rd	1,255,450,000	3rd	1,031,662,212
Region IV-A	Batangas	4th	1,224,891,025	9th	808,790,000
Region VI	Negros Occidental	5th	1,195,573,660	4th	906,778,000
Region IV-A	Cavite	6th	1,137,908,069	5th	900,383,000
Region IV-A	Rizal	7th	1,116,380,166	17th	676,428,576
Region I	Pangasinan	8th	1,073,615,523	2nd	1,168,226,116
Region IV-A	Quezon	9th	1,008,383,950	10th	746,339,000
Region II	Isabela	10th	935,086,000	16th	694,133,916
<b>CITY</b>					
Region XI	Davao City	1st	2,222,330,947	1st	1,914,272,000
Region VII	Cebu City	2nd	1,652,994,616	2nd	1,757,383,980
Region IV-A	Antipolo City	3rd	1,143,787,328	12th	591,193,630
Region X	Cagayan de Oro City	4th	1,134,256,526	3rd	976,386,362
Region III	Olongapo City	5th	1,118,463,848	74th	160,852,282
Region IX	Zamboanga City	6th	1,078,490,000	4th	901,431,754
Region IV-A	Calamba City	7th	921,272,904	16th	532,061,780
Region IV-A	Batangas City	8th	885,532,395	8th	703,729,211
Region IV-B	Puerto Princesa City	9th	831,846,079	6th	754,663,105
Region VI	Iloilo City	10th	792,518,720	7th	712,300,400
<b>MUNICIPALITY</b>					
Region IV-A	Biñan, Laguna	1st	447,085,296	3rd	266,079,290
Region IV-A	Cabuyao, Laguna	2nd	443,427,643	1st	314,230,583
Region IV-A	Cainta, Rizal	3rd	389,836,107	2nd	294,651,000
Region IV-A	Rosario, Cavite	4th	371,868,860	17th	109,825,000
Region IV-A	Dasmariñas, Cavite	5th	367,470,834	4th	248,132,000
Region IV-A	Bacoor, Cavite	6th	318,385,434	5th	238,466,000
Region IV-A	Imus, Cavite	7th	313,195,926	6th	206,153,000
Region IV-A	Gen. Trias, Cavite	8th	276,468,840	13th	152,477,000
Region IV-A	Bauan, Batangas	9th	245,454,658	7th	201,031,000
Region III	Meycauayan, Bulacan	10th	236,560,000	8th	184,482,398

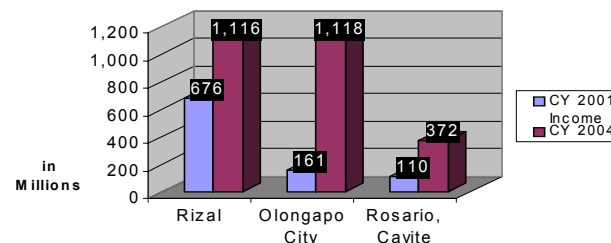
**HIGHLIGHTS**

- The Province of Laguna retained its first position among provinces of the country in terms of total income generated. In CY2004, the province has reported an estimated income amounting to ₱1.37 billion from various tax and non-tax sources.
- Among the top 10 provinces, the Province of Rizal registered the highest growth in total income generated, and improved its rank from 17<sup>th</sup> place in CY2001 to 7<sup>th</sup> in CY2004.
- Among the cities, Davao City has maintained its top position in CY2004 with a total income generated of more than ₱2.22 billion.
- A dramatic improvement was registered by Olongapo City when its income increased almost six times from ₱0.16 billion in CY2001 to ₱1.12 billion in CY2004. As a result, its rank jumped from 74<sup>th</sup> to 5<sup>th</sup> place.
- The Municipality of Biñan, Laguna performed better in CY2004 capturing the prime position with income totaling ₱447.09 million.
- Ranking 17<sup>th</sup> in CY2001, the Municipality of Rosario, Cavite has gone up to 4<sup>th</sup> overall, increasing its income by more than three times from ₱109.83 million to ₱371.87 million.

**Top LGU's in CY 2004 for each LGU Category**



**Highest Performing LGU in Growth of Total Income per LGU Category**



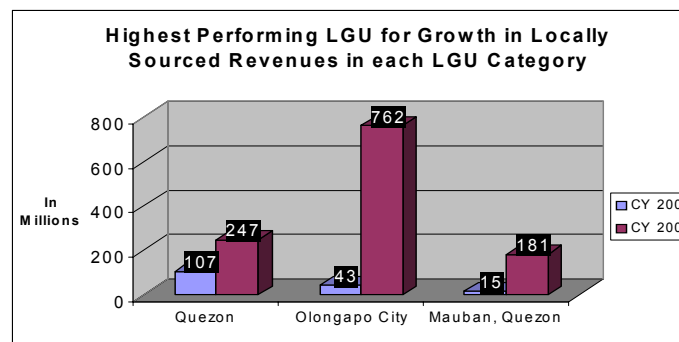
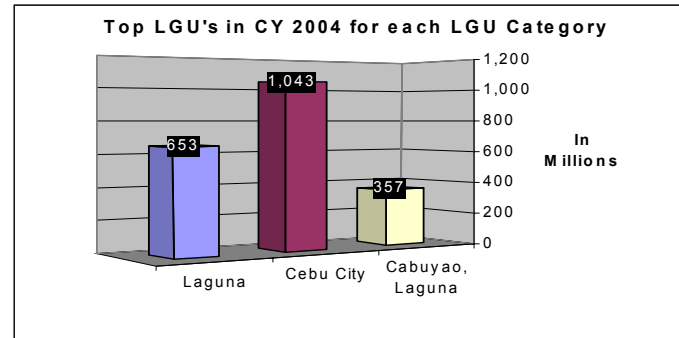
**HIGHLIGHTS OF TOP TEN LGU'S**

**Top 10 LGUs in terms of highest collection on Locally Sourced Revenues for CY 2004 as compared to their status in CY 2001 (P0.00)**

