

[REPUBLIC ACT NO. 9009, February 24, 2001]

AN ACT AMENDING SECTION 450 OF REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE LOCAL GOVERNMENT CODE OF 1991, BY INCREASING THE AVERAGE ANNUAL INCOME REQUIREMENT FOR A MUNICIPALITY OR CLUSTER OF BARANGAYS TO BE CONVERTED INTO A COMPONENT CITY

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 450 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, is hereby amended to read as follows:

"SEC. 450. *Requisites for Creation.* -

a. A municipality or a cluster of barangays may be converted into a component city if it has a locally generated average annual income, as certified by the Department of Finance, of at least One hundred million pesos (P100,000,000) for the last two (2) consecutive years based on 2000 constant prices, and if it has either of the following requisites:

- i. a contiguous territory of at least one hundred (100) square kilometers, as certified by the Land Management Bureau; or
- ii. a population of not less than one hundred fifty thousand (150,000) inhabitants, as certified by the National Statistics Office.

The creation thereof shall not reduce the land area, population and income of the original unit or units at the time of said creation to less than the minimum requirements prescribed herein.

- b. The territorial jurisdiction of a newly-created city shall be properly identified by metes and bounds. The requirement on land area shall not apply where the city proposed to be created is composed of one (1) or more islands. The territory need not be contiguous if it comprises two (2) or more islands.
- c. The average annual income shall include the income accruing to the general fund, exclusive of special funds, transfers, and non-recurring income."

SEC. 2. *Repealing Clause.* - All laws, decrees, orders, rules and regulations, and other issuances or parts thereof, which are inconsistent with this Act, are hereby repealed or modified accordingly.