

**NET DEBT SERVICE CEILING AND BORROWING CAPACITY  
FY 2016**

(In Thousand Pesos)

Year	Average Locally Sourced Income (LSI)	Other Share from National Tax Coll.	IRA	Annual Regular Income (ARI)	Maximum Debt Service Capacity	Annual Amortization of Existing Loan <small>(Principal + Interest)</small>	Net Debt Service Ceiling	Borrowing Capacity
(1)	(2)	(3)	(4)	(2+3+4) (5)	(5 x 20%) (6)	(7)	(6-7) (8)	(8 x _____) (9)
2016	-	-	-	-	-	-	-	-

- Note: 1) **Debt Service Capacity** is computed in accordance with **Sec. 324b of the LGC**, which is 20% of the ARI.  
 2) **Annual Regular Income** for CY 2016 is determined based on the average locally sourced income and share from national tax collection for the past 3 years plus CY 2016 Final IRA DBM estimate.  
 3) Annual Amortization of existing loans were based from the availed loans from the \_\_\_\_\_  
 4) Net Borrowing Capacity is computed based on the annuity factor of \_\_\_\_\_ (\_\_\_\_%, \_\_\_ yrs).

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Date Prepared \_\_\_\_\_

**Note:** To be included as enclosure in the indorsement letter to be sent to BLGF-CO after the preliminary computation of Net Debt Service Ceiling and Borrowing Capacity.