



REPUBLIC OF THE PHILIPPINES
Department of Budget and Management
Boncodin Hall, General Solano Street, San Miguel, Manila



LOCAL BUDGET CIRCULAR

No. 102
January 17, 2013

TO : Provincial Governors; City and Municipal Mayors;
Sangguniang Panlalawigan/Panlungsod/Bayan Members;
Provincial/City/Municipal Treasurers/Budget Officers/
Auditors; and Other Officials Concerned

SUBJECT : Rules and Regulations on the Grant of Representation and
Transportation Allowances

1.0 Background

- 1.1 Item (4)(g)(i) of the Senate and House of Representatives Joint Resolution (JR) No. 4¹, s. 2009, lists the Representation and Transportation Allowances among the Specific-Purpose Allowances and Benefits under the Total Compensation Framework of the Compensation and Position Classification System established under Republic Act (R.A.) No. 6758², as amended. These are granted to government officials down to division chiefs at monthly standard rates in order to defray representation and transportation expenses while in the actual performance of the duties and responsibilities of their positions.
- 1.2 Item (7)(b) of JR No. 4 further provides that the rates of Representation and Transportation Allowances shall be determined on the basis of the income class of each local government unit (LGU).
- 1.3 Section 45 of the General Provisions of R.A. No. 10352, the FY 2013 General Appropriations Act (GAA), provides new rates of Representation and Transportation Allowances, as well as the policies governing the grant thereof. It further provides that the RATA for local government officials equated to national government officials entitled to RATA "shall be at the same percentages as the salary rates under R.A. No. 6758, as amended."

¹ JR No. 4 - "Joint Resolution Authorizing the President of the Philippines to Modify the Compensation and Position Classification System of Civilian Personnel and the Base Pay Schedule of Military and Uniformed Personnel in the Government, and for other Purposes," approved on June 17, 2009

² RA No. 6758 - "An Act Prescribing a Revised Compensation and Position Classification System in the Government and for Other Purposes," dated August 21, 1989

2.0 Purpose

This Circular is issued to prescribe rationalized and updated rules and regulations on the grant of Representation Allowance (RA) and Transportation Allowance (TA) or RATA.

3.0 Coverage

This Circular covers the regular positions for the following:

- 3.1 Local Chief Executives;
- 3.2 Local Vice Chief Executives;
- 3.3 *Sanggunian* Members, including Ex-Officio Members;
- 3.4 Department Heads;
- 3.5 Assistant Department Heads;
- 3.6 Chiefs of Hospital; and
- 3.7 Division Chiefs in Special Cities.

4.0 Equivalent Ranks to National Government Officials

Annex "A" hereof lists the positions for LGU officials of equivalent ranks to positions for national government officials entitled to RATA.

5.0 Authorized Monthly RATA Rates

- 5.1 The authorized maximum monthly rates for each type of allowance, consistent with sub-items 1.2 and 1.3, are indicated in Annex "B."
- 5.2 In line with Section 45 of the General Provisions of R.A. No. 10352, no amount of RA or TA which exceed the authorized rates may be granted to LGU officials.
- 5.3 In case of insufficiency of funds to fully implement the RATA rates, the same may be granted partially at a uniform percentage of the RATA rates for all positions concerned within an LGU.

6.0 RATA for Incumbents of Regular Positions

- 6.1 For Incumbents Who Are Not Assigned or Who Do Not Use Government Motor Transportation
 - 6.1.1 The commutable RATA for the month shall be granted to incumbents of regular positions entitled to RATA.

6.1.2 To rationalize the grant of RATA based on actual performance in a month, and considering that these allowances should be spent prudently, the commutable RATA shall be pro-rated based on the number of days of actual work performance on workdays, exclusive of leaves of absence with pay. The RATA Schedule³ follows:

Number of Workdays of Actual Work Performance in a Month	Actual RATA for a Month
1 to 6 workdays	25% of the monthly RATA
7 to 12 workdays	50% of the monthly RATA
13 to 18 workdays	75% of the monthly RATA
19 workdays and more	100% of the monthly RATA

6.2 For Incumbents Who Are Assigned or Who Use Motor Transportation

6.2.1 Those who are assigned or who use government motor transportation shall no longer be entitled to the commutable TA, but only to the commutable RA for the month.