REGION	LGU	CY 2004		CY 2001	
		RANK	TOTAL INCOME	RANK	TOTAL INCOME
<b>PROVINCE</b>					
Region IV-A	Laguna	1st	653,422,182	1st	694,942,000
Region IV-A	Rizal	2nd	530,139,739	5th	282,924,077
Region III	Bulacan	3rd	445,654,000	2nd	442,786,984
Region IV-A	Cavite	4th	423,882,052	3rd	314,501,000
Region IV-A	Batangas	5th	287,024,382	6th	279,547,000
Region VII	Cebu	6th	279,591,468	8th	186,574,804
Region IV-A	Quezon	7th	246,787,917	12th	106,684,000
Region III	Bataan	8th	191,577,214	7th	225,815,333
Region IX	Zamb. Del Norte	9th	176,727,653	14th	98,632,582
Region I	Pangasinan	10th	151,872,773	11th	119,114,989
<b>CITY</b>					
Region VII	Cebu City	1st	1,042,696,639	1st	829,787,296
Region XI	Davao City	2nd	826,839,979	2nd	698,787,000
Region III	Olongapo City	3rd	761,750,582	58th	43,127,564
Region IV-A	Batangas City	4th	593,025,222	3rd	454,571,639
Region IV-A	Calamba City	5th	528,704,826	4th	441,579,780
Region X	Cagayan de Oro City	6th	496,323,505	5th	380,948,951
Region VI	Iloilo City	7th	482,817,850	7th	326,235,603
CAR	Baguio City	8th	412,513,060	9th	319,783,829
Region VII	Lapu-Lapu City	9th	363,466,508	8th	320,232,630
Region IV-A	Tagaytay City	10th	340,053,430	18th	138,686,000
<b>MUNICIPALITY</b>					
Region IV-A	Cabuyao, Laguna	1st	357,304,432	1st	280,470,740
Region IV-A	Cainta, Rizal	2nd	266,994,234	2nd	201,470,000
Region IV-A	Biñan, Laguna	3rd	225,409,720	3rd	196,634,220
Region IV-A	Bauan, Batangas	4th	194,097,421	4th	172,253,000
Region IV-A	Carmona, Cavite	5th	183,604,103	7th	130,698,000
Region IV-A	Mauban, Quezon	6th	181,353,567	95th	15,302,490
Region IV-A	Bacoor, Cavite	7th	165,456,026	6th	135,336,000
Region IV-A	Imus, Cavite	8th	161,211,590	8th	129,020,000
Region III	Meycauayan, Bulacan	9th	149,836,000	11th	112,080,955
Region IV-A	Dasmariñas, Cavite	10th	147,273,847	5th	142,057,000

**HIGHLIGHTS**

- The Province of Laguna which collected ₱653.42 million, the City of Cebu which collected ₱1.04 billion and the Municipality of Cabuyao, Laguna which collected ₱357.30 million topped their respective categories as the best LGUs in collecting locally-sourced revenues.
- Marked improvements were recorded by the Province of Quezon moving from 12<sup>th</sup> to 7<sup>th</sup> place, Olongapo City from 58<sup>th</sup> to 3<sup>rd</sup> place and the Municipality of Mauban, Quezon from 95<sup>th</sup> to 6<sup>th</sup>.



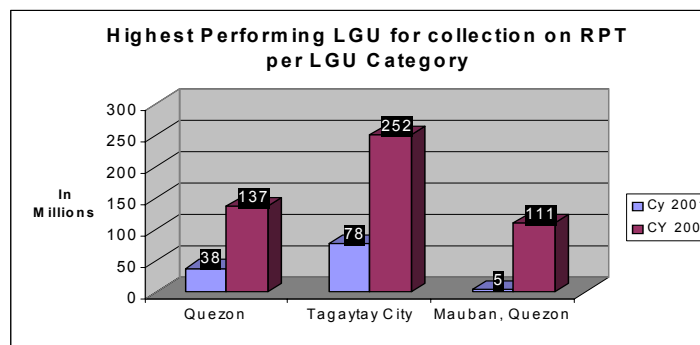
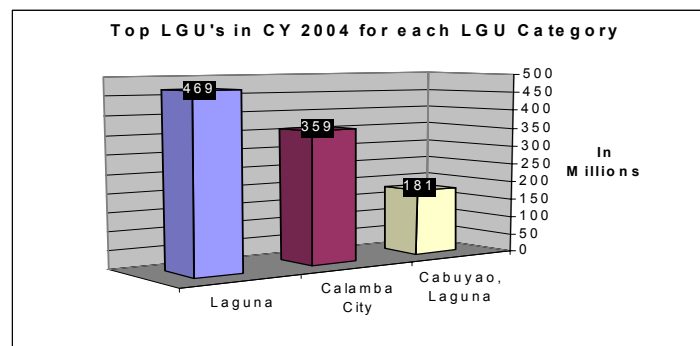
**HIGHLIGHTS OF TOP TEN LGU'S**

**Top 10 LGUs in terms of highest collection on Real Property Tax for CY 2004 as compared to their status in CY 2001 (P0.00)**

REGION	LGU	CY 2004		CY 2001	
		RANK	TOTAL INCOME	RANK	TOTAL INCOME
<b>PROVINCE</b>					
Region IV-A	Laguna	1st	469,077,428	1st	444,053,000
Region IV-A	Cavite	2nd	271,329,835	3rd	211,675,000
Region IV-A	Batangas	3rd	229,832,216	4th	195,126,000
Region IV-A	Rizal	4th	219,039,918	6th	160,661,147
Region III	Bulacan	5th	210,290,000	2nd	246,292,511
Region III	Bataan	6th	143,383,151	5th	180,500,160
Region IV-A	Quezon	7th	136,564,521	13th	38,217,000
Region VI	Iloilo	8th	91,548,770	9th	46,683,850
Region I	Pangasinan	9th	88,303,608	7th	77,273,686
Region VII	Cebu	10th	67,047,504	11th	40,169,281
<b>CITY</b>					
Region IV-A	Calamba City	1st	358,506,033	3rd	283,218,000
Region VII	Cebu City	2nd	330,935,756	1st	306,911,868
Region IV-A	Batangas City	3rd	313,907,990	2nd	300,343,235
Region IV-A	Tagaytay City	4th	251,626,968	15th	77,564,000
Region XI	Davao City	5th	249,257,041	4th	234,834,000
Region IV-A	Antipolo City	6th	218,427,275	5th	161,040,148
Region VI	Iloilo City	7th	191,847,370	11th	98,609,372
Region X	Cagayan de Oro City	8th	160,805,182	6th	137,353,647
Region IV-A	Tanauan City	9th	139,775,761	17th	62,703,150
Region VI	Bacolod City	10th	120,475,640	13th	87,283,000
<b>MUNICIPALITY</b>					
Region IV-A	Cabuyao, Laguna	1st	180,515,857	1st	110,299,236
Region IV-A	Mauban, Quezon	2nd	111,224,994	81st	4,622,864
Region IV-A	Biñan, Laguna	3rd	98,744,303	2nd	96,893,000
Region III	Limay, Bataan	4th	89,771,235	3rd	80,478,801
Region IV-A	Cainta, Rizal	5th	88,677,809	5th	63,014,000
Region IV-A	Gen. Trias, Cavite	6th	56,634,086	6th	60,613,000
Region III	Meycauayan, Bulacan	7th	52,800,000	9th	41,675,227
Region IV-A	Dasmariñas, Cavite	8th	47,896,815	8th	45,664,000
Region III	Marilao, Bulacan	9th	47,260,000	25th	19,531,415
Region III	Norzagarav, Bulacan	10th	47,115,000	7th	49,608,022

**HIGHLIGHTS**

- LGUs located in Region IV-A creditably performed in the collection of real property taxes. The top three highest collections for CY2004 in all LGU categories (except for the City of Cebu) were Region IV-A LGUs. This can be explained by the growth of investments and property developments in the region.
- Ranked 1<sup>st</sup> in each category are the Province of Laguna with ₱469.08 million collection from real property taxes; Calamba City with ₱358.51 million and the Municipality of Cabuyao, Laguna with ₱180.52 million.
- Moving its position several notches up are the Province of Quezon which leaped from 13<sup>th</sup> in CY2001 to 7<sup>th</sup> place in CY2004 and Tagaytay City from 15<sup>th</sup> to 4<sup>th</sup> place. Both LGUs notably posted an increase of more than three times in collection from CY2001. Meanwhile, the Municipality of Mauban, Quezon markedly increased its collection from ₱4.62 million to ₱111.22 million in just three years, jumping from 81<sup>st</sup> to second place in CY2004.



