



**OFFICE OF THE SECRETARY TO THE SANGGUNIAN BAYAN**

EXCERPT FROM THE MINUTES OF THE ONE HUNDRED NINTH REGULAR SESSION OF THE 9<sup>TH</sup> SANGGUNIAN BAYAN OF GUIGUINTO, BULACAN, HELD ON AUGUST 13, 2018 AT THE GEN. GREGORIO DEL PILAR HALL.

**PRESENT:**

|                               |   |
|-------------------------------|---|
| HON. BANJO S. ESTRELLA        | ..... MUNICIPAL VICE MAYOR                        |
| Hon. Eliseo B. Santos, Jr.    | ..... SB Member                                   |
| Hon. Ricardo B. Jose          | ..... SB Member                                   |
| Hon. Cornelio C. Ramos        | ..... SB Member                                   |
| Hon. Evangeline V. Villanueva | ..... SB Member                                   |
| Hon. Albert L. Estrella       | ..... SB Member                                   |
| Hon. Randall B. Pingol        | ..... SB Member                                   |
| Hon. Julius V. Figueroa       | ..... SB Member                                   |
| Hon. Romeo D. Tonog           | ..... SB Member                                   |
| Hon. Cezar L. Mendoza         | ..... SB Member-President<br>Liga ng mga Barangay |
| Hon. Landrei Joseph S. Cerdon | ..... SB member-President<br>SK Federation        |

**ABSENT:**

NONE

MUNICIPAL ORDINANCE NO. 273

Series of 2018

**Authored by: Coun. Evangeline V. Villanueva and Coun. Albert L. Estrella**

**Sponsored by: Coun. Evangeline V. Villanueva**

**AN ORDINANCE**

**APPROVING THE REVISED LOCAL INVESTMENT INCENTIVE CODE OF  
THE MUNICIPALITY OF GUIGUINTO, BULACAN AND FOR OTHER PURPOSES**

**WHEREAS**, in order to accelerate the socio-economic development of the Municipality of Guiguinto, it is imperative to attract foreign capital to establish enterprises that would utilize substantial amount of local manpower, raw materials and other resources;

**WHEREAS**, after careful study, the Sangguniang Bayan formulated a system in the promotion of investments to achieve the desired progress of the municipality;

Be it ordained by the Sangguniang Bayan that:

**SECTION 1. Title.** This ordinance shall be known as the Municipal Investment Incentive Code of Guiguinto, Bulacan.

**SECTION 2. Declaration of Policy.** It is hereby declared the policy of the Municipality of Guiguinto to promote, strengthen and encourage the growth and development of its economic activities particularly in areas identified as investment priority and in support of the provincial development plan. To this end, the municipal government shall endeavor to spur this development by providing tax exemption, privileges and incentives as well as efficient and effective assistance to investors. It shall also ensure the establishment of adequate support facilities and services and assure investors of peaceful environment for business.

**SECTION 3. The Municipal Investment Incentive Board.** There shall be created a Municipal Investment Incentive Board to promulgate the governing rules and regulations in the implementation of the investment incentive ordinance.

**SECTION 4. The Composition of the Board.** The MIIB shall be composed of the following:

|             |  |
|-------------|--|
| Chairman    | : Municipal Mayor  |
| Co-Chairman | : Municipal Vice Mayor                                       |
| Members     | : Sangguniang Bayan<br>-Chairman, Trade & Industry Committee |







**OFFICE OF THE SECRETARY TO THE SANGGUNIANG BAYAN**

Page 2- Municipal Ordinance No. 273-S-2018

- Chairman, Finance Committee
- Representative from Department of Trade & Industry (DTI)
- Representative of duly accredited NGO
- Representative from Local Business Sector

**SECTION 5. Meetings and Quorum of the Board.** The Board shall meet every First Monday of the quarter - March, July, October and December or as necessary. The presence of at least a majority of all members shall constitute a quorum. All decisions and policies acted upon by at least the majority of the members present during the meeting, there being a quorum, shall be presided by the chairman, or in case of his absence, the vice chairman.

**SECTION 6. Powers and Functions of the Board.** The primary function of the Board is to establish a favorable and stable policy on business climate which will encourage and support private sector investments and in the operation of business activities. Pursuant to this, the Board is generally vested with the following powers:

- a) Promulgate the implementing Rules and Regulations (IRR) of the LIIC.
- b) Recommend to the Sangguniang Bayan any amendments of the Code.
- c) Adopt investment promotion program.
- d) Periodically review Investment Priority Areas (IPAs) eligible for incentives.
- e) Act on application for registration of projects and availment of local incentives.
- f) Supervise the operation of the Investments Promotion Center (IPC).
- g) Establish cooperative undertakings with other LGUs, the private sectors, NGOs or others institutions as may be necessary.
- h) Enlist the assistance of local government offices, national agencies and private sector organizations, as may be necessary, useful and incidental to the effective and efficient implementation of this code.
- i) Establish trade and investment satellite office in such other places as may be necessary to effectively carry out its mandates.
- j) Perform such other tasks necessary and incidentals to the exercise and performance of their functions.