6.2.2 The grant of commutable RA shall be pro-rated based on the number of days of actual work performance on workdays, exclusive of leaves of absence with pay. The RA Schedule follows:

Number of Workdays of Actual Work Performance in a Month	Actual RA for a Month
1 to 6 workdays	25% of the monthly RA
7 to 12 workdays	50% of the monthly RA
13 to 18 workdays	75% of the monthly RA
19 workdays and more	100% of the monthly RA

6.2.3 Upon issuance of a government motor transportation, an official shall no longer be entitled to TA. In exceptional cases when an official is prevented from the use of a government motor transportation for 3 days or more, such as when the motor vehicle undergoes repair and a replacement vehicle is not provided, the grant of commutable TA may be allowed, pro-rated based on the number of days of actual work

³ To illustrate the application of the RATA schedule:

Official with Corresponding Number of Workdays of Actual Work Performance in a Month	Actual RATA for a Month
Official A – 5 workdays	25% of the monthly RATA
Official B – 8 workdays	50% of the monthly RATA
Official C – 15 workdays	75% of the monthly RATA
Official D – 23 workdays	100% of the monthly RATA

performance on workdays, exclusive of leaves of absence with pay. The TA Schedule follows:

Number of Workdays of Actual Work Performance in a Month Without an Official Vehicle	Actual TA for a Month
3 to 6 workdays	25% of the monthly TA
7 to 12 workdays	50% of the monthly TA
13 to 18 workdays	75% of the monthly TA
19 workdays and more	100% of the monthly TA

7.0 RATA for OICs of Regular Positions

7.1 For OICs Who Are Not Assigned or Who Do Not Use Government Motor Transportation

7.1.1 An OIC of a position, authorized in an LGU staffing pattern and entitled to RATA, may be allowed to collect the RATA for the position on a reimbursable basis, if stipulated in the office order designating him/her as such.

7.1.2 The provisions of sub-item 6.1.2 shall apply.

7.2 For OICs Who Are Assigned or Who Use Government Motor Transportation – The provisions of sub-items 6.2.1, 6.2.2, and 6.2.3 shall apply.

8.0 RATA While on Concurrent Capacity

When an incumbent entitled to RATA in his/her position is subsequently designated as OIC of a higher position in concurrent capacity, he/she shall be entitled to the difference between the RATA of the two positions. When an incumbent is designated as OIC of a lower position in concurrent capacity, no additional RATA may be collected.

9.0 While on Full-Time Detail or Re-Assignment

9.1 An official shall not be entitled to RATA while on full-time detail to another government agency or on re-assignment within the same agency or to a special project, as mandated or as a direct consequence of law or office order, or personnel action based on his/her voluntary action and consent.

9.2 However, when the duties and responsibilities of the official under sub-item 9.1 are comparable with those of his/her regular position, as certified by the local chief executive concerned, he/she may be

authorized to continue to collect RATA, subject to the availability of funds.

10.0 While on Scholarship/Study/Training Grant

- 10.1 An official shall not be entitled to RATA while on full-time attendance in a long-term scholarship/study/training grant or similar activity since he/she is unable to perform the duties and responsibilities of his/her position.
- 10.2 However, an official may be authorized to continue to collect RATA on a reimbursable basis, subject to the availability of funds, under the following conditions:
 - 10.2.1 attendance in the study/training or similar activity is short-term;
 - 10.2.2 the study/training is aimed to directly enhance the performance of the duties and responsibilities of the position; and
 - 10.2.3 the study/training requires frequent interaction, coordination, and mobility in order to fulfill the requirements of the course, for which expenses are not covered by the study/training grant as certified by the agency head.

11.0 RATA for Certain Devolved Employees

- 11.1 For an Incumbent of a Devolved Position of Rural Health Physician

The RATA for an incumbent of a devolved position of Rural Health Physician, SG-24, shall be governed by the pertinent rules under the Department of Budget and Management (DBM) and Department of Health (DOH) Joint Circular (JC) No. 1⁴, s. 2012, dated November 29, 2012.