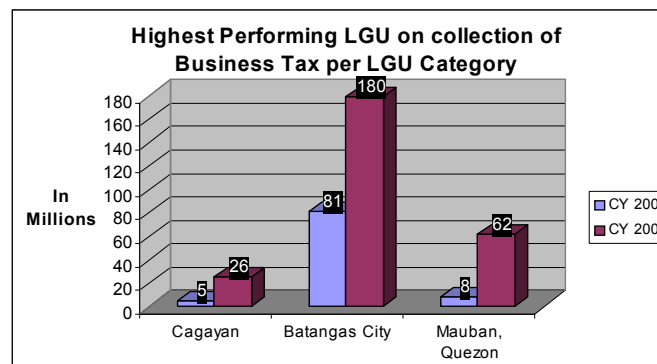
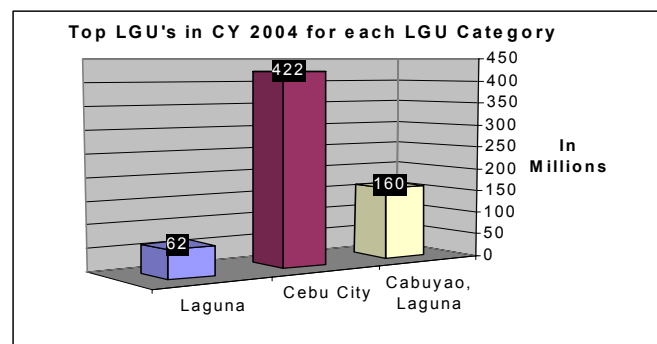
**HIGHLIGHTS OF TOP TEN LGU'S**

**Top 10 LGUs in terms of highest collection on Business Tax for CY 2004 as compared to their status in CY 2001 (P0.00)**

REGION	LGU	CY 2004		CY 2001	
		RANK	TOTAL INCOME	RANK	TOTAL INCOME
<b>PROVINCE</b>					
Region IV-A	Laguna	1st	62,302,281	1st	71,070,000
Region III	Bulacan	2nd	49,603,000	3rd	41,998,145
Region IV-A	Rizal	3rd	49,140,992	4th	34,341,127
Region II	Cagayan	4th	25,475,000	21st	4,467,000
Region IV-A	Cavite	5th	25,247,683	12th	9,346,000
Region V	Camarines Sur	6th	12,653,000	26th	3,684,667
Region III	Pampanga	7th	10,398,603	10th	11,183,194
Region VI	Iloilo	8th	10,388,680	32nd	2,181,620
Region IV-A	Batangas	9th	8,802,296	5th	20,637,000
Region VII	Cebu	10th	8,350,862	23rd	4,064,140
<b>CITY</b>					
Region VII	Cebu City	1st	421,736,073	1st	275,359,255
Region XI	Davao City	2nd	354,711,176	2nd	274,039,000
Region X	Cagayan de Oro City	3rd	231,936,719	4th	152,508,838
Region VII	Lapu-Lapu City	4th	199,330,807	3rd	154,597,353
Region VI	Iloilo City	5th	189,503,260	5th	145,286,500
Region IV-A	Sta. Rosa City	6th	185,597,412	6th	131,147,000
Region IV-A	Batangas City	7th	180,196,507	11th	80,631,550
CAR	Baguio City	8th	138,193,666	8th	100,023,614
Region IX	Zamboanga City	9th	119,056,000	10th	88,358,309
Region IV-A	Calamba City	10th	115,834,836	7th	124,094,000
<b>MUNICIPALITY</b>					
Region IV-A	Cabuyao, Laguna	1st	160,367,039	1st	158,604,514
Region IV-A	Cainta, Rizal	2nd	132,514,839	2nd	114,918,000
Region IV-A	Carmona, Cavite	3rd	117,315,848	4th	75,199,000
Region IV-A	Biñan, Laguna	4th	94,110,530	3rd	75,401,000
Region IV-A	Imus, Cavite	5th	72,787,096	6th	59,811,000
Region IV-A	Bacoor, Cavite	6th	69,464,057	5th	60,563,000
Region III	Meycauayan, Bulacan	7th	67,234,000	9th	45,999,048
Region IV-A	Dasmariñas, Cavite	8th	62,270,164	7th	48,502,000
Region IV-A	Mauban, Quezon	9th	61,662,769	48th	7,712,267
Region IV-A	San Pedro, Laguna	10th	44,110,707	8th	48,459,000

**HIGHLIGHTS**

- The Province of Laguna remained 1<sup>st</sup> overall in the collection of business taxes in CY2004 despite a drop of almost ₱10 million from CY2001 collection. On the other hand, the Province of Cagayan is the best performer moving from 21<sup>st</sup> in CY2001 to 4<sup>th</sup> place in CY2004 increasing its collection by almost 500%.
- Cebu City still ranked number one with a notable increase of ₱146.38 million in collection in CY2004 against its CY2001 collection while Batangas City rose from 11<sup>th</sup> to 7<sup>th</sup> place, with more than a 100% increase in income from business taxes.
- The Municipality of Cabuyao, Laguna retained as the highest income-generating municipality in terms of collection of business tax and the highest growth of percentage collected is credited to Mauban, Quezon's 700 % increase in income.



**HIGHLIGHTS OF TOP TEN LGU'S**

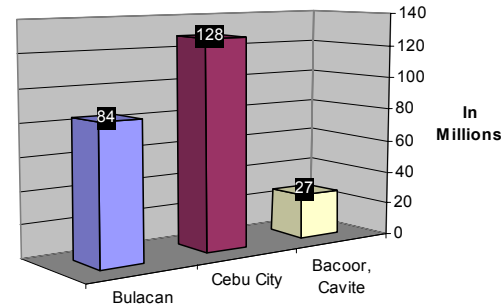
**Top 10 LGUs in terms of highest collection on Fees and Charges for  
CY 2004 as compared to their status in CY 2001  
(P0.00)**

REGION	LGU	CY 2004		CY 2001	
		RANK	TOTAL INCOME	RANK	TOTAL INCOME
<b>PROVINCE</b>					
Region III	Bulacan	1st	84,420,000	10th	13,655,049
Region IV-A	Laguna	2nd	70,752,769	2nd	47,410,000
Region VII	Negros Oriental	3rd	51,454,349	64th	1,348,500
Region IV-A	Quezon	4th	49,079,338	1st	63,647,000
Region XII	North Cotabato	5th	23,019,072	73rd	270,668
CARAGA	Agusan Del Sur	6th	20,984,087	31st	6,262,843
CARAGA	Agusan Del Norte	7th	20,718,021	11th	12,490,052
Region XII	South Cotabato	8th	18,399,324	23rd	7,667,890
Region IV-B	Oriental Mindoro	9th	15,270,750	38th	4,162,000
Region VII	Bohol	10th	13,977,409	24th	7,643,484
<b>CITY</b>					
Region VII	Cebu City	1st	127,537,456	1st	101,621,733
Region XI	Davao City	2nd	96,914,076	2nd	66,761,000
Region IV-A	Batangas City	3rd	49,746,442	5th	34,682,362
CAR	Baguio City	4th	49,668,458	4th	34,694,254
Region III	Olongapo City	5th	40,803,251	54th	4,904,931
Region X	Cagayan de Oro City	6th	37,487,056	7th	32,318,713
CARAGA	Butuan City	7th	35,847,561	19th	14,587,464
Region VI	Bacolod City	8th	35,082,200	10th	27,036,000
Region VII	Mandaue City	9th	28,101,246	14th	21,046,445
Region IV-A	Sta. Rosa City	10th	27,201,479	11th	26,692,000
<b>MUNICIPALITY</b>					
Region IV-A	Bacoor, Cavite	1st	27,194,625	5th	13,085,000
Region IV-A	Dasmariñas, Cavite	2nd	27,140,924	2nd	18,752,000
Region IV-A	Gen. Trias, Cavite	3rd	24,279,190	8th	10,354,000
Region IV-A	Imus, Cavite	4th	22,938,242	3rd	15,957,000
Region IV-A	Carmona, Cavite	5th	21,480,638	1st	21,305,000
Region IV-A	Cainta, Rizal	6th	20,849,516	9th	10,303,000
Region III	Bacolor, Pampanga	7th	19,658,000	below 100	916,637
Region III	Porac, Pampanga	8th	17,354,000	no report	-
Region IV-A	Silang, Cavite	9th	15,748,147	13th	7,205,000
Region III	Meycauayan, Bulacan	10th	13,743,000	7th	11,043,198

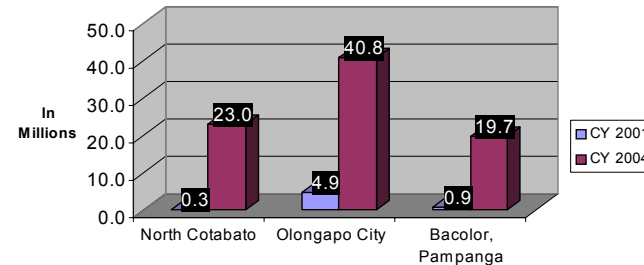
**HIGHLIGHTS**

- Among the LGUs in each category, the Province of Bulacan, the City of Cebu and the Municipality of Bacoor, Cavite ranked 1<sup>st</sup> with fees and charges collection amounting to ₱84.42 million, ₱127.54 million and ₱27.19 million, respectively. In the past three years, LGUs have experienced big increments as they revise ordinances and adjusted the regulatory and service fees.
- Better performances in fees and charges collection were exhibited by the Provinces of North Cotabato and Negros Oriental, the City of Olongapo and the Municipality of Bacolor, Pampanga, thus improving their ranking in CY2004.

**Top LGU's in CY 2004 for each LGU Category**



**Highest Performing LGU on Collection of Fees and Charges for each LGU Category**



**HIGHLIGHTS  
OF TOP TEN  
LGU'S**

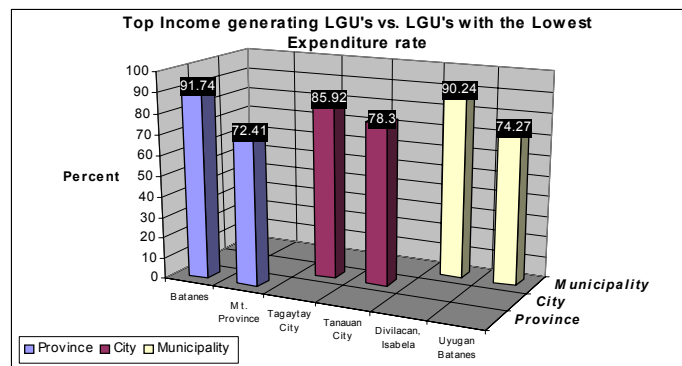
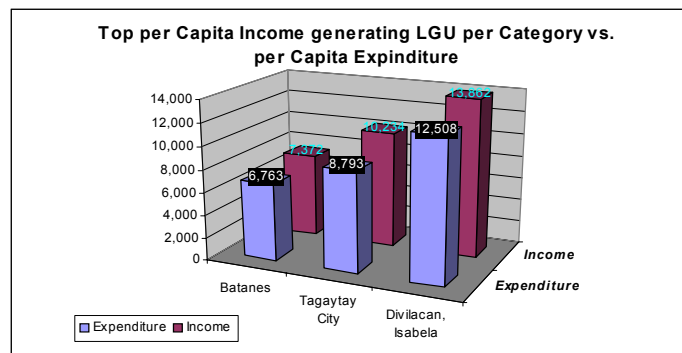
**Top 10 LGUs with highest Income and Expenditures per Capita  
showing the Rate of Expenditure CY 2004 (P0.00)**

REGION	LGU	RANK	INCOME PER CAPITA	EXPENDITURE PER CAPITA	RATE OF EXPENDITURE
		(1)	(2)	(3)	(4) = (3) / (2)
<b>PROVINCE</b>					
Region II	Batanes	1st	7,372	6,763	91.74%
CAR	Apayao	2nd	2,845	2,661	93.53%
Region X	Camiguin	3rd	1,888	1,784	94.52%
CAR	Abra	4th	1,860	1,734	93.22%
Region VII	Siquijor	5th	1,843	1,642	89.07%
Region II	Quirino	6th	1,744	1,645	94.30%
CAR	Mt. Province	7th	1,527	1,105	72.41%
CAR	Ifugao	8th	1,519	1,290	84.91%
CAR	Kalinga	9th	1,495	1,411	94.40%
Region III	Aurora	10th	1,415	1,263	89.21%
<b>CITY</b>					
Region IV-A	Tagaytay City	1st	10,234	8,793	85.92%
Region III	Olongapo City	2nd	5,758	5,727	99.47%
Region IV-B	Puerto Princesa City	3rd	5,161	5,570	107.94%
Region II	Santiago City	4th	4,489	4,182	93.15%
Region IV-A	Trece Martires City	5th	4,189	4,344	103.70%
Region III	Palayan City	6th	3,755	3,659	97.45%
Region IV-A	Batangas City	7th	3,577	2,976	83.20%
Region VI	La Carlota City	8th	3,533	3,408	96.47%
Region VIII	Maasin City	9th	3,433	3,310	96.42%
Region IV-A	Tanauan City	10th	3,425	2,682	78.30%
<b>MUNICIPALITY</b>					
Region I	Divilacan, Isabela	1st	13,862	12,508	90.24%
Region I	Adams, Ilocos Norte	2nd	12,459	10,132	81.32%
Region I	Carasi, Ilocos Norte	3rd	10,831	10,410	96.12%
Region I	Uyugan, Batanes	4th	10,685	7,936	74.27%
Region I	Alfonso Castañeda, Nueva Vizcaya	5th	9,348	10,952	117.15%
Region I	Dumalneg, Ilocos Norte	6th	8,639	8,577	99.28%
Region I	Maconacon, Isabela	7th	8,587	11,239	130.88%
Region I	Ivana, Batanes	8th	8,219	7,475	90.95%
Region I	Tineg, Abra	9th	7,902	7,468	94.50%
Region I	Daguoman, Abra	10th	7,830	7,439	95.00%

Income includes external sources and loans & borrowings

**HIGHLIGHTS**

- The Province of Batanes registered the highest per capita for CY2004. This can be attributed to the low population and relatively high level of IRA. It also reflected a high expenditure rate of 91.74% in an attempt to provide more services to its constituents.
- The City of Tagaytay registered the highest income per capita as well as expenditure per capita for cities. The high levels provide a good indication of improved level of economic activities in the area. The relative low level of expenditure rate presupposes some intent to trigger development projects by the City.
- Among municipalities, Divilacan, Isabela topped the list. The results of the income per capita apparently confirm the imperfection of the IRA formula because many developed areas are not even in the top 10.
- Among the top ten in each LGU categories, Mt. Province, Tanauan City and the Municipality of Uyugan, Batanes have the lowest expenditure rate with an average expenditure of only three-fourth's of its income.