**SECTION 7. Powers and functions of the Chairman.** The Chairman of the Board shall have the following powers and duties:

- a. Preside over the regular and special meetings of the Board.
- b. To present annual or special reports to the Municipality of Guiguinto.
- c. Perform such other duties as the Board may prescribe.

**SECTION 8. Powers and Functions of the Co-Chairman.** The Co-Chairman of the Board shall have the following powers and duties:

- a. To preside the regular and special meetings of the Board in the absence of the Chairman.
- b. To perform such other duties and functions as may be necessary for and in behalf of the latter.

**SECTION 9. Visitorial Power of the Board.** The Board or any duly authorized member thereof, shall be empowered and authorized to conduct ocular inspection of the premises or examination of the business activity of any enterprise, including the records and books of any enterprise, registered or applying for registration at any reasonable time of the day, during office hours, for verifications ascertaining the enterprises compliance with the provisions of this Code, or when the board deems it necessary or incidental to the effective exercise and performance of their respective functions and powers.







**OFFICE OF THE SECRETARY TO THE SANGGUNIANG BAYAN**

Page 3- Municipal Ordinance No. 273-S-2018

**SECTION 10. Honorarium for Municipal Incentive Investment Board.**

There shall be an allocation of honorarium to the members of the Municipal Investment Incentive Board in the amount of two thousand five hundred pesos (P2,500.00) quarterly.

**SECTION 11. Definitions- as used in this Ordinance:**

- a. "Board" shall mean the Municipal Investment Incentive Board.
- b. The term "Ordinance" shall mean the Municipal Investment Incentive Ordinance.
- c. "New enterprise" shall mean the prospective enterprises interested in establishing its place of operations or production within the territorial jurisdiction of the Municipality of Guiguinto.
- d. "Tax" shall mean a monetary contribution levied by the law-making body.
- e. "Investment Priority Areas" shall mean the economic activities that the LGU's private and government agencies have identified as stated in the Investment Development Plan of the municipality.
- f. "Registered Enterprises" shall mean those enterprises registered in accordance with the provision of this Ordinance.
- g. "Capitalization" is the total or the initial investment in a business that has been paid-in a corporation, cooperative or partnership or invested on the single proprietorship, which maybe in cash or property; including land, building, and machineries and equipment.
- h. "Existing Enterprises" shall refer to those business enterprises whose places of operation or production are within the territorial jurisdiction of the Municipality of Guiguinto.

**SECTION 12. Creation of the Local Economic Development and Investment Promotion Office.** There shall be established a Local Economic Development and Investment Promotion Office, which shall serve as the Board's implementing arm of its policies, rules and regulations.

**SECTION 13. Scope and Limitation.** This ordinance shall not apply to banking and other financial institutions which are governed and regulated by the General Banking and other laws under the supervision of the Central Bank. This Ordinance shall cover the following Investment Priority Areas (IPA):

- a. Labor Generating Enterprises;
- b. Enterprise engage in economic activities included in the investment priority areas;
- c. Manufacturing Enterprises using local raw materials;
- d. Electronic Industries;
- e. Tourism Oriented Enterprises;
- f. Service Oriented Enterprises;
- g. Pioneering Enterprises;
- h. Water & Power Resources Development Enterprises;
- i. Telecommunication Development Enterprises;
- j. Agri-Business Enterprises;
- k. Power Generation through Solar
- l. Business Processing Office
- m. Garden and Landscaping
- n. Businesses involved in the reprocess of waste materials into new and useful products to prevent waste of potentially useful materials, reduce the consumption of fresh raw materials, reduce energy usage, reduce air and water





**OFFICE OF THE SECRETARY TO THE SANGGUNIANG BAYAN**

Page 4- Municipal Ordinance No. 273-S-2018

pollution by reducing the need for "conventional" waste disposal, and lower greenhouse gas emission.

- o. Enterprises that employ at least 5% of labor force are PWD, Solo Parent and Senior Citizens.
- p. Such other enterprises approved by the board;

**SECTION 14. Amendments.** The Board, at any time, may amend areas in the investment development plan, modify any of the term of the declaration of an investment area or the designation measured capacities, or terminate the status of preference. In no case, however, shall any amendment of the plan impair whatever rights may have already been legally vested in registered enterprises, which shall not accept application in an area of investment prior to the approval of the same as preferred area nor after approval of its deletion as an investment priority area.

**SECTION 15. Qualifications of Existing Enterprise.** - Any existing enterprise may benefit from the incentives provided that they meet the following qualifications:

- a. That the existing enterprise whose place of operation or production is already within the territorial jurisdiction of the Municipality of Guiguinto, Bulacan;
- b. Must have complied with all the requirements mandated by the existing local and national law; (must have business permit and registered to BIR, SSS, PHIC , HDMF)
- c. That the business falls under any of the activities mentioned in Section 13 hereof or in Investment Priority Areas;
- d. Expand the existing production facilities such as construction of new buildings, installation of new machineries and equipment and improvement thereof which will result in an increase in production;
- e. Must have an additional investment of not less than P50M.

