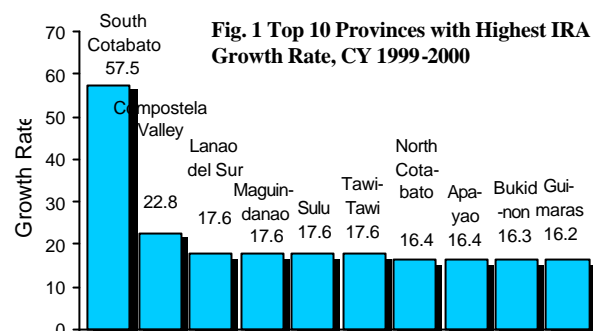




Did you know that...

... in 2000, South Cotabato had the highest increase in IRA nationwide?

South Cotabato's Internal Revenue Allotment (IRA) has substantially rose by more than half, from 1999 to 2000, while the rest of the provinces in the country had an average of 15 percent increment in their allocation. This IRA increase from P197 million in 1999 to P310 million in 2000, has zoomed the area's rank from 57th province with the biggest IRA, to 33rd.



**Table 1. Internal Revenue Allotment (IRA) a/, Mindanao
CY 1999 - 2000**

PROVINCE	1999		2000		1999-2000	
	Million Pesos	Rank	Million Pesos	Rank	Growth Rate	Rank
Philippines	22,535.5		25,968.0		15.2	
Region IX						
Basilan	162.9	66	188.9	65	16.0	16
Zamboanga del Norte	377.5	20	432.7	20	14.6	53
Zamboanga del Sur	464.9	10	536.0	12	15.3	35
Region X						
Bukidnon	416.5	16	484.5	16	16.3	9
Camiguin	95.1	77	108.8	77	14.4	62
Misamis Occidental	206.5	54	237.5	54	15.0	45
Misamis Oriental	243.0	43	280.8	41	15.5	25
Region XI						
Davao del Norte	262.3	34	292.8	36	11.6	75
Davao del Sur	285.9	30	330.3	30	15.5	23
Davao Oriental	252.4	37	292.1	37	15.7	19
South Cotabato	196.6	57	309.5	33	57.5	1
Saranggani	267.8	33	227.8	57	(14.9)	78
Compostela Valley	223.4	51	274.3	45	22.8	2
Region XII						
Lanao del Norte	225.9	49	258.6	50	14.5	61
North Cotabato	369.6	21	430.3	21	16.4	7
Sultan Kudarat	250.6	39	291.1	38	16.1	12
A.R.M.M.						
Lanao del Sur	339.9	24	399.8	23	17.6	3
Maguindanao	287.3	29	337.9	28	17.6	4
Sulu	186.2	60	219.0	58	17.6	5
Tawi-Tawi	129.3	73	152.1	73	17.6	6
Caraga						
Agusan del Norte	188.8	58	215.7	60	14.2	68
Agusan del Sur	323.9	25	376.0	25	16.1	14
Surigao del Norte	246.1	41	263.6	48	7.1	77
Surigao del Sur	256.1	36	295.1	35	15.2	39

Following far behind from South Cotabato was Compostela Valley with a 22.8 percent growth in IRA, from P223 million in 1999 to P274 million in 2000. Meanwhile, eight of the top 10 provinces with highest IRA increase were from Mindanao namely, Lanao del Sur, Maguindanao, Sulu, and Tawi-Tawi, with 17.6 growth, each; North Cotabato, with 16.4 percent; Bukidnon, with 16.3 percent; and, Sultan Kudarat and Agusan del Sur which both had a 16.1 percent rise.

On the other hand, Saranggani, the only province whose IRA declined, by 14.9 percent, is also from Mindanao. Surigao del Norte and Davao del Norte, also from the south, were among the 10 provinces with the least IRA growth in 2000.

The IRA is one of the sources of funds for Local Government Units (LGUs) which is derived from 40 percent of the national internal revenue tax collections actually realized during the third fiscal year preceding the current fiscal year. Other sources of funds are the tax and non-tax receipts received by LGUs.

Most of the provinces largely depend on IRA as their primary source of financial resources. In Mindanao, this is evident in Tawi-Tawi, Sulu, and Lanao del Sur which had IRA dependency of 99.7, 99.6 and 95.0 percent, respectively. In Southern Mindanao, however, Saranggani was the most dependent on IRA with 90.7 percent of its financial resources in 2000 coming from the allocation. This was followed by Davao Oriental

a/ excludes amount accruing directly to the municipalities and cities in the province.