**HIGHLIGHTS OF TOP TEN LGU'S**



**Top 10 LGUs in terms of highest Total Income generated for CY 2004 as compared to their status in CY 2001**

(P0.00)

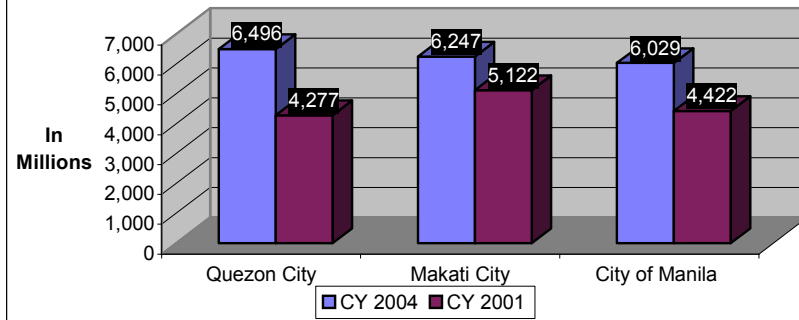
National Capital Region (NCR)	CY 2004			CY 2001	
	CLASS	RANK	TOTAL INCOME	RANK	TOTAL INCOME
<b>CITY</b>					
Quezon City	S	1st	6,496,282,210	3rd	4,276,721,410
Makati City	1	2nd	6,247,252,757	1st	5,122,321,279
City of Manila	S	3rd	6,029,451,082	2nd	4,422,171,694
Pasig City	1	4th	2,969,849,218	4th	2,220,682,718
Kalookan City	1	5th	1,681,228,300	6th	1,493,125,921
Mandaluyong City	1	6th	1,601,355,056	7th	1,165,955,784
Parañaque City	1	7th	1,590,065,300	5th	1,533,439,002
Muntinlupa City	1	8th	1,250,547,925	8th	1,087,802,228
Pasay City	1	9th	1,246,598,000	9th	1,075,895,000
Valenzuela City	1	10th	1,173,179,686	10th	872,868,370
<b>MUNICIPALITY</b>					
San Juan	1	1st	519,580,000	2nd	430,370,000
Navotas	1	2nd	276,671,818	3rd	292,835,782
Pateros	3	3rd	72,952,324	4th	62,188,114

**HIGHLIGHTS OF TOP TEN LGU'S IN THE NATIONAL CAPITAL REGION**

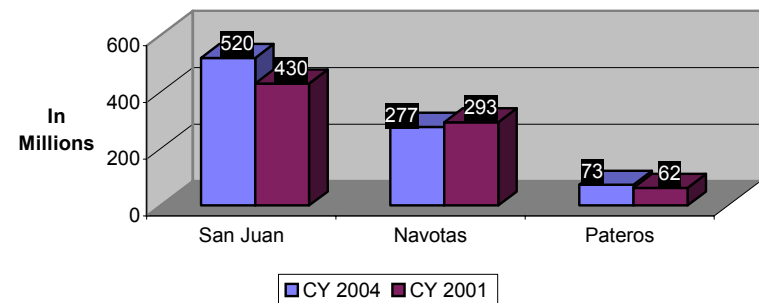
**HIGHLIGHTS**

- The top three highest income-generating cities in the National Capital Region are Quezon City, Makati City and the City of Manila, all have exceeded the ₱6 billion total income in CY2004. The LGUs' income also confirms the primacy of the Region in socio-economic activities.
- These three cities have also shown tremendous effort when each collections improved by more than ₱1 billion. It also initiated a friendly competition in revenue generation. Other NCR LGUs also manifested exemplary performances and exhibited increments from CY2001 to CY2004.
- Among NCR municipalities, San Juan ranked number 1 in CY 2004 and a notable increase of 25% in income generated. While San Juan can potentially become a City, its land area and population are still below existing threshold.

**Top 3 Cities in NCR with the highest Total Income Generated**



**Total Income Generated in the Municipalities of NCR**



**Top 10 LGUs in terms of highest collection on Locally Sourced Revenues for CY 2004 as compared to their status in CY 2001**

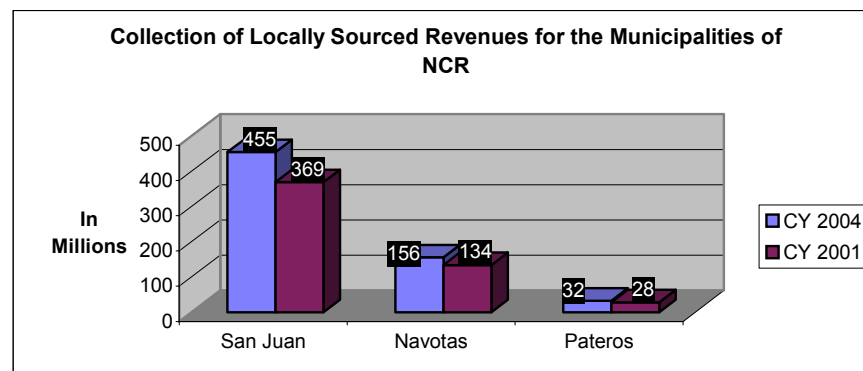
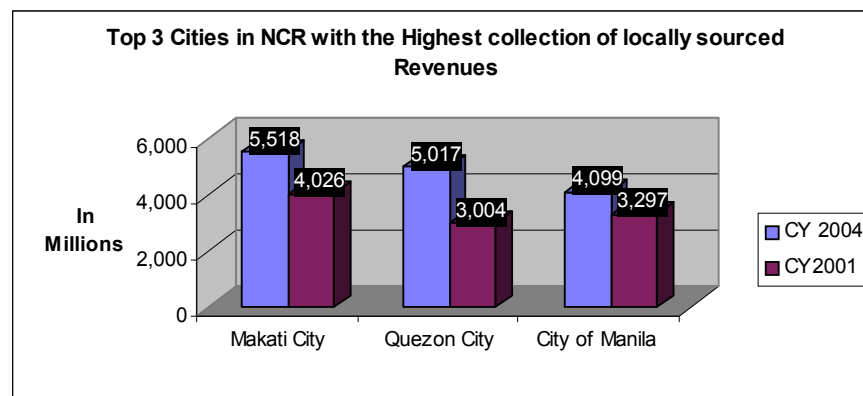
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National Capital Region (NCR)	CY 2004		CY 2001	
	RANK	TOTAL INCOME	RANK	TOTAL INCOME
<b>CITY</b>				
Makati City	1st	5,517,950,894	1st	4,025,747,594
Quezon City	2nd	5,017,075,110	3rd	3,003,845,840
City of Manila	3rd	4,098,495,303	2nd	3,296,995,880
Pasig City	4th	2,563,022,902	4th	1,937,781,943
Parañaque City	5th	1,257,408,350	5th	997,772,550
Mandaluyong City	6th	1,142,906,888	6th	903,198,305
Pasay City	7th	1,071,555,000	7th	819,900,000
Muntinlupa City	8th	928,983,761	9th	662,597,304
Kalookan City	9th	852,216,622	8th	731,062,490
Marikina City	10th	804,771,830	12th	420,090,000
<b>MUNICIPALITY</b>				
San Juan	1st	454,709,000	2nd	369,194,000
Navotas	2nd	155,708,998	3rd	133,994,187
Pateros	3rd	32,260,531	4th	28,064,384