**SECTION 16. Application, Approval and Issuance of Certificate of Registration.** Applications shall be filed with the MIPC and upon approval/acceptance, the applicant shall be required to pay a one-time non-refundable registration fee of P5,000.00. The Board shall issue a Certificate of Registration to business concerned as registered enterprise duly stating the incentives granted under the provisions of this Ordinance.

**SECTION 17. Incentives.** Under this Ordinance, all registered enterprises with a capitalization of not less than P100M and an existing enterprise with an additional capitalization of P100M and above shall be granted the following incentives:

- a. Full exemption from the payments of Mayor's permits, business permit, building, sanitary, electrical, occupancy and locational clearance for one (1) year;
- b. Exemption for payment of Business Tax for period of one (1) year, and an additional Incentive for the following MSMEs.

| Business Size/<br>Incentive Category | Capitalization                              | Incentive<br>(off Business Tax) |
|--------------------------------------|---|---------------------------------|
| Micro                                | P3 Million and below                        | Token                           |
| Small                                | Above P3 Million to P15 Million             | 10 %                            |
| Medium                               | Above P15 Million to less than P100 Million | 20 %                            |







**OFFICE OF THE SECRETARY TO THE SANGGUNIANG BAYAN**

Page 5- Municipal Ordinance No. 273-S-2018

Other incentives for:

**Labor Force** - 70% of employees are from Guiguinto (for new and existing business with 10 or more employees)- 5% discount on business tax only.

**Businesses with PWD employees, Solo Parent, Senior Citizens** (at least 10% of employees are either PWD, Solo Parent or Senior citizens with 10 or more employees)- 5% discount on business tax only.

Incentives granted to existing enterprises shall apply only to **additional capitalization** and shall not apply to previous investment. In no case however, shall rights to incentives be transferred from legal guarantee to another and shall be enjoyed on one occasion only.

**SECTION 18. Exemption.** This Ordinance shall not apply to financing or banking institutions and other enterprises which are governed by the Central Banking Act and under the supervision of Bangko Sentral ng Pilipinas (BSP).

**Section 19. Municipal Investment Promotion Fund.** There shall be allocated a Municipal Investment Promotion Fund under the **Local Economic Development and Investment Promotion Office** for the investment development and promotion activities of the municipality.

**SECTION 20. Inspection.** The MIIB shall conduct an annual inspection of the registered enterprises on their progress either by itself or by requesting a local government agency to conduct the same. The inspection shall be limited to the total gross sales; compliance of the Minimum Wage Law; or to the provision of this Ordinance.

**SECTION 21. Administrative Sanctions.** Violation of any provision of this ordinance and other pertinent laws shall:

- a. Forfeit the incentive granted to the registered enterprise;
- b. Pay all the taxes and fees due from the start of its business operations, upon recommendation of MIIB;
- c. Penalize with a fine of not less than P1,000.00 but not more P2,500.00, and or an imprisonment of not less one (1) month but not more than six (6) months, or both such fine and imprisonment at the discretion of the court.

In case the violation is committed by a partnership, corporation, association, or cooperative, the Manager or President or CEO, as the case maybe, shall suffer the penalty provided herein.

**SECTION 22. Separability Clause.** If for any reason or reasons, any part or provision of this Code shall be declared unconstitutional or invalid by the court, or suspended or revoked by competent authorities, other parts of the provisions thereof which are not affected thereby shall continue to be in full force and effect.

**SECTION 23. Repealing Clause.** All ordinances, executive orders, and rules and regulations inconsistent or in conflict with the provisions of this Ordinance are hereby repealed, amended or modified accordingly.

**SECTION 24. Effectivity.** This shall take effect upon its approval by the Sangguniang Panlalawigan and after publication in a local newspaper of general circulation for three (3) consecutive weeks.

APPROVED.

Enacted August 13, 2018 by the Sangguniang Bayan in session assembled





*Republic of the Philippines  
Province of Bulacan  
Municipality of Guiguinto*



**OFFICE OF THE SECRETARY TO THE SANGGUNIANG BAYAN**

Page 6- Municipal Ordinance No. 273-S-2018

BANJO S. ESTRELLA  
Municipal Vice Mayor

ATTESTED:

OLIVIA V. PUNONGBAYAN  
OIC-Secretary to the Sangguniang Bayan

ELISEO B. SANTOS, JR.  
SB Member

RICARDO B. JOSE  
SB Member

CORNELIO C. RAMOS  
SB Member

EVANGELINE V. VILLANUEVA  
SB Member

ALBERT L. ESTRELLA  
SB Member

RANDALL B. PINGOL  
SB Member

JULIUS V. FIGUEROA  
SB Member

ROMEO D. TONOG  
SB Member

CEZAR L. MENDOZA  
SB Member  
President-Liga ng mga Barangay

LANDREI JOSEPH S. CERDON  
SB Member  
President-SK Federation

Approved and signed this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

AMBROSIO C. CRUZ, JR.  
Municipal Mayor

