



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
GEN. SOLANO ST., SAN MIGUEL, MANILA

**LOCAL BUDGET CIRCULAR**

No. 149  
January 10, 2023

**TO :** All Provincial Governors; City and Municipal Mayors; *Barangay* Chairpersons; Provincial/City/Municipal/*Barangay* *Sanggunian* Members; Provincial/City/Municipal Treasurers, Budget Officers, Human Resource Management Officers; and Other Officials Concerned

**SUBJECT :** Implementation of the Fourth Tranche of the Modified Salary Schedule for Local Government Personnel Pursuant to Republic Act (RA) No. 11466

**1.0 Background**

1.1 RA No. 11466<sup>1</sup>, otherwise known as the “Salary Standardization Law of 2019” modifies the Salary Schedule for Civilian Personnel and authorizes the grant of additional benefits.

Said Act also states that the modified Salary Schedule for Civilian Personnel shall be implemented in four (4) tranches, i.e., from FY 2020 to FY 2023.

1.2 Section 10 of RA No. 11466 stipulates that the modified Salary Schedule under said Act may be granted to personnel of local government units (LGUs), subject to certain conditions.

Said Section further provides that in the implementation of the salary increases, the salaries of the LGU personnel that may be authorized shall correspond to the LGU’s income classification and shall not exceed the percentage of the applicable Salary Schedule, as follows:

	For Provinces/Cities	For Municipalities
Special Cities	100%	
1 <sup>st</sup> class	100%	90%
2 <sup>nd</sup> class	95%	85%
3 <sup>rd</sup> class	90%	80%
4 <sup>th</sup> class	85%	75%
5 <sup>th</sup> class	80%	70%
6 <sup>th</sup> class	75%	65%

<sup>1</sup> An Act Modifying the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of Additional Benefits, and For Other Purposes

## **2.0 Purpose**

This Circular is issued to prescribe the guidelines, rules, and regulations for the implementation of the Fourth Tranche of the Modified Salary Schedule for Civilian Personnel stipulated under RA No. 11466.

## **3.0 Coverage**

The following are covered by this Circular:

- 3.1 All positions for salaried LGU personnel, whether regular, contractual, or casual in nature, elective or appointive, full-time or part-time, now existing or hereafter created in LGUs; and
- 3.2 All positions for *barangay* personnel which are paid monthly honoraria.

## **4.0 Exclusions**

Excluded from the coverage of this Circular are those engaged without employer-employee relationship and funded from non-Personnel Services (PS) appropriations/budgets, as follows:

- 4.1 Consultants and experts engaged for a limited period to perform specific activities or services with expected outputs;
- 4.2 Laborers engaged through job contracts (pakyaw) and those paid on piecework basis;
- 4.3 Student workers and apprentices; and
- 4.4 Individuals whose services are engaged through job orders, contracts of service, or others similarly situated.

## **5.0 Implementation of the Fourth Tranche of the Modified Salary Schedule in LGUs Effective January 1, 2023**

The implementation of the Fourth Tranche of the Modified Salary Schedule in LGUs shall be subject to the authorization from the *Sanggunian*, as provided under Sections 447(a), 458(a), and 468(a) of RA No. 7160<sup>2</sup>, and the following conditions and considerations:

- 5.1 The new salary rates shall be in accordance with the Fourth Tranche Monthly Salary Schedule for Local Government Personnel corresponding to the LGU level and income classification, as presented in Annexes "A-1" to "A-8."

The LGU cannot adopt a higher Salary Schedule other than what is prescribed for its level and income classification, consistent with Section 10(a) of RA No. 11466.

- 5.2 The PS limitation in LGU budgets under Sections 325(a) and 331(b) of RA No. 7160 shall be complied with, except for the waived items enumerated under Section 95 of the General Provisions of RA No. 11936 or the FY 2023 General Appropriations Act.

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<sup>2</sup> An Act Providing for a Local Government Code of 1991

- 5.3 If funds are insufficient to implement fully the salary schedule for the LGU level and income class, or for purposes of complying with the PS limitation, the *Sanggunian* may formulate a modified salary schedule with lower rates but at a uniform percentage of the rates in the applicable salary schedule in Annexes "A-1" to "A-8."
- 5.4 In the formulation of such salary schedule, LGUs shall ensure that they can fund on a sustainable basis the increased salaries, bonuses and incentives, including the government counterparts to the Retirement and Life Insurance Premiums, Pag-IBIG Contributions, PhilHealth Contributions, and Employees Compensation Insurance Premiums, taking into account the regular annual income of the LGU and its expenditure and investment programs.
- 5.5 The salaries of Public Health Workers (PHWs) shall be determined by the *Sanggunian* after considering and balancing the impact of the relevant provisions of RA No. 11466, RA No. 7160, and RA No. 7305<sup>3</sup> on fiscal discipline, prioritization of expenditures, financial capability, and improvement of service delivery.

The *Sanggunian* may adopt any of the following options:

- 5.5.1 Adopt the salary rates authorized for personnel of Special Cities/First Class Provinces and Cities (Annex "A-1") for the PHWs of the LGU.
- 5.5.2 If LGU funds are not sufficient, adopt a modified salary schedule for PHWs but at a uniform percentage of the salaries in Annex "A-1," similar to the percentage applied in item 5.3 above.