**HIGHLIGHTS OF TOP TEN LGU'S IN THE NATIONAL CAPITAL REGION**

**HIGHLIGHTS**

- Makati City remained as the best collecting LGU of locally-sourced revenues with ₱5.52 billion in income. Quezon City followed closely with a collection of ₱5.02 billion and the City of Manila with ₱4.10 billion.
- In terms of growth rate however, Quezon City posted the highest increase of 67.02% from CY2001 to CY2004. During the same period, Makati City grew by 37.07% while the City of Manila pushed its collection up by 24.31%.
- San Juan ranks number one among the municipalities of NCR with ₱454.71 million in collection and also the highest growth in percentage increase.



**Top 10 LGUs in terms of highest collection on Real Property Tax for CY 2004 as compared to their status in CY 2001**

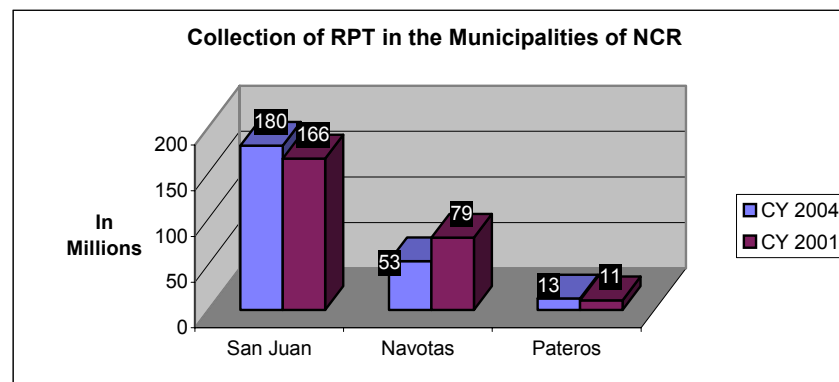
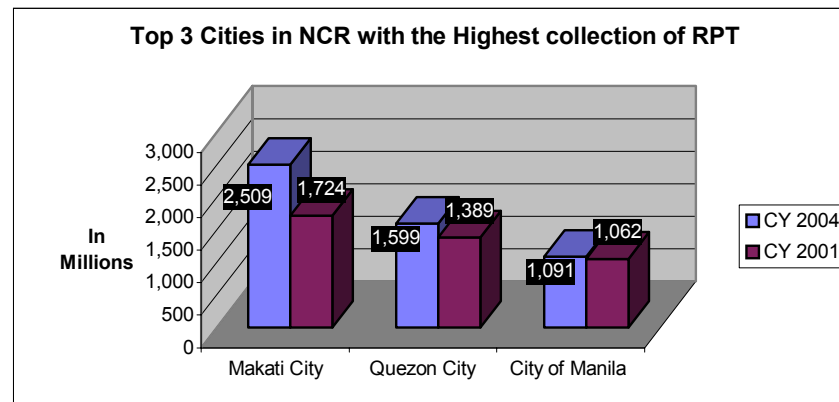
(P0.00)

National Capital Region (NCR)	CY 2004		CY 2001	
	RANK	TOTAL INCOME	RANK	TOTAL INCOME
<b>CITY</b>				
Makati City	1st	2,508,642,036	1st	1,723,611,778
Quezon City	2nd	1,599,089,600	2nd	1,389,175,560
City of Manila	3rd	1,091,135,381	3rd	1,061,806,716
Pasig City	4th	1,006,017,728	4th	832,186,692
Parañaque City	5th	691,056,140	5th	534,915,410
Pasay City	6th	490,602,000	6th	450,663,000
Mandaluyong City	7th	405,771,665	7th	338,426,613
Muntinlupa City	8th	404,045,793	8th	327,623,039
Marikina City	9th	403,136,500	12th	170,360,000
Valenzuela City	10th	386,807,346	10th	235,760,508
<b>MUNICIPALITY</b>				
San Juan	1st	179,916,000	2nd	165,556,000
Navotas	2nd	53,467,308	3rd	79,025,072
Pateros	3rd	12,520,238	4th	10,543,963

**HIGHLIGHTS OF TOP TEN LGU'S IN THE NATIONAL CAPITAL REGION**

**HIGHLIGHTS**

- The top three LGUs continued to occupy the same spot from CY2001 to CY2004 in terms of collection on real property taxes. On the 1<sup>st</sup> place is Makati City with ₱2.51 billion in collection followed by Quezon City with ₱1.60 billion and City of Manila with ₱1.09 billion.
- Noteworthy is the performance of Marikina City in CY2004 when it registered a sizable 136% increase or more than twice its collection in CY2001, moving its rank from 12<sup>th</sup> to 9<sup>th</sup> place.
- All municipalities in the NCR with the exception of Navotas increased its collection of RPT. San Juan remained the municipality with the highest collection in RPT



**Top 10 LGUs in terms of highest collection on Business Tax for CY 2004 as compared to their status in CY 2001 (P0.00)**

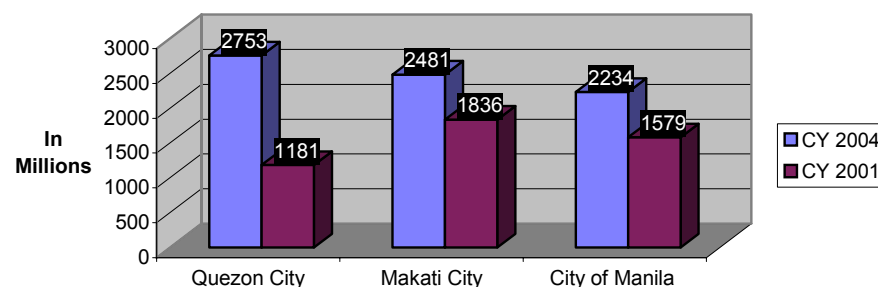
National Capital Region (NCR)	CY 2004		CY 2001	
	RANK	TOTAL INCOME	RANK	TOTAL INCOME
<b>CITY</b>				
Quezon City	1st	2,753,350,830	3rd	1,181,073,040
Makati City	2nd	2,480,830,542	1st	1,835,750,129
City of Manila	3rd	2,234,148,853	2nd	1,579,410,496
Pasig City	4th	1,099,280,205	4th	753,151,261
Mandaluyong City	5th	606,598,556	5th	458,744,328
Parañaque City	6th	493,087,040	6th	382,883,615
Muntinlupa City	7th	307,822,996	8th	228,435,766
Kalookan City	8th	299,029,324	7th	268,945,064
Valenzuela City	9th	289,903,327	11th	189,174,846
Pasay City	10th	251,542,000	9th	225,497,000
<b>MUNICIPALITY</b>				
San Juan	1st	201,829,000	1st	136,607,000
Navotas	2nd	57,879,665	3rd	33,968,526
Pateros	3rd	8,096,588	4th	6,465,758