Source of data:

The Countryside in Figures: 2000 Edition, National Statistical Coordination Board

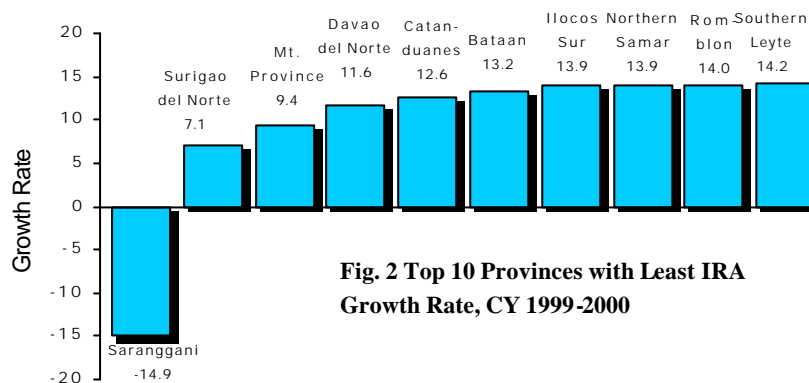


Fig. 2 Top 10 Provinces with Least IRA Growth Rate, CY 1999-2000

Table 2. Percent of IRA to Total Financial Resources, Mindanao CY 1999-2000

PROVINCE	1999		2000	
	Percent	Rank	Percent	Rank
Philippines				
Region IX				
Basilan	93.1	58	31.4	3
Zamboanga del Norte	83.8	31	39.3	6
Zamboanga del Sur	89.9	49	39.2	4
Region X				
Bukidnon	72.9	22	71.4	27
Camiguin	97.2	72	83.7	46
Misamis Occidental	90.9	53	84.6	52
Misamis Oriental	66.7	20	73.8	29
Region XI				
Davao del Norte	64.6	19	82.5	43
Davao del Sur	86.6	39	77.3	32
Davao Oriental	94.5	63	83.8	47
South Cotabato	39.6	4	53.4	15
Saranggani	118.5	78	90.7	66
Compostela Valley	100.0	76	51.2	13
Region XII				
Lanao del Norte	61.5	15	54.8	16
North Cotabato	88.9	45	84.9	55
Sultan Kudarat	91.0	55	84.8	54
A.R.M.M.				
Lanao del Sur	100.0	76	95.0	75
Maguindanao	58.8	13	46.2	9
Sulu	98.4	74	96.6	77
Tawi-Tawi	89.8	48	99.7	78
Caraga				
Agusan del Norte	87.4	41	56.0	17
Agusan del Sur	78.6	27	69.6	26
Surigao del Norte	49.9	8	50.1	12
Surigao del Sur	91.2	56	81.5	41

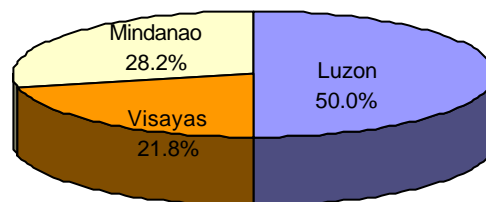
Source of data:
The Countryside in Figures: 2000 Edition
National Statistical Coordination Board

and Davao del Norte with percent dependency of 83.8 and 82.5, respectively. South Cotabato, which received an impressive 57.5 growth in IRA, relied on the allocation for only 53.8 percent of its funds.

Nonetheless, there were provinces in Mindanao which did not substantially depend on IRA, such as Basilan, Zamboanga del Norte, Zamboanga del Sur, and Maguindanao. Meanwhile, Compostela Valley's IRA dependency declined in 2000 due to a significant non-tax revenue collection of P28.5M during the year, compared to zero collections in 1999.

Notably, half of the IRA in 2000 went to LGUs in Luzon. Only 21.8 percent went to Visayas, and 28.2 percent to Mindanao.

Fig. 3 Distribution of IRA by Major Island Group: CY 2000



The amount allocated for IRA is distributed for funds of *Guaranteed Share*, referring to finances for devolved national functions and city funded hospitals, funding requirements of LGUs' programs and projects or the *Local Government Service Equalization Fund (LGSEF)*. After deducting the total allotted amount for *Guaranteed Share* and *LGSEF*, the balance is divided among provinces, (23 percent); cities, (23 percent); municipalities, (34 percent) and barangays (20 percent). The allotted amount for each LGU is distributed based on the LGU's size of population, (20 percent); land area, (25 percent); and equal sharing, (25 percent).