## 6.0 Rules for Adjusting Salaries

The following rules shall apply in the implementation of the salary adjustment:

- 6.1 The salaries of incumbent personnel shall be adjusted to the rates in the salary schedule adopted by the LGU corresponding to the designated steps of the salary grade allocations of their positions as of December 31, 2022; provided that their positions and salary grades are in accordance with: (a) Local Budget Circular (LBC) No. 137<sup>4</sup> dated July 13, 2021, (b) Budget Circular (BC) No. 2021-2<sup>5</sup> dated August 25, 2021, and subsequent amendments thereto.
- 6.2 If the **actual monthly basic salary** of an incumbent as of December 31, 2022 falls between steps of the salary grade allocation of the position as a result of demotion or transfer due to the exigency of the service, the salary shall be adjusted to the rate for the higher step in the salary schedule to be adopted by the LGU (*illustrative example in Annex "C"*).
- 6.3 If the actual monthly basic salary of an incumbent as of December 31, 2022 exceeds the rate for Step 8 of the salary grade allocation of the position as a result of demotion or transfer due to the exigency of service:

<sup>3</sup> The Magna Carta of Public Health Workers

<sup>4</sup> Index of Occupational Services, Position Titles and Salary Grades in the Local Government (IOS-LGU), CY 2021 Edition

<sup>5</sup> Modification of Nurse Positions

- 6.3.1 The salary shall be adjusted to the rate for Step 8 of the same salary grade in the salary schedule to be adopted by the LGU; (*Illustrative example in Annex "D"*).
- 6.3.2 The incumbent shall not be entitled to salary increase if the actual salary as of December 31, 2022 exceeds the rate for Step 8 of the same salary grade in the salary schedule to be adopted by the LGU (*Illustrative example in Annex "E"*).
- 6.4 For incumbent personnel whose position titles are not in accordance with the Index under LBC No. 137, BC No. 2021-2, and modifications thereto, the salary adjustments shall be granted after their positions have been properly classified by the Department of Budget and Management (DBM) Regional Office concerned.
- 6.5 The salary of a new hire shall be the rate corresponding to Step 1 of the salary grade allocation of the position in the Salary Schedule to be adopted.
- 6.6 The salaries/wages of contractual/casual personnel shall be adjusted to the rates corresponding to Step 1 of the salary grade allocations of their positions in the applicable Salary Schedule in Annexes "A-1" to "A-8" effective not earlier than January 1, 2023. The adjusted daily wage rates of casual personnel shall be computed by dividing the monthly salaries by 22 work days per month.
- 6.7 Compulsory retirees whose services have been extended beyond December 31, 2022 shall be entitled to salary increase following Items 6.1 to 6.4 of this Circular, whichever is applicable. However, their retirement benefits, including Terminal Leave Benefits, shall be computed based on their monthly basic salaries as of the day prior to the effectivity of their retirement, consistent with existing laws, rules, and regulations.

## **7.0 No Diminution in Basic Salaries**

There shall be no diminution in the actual basic salaries received by the incumbents prior to the implementation of RA No. 11466 for purposes of complying with the PS limitation.

## **8.0 Honoraria Adjustments for Barangay Officials and Employees**

- 8.1 The maximum honoraria rates prescribed for *barangay* officials and employees under LBC Nos. 63<sup>6</sup> and 137 may be adjusted following the salary schedule adopted by the municipality or city where the *barangay* belongs, subject to the PS limitation under Section 331(b) of R.A. No. 7160.
- 8.2 If *barangay* funds are not sufficient and sustainable to implement the honoraria rates authorized under Item 8.1, the *Sangguniang Barangay* may adjust the honoraria at lower rates but at a uniform percentage of the rates in Item 8.1 for all *barangay* officials and employees.

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<sup>6</sup> Position Classification and Compensation of Barangay Officials and Personnel

## **9.0 Procedural Guidelines**

- 9.1 The Administrative Officer [*Human Resource Management Officer*] shall prepare Notices of Salary Adjustment (NOSAs) for incumbent civilian personnel following the format marked as Annex "B-1" or Annex "B-2," whichever is applicable, for approval by the Local Chief Executive.

For personnel whose actual monthly salaries as of December 31, 2022 exceed the rates corresponding to Step 8 of the salary grade allocations of their positions in the salary schedule adopted by the LGU, the Administrative Officer [*Human Resource Management Officer*] shall no longer prepare NOSAs.

- 9.2 The NOSAs shall be issued to the personnel concerned, copy furnished the Government Service Insurance System (GSIS) if they are members thereof.
- 9.3 The salary/honoraria adjustment under this Circular shall be subject to the usual accounting and auditing rules and regulations, and to appropriate re-adjustment if found not in order. The recipient personnel shall refund any overpayments received.

## **10.0 Fund Source**

- 10.1 The amounts required to implement the salary/honoraria and related fixed expenditure adjustments of LGU personnel shall be sourced exclusively from LGU funds, subject to the PS limitation in LGU budgets pursuant to Sections 325(a) and 331(b) of RA No. 7160.
- 10.2 Such amounts shall be authorized through an appropriation ordinance to be enacted by the *Sangguniang Panlalawigan/Panlungsod/Bayan/Barangay*.

## **11.0 Responsibilities of LGUs**

LGUs shall be responsible for the implementation of the provisions of this Circular. The responsible officers shall be held liable for any payment of salary/honoraria adjustments not in accordance with the provisions hereof without prejudice to the refund by the employees concerned of any excess or unauthorized payments.

## **12.0 Resolution of Cases**

Cases not covered by the provisions of this Circular shall be referred to the DBM for resolution.

**13.0 Effectivity of Salary Increase**

The Fourth Tranche of the Modified Salary Schedule authorized for LGU personnel may be implemented not earlier than January 1, 2023, subject to the authorization from their respective *Sanggunian*.

**14.0 Effectivity**

This Circular shall take effect on January 1, 2023.



