

AMENDING SECTIONS TWO, THREE AND FIVE OF PRESIDENTIAL DECREE NUMBERED ONE HUNDRED AND FORTY-FOUR.

PRESIDENTIAL DECREE NO. 559, September 21, 1974

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WHEREAS, the barangays have time and again served as dependable government units at the grassroots level thru which the people express their collective decision on issues affecting the community;

WHEREAS, the barangays in concerted action have ably demonstrated their capacity to act as effective agents of reforms and vital forces in the political, economic, social and cultural development of the nation;

WHEREAS, to strengthen the barangays and accelerate the transformation of local governments into self-reliant and progressive communities, it is necessary to provide them with added financial resources;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order the following:

SECTION 1. Section 2 of Presidential Decree No. 144 issued on March 3, 1973 is hereby amended to read as follows:

"2. This allotment shall be distributed as follows: Thirty per centum (30%) to provinces Forty-five per centum (45%) to municipalities Twenty-five per centum (25%) to cities And, sixty-five million pesos (P65M) to the barangays "Starting the Fiscal Year 1976-77, however, the following allocations shall be followed: Twenty-five per centum (25%) to provinces Forty per centum (40%) to municipalities Twenty-five per centum (25%) to cities Ten per centum (10%) to barangays"

SEC. 2. Section 3 of Presidential Decree No. 144 is hereby amended to read as follows:

"3. The share of each province, city, and municipality shall be determined on the basis of the following formula:

Seventy per centum (70%) — Population

Twenty per centum (20%) — Land Area

Ten per centum (10%) — Equal Sharing

SEC. 3. Section 5 of Presidential Decree No. 144 is hereby amended to read as follows:

"5. There is hereby created a Barangay Development Fund to be constituted of the annual contributions of not exceeding P500 per barangay from each province, city and municipality, which fund shall be spent solely for community development projects which meet the requirements set fourth by the Secretary of Local Government and Community Development.

"The Provincial Treasurer shall be the custodian of this fund arid he shall maintain in his books a special account therefor. Releases of this fund shall be made through the Municipal Treasurer concerned who shall be responsible for the proper disbursement and accounting of the same."

SEC. 4. There is hereby inserted after Section 5 of Presidential Decree No. 144, a new Section to be designated as

Section 5-A which shall read as follows:

"SEC. 5-A. The amount set aside for the Barangays under this Decree shall be allotted and distributed annually by the President among the Barangays in accordance with the development plan of the province, city, municipality and barangay as approved by him to be spent exclusively for self-help projects and/or other development projects funded partially from the Barangay Development Fund established in Section 5 hereof.

"Under the general supervision of the Municipal Treasurer of the municipality where the barangay is located, the barangay treasurer shall be responsible for the proper disbursement and accounting of the annual allotments of the barangay and, for this purpose, he shall take up said annual allotments in a special account in the barangay general fund."

SEC. 5. As provided for in Section 9 of Presidential Decree No. 144, the Secretary of Finance shall issue the necessary rules and regulations for the prompt and effective implementation of this Decree.

SEC. 6. All acts, laws, decrees, orders, or part or parts thereof contrary to or inconsistent herewith are hereby revoked or modified accordingly.

SEC. 7. This Decree shall take effect upon approval.

Done in the City of Manila, this 21st day of September, in the year of Our Lord, nineteen hundred and seventy-four.

(Sgd.)

FERDINAND E. MARCOS

President of the Philippines

By the President:

(Sgd.)

ROBERTO V. REYES

Assistant Executive Secretary

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