

**BASIC : LETTER DATED APRIL 22, 2008, FROM MLGOO VISSIA O.
BUNADO OF DILG JAGNA OFFICE**

2nd Indorsement

May 5, 2008

Respectfully returned to Ms. Rustica N. Mascariñas, Provincial Director, DILG Bohol Provincial Office, the herein basic communication from MLGOO Vissia O. Bunado of DILG Jagna Office requesting legal opinion on the claim of Barangay Lonoy for its share in the gross receipts of the Municipality of Jagna in the operation of the latter's water system. Barangay Lonoy contends that since the source of the municipality's water supply is in the barangay's territorial jurisdiction, it should have its share of the gross receipts of the operation of the municipality's water system.

The pertinent provisions of the Local Government Code of 1991 and of its implementing rules and regulations cited or relied upon by Barangay Lonoy in making its claim speak of gross receipts or collection derived by the national government or derived by any government agency or government owned or controlled corporation. They do not include local government units. Hence, the reliance of Barangay Lonoy of said provisions is misplaced.

Moreover, a local government has no share in the utilization of water (as national wealth) demandable from the local water district (OGCC Opinion No. 031-1996, February 01, 1996). Likewise, a sanggunian cannot demand from a local water district a share in the district's utilization of water resources found within the locality since the burden will be passed on to the consumers in the form of increased water rates (LWUA Unnumbered Opinion, September 21, 1995).

PEDRO A. NOVAL, JR.
Regional Director

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