- 11.2 For an Incumbent of a Devolved Position of Municipal Agricultural Officer

- 11.2.1 The incumbent of a devolved position of Municipal Agricultural Officer, SG-20, shall continue to be entitled to RATA in the total amount of P2,200 per month, which he/she received as of the devolution to an LGU, consistent with the policy on no diminution of benefits of devolved personnel as provided under Executive Order No. 503 issued on January 22, 1992.
- 11.2.2 Upon appointment to an LGU organic position, the former devolved Municipal Agricultural Officer shall no longer be entitled to the P2,200 per month RATA but to the RATA for his/her new position, if any.

⁴DBM- DOH JC No. 1 - "Rules and Regulations on the Grant of Compensation-Related Magna Carta Benefits to Public Health Workers (PHWs)"

11.2.3 A new appointee to the position of Municipal Agricultural Officer shall no longer be entitled to RATA.

12.0 Fund Source and Limitation on RATA Expenditure

The amounts required for the grant of RATA shall be charged to LGU budgets for the purpose. The grant of RATA is subject to the 45%/55% limitation on Personal Services expenditure as mandated under Section 325(a), R.A. No. 7160, "*Local Government Code of 1991.*"

13.0 Responsibilities of Local Chief Executives

Local Chief Executives shall be held responsible for the proper implementation of this Circular. They shall be held liable for any grant of RATA not in accordance with the provisions of this Circular, without prejudice, however, to the refund of any undue payments received by the officials and employees concerned.

14.0 Saving Clause

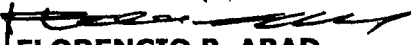
Cases not covered by the provisions of this Circular shall be referred to the Department of Budget and Management for resolution.

15.0 Repealing Clause

All provisions of existing circulars or issuances on the grant of RATA that are inconsistent with the provisions of this Circular are hereby repealed or superseded accordingly.

16.0 Effectivity

This Circular shall take effect January 1, 2013.


FLORENCIO B. ABAD
Secretary

**Positions for Local Government Officials of Equivalent Ranks
to Positions for National Government Officials Entitled to RATA**

LGUs	Positions for National Government Officials						
	Department Secretary, SG-31	Department Undersecretary, SG-30	Department Assistant Secretary, SG-29	Director IV, SG-28 Bureau Director)	Director III, SG-27 (Assistant Bureau Director)	Director I, SG-25 (Assistant Bureau Regional Director)	Division Chief, SG-24
	Positions for Local Government Officials						
Provinces		Provincial Governor, SG-30	Provincial Vice Governor, SG-28		<i>Sangguniang Panlalawigan</i> Member, SG-27 Provincial Government Department Head, SG-26	Provincial Government Assistant Department Head, SG-24	Chief of Hospital II, SG-25 Chief of Hospital I, SG-24
Special Cities (Manila and Quezon City)	City Mayor, SG-30	City Vice Mayor II, SG-28		<i>Sangguniang Panlungsod</i> Member II, SG-27 City Government Department Head III, SG-27	City Government Assistant Department Head III, SG-25		Division Chief, SG-24
Highly Urbanized Cities		City Mayor, SG-30	City Vice Mayor II, SG-28		<i>Sangguniang Panlungsod</i> Member II, SG-27 City Government Department Head II, SG-26	City Government Assistant Department Head II, SG-24	Chief of Hospital II, SG-25 Chief of Hospital I, SG-24
Component Cities			City Mayor, SG-30	City Vice Mayor I, SG-26		<i>Sangguniang Panlungsod</i> Member I, SG-25 City Government Department Head I, SG-25	Chief of Hospital II, SG-25 Chief of Hospital I, SG-24 City Government Assistant Department Head I, SG-23
Municipalities Within Metropolitan Manila				Municipal Mayor II, SG-28	Municipal Vice Mayor II, SG-26	<i>Sangguniang Bayan</i> Member II, SG-25 Municipal Government Department Head II, SG-25	Municipal Government Assistant Department Head II, SG-23
Municipalities Outside Metropolitan Manila				Municipal Mayor I, SG-27	Municipal Vice Mayor I, SG-25	<i>Sangguniang Bayan</i> Member I, SG-24 Municipal Government Department Head I, SG-24	Municipal Government Assistant Department Head I, SG-22