**AMENAH F. PANGANDAMAN**  
Secretary



**ANNEX "A-1"**

**Fourth Tranche Monthly Salary Schedule for Local Government Personnel  
In Special Cities and First Class Provinces and Cities  
Effective Not Earlier Than January 1, 2023  
(In Pesos)**

<b>Salary Grade</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Step 6</b>	<b>Step 7</b>	<b>Step 8</b>
<b>1</b>	13,000	13,109	13,219	13,329	13,441	13,553	13,666	13,780
<b>2</b>	13,819	13,925	14,032	14,140	14,248	14,357	14,468	14,578
<b>3</b>	14,678	14,792	14,905	15,020	15,136	15,251	15,369	15,486
<b>4</b>	15,586	15,706	15,827	15,948	16,071	16,193	16,318	16,443
<b>5</b>	16,543	16,671	16,799	16,928	17,057	17,189	17,321	17,453
<b>6</b>	17,553	17,688	17,824	17,962	18,100	18,238	18,379	18,520
<b>7</b>	18,620	18,763	18,907	19,053	19,198	19,346	19,494	19,644
<b>8</b>	19,744	19,923	20,104	20,285	20,468	20,653	20,840	21,029
<b>9</b>	21,211	21,388	21,567	21,747	21,929	22,112	22,297	22,483
<b>10</b>	23,176	23,370	23,565	23,762	23,961	24,161	24,363	24,567
<b>11</b>	27,000	27,284	27,573	27,865	28,161	28,462	28,766	29,075
<b>12</b>	29,165	29,449	29,737	30,028	30,323	30,622	30,924	31,230
<b>13</b>	31,320	31,633	31,949	32,269	32,594	32,922	33,254	33,591
<b>14</b>	33,843	34,187	34,535	34,888	35,244	35,605	35,971	36,341
<b>15</b>	36,619	36,997	37,380	37,768	38,160	38,557	38,959	39,367
<b>16</b>	39,672	40,088	40,509	40,935	41,367	41,804	42,247	42,694
<b>17</b>	43,030	43,488	43,951	44,420	44,895	45,376	45,862	46,355
<b>18</b>	46,725	47,228	47,738	48,253	48,776	49,305	49,840	50,382
<b>19</b>	51,357	52,096	52,847	53,610	54,386	55,174	55,976	56,790
<b>20</b>	57,347	58,181	59,030	59,892	60,769	61,660	62,565	63,485
<b>21</b>	63,997	64,940	65,899	66,873	67,864	68,870	69,893	70,933
<b>22</b>	71,511	72,577	73,661	74,762	75,881	77,019	78,175	79,349
<b>23</b>	80,003	81,207	82,432	83,683	85,049	86,437	87,847	89,281
<b>24</b>	90,078	91,548	93,043	94,562	96,105	97,674	99,268	100,888
<b>25</b>	102,690	104,366	106,069	107,800	109,560	111,348	113,166	115,012
<b>26</b>	116,040	117,933	119,858	121,814	123,803	125,823	127,876	129,964
<b>27</b>	131,124	133,264	135,440	137,650	139,897	142,180	144,501	146,859
<b>28</b>	148,171	150,589	153,047	155,545	158,083	160,664	163,286	165,951
<b>29</b>	167,432	170,166	172,943	175,766	178,634	181,550	184,513	187,525
<b>30</b>	189,199	192,286	195,425	198,615	201,856	205,151	208,499	211,902

**ANNEX "A-2"**

**Fourth Tranche Monthly Salary Schedule for Local Government Personnel  
In Second Class Provinces and Cities  
Effective Not Earlier Than January 1, 2023  
(In Pesos)**

<b>Salary Grade</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Step 6</b>	<b>Step 7</b>	<b>Step 8</b>
<b>1</b>	12,350	12,454	12,558	12,663	12,769	12,875	12,983	13,091
<b>2</b>	13,128	13,229	13,330	13,433	13,536	13,639	13,745	13,849
<b>3</b>	13,944	14,052	14,160	14,269	14,379	14,488	14,601	14,712
<b>4</b>	14,807	14,921	15,036	15,151	15,267	15,383	15,502	15,621
<b>5</b>	15,716	15,837	15,959	16,082	16,204	16,330	16,455	16,580
<b>6</b>	16,675	16,804	16,933	17,064	17,195	17,326	17,460	17,594
<b>7</b>	17,689	17,825	17,962	18,100	18,238	18,379	18,519	18,662
<b>8</b>	18,757	18,927	19,099	19,271	19,445	19,620	19,798	19,978
<b>9</b>	20,150	20,319	20,489	20,660	20,833	21,006	21,182	21,359
<b>10</b>	22,017	22,202	22,387	22,574	22,763	22,953	23,145	23,339
<b>11</b>	25,650	25,920	26,194	26,472	26,753	27,039	27,328	27,621
<b>12</b>	27,707	27,977	28,250	28,527	28,807	29,091	29,378	29,669
<b>13</b>	29,754	30,051	30,352	30,656	30,964	31,276	31,591	31,911
<b>14</b>	32,151	32,478	32,808	33,144	33,482	33,825	34,172	34,524
<b>15</b>	34,788	35,147	35,511	35,880	36,252	36,629	37,011	37,399
<b>16</b>	37,688	38,084	38,484	38,888	39,299	39,714	40,135	40,559
<b>17</b>	40,879	41,314	41,753	42,199	42,650	43,107	43,569	44,037
<b>18</b>	44,389	44,867	45,351	45,840	46,337	46,840	47,348	47,863
<b>19</b>	48,789	49,491	50,205	50,930	51,667	52,415	53,177	53,951
<b>20</b>	54,480	55,272	56,079	56,897	57,731	58,577	59,437	60,311
<b>21</b>	60,797	61,693	62,604	63,529	64,471	65,427	66,398	67,386
<b>22</b>	67,935	68,948	69,978	71,024	72,087	73,168	74,266	75,382
<b>23</b>	76,003	77,147	78,310	79,499	80,797	82,115	83,455	84,817
<b>24</b>	85,574	86,971	88,391	89,834	91,300	92,790	94,305	95,844
<b>25</b>	97,556	99,148	100,766	102,410	104,082	105,781	107,508	109,261
<b>26</b>	110,238	112,036	113,865	115,723	117,613	119,532	121,482	123,466
<b>27</b>	124,568	126,601	128,668	130,768	132,902	135,071	137,276	139,516
<b>28</b>	140,762	143,060	145,395	147,768	150,179	152,631	155,122	157,653
<b>29</b>	159,060	161,658	164,296	166,978	169,702	172,473	175,287	178,149
<b>30</b>	179,739	182,672	185,654	188,684	191,763	194,893	198,074	201,307



**ANNEX "A-3"**

**Fourth Tranche Monthly Salary Schedule for Local Government Personnel  
In Third Class Provinces and Cities and First Class Municipalities**

**Effective Not Earlier Than January 1, 2023**

**(In Pesos)**

<b>Salary Grade</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Step 6</b>	<b>Step 7</b>	<b>Step 8</b>
<b>1</b>	11,700	11,798	11,897	11,996	12,097	12,198	12,299	12,402
<b>2</b>	12,437	12,533	12,629	12,726	12,823	12,921	13,021	13,120
<b>3</b>	13,210	13,313	13,415	13,518	13,622	13,726	13,832	13,937
<b>4</b>	14,027	14,135	14,244	14,353	14,464	14,574	14,686	14,799
<b>5</b>	14,889	15,004	15,119	15,235	15,351	15,470	15,589	15,708
<b>6</b>	15,798	15,919	16,042	16,166	16,290	16,414	16,541	16,668
<b>7</b>	16,758	16,887	17,016	17,148	17,278	17,411	17,545	17,680
<b>8</b>	17,770	17,931	18,094	18,257	18,421	18,588	18,756	18,926
<b>9</b>	19,090	19,249	19,410	19,572	19,736	19,901	20,067	20,235
<b>10</b>	20,858	21,033	21,209	21,386	21,565	21,745	21,927	22,110
<b>11</b>	24,300	24,556	24,816	25,079	25,345	25,616	25,889	26,168
<b>12</b>	26,249	26,504	26,763	27,025	27,291	27,560	27,832	28,107
<b>13</b>	28,188	28,470	28,754	29,042	29,335	29,630	29,929	30,232
<b>14</b>	30,459	30,768	31,082	31,399	31,720	32,045	32,374	32,707
<b>15</b>	32,957	33,297	33,642	33,991	34,344	34,701	35,063	35,430
<b>16</b>	35,705	36,079	36,458	36,842	37,230	37,624	38,022	38,425
<b>17</b>	38,727	39,139	39,556	39,978	40,406	40,838	41,276	41,720
<b>18</b>	42,053	42,505	42,964	43,428	43,898	44,375	44,856	45,344
<b>19</b>	46,221	46,886	47,562	48,249	48,947	49,657	50,378	51,111
<b>20</b>	51,612	52,363	53,127	53,903	54,692	55,494	56,309	57,137
<b>21</b>	57,597	58,446	59,309	60,186	61,078	61,983	62,904	63,840
<b>22</b>	64,360	65,319	66,295	67,286	68,293	69,317	70,358	71,414
<b>23</b>	72,003	73,086	74,189	75,315	76,544	77,793	79,062	80,353
<b>24</b>	81,070	82,393	83,739	85,106	86,495	87,907	89,341	90,799
<b>25</b>	92,421	93,929	95,462	97,020	98,604	100,213	101,849	103,511
<b>26</b>	104,436	106,140	107,872	109,633	111,423	113,241	115,088	116,968
<b>27</b>	118,012	119,938	121,896	123,885	125,907	127,962	130,051	132,173
<b>28</b>	133,354	135,530	137,742	139,991	142,275	144,598	146,957	149,356
<b>29</b>	150,689	153,149	155,649	158,189	160,771	163,395	166,062	168,773
<b>30</b>	170,279	173,057	175,883	178,754	181,670	184,636	187,649	190,712

**ANNEX "A-4"**

**Fourth Tranche Monthly Salary Schedule for Local Government Personnel  
In Fourth Class Provinces and Cities, and Second Class Municipalities  
Effective Not Earlier Than January 1, 2023  
(In Pesos)**

