

**[PRESIDENTIAL DECREE NO. 1230, November 04,
1977]**

**AMENDING SECTION 86, PARAGRAPH (b) OF PRESIDENTIAL
DECREE NUMBERED FOUR HUNDRED SIXTY FOUR, OTHERWISE
KNOWN AS THE REAL PROPERTY TAX CODE.**

WHEREAS, barangays depend largely upon their shares in real property tax collections to maintain their operational requirements;

WHEREAS, under the present allocation of the real property tax, barangays located in cities receive ten per cent of the annual collections, while the barangays in municipalities receive only five per cent of the provincial and municipal collections;

WHEREAS, in order to strengthen the barangays in the rural areas and to provide them with more funds for priority development projects, there is a need to amend the pertinent provisions of PD 464, otherwise known as the Real Property Tax Code;

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

SECTION 1. Sub-paragraph (1), Section 86 (b), of P.D. 464, is hereby repealed and in lieu thereof, a new paragraph is hereby inserted in the aforesaid Section of the Decree to read as follows :

"Sec. 86. Distribution of proceeds. * * *

"(b) Barangay shares in real property tax collections. Beginning January 1, 1978 and thereafter, the annual shares of the barangays in the basic real property tax collections shall be as follows:

(1) Ten per cent of the total annual collections of the province and the municipality shall accrue to the barangay where the property subject to the tax is located.

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SEC. 2. All laws or parts of laws contrary to or inconsistent with, this Decree are hereby repealed, amended or modified accordingly.

SEC. 3. This Decree shall take effect January 1, 1978.

Done in the City of Manila, this 4th day of November, in the year of Our Lord, nineteen hundred and seventy-seven.

**(Sgd.) FERDINAND E.
MARCOS**
President of the Philippines

By the President: