

Income Classification
Per DOF Order No. 23-08, dated July 29, 2008

| No. | NCR | Classification |
|-----|------------------------------|-----------------------|
| 1. | CALOOCAN CITY | 1st |
| 2. | LAS PINAS CITY | 1st |
| 3. | MAKATI CITY | 1st |
| 4. | MALABON CITY | 1st |
| 5. | MANDALUYONG CITY | 1st |
| 6. | MANILA CITY | Special |
| 7. | MARIKINA CITY | 1st |
| 8. | MUNTINLUPA CITY | 1st |
| 9. | NAVOTAS CITY | 2nd |
| 10. | PARAÑAQUE CITY | 1st |
| 11. | PASAY CITY | 1st |
| 12. | PASIG CITY | 1st |
| 13. | QUEZON CITY | Special |
| 14. | SAN JUAN CITY | 1st |
| 15. | TAGUIG CITY | 1st |
| 16. | VALENZUELA CITY | 1st |
| | | |
| | CAR | |
| 17. | BAGUIO CITY | 1st |
| 18. | TABUK CITY | 5th |
| | | |
| | Region I | |
| 18. | ALAMINOS CITY | 4th |
| 19. | BATAC CITY | 5th |
| 20. | CANDON CITY | 4th |
| 21. | DAGUPAN CITY | 2nd |
| 22. | LAOAG CITY | 3rd |
| 23. | SAN CARLOS CITY (PANGASINAN) | 3rd |
| 24. | SAN FERNANDO CITY (LA UNION) | 3rd |
| 25. | URDANETA CITY | 2nd |
| 26. | VIGAN CITY | 4th |
| | | |
| | Region II | |
| 27. | CAUAYAN CITY | 3rd |
| 28. | ILAGAN CITY | 1st (as Municipality) |
| 29. | SANTIAGO CITY | 1st |
| 30. | TUGUEGARAO CITY | 3rd |
| | | |
| | Region III | |
| 31. | ANGELES CITY | 1st |
| 32. | BALANGA CITY | 4th |
| 33. | CABANATUAN CITY | 1st |
| 34. | GAPAN CITY | 4th |
| 35. | MABALACAT CITY | 3rd |
| 36. | MALOLOS CITY | 3rd |
| 37. | MEYCAUAYAN CITY | 3rd |
| 38. | MUNOZ CITY | 4th |
| 39. | OLONGAPO CITY | 1st |
| 40. | PALAYAN CITY | 5th |
| 41. | SAN FERNANDO CITY (PAMPANGA) | 1st |
| 42. | SAN JOSE CITY | 3rd |
| 43. | SAN JOSE DEL MONTE CITY | 1st |
| 44. | TARLAC CITY | 1st |
| | | |

Income Classification
Per DOF Order No. 23-08, dated July 29, 2008

| Region IV-A | | |
|-------------|-------------------------------|-----------------------|
| 45. | ANTIPOLO CITY | 1st |
| 46. | BACOR CITY | 1st (as Municipality) |
| 47. | BATANGAS CITY | 1st |
| 48. | BIÑAN CITY | 1st (as Municipality) |
| 49. | CABUYAO CITY | 1st (as Municipality) |
| 50. | CALAMBA CITY | 1st |
| 51. | CAVITE CITY | 4th |
| 52. | DASMARIÑAS CITY | 1st (as Municipality) |
| 53. | IMUS CITY | 3rd |
| 54. | LIPA CITY | 1st |
| 55. | LUCENA CITY | 2nd |
| 56. | SAN PABLO CITY | 1st |
| 57. | SAN PEDRO CITY | 3rd |
| 58. | STA. ROSA CITY | 1st |
| 59. | TAGAYTAY CITY | 2nd |
| 60. | TANAUAN CITY | 2nd |
| 61. | TAYABAS CITY | 6th |
| 62. | TRECE MARTIRES CITY | 4th |
| Region IV-B | | |
| 1 | CALAPAN CITY | 3rd |
| 2 | PUERTO PRINCESA CITY | 1st |
| Region V | | |
| 1 | IRIGA CITY | 4th |
| 2 | LEGAZPI CITY | 2nd |
| 3 | LIGAO CITY | 4th |
| 4 | MASBATE CITY | 4th |
| 5 | NAGA CITY (BICOL) | 2nd |
| 6 | SORSOGON CITY | 3rd |
| 7 | TABACO CITY | 4th |
| Region VI | | |
| 1 | BACOLOD CITY | 1st |
| 2 | BAGO CITY | 2nd |
| 3 | CADIZ CITY | 2nd |
| 4 | ESCALANTE CITY | 4th |
| 5 | HIMAMAYLAN CITY | 3rd |
| 6 | ILOILO CITY | 1st |
| 7 | KABANKALAN CITY | 1st |
| 8 | LA CARLOTA CITY | 4th |
| 9 | PASSI CITY | 4th |
| 10 | ROXAS CITY | 3rd |
| 11 | SAGAY CITY | 3rd |
| 12 | SAN CARLOS CITY (NEGROS OCC.) | 2nd |
| 13 | SILAY CITY | 3rd |
| 14 | SIPALAY CITY | 4th |
| 15 | TALISAY CITY (NEGROS OCC.) | 4th |
| 16 | VICTORIAS CITY | 4th |
| Region VII | | |
| 1 | BAIS CITY | 3rd |
| 2 | BAYAWAN CITY | 2nd |
| 3 | BOGO CITY | 6th |
| 4 | CANLAON CITY | 4th |