**HIGHLIGHTS OF TOP TEN LGU'S IN THE NATIONAL CAPITAL REGION**

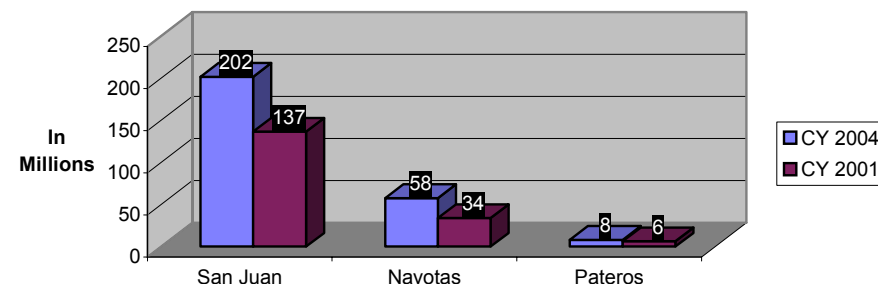
**HIGHLIGHTS**

- Quezon City chalked up a 133% increase in collection from business taxes amounting to ₱2.75 billion thus, improving its rank from 3<sup>rd</sup> in CY2001 to 1<sup>st</sup> place in CY2004.
- Makati City and the City of Manila both fell a notch below in CY2004 with collection reaching ₱2.48 billion and ₱2.23 billion, respectively.
- The Municipality of San Juan retained its number one position in all municipalities in NCR with a total collection of ₱201.83 million.

**Top 3 Cities in NCR with the Highest collection of Business Tax**



**Collection of Business Tax for the Municipalities of NCR**



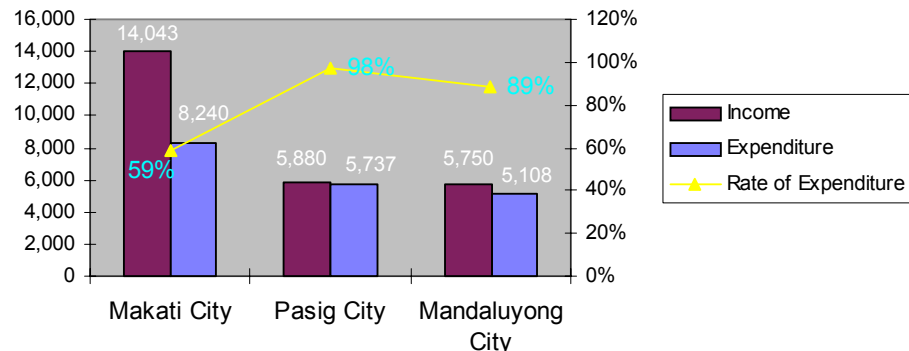
**Top 10 LGUs (NCR) with highest Income per Capita showing the Rate of Expenditures for CY 2004 (P0.00)**

NATIONAL CAPITAL REGION (NCR)	RANK	INCOME PER CAPITA	RANK	EXPENDITURE PER CAPITA	RATE OF EXPENDITURES
	(1)	(2)		(3)	(4) = (3) / (2)
<b>CITY</b>					
Makati City	1st	14,043	1st	8,240	58.7%
Pasig City	2nd	5,880	2nd	5,737	97.6%
Mandaluyong City	3rd	5,750	3rd	5,108	88.8%
City of Manila	4th	3,813	4th	3,695	96.9%
Parañaque City	5th	3,535	5th	3,322	94.0%
Pasay City	6th	3,512	8th	2,645	75.3%
Muntinlupa City	7th	3,297	7th	2,844	86.3%
Quezon City	8th	2,988	6th	2,987	99.9%
Marikina City	9th	2,871	10th	1,990	69.3%
Valenzuela City	10th	2,417	11th	1,941	80.3%
<b>MUNICIPALITY</b>					
San Juan	1st	4,415	1st	3,902	88.4%
Pateros	3rd	1,271	3rd	1,255	98.7%
Navotas	4th	1,201	4th	1,101	91.7%

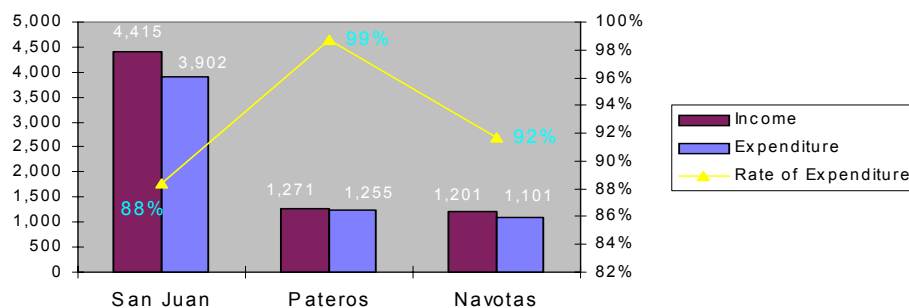
**HIGHLIGHTS**

- Having the highest per capita income for the NCR with ₱14,043, Makati City also has the highest expenditure with ₱8,240 however, its expenditure rate was the lowest among the region with only 58.7%.
- The same with Makati City, the Municipality of San Juan also has the highest income and expenditure per capita of ₱4,415 and ₱3,902, respectively but the lowest expenditure rate of 88.4%.

**Top 3 Highest Income per Capita in the NCR**



**Income per Capita of Municipalities in NCR**



**HIGHLIGHTS OF TOP TEN LGU'S IN THE NATIONAL CAPITAL REGION**



## ***CHAPTER V*** **NOTES ON THE INCOME CLASSIFICATION OF THE LOCAL GOVERNMENT UNITS**

Income classes are set by the Bureau of Local Government Finance as standards to measure the performance of each LGU. It provides the basis for the maximum amount expandable for salaries and wages, salary scales and rates of allowances, per diems, and other emoluments that the local government officials and personnel may be entitled to. It also dictates the number of Sanggunian members and policy direction implemented by the LGUs. The classifications play a major factor in pre-determining selection of LGUs which are qualified for foreign and local loans and grants, and serve as the basis for increase (decrease) of national allotment.

As mandated under Executive Order no. 249, sections 1 and 2, dated July 25, 1987, LGU income class bracketing will be evaluated and changed every four years with the exception of the City of Manila and Quezon City which shall remain as Special Class cities. Income ranges for each bracket will also be adjusted based on the Financial Statements of LGU in the last four years.