<b>Salary Grade</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Step 6</b>	<b>Step 7</b>	<b>Step 8</b>
<b>1</b>	11,050	11,143	11,236	11,330	11,425	11,520	11,616	11,713
<b>2</b>	11,746	11,836	11,927	12,019	12,111	12,203	12,298	12,391
<b>3</b>	12,476	12,573	12,669	12,767	12,866	12,963	13,064	13,163
<b>4</b>	13,248	13,350	13,453	13,556	13,660	13,764	13,870	13,977
<b>5</b>	14,062	14,170	14,279	14,389	14,498	14,611	14,723	14,835
<b>6</b>	14,920	15,035	15,150	15,268	15,385	15,502	15,622	15,742
<b>7</b>	15,827	15,949	16,071	16,195	16,318	16,444	16,570	16,697
<b>8</b>	16,782	16,935	17,088	17,242	17,398	17,555	17,714	17,875
<b>9</b>	18,029	18,180	18,332	18,485	18,640	18,795	18,952	19,111
<b>10</b>	19,700	19,865	20,030	20,198	20,367	20,537	20,709	20,882
<b>11</b>	22,950	23,191	23,437	23,685	23,937	24,193	24,451	24,714
<b>12</b>	24,790	25,032	25,276	25,524	25,775	26,029	26,285	26,546
<b>13</b>	26,622	26,888	27,157	27,429	27,705	27,984	28,266	28,552
<b>14</b>	28,767	29,059	29,355	29,655	29,957	30,264	30,575	30,890
<b>15</b>	31,126	31,447	31,773	32,103	32,436	32,773	33,115	33,462
<b>16</b>	33,721	34,075	34,433	34,795	35,162	35,533	35,910	36,290
<b>17</b>	36,576	36,965	37,358	37,757	38,161	38,570	38,983	39,402
<b>18</b>	39,716	40,144	40,577	41,015	41,460	41,909	42,364	42,825
<b>19</b>	43,653	44,282	44,920	45,569	46,228	46,898	47,580	48,272
<b>20</b>	48,745	49,454	50,176	50,908	51,654	52,411	53,180	53,962
<b>21</b>	54,397	55,199	56,014	56,842	57,684	58,540	59,409	60,293
<b>22</b>	60,784	61,690	62,612	63,548	64,499	65,466	66,449	67,447
<b>23</b>	68,003	69,026	70,067	71,131	72,292	73,471	74,670	75,889
<b>24</b>	76,566	77,816	79,087	80,378	81,689	83,023	84,378	85,755
<b>25</b>	87,287	88,711	90,159	91,630	93,126	94,646	96,191	97,760
<b>26</b>	98,634	100,243	101,879	103,542	105,233	106,950	108,695	110,469
<b>27</b>	111,455	113,274	115,124	117,003	118,912	120,853	122,826	124,830
<b>28</b>	125,945	128,001	130,090	132,213	134,371	136,564	138,793	141,058
<b>29</b>	142,317	144,641	147,002	149,401	151,839	154,318	156,836	159,396
<b>30</b>	160,819	163,443	166,111	168,823	171,578	174,378	177,224	180,117

**ANNEX "A-5"**

**Fourth Tranche Monthly Salary Schedule for Local Government Personnel  
In Fifth Class Provinces and Cities and Third Class Municipalities  
Effective Not Earlier Than January 1, 2023  
(In Pesos)**

<b>Salary Grade</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Step 6</b>	<b>Step 7</b>	<b>Step 8</b>
<b>1</b>	10,400	10,487	10,575	10,663	10,753	10,842	10,933	11,024
<b>2</b>	11,055	11,140	11,226	11,312	11,398	11,486	11,574	11,662
<b>3</b>	11,742	11,834	11,924	12,016	12,109	12,201	12,295	12,389
<b>4</b>	12,469	12,565	12,662	12,758	12,857	12,954	13,054	13,154
<b>5</b>	13,234	13,337	13,439	13,542	13,646	13,751	13,857	13,962
<b>6</b>	14,042	14,150	14,259	14,370	14,480	14,590	14,703	14,816
<b>7</b>	14,896	15,010	15,126	15,242	15,358	15,477	15,595	15,715
<b>8</b>	15,795	15,938	16,083	16,228	16,374	16,522	16,672	16,823
<b>9</b>	16,969	17,110	17,254	17,398	17,543	17,690	17,838	17,986
<b>10</b>	18,541	18,696	18,852	19,010	19,169	19,329	19,490	19,654
<b>11</b>	21,600	21,827	22,058	22,292	22,529	22,770	23,013	23,260
<b>12</b>	23,332	23,559	23,790	24,022	24,258	24,498	24,739	24,984
<b>13</b>	25,056	25,306	25,559	25,815	26,075	26,338	26,603	26,873
<b>14</b>	27,074	27,350	27,628	27,910	28,195	28,484	28,777	29,073
<b>15</b>	29,295	29,598	29,904	30,214	30,528	30,846	31,167	31,494
<b>16</b>	31,738	32,070	32,407	32,748	33,094	33,443	33,798	34,155
<b>17</b>	34,424	34,790	35,161	35,536	35,916	36,301	36,690	37,084
<b>18</b>	37,380	37,782	38,190	38,602	39,021	39,444	39,872	40,306
<b>19</b>	41,086	41,677	42,278	42,888	43,509	44,139	44,781	45,432
<b>20</b>	45,878	46,545	47,224	47,914	48,615	49,328	50,052	50,788
<b>21</b>	51,198	51,952	52,719	53,498	54,291	55,096	55,914	56,746
<b>22</b>	57,209	58,062	58,929	59,810	60,705	61,615	62,540	63,479
<b>23</b>	64,002	64,966	65,946	66,946	68,039	69,150	70,278	71,425
<b>24</b>	72,062	73,238	74,434	75,650	76,884	78,139	79,414	80,710
<b>25</b>	82,152	83,493	84,855	86,240	87,648	89,078	90,533	92,010
<b>26</b>	92,832	94,346	95,886	97,451	99,042	100,658	102,301	103,971
<b>27</b>	104,899	106,611	108,352	110,120	111,918	113,744	115,601	117,487
<b>28</b>	118,537	120,471	122,438	124,436	126,466	128,531	130,629	132,761
<b>29</b>	133,946	136,133	138,354	140,613	142,907	145,240	147,610	150,020
<b>30</b>	151,359	153,829	156,340	158,892	161,485	164,121	166,799	169,522

**ANNEX "A-6"**

**Fourth Tranche Monthly Salary Schedule for Local Government Personnel  
In Sixth Class Provinces and Cities and Fourth Class Municipalities  
Effective Not Earlier Than January 1, 2023  
(In Pesos)**

<b>Salary Grade</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Step 6</b>	<b>Step 7</b>	<b>Step 8</b>
<b>1</b>	9,750	9,832	9,914	9,997	10,081	10,165	10,250	10,335
<b>2</b>	10,364	10,444	10,524	10,605	10,686	10,768	10,851	10,934
<b>3</b>	11,009	11,094	11,179	11,265	11,352	11,438	11,527	11,615
<b>4</b>	11,690	11,780	11,870	11,961	12,053	12,145	12,239	12,332
<b>5</b>	12,407	12,503	12,599	12,696	12,793	12,892	12,991	13,090
<b>6</b>	13,165	13,266	13,368	13,472	13,575	13,679	13,784	13,890
<b>7</b>	13,965	14,072	14,180	14,290	14,399	14,510	14,621	14,733
<b>8</b>	14,808	14,942	15,078	15,214	15,351	15,490	15,630	15,772
<b>9</b>	15,908	16,041	16,175	16,310	16,447	16,584	16,723	16,862
<b>10</b>	17,382	17,528	17,674	17,822	17,971	18,121	18,272	18,425
<b>11</b>	20,250	20,463	20,680	20,899	21,121	21,347	21,575	21,806
<b>12</b>	21,874	22,087	22,303	22,521	22,742	22,967	23,193	23,423
<b>13</b>	23,490	23,725	23,962	24,202	24,446	24,692	24,941	25,193
<b>14</b>	25,382	25,640	25,901	26,166	26,433	26,704	26,978	27,256
<b>15</b>	27,464	27,748	28,035	28,326	28,620	28,918	29,219	29,525
<b>16</b>	29,754	30,066	30,382	30,701	31,025	31,353	31,685	32,021
<b>17</b>	32,273	32,616	32,963	33,315	33,671	34,032	34,397	34,766
<b>18</b>	35,044	35,421	35,804	36,190	36,582	36,979	37,380	37,787
<b>19</b>	38,518	39,072	39,635	40,208	40,790	41,381	41,982	42,593
<b>20</b>	43,010	43,636	44,273	44,919	45,577	46,245	46,924	47,614
<b>21</b>	47,998	48,705	49,424	50,155	50,898	51,653	52,420	53,200
<b>22</b>	53,633	54,433	55,246	56,072	56,911	57,764	58,631	59,512
<b>23</b>	60,002	60,905	61,824	62,762	63,787	64,828	65,885	66,961
<b>24</b>	67,559	68,661	69,782	70,922	72,079	73,256	74,451	75,666
<b>25</b>	77,018	78,275	79,552	80,850	82,170	83,511	84,875	86,259
<b>26</b>	87,030	88,450	89,894	91,361	92,852	94,367	95,907	97,473
<b>27</b>	98,343	99,948	101,580	103,238	104,923	106,635	108,376	110,144
<b>28</b>	111,128	112,942	114,785	116,659	118,562	120,498	122,465	124,463
<b>29</b>	125,574	127,625	129,707	131,825	133,976	136,163	138,385	140,644
<b>30</b>	141,899	144,215	146,569	148,961	151,392	153,863	156,374	158,927

**ANNEX "A-7"**

**Fourth Tranche Monthly Salary Schedule for Local Government Personnel  
In Fifth Class Municipalities  
Effective Not Earlier Than January 1, 2023  
(In Pesos)**

<b>Salary Grade</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Step 6</b>	<b>Step 7</b>	<b>Step 8</b>
<b>1</b>	9,100	9,176	9,253	9,330	9,409	9,487	9,566	9,646
<b>2</b>	9,673	9,748	9,822	9,898	9,974	10,050	10,128	10,205
<b>3</b>	10,275	10,354	10,434	10,514	10,595	10,676	10,758	10,840
<b>4</b>	10,910	10,994	11,079	11,164	11,250	11,335	11,423	11,510
<b>5</b>	11,580	11,670	11,759	11,850	11,940	12,032	12,125	12,217
<b>6</b>	12,287	12,382	12,477	12,573	12,670	12,767	12,865	12,964
<b>7</b>	13,034	13,134	13,235	13,337	13,439	13,542	13,646	13,751
<b>8</b>	13,821	13,946	14,073	14,200	14,328	14,457	14,588	14,720
<b>9</b>	14,848	14,972	15,097	15,223	15,350	15,478	15,608	15,738
<b>10</b>	16,223	16,359	16,496	16,633	16,773	16,913	17,054	17,197
<b>11</b>	18,900	19,099	19,301	19,506	19,713	19,923	20,136	20,353
<b>12</b>	20,416	20,614	20,816	21,020	21,226	21,435	21,647	21,861
<b>13</b>	21,924	22,143	22,364	22,588	22,816	23,045	23,278	23,514
<b>14</b>	23,690	23,931	24,175	24,422	24,671	24,924	25,180	25,439
<b>15</b>	25,633	25,898	26,166	26,438	26,712	26,990	27,271	27,557
<b>16</b>	27,770	28,062	28,356	28,655	28,957	29,263	29,573	29,886
<b>17</b>	30,121	30,442	30,766	31,094	31,427	31,763	32,103	32,449
<b>18</b>	32,708	33,060	33,417	33,777	34,143	34,514	34,888	35,267
<b>19</b>	35,950	36,467	36,993	37,527	38,070	38,622	39,183	39,753
<b>20</b>	40,143	40,727	41,321	41,924	42,538	43,162	43,796	44,440
<b>21</b>	44,798	45,458	46,129	46,811	47,505	48,209	48,925	49,653
<b>22</b>	50,058	50,804	51,563	52,333	53,117	53,913	54,723	55,544
<b>23</b>	56,002	56,845	57,702	58,578	59,534	60,506	61,493	62,497
<b>24</b>	63,055	64,084	65,130	66,193	67,274	68,372	69,488	70,622
<b>25</b>	71,883	73,056	74,248	75,460	76,692	77,944	79,216	80,508
<b>26</b>	81,228	82,553	83,901	85,270	86,662	88,076	89,513	90,975
<b>27</b>	91,787	93,285	94,808	96,355	97,928	99,526	101,151	102,801
<b>28</b>	103,720	105,412	107,133	108,882	110,658	112,465	114,300	116,166
<b>29</b>	117,202	119,116	121,060	123,036	125,044	127,085	129,159	131,268
<b>30</b>	132,439	134,600	136,798	139,031	141,299	143,606	145,949	148,331