Income Classification
Per DOF Order No. 23-08, dated July 29, 2008

| | | |
|-------------|-----------------------------|---------------------------|
| 5 | CARCAR CITY | 5th |
| 6 | CEBU CITY | 1st |
| 7 | DANAO CITY | 3rd |
| 8 | DUMAGUETE CITY | 3rd |
| 9 | GUIHULNGAN CITY | 5th |
| 10 | LAPU-LAPU CITY | 1st |
| 11 | MANDAUE CITY | 1st |
| 12 | NAGA CITY (CEBU) | 5th |
| 13 | TAGBILARAN CITY | 3rd |
| 14 | TALISAY CITY (CEBU) | 3rd |
| 15 | TANJAY CITY | 4th |
| 16 | TOLEDO CITY | 3rd |
| Region VIII | | |
| 1 | BAYBAY CITY | 1st (as Municipality) |
| 2 | BORONGAN CITY | 1st (as Municipality) |
| 3 | CALBAYOG CITY | 1st |
| 4 | CATBALOGAN | 5th |
| 5 | MAASIN CITY | 4th |
| 6 | ORMOC CITY | 1st |
| 7 | TACLOBAN CITY | 1st |
| Region IX | | |
| 1 | DAPITAN CITY | 3rd |
| 2 | DIPOLOG CITY | 3rd |
| 3 | ISABELA CITY (BASILAN) | 4th |
| 4 | LAMITAN CITY | 6th |
| 5 | PAGADIAN CITY | 2nd |
| 6 | ZAMBOANGA CITY | 1st |
| Region X | | |
| 1 | CAGAYAN DE ORO CITY | 1st |
| 2 | EL SAVADOR CITY | 6th |
| 3 | GINGOOG CITY | 2nd |
| 4 | ILIGAN CITY | 1st* (as of 2005 reclass) |
| 5 | MALAYBALAY CITY | 1st |
| 6 | OROQUIETA CITY | 4th |
| 7 | OZAMIS CITY | 3rd |
| 8 | TANGUB CITY | 4th |
| 9 | VALENCIA CITY | 2nd |
| Region XI | | |
| 1 | DAVAO CITY | 1st |
| 2 | DIGOS CITY | 2nd |
| 3 | ISLAND GARDEN CITY OF SAMAL | 4th |
| 4 | MATI CITY | 5th |
| 5 | PANABO CITY | 3rd |
| 6 | TAGUM CITY | 1st |
| Region XII | | |
| 1 | KIDAPAWAN CITY | 3rd |
| 2 | KORONADAL CITY | 3rd |
| 3 | TACURONG CITY | 4th |
| 4 | COTABATO CITY | 3rd |
| 5 | GENERAL SANTOS CITY | 1st |
| 6 | MARAWI CITY | 4th |

Income Classification
Per DOF Order No. 23-08, dated July 29, 2008

| | Region XIII | |
|---|------------------------|-----|
| 1 | BAYUGAN CITY | 5th |
| 2 | BUTUAN CITY | 1st |
| 3 | CABADBARAN CITY | 6th |
| 4 | BISLIG CITY | 3rd |
| 5 | SURIGAO CITY | 3rd |
| 6 | TANDAG CITY | 6th |
| | | |



Republic of the Philippines
DEPARTMENT OF FINANCE
BUREAU OF LOCAL GOVERNMENT FINANCE

8th Floor EDC Building, BSP Complex, Roxas Boulevard, 1004 Manila
www.blgf.gov.ph | blgf@blgf.gov.ph | +63 2 527 2780 / 527 2790

2nd Indorsement
7 March 2018

Respectfully returned to the **Acting Regional Director, BLGF Region XIII**, Butuan City, is the herein 1st Indorsement dated 19 February 2018, forwarding the letter dated 5 February 2018 of Ms Marivic S. Tautoan, City Treasurer of Cabadbaran City, requesting for clarification relative to the income classification of Cabadbaran City.

It was represented that Cabadbaran City has been using the 5th income classification in their financial operations for the past years, which is not in accordance with this Bureau's Memorandum Circular (MC) No. 01-C(e)-08 dated 17 December 2011, that re-classified said city as 6th Income Class. Further, it was informed that adjustments on salaries of officials and employees were effected only in CY 2017, as 6th Income Class.

In this regard, it is informed that the income re-classification of provinces, cities and municipalities that was undertaken by this Bureau in 2008 was based on the certified average annual income of LGUs covering CYs 2004-2007, and in pursuance of Department of Finance (DOF) Department Order (DO) No. 23-08 dated 29 July 2008, that provided the income benchmarks for the re-classification, as follows:

| <u>Class</u> | <u>Average Annual Income</u> |
|---------------|--|
| <i>First</i> | <i>Php400M or more</i> |
| <i>Second</i> | <i>Php320M or more but less than Php400M</i> |
| <i>Third</i> | <i>Php240M or more but less than Php320M</i> |
| <i>Fourth</i> | <i>Php160M or more but less than Php240M</i> |
| <i>Fifth</i> | <i>Php80M or more but less than Php160M</i> |
| <i>Sixth</i> | <i>Below Php80M</i> |

Accordingly, MC No. 01-C(e)-08 was issued re-classifying Cabadbaran City as 6th Income Class on the basis of its average annual income for CYs 2004-2007 amounting to Php68.086M, and in accordance with the income benchmark of "*Below Php80M*" for 6th Class cities. Further, it is informed that the correct income classification of Tandag City is 6th Income Class, taking into consideration its average annual income of Php66.072 for CYs 2004-2007 which, likewise falls under the income benchmark of "*Below Php80M*" for 6th Class cities.

In view of the foregoing, it is hereby clarified that both Cabadbaran City and Tandag City shall remain 6th Income Class cities based on the income benchmarks provided for under the aforementioned DO No. 23-08, and shall continue to be in effect until reclassified.

Thus, that level is hereby instructed to inform the concerned local treasurers regarding the matter.


NIÑO RAYMOND B. ALVINA
OIC Executive Director
02636