Per Department Order 20-05 of the Department of Finance dated July 29, 2005 the classification of provinces, cities and municipalities will be based on the following:

Type of LGU <sup>1/</sup>	Class	Average Annual Income
<b>PROVINCES</b> are the largest political unit in the country	First Second Third Fourth Fifth Sixth	P 350M or more P 280M or more but less than P 350M P 210M or more but less than P 280M P 140M or more but less than P 210M P 70M or more but less than P 140M Below P 70M
<b>CITIES</b> are also units of local administration created by a special law which serves as its charter	First Second Third Fourth Fifth Sixth	P 300M or more P 240M or more but less than P 300M P 180M or more but less than P 240M P 120M or more but less than P 180M P 60M or more but less than P 120M Below P 60M
<b>MUNICIPALITIES</b> are public corporation created by an Act of Congress and is governed by the Municipality Law	First Second Third Fourth Fifth Sixth	P 50M or more P 40M or more but less than P 50M P 30M or more but less than P 40M P 20M or more but less than P 30M P 10M or more but less than P 20M Below P 10M

1/ Definitions of the types of LGU from The 2002 LGU E-Governance Readiness Survey Report



**BUREAU OF LOCAL GOVERNMENT  
FINANCE**

**CENTRAL AND REGIONAL OFFICE DIRECTORY**



## CENTRAL OFFICE

Office/Division	Official
Office of the Executive Director	MA. PRESENTACION R. MONTESA Executive Director
	FLOSIO F. FANLO-TAYAG ICO-Deputy Executive Director for Administration & Concurrent Director of IIO
	NORBERTO G. MALVAR ICO-Deputy Executive Director for Operations
Local Finance Policy Enforcement Service / Field Operations & Examinations Group Service	JOSE ARNOLD M. TAN In-Charge of Office & Concurrent Director of PMS
International Administration Office	ARMI M. ADVINCULA In-Charge of Office
Planning and Policy Research Division	PERFECTA D. STOKES Planning Officer V
Financial Management Division	DIVINA M. CORPUZ Financial and Management Officer II
Local Government Loan Review Division	ALFREDO C. DELGADO Chief Local Treasury Examiner
Project Execution & Management Division	ANDRITO C. MENDOZA Development Management Officer V
Investigation and Prosecution Division	JIMMY B. MORALES Attorney V
Intelligence Division	GEORGE T. ROMA Intelligence Officer V
Local Tax Policy Research and Review Division	FELICIDAD R. APOLONIA Acting Chief
Plans and Programs Development Division	AMI MARY MAGDALENE B. SALVA Acting Chief
Project Monitoring Division	SHIRLEY A. MACALINTAL Acting Chief

<b>Office/Division</b>	<b>Official</b>
Real Property Assessment Examination Division	ESTELITO C. SANGALANG Acting Chief
Local Assessment Operations Division	MERCY N. SANTOS Acting Chief
Financial Operations Examination Division	LUZ S. GONZALES Acting Chief
Management Information & Data Systems Division	MA. FLORIZELDA A. ENRIQUEZ Acting Chief
Local Treasury Operations Division	CONSOLACION Q. AGCAOILI Acting Chief
Local Revenue Enforcement Division	MA. PAMELA P. QUIZON Acting Chief
Public Information and Assistance Division	LUZ N. VILLAPANDO Supervising Administrative Officer

## REGIONAL OFFICES

REGION	DIRECTORS/ ASST. DIRECTORS	CONTACT #
CAR (2 <sup>nd</sup> Floor, LBP Bldg. Harrison Road, Baguio City)	RICARDO T. CAWED ICO-Regional Director	(074) 442-8043 Fax 442-6704
REGION I (2 <sup>nd</sup> Floor, Mabanag Justice Hall Bldg., Gov. Luna Street, San Fernando City La Union)	PETER D. BALUYAN OIC-Regional Director OFELIA M. DE VERA OIC-Asst. Regional Director	(072) 242-7080 242-0503 Fax
REGION II (Cagayan Provincial Road, 17 Caritan Sur, Tuguegarao City, Cagayan)	ORLANDO L. MINA Regional Director TESSIE S. MANGACCAT OIC-Asst. Regional Director	(078) 844-6064 844-3305 846-1683 Fax
REGION III (Benigno Aquino Memorial Hall Provincial Capitol Compound, San Fernando City, Pampanga)	OSCAR H. MICLA Regional Director MA. LUNINGNING R. LLANTO OIC-Asst. Regional Director	(045) 961-3041 Fax 961-1343
REGION IV –A CALABARZON (Peoples Mansion Compound, Batangas City)	EDUARDO L. DEL ROSARO Regional Director	(043) 723-3015 980-0212 Fax
REGION IV –B MIMAROPA (Peoples Mansion Compound, Batangas City)	MANUEL E. LEYCANO, JR. OIC-Regional Director	(043) 723-3015 980-0212 Fax
REGION V (Former EIIB Building, Camp General Simeon Ola, Legazpi City)	VERONICA B. KING Regional Director FLORENCIO C. DIÑO II OIC-Asst. Regional Director	(052) 472-3666 (NAGA) 473-8177 480-7818
REGION VI (2 <sup>nd</sup> Floor, Phil. Veterans Bank Bldg., Corner Valeria-Delgado Streets, Iloilo City)	MELBA B. SULLIVAN OIC-Regional Director SUSAN C. GANANCIAL OIC-Asst. Regional Director	(033) 336-0348 Fax

<b>REGION</b>	<b>DIRECTORS</b>	<b>CONTACT #</b>
<b>REGION VII</b> (3 <sup>rd</sup> Floor, BF Building, N. Escario Street, Cebu City)	<b>CONCEPCION C. DAPLAS</b> OIC- Regional Director <b>RENEE T. EMPACES</b> Asst. Regional Director	(032) 412-6778 254-4152 256-2797 Fax
<b>REGION VIII</b> (2 <sup>nd</sup> Floor, Tri-Star Building, 170 Avenida Veteranos Street, Tacloban City)	<b>RENEE T. EMPACES</b> OIC-Regional Director <b>TERESITA S. ATUEL</b> OIC-Asst. Regional Director	(053) 321-2018 Fax 325-5029 325-7860
<b>REGION IX</b> (3 <sup>rd</sup> Floor, Ramon Tan Building, Campaner Street, Zamboanga City)	<b>TALIB A. TAPSI</b> ICO-Regional Director	(062) 991-2936 Fax 991-4927
<b>REGION X</b> (6 <sup>th</sup> Division, corner Tejero St. Cagayan de Oro City)	<b>CARMELAINE G. TUGAS</b> ICO-Regional Director <b>EDUARDO V. MANLANTAO</b> OIC-Asst. Regional Director	(088) 2273-7826 Fax (CTO) 2271-1886 858-3895
<b>REGION XI</b> (Helen K. Lee Building, corner Juan Luna & Juan dela Cruz Streets, Davao City)	<b>RAMONITA G. TUGAS</b> ICO-Regional Director <b>ZENAIDA A. TIPON</b> OIC-Asst. Regional Director	(082) 227-3118 221-3054 Fax
<b>REGION XII</b> (157 Sinsuat Avenue, Corner Gonzalo Javier Street, Cotabato City)	<b>JAIME R. VELASCO</b> ICO-Regional Director	(064) 421-3025 421-3615 Fax
<b>CARAGA</b> (Baladad Compound, J.C. Aquino Avenue, Libertad, Butuan City)	<b>ADULFO A. LLAGAS</b> ICO-Regional Director	(085) 342-6301 815-9474 Fax

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Publication Staff***

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