**ANNEX "A-8"**

**Fourth Tranche Monthly Salary Schedule for Local Government Personnel  
In Sixth Class Municipalities**

**Effective Not Earlier Than January 1, 2023**

**(In Pesos)**

<b>Salary Grade</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Step 6</b>	<b>Step 7</b>	<b>Step 8</b>
<b>1</b>	8,450	8,521	8,592	8,664	8,737	8,809	8,883	8,957
<b>2</b>	8,982	9,051	9,121	9,191	9,261	9,332	9,404	9,476
<b>3</b>	9,541	9,615	9,688	9,763	9,838	9,913	9,990	10,066
<b>4</b>	10,131	10,209	10,288	10,366	10,446	10,525	10,607	10,688
<b>5</b>	10,753	10,836	10,919	11,003	11,087	11,173	11,259	11,344
<b>6</b>	11,409	11,497	11,586	11,675	11,765	11,855	11,946	12,038
<b>7</b>	12,103	12,196	12,290	12,384	12,479	12,575	12,671	12,769
<b>8</b>	12,834	12,950	13,068	13,185	13,304	13,424	13,546	13,669
<b>9</b>	13,787	13,902	14,019	14,136	14,254	14,373	14,493	14,614
<b>10</b>	15,064	15,191	15,317	15,445	15,575	15,705	15,836	15,969
<b>11</b>	17,550	17,735	17,922	18,112	18,305	18,500	18,698	18,899
<b>12</b>	18,957	19,142	19,329	19,518	19,710	19,904	20,101	20,300
<b>13</b>	20,358	20,561	20,767	20,975	21,186	21,399	21,615	21,834
<b>14</b>	21,998	22,222	22,448	22,677	22,909	23,143	23,381	23,622
<b>15</b>	23,802	24,048	24,297	24,549	24,804	25,062	25,323	25,589
<b>16</b>	25,787	26,057	26,331	26,608	26,889	27,173	27,461	27,751
<b>17</b>	27,970	28,267	28,568	28,873	29,182	29,494	29,810	30,131
<b>18</b>	30,371	30,698	31,030	31,364	31,704	32,048	32,396	32,748
<b>19</b>	33,382	33,862	34,351	34,847	35,351	35,863	36,384	36,914
<b>20</b>	37,276	37,818	38,370	38,930	39,500	40,079	40,667	41,265
<b>21</b>	41,598	42,211	42,834	43,467	44,112	44,766	45,430	46,106
<b>22</b>	46,482	47,175	47,880	48,595	49,323	50,062	50,814	51,577
<b>23</b>	52,002	52,785	53,581	54,394	55,222	56,184	57,101	58,033
<b>24</b>	58,551	59,506	60,478	61,465	62,468	63,488	64,524	65,577
<b>25</b>	66,749	67,838	68,945	70,070	71,214	72,376	73,558	74,758
<b>26</b>	75,426	76,656	77,908	79,179	80,472	81,785	83,119	84,477
<b>27</b>	85,231	86,622	88,036	89,473	90,933	92,417	93,926	95,458
<b>28</b>	96,311	97,883	99,481	101,104	102,754	104,432	106,136	107,868
<b>29</b>	108,831	110,608	112,413	114,248	116,112	118,008	119,933	121,891
<b>30</b>	122,979	124,986	127,026	129,100	131,206	133,348	135,524	137,736

**For Regular Positions**

**Notice of Salary Adjustment**

Date: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_:

Pursuant to Local Budget Circular No. \_\_\_\_ dated \_\_\_\_\_, implementing Republic Act No. \_\_\_\_\_ dated \_\_\_\_\_, your salary is hereby adjusted effective \_\_\_\_\_, as follows:

- 1. Adjusted monthly basic salary effective January 1, 2023, under the new Salary Schedule; SG \_\_\_\_, Step \_\_\_\_ P \_\_\_\_\_
- 2. Actual monthly basic salary as of December 31, 2022  
SG \_\_\_\_, Step \_\_\_\_ P \_\_\_\_\_
- 3. Monthly salary adjustment effective January 1, 2023 (1-2) P \_\_\_\_\_

It is understood that this salary adjustment is subject to usual accounting and auditing rules and regulations, and to appropriate re-adjustment and refund if found not in order.

