Republic of the Philippines
DEPARTMENT OF FINANCE
DEPARTMENT OF BUDGET AND
MANAGEMENT
AND
DEPARTMENT OF THE INTERIOR AND
LOCAL GOVERNMENT

Joint Circular No. 2015–01
Date: Feb. 12, 2015

FOR: Heads of Departments (DOF-BTr, DBM, DILG-BFP)
LOCAL CHIEF EXECUTIVES, TREASURERS AND
ALL OTHERS CONCERNED

SUBJECT: GUIDELINES ON THE RELEASE OF THE TWENTY PERCENT
(20%) LGU SHARE FROM FIRE CODE REVENUES

1.0 Statement of Policy

1.1 Section 2 of RA 9514 (Fire Code of the Philippines of 2008) provides that it is the policy of the State to ensure public safety, promote economic development through the prevention and suppression of all kinds of destructive fires, and promote the professionalization of the fire service as a profession. Towards this end, the State shall enforce all laws, rules and regulations to ensure adherence to standard fire protection and prevention service.

1.2 The twenty percent (20%) LGU share from all taxes, fees, fines collected by BFP shall be set aside and retained for use by the city or municipal government concerned, which shall appropriate the same exclusively for the use of the operation and maintenance of its local fire station, including the construction and repair of fire station.

2.0 Purpose

2.1 To provide the guidelines in the release of the twenty percent (20%) share of the LGUs in the Fire Code Revenues collected by the Bureau of Fire Protection.

2.2 To delineate the responsibilities of DILG-BFP, DOF-BTr and DBM relative to the release of twenty percent (20%) share of the LGUs in the Fire Code Revenues.
3.0 **Definition of Terms**

For purposes of this Circular, the following terms shall mean and be construed as indicated:

**Fire Code Revenue.** The income generated from the collection of fire code taxes, fees, charges and fines.

**Twenty Percent (20%) LGU Share.** The percentage of fire code revenue to be set aside for use by the city or municipal government concerned. The LGU concerned shall appropriate the same exclusively for the use of the operation and maintenance of its local fire stations including the construction and repair of fire station in the LGU where the revenue was generated (Sec 13 of RA 9514).

**Special Budget Request (SBR).** A communication addressed to the Department of Budget and Management for the release of a certain budget solely for where it is intended.

**Special Allotment Release Order (SARO).** A specific authority issued to the identified agencies to incur obligations not exceeding a given amount during a specified period for the purpose indicated. It shall cover expenditures the release of which is subject to compliance with specific laws or regulations, or is subject to separate approval or clearance by competent authority.

**Notice of Cash Allocation (NCA).** Cash authority issued by the DBM to central, regional and provincial offices and operating units through the authorized government servicing banks, to cover the cash requirement of the agencies.

4.0 **General Guidelines**

4.1 The BFP shall, upon coordination with the BTr, determine the consolidated annual income collection from fire code fees from 2010 i.e., the time when the IRR of the Fire Code of the Philippines of 2008 or RA 9514 was issued, up to December 31, 2013.

4.2 BFP shall compute the 20% share of each particular LGU based on the actual fire code collection and request for the release of the computed amount from the DBM.

4.3 DBM shall release the SARO and NCA corresponding to the 20% share of LGUs in the fire code fees collection to the BFP.

4.4 BFP shall execute an Authority to Debit Account (ADA), in the form prescribed in Annex ‘A’ hereof, to authorize its MDS-Authorized Government Servicing Bank to release the funds to each specific LGU entitled to the corresponding 20% share of collections generated within their respective areas from 2010-2013.

4.5 CY 2014 collections which shall be released in CY 2015 will be directly released by the DBM to the LGU following the ADA scheme under DOF-DBM Joint Circular No. 2013-1 dated September 16, 2013 upon submission of request by the BFP.
5.0 **Responsibilities**

5.1 The Bureau of Fire Protection shall:

5.1.1 Consolidate and compare the Fire Code Fees Estimates and actual Fire Code Fees collected from each station.

5.1.2 Analyze the variances in estimated collection vis-à-vis actual income generated by the BFP and factor these data as part of the performance indicator of the specific fire station.

5.1.3 Segregate the amount corresponding to fire code fees from the total collections reflected on the Abstract of National Collection (ANC) and certificate of remittance provided by the BTr vis-à-vis BFP accounting records.

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

5.1.4.1 A specific breakdown of LGUs with their corresponding shares;

5.1.4.2 The Certificate of Collection and Deposit from the BTR; and

5.1.4.3 Certificate of Remittance from city/municipal Treasurers.

5.1.5 Execute an Authority to Debit Account (ADA), in the form prescribed in Annex 'A' hereof, to authorize its MDS-Authorized Government Servicing Bank to release the twenty percent (20%) share to the concerned LGUs upon release of SARO/NCA from DBM for collections from CY 2010-2013.

5.1.6 Ensure that twenty percent (20%) share in fire code fees shall be for the improvement and maintenance of fire stations to include acquisition of firefighting equipment, service vehicles, investigative equipment, rescue equipment, office equipment, office furnishings & fixtures and construction/repair of fire stations.

5.2 The Bureau of the Treasury shall:

5.2.1 Provide BFP with the Abstract of National Collections (ANC) on a regular basis. The ANC for each month shall be provided not later than sixty (60) days following the end of applicable month.

5.2.2 Issue a Certificate of Collections and Deposit to the BFP to serve as supporting documents for its request for release of SARO and NCA.

5.3 The Department of Budget and Management shall:

5.3.1 Release the SARO and NCA to the BFP upon receipt of the SBR together with all the supporting documents such as:
5.3.1.1 A specific breakdown of LGUs with their corresponding shares;

5.3.1.2 The Certificate of Collection and Deposit from the BTR; and

5.3.1.3 Certificate of Remittance from city/municipal Treasurers.

5.3.2 Shall monitor BFP’s collection trend on a year-to-year basis for purposes of revenue programming and analysis.

5.3.3 Require BFP to submit regular reports on improvement of facilities and inventory of equipment/items provided to the LGUs to serve as guide on the total resources available to fire station.

6.0 Saving Clause

Any request for clarification on any provision of this Joint Circular shall be referred to the Bureau of Fire Protection which shall resolve the matter in coordination with the Department of Budget and Management and the Bureau of the Treasury.

7.0 Repealing Clause

Any rule or regulation inconsistent with the provisions of this Joint Circular is hereby repealed or modified accordingly.

8.0 Separability Clause

If any provision of this Joint Circular is declared invalid by a competent Court, other provisions hereof which are not affected shall continue to be in full effect.

9.0 Effectivity

This Joint Circular shall take effect immediately.

CESAR V. PURISIMA  
Secretary  
Department of Finance

FLORENCIO B. ABAD  
Secretary  
Department of Budget and Management

MAR ROXÁS  
Secretary  
Department of the Interior and Local Government
ADVANCE/AUTHORITY TO DEBIT ACCOUNT

Debit Memo No. __________________ Date __________________

To: ____________________ (MSD-GSB Servicing Bank of the Agency)

Please Debit:

MDS Sub-Account Number __________________

and Credit the account of:
(For two (2) or more retirees, please see attached list)

Retiree’s Name __________________

Current Acct. /Savings Acct.
Number __________________

to cover payment for:

- [ ] Retirement Gratuity Benefits ... __________________
- [ ] Terminal Leave Benefits ... __________________

TOTAL __________________

In the amount of ____________________ (________________)

(Amount in Words)

Authorized Signatories:

__________________  ____________________

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