**Maximum Monthly Representation Allowance or Transportation Allowance
Effective January 1, 2013
(in Pesos)**

<u>Position Title and Salary Grade</u>	<u>1st Class</u>	<u>2nd Class</u>	<u>3rd Class</u>	<u>4th Class</u>	<u>5th Class</u>	<u>6th Class</u>
A. Provincial Government	<u>100%</u>	<u>95%</u>	<u>90%</u>	<u>85%</u>	<u>80%</u>	<u>75%</u>
Provincial Governor, SG-30	11,000	10,450	9,900	9,350	8,800	8,250
Provincial Vice Governor, SG-28	10,000	9,500	9,000	8,500	8,000	7,500
<i>Sangguniang Panlalawigan</i> Member, SG-27	8,500	8,075	7,650	7,225	6,800	6,375
Provincial Government Department Head, SG-26	8,500	8,075	7,650	7,225	6,800	6,375
Provincial Government Assistant Department Head, SG-24	7,500	7,125	6,750	6,375	6,000	5,625
Chief of Hospital II, SG-25	5,000	4,750	4,500	4,250	4,000	3,750
Chief of Hospital I, SG-24	5,000	4,750	4,500	4,250	4,000	3,750
B. City Government						
1. Special Cities	<u>100%</u>					
City Mayor, SG-30	14,000					
City Vice Mayor II, SG-28	11,000					
<i>Sangguniang Panlungsod</i> Member II, SG-27	9,000					
City Government Department Head III, SG-27	9,000					
City Government Assistant Department Head III, SG-25	8,500					
Division Chief, SG-24	5,000					
2. Highly Urbanized Cities	<u>100%</u>					
City Mayor, SG-30	11,000					
City Vice Mayor II, SG-28	10,000					
<i>Sangguniang Panlungsod</i> Member II, SG-27	8,500					
City Government Department Head II, SG-26	8,500					
City Government Assistant Department Head II, SG-24	7,500					
Chief of Hospital II, SG-25	5,000					
Chief of Hospital I, SG-24	5,000					
3. Component Cities	<u>100%</u>	<u>95%</u>	<u>90%</u>	<u>85%</u>	<u>80%</u>	<u>75%</u>
City Mayor, SG-30	10,000	9,500	9,000	8,500	8,000	7,500
City Vice Mayor I, SG-26	9,000	8,550	8,100	7,650	7,200	6,750
<i>Sangguniang Panlungsod</i> Member I, SG-25	7,500	7,125	6,750	6,375	6,000	5,625
City Government Department Head I, SG-25	7,500	7,125	6,750	6,375	6,000	5,625
City Government Assistant Department Head I, SG-23	5,000	4,750	4,500	4,250	4,000	3,750
Chief of Hospital II, SG-25	5,000	4,750	4,500	4,250	4,000	3,750
Chief of Hospital I, SG-24	5,000	4,750	4,500	4,250	4,000	3,750
C. Municipal Government						
1. Within Metropolitan Manila	<u>100%</u>					
Municipal Mayor II, SG-28	9,000					
Municipal Vice Mayor II, SG-26	8,500					
<i>Sangguniang Bayan</i> Member II, SG-25	7,500					
Municipal Government Department Head II, SG-25	7,500					
Municipal Government Assistant Department Head II, SG-23	5,000					
2. Outside Metropolitan Manila	<u>90%</u>	<u>85%</u>	<u>80%</u>	<u>75%</u>	<u>70%</u>	<u>65%</u>
Municipal Mayor I, SG-27	8,100	7,650	7,200	6,750	6,300	5,850
Municipal Vice Mayor I, SG-25	7,650	7,225	6,800	6,375	5,950	5,525
<i>Sangguniang Bayan</i> Member I, SG-24	6,750	6,375	6,000	5,625	5,250	4,875
Municipal Government Department Head I, SG-24	6,750	6,375	6,000	5,625	5,250	4,875
Municipal Government Assistant Department Head I, SG-22	4,500	4,250	4,000	3,750	3,500	3,250