Very truly yours,

\_\_\_\_\_  
Local Chief Executive

Position Title: \_\_\_\_\_  
Salary Grade: \_\_\_\_\_  
Item No., FY \_\_\_\_\_ Plantilla of Personnel: \_\_\_\_\_

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For Contractuals/Casuals

**Notice of Salary Adjustment**

Date: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_:

Pursuant to Local Budget Circular No. \_\_\_\_ dated \_\_\_\_\_, implementing Republic Act No. \_\_\_\_\_ dated \_\_\_\_\_, your salary/daily wage is hereby adjusted effective \_\_\_\_\_, as follows:

- 1. Monthly basic salary/daily wage rate, under the new Salary Schedule; SG \_\_\_\_ P \_\_\_\_\_
- 2. Actual monthly basic salary/daily wage rate as of December 31, 2022; SG \_\_\_\_ P \_\_\_\_\_
- 3. Monthly salary/daily wage adjustment effective January 1, 2023 (1-2) P \_\_\_\_\_

It is understood that this salary/daily wage adjustment is subject to usual accounting and auditing rules and regulations, and to appropriate re-adjustment and refund if found not in order.

Very truly yours,

\_\_\_\_\_  
Local Chief Executive

Position Title: \_\_\_\_\_  
Salary Grade: \_\_\_\_\_  
Item No., FY \_\_\_\_\_ Plantilla of Personnel: \_\_\_\_\_

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**Illustrative Example**

**Rule:** *If the actual monthly basic salary of an incumbent as of December 31, 2022 falls between steps of the salary grade allocation of the position as a result of demotion or transfer due to the exigency of the service:*

*The salary shall be adjusted to the rate for the higher step in the salary schedule to be adopted by the LGU.*

**Scenario:** Due to the exigency of the service, the incumbent of an Administrative Assistant (ADAS) III/Salary Grade (SG)-9 position in a 1<sup>st</sup> class province will be transferred to another department in the Provincial Government, effective January 1, 2023.

As ADAS III, the incumbent is receiving a monthly salary of P20,402 (SG-9, Step 1). In his new post, he will be occupying the position of ADAS II, SG-8.

His salary shall be adjusted to P20,468 (SG-8, Step 5) beginning January 1, 2023 since his actual salary (P20,402) as of December 31, 2022 falls between Step 4 (P20,285) and Step 5 (P20,468) of SG-8 of the Salary Schedule under Annex "A-1" hereof.

<b>Position Title</b>	<b>Effectivity Date</b>	<b>Legal Basis</b>	<b>Authorized Salary (Step 1)</b>	<b>Actual Salary</b>
ADAS III/SG-09	January 1, 2022	LBC No. 143	P20,402	P20,402
ADAS II/SG-08	January 1, 2023	RA No. 11466	P19,744	P20,468 (Adjusted Salary = SG-8, 5 <sup>th</sup> step)

**Annex "D"**

**Illustrative Example**

*Rule: If the actual monthly basic salary of an incumbent as of December 31, 2022 exceeds the rate for Step 8 of the salary grade allocation of the position as a result of demotion or transfer due to the exigency of service:*

*The salary shall be adjusted to the rate for Step 8 of the same salary grade of the position in the salary schedule to be adopted by the LGU.*

**Scenario:** Due to reorganization, the incumbent of the Senior Administrative Assistant (ADAS) I/SG-13 position in a 3<sup>rd</sup> class municipality was involuntarily demoted as ADAS VI/SG-12, effective February 1, 2022.

The incumbent gets to keep his salary of P24,858 (SG-13, Step 5) following the non-diminution of pay principle.

Since his current actual salary of P24,858 exceeds the rate for SG-12, Step 8 (P23,738) in the salary schedule adopted in FY 2022, his salary shall be adjusted to P24,984 (SG-12, Step 8) not earlier than January 1, 2023 following the Salary Schedule under Annex "A-5" hereof.

<b>Position Title</b>	<b>Effectivity Date</b>	<b>Legal Basis</b>	<b>Authorized Salary (Step 1)</b>	<b>Actual Salary</b>
Senior ADAS I/SG-13	January 1, 2022	LBC No. 143	P23,838	P24,858 (SG-13, 5 <sup>th</sup> step)
ADAS VI/SG-12	February 1, 2022	Demotion due to the exigency of service	P22,086	P24,858
ADAS VI/SG-12	January 1, 2023	RA No. 11466	P23,332	P24,984 (Adjusted Salary = SG-12, 8 <sup>th</sup> step)

### Illustrative Example

**Rule:** *If the actual monthly basic salary of an incumbent as of December 31, 2022 exceeds the rate for Step 8 of the salary grade allocation of the position as a result of demotion or transfer due to the exigency of service:*

*The incumbent shall not be entitled to salary increase if the salary as of December 31, 2022 exceeds the rate for Step 8 of the same salary grade in the salary schedule to be adopted by the LGU.*

**Scenario:** The incumbent of the Administrative Assistant (ADAS) III/SG-9 position in a 2<sup>nd</sup> class municipality was transferred to a new office in the same LGU due to the phasing out or abolition of his old office. Effective July 1, 2022, his new position was Administrative Aide (ADA) IV/SG-4.

As ADAS III, the incumbent was already receiving a monthly salary of P18,382 (SG-9, Step-8). As his transfer was due to the exigency of the service, he gets to keep his salary of P18,382 in his new post.

The incumbent is no longer entitled to any salary adjustment in FY 2023 since his present actual salary (P18,382) is already higher than the rate provided for SG-4, Step 8 (P13,977) in the Salary Schedule under Annex "A-4" hereof.

Position Title	Effectivity Date	Legal Basis	Authorized Salary (Step 1)	Actual Salary
ADAS III/SG-9	January 1, 2022	LBC No. 143	P17,342	P18,382
ADA IV/SG-4	July 1, 2022	Transfer/ involuntary demotion	P12,744	P18,382
ADA IV/SG-4	January 1, 2023	RA No. 11466	P13,248	P18,382 (Exceeds Step 8 of SG-4)