



Republic of the Philippines
OFFICE OF THE SANGGUNIANG BAYAN
Municipality of Bongabong
Province of Oriental Mindoro



EXCERPTS FROM THE MINUTES OF THE REGULAR SESSION OF THE SANGGUNIANG BAYAN OF THE 10TH SANGGUNIANG BAYAN OF BONGABONG, ORIENTAL MINDORO HELD ON DECEMBER 14, 2020 AT GABUTERO ORGANIC FARM AND RESORT, LABONAN, BONGABONG, ORIENTAL MINDORO

PRESENT:

Hon. RICHARD S. CANDELARIO	VICE-MAYOR Presiding Officer
Hon. VICTORIA BAES- PADULLO	MEMBER
Hon. JAYSON M. BARCELONA	MEMBER
Hon. ALFONSO A. MONTALBO, DMD	MEMBER
Hon. EVELYN B. ALEA	MEMBER
Hon. ARNOLD R. VARGAS	MEMBER
Hon. DOLORES U. DE GALA	MEMBER
Hon. JEREMY I. ENRIQUEZ	MEMBER
Hon. NIÑO G. LIWANAG	MEMBER
Hon. LOVELY MAE A. ANULAO	S.K. REPRESENTATIVE
Hon. MAYNARD M. PANGANIBAN	PRESIDENT, ASSOCIATION OF PUNONG BARANGAYS

ABSENT:

NONE

X-----X

MUNICIPAL ORDINANCE NO. 2020-18

AN ORDINANCE ENACTING THE INVESTMENT INCENTIVE CODE OF THE MUNICIPALITY OF BONGABONG, ORIENTAL MINDORO

PRINCIPAL SPONSOR: HON. DOLORES UY DE GALA

WHEREAS, Sec. 192 of Republic Act 7160 of the Local Government Code states that the Local Government Units may through ordinance duly approved, grant tax exemptions, incentives or reliefs under such terms and conditions as they may deem necessary;

WHEREAS, many developing municipalities, cities and provinces are adopting compensating Investments incentive code with the intent of encouraging and promoting increased private investment, for both local and foreign investors;

WHEREAS, Bongabong being one of the First Class Municipalities and located at the Province of Oriental Mindoro, investment incentive legislation is vital and necessary to enhance its socio-economic status and manifest its fast growing developments by way of opening doors to investors through attractive, beneficial and feasible investment incentives:

BE IT ORDAINED BY THE SANGGUNIANG BAYAN OF BONGABONG, ORIENTAL MINDORO IN A REGULAR SESSION ASSEMBLED, THAT:

**CHAPTER I
TITLE, POLICY DECLARATION**

SECTION 1. Title – This ordinance shall be known as the **MUNICIPALITY OF BONGABONG INVESTMENT INCENTIVE CODE OF 2020**, which shall hereinafter be referred to as the Investment Code.

SECTION 2. Policy Declaration – It is hereby the policy of the Municipality of Bongabong to ENCOURAGE new investments or diversification in resource – based economic development activities, agriculture, tourism and environment facilities, infrastructure and services, environment –friendly enterprise, trans-shipment facilities, properly development and such other preferred areas of investments as provided in this Code and as may be determined from time to time, which will generate employment opportunities, raise the standard of living and provide for an equitable distribution of wealth of the people. Declared further as the policy of the Municipality of Bongabong is to encourage the substantial utilization of its local labor, raw materials and natural resources without jeopardizing the investment opportunities of its constituents and its environment.

SECTION 3. Scope of Application – This ordinance shall apply to all persons, entities or enterprises, government and non – government organizations and instrumentalities as provided in this investment code.

SECTION 4. Rules of Interpretation – This Investment Code shall be interpreted in consonance with the concept that sustainable economic growth is the key to social and political stability.

CHAPTER II DEFINITION OF TERMS

SECTION 5. – When used for purposes of this Code, the following terms and phrase shall mean as follows:

1. **BOI** – refers to the Board of Investment under the Omnibus Investment Code.
2. **Board** - shall mean the Investment Incentive Board of Bongabong.
3. **Bonafide** - Resident shall refer to a person with at least six (6) months of residency in any of the barangays within the municipality of Bongabong.
4. **Capitalization** - shall mean the total project cost of business.
5. **Existing establishments/enterprises** - shall refer to those establishment/ enterprises whose Places of operation or production are located within the territorial jurisdiction of the Municipality of Bongabong.
6. **Investment Code** - shall refer to the Investment Incentive Code of the Municipality of Bongabong.
7. **Local Personnel/Manpower** - shall refer to those workers or personnel who are bonafide residents of the Municipality of Bongabong.
8. **Municipality** - shall mean the Municipality of Bongabong covering all areas within its territorial jurisdiction as provided by the law.
9. **New Investors/ Enterprises** - shall refer to those investors who:
 - a. Are not engaged in any type of business activity in the Municipality of Bongabong at the time of the effectivity of this ordinance; and
 - b. Will engaged in business undertakings on preferred/ priority areas in this Municipality as provided in this code during the effectivity of this ordinance.
10. **Project Profile** - shall be the marketing, technical, financial and economic aspects of the project.
11. **Priority Investment Areas** - shall mean the economic activities that the Board shall have declared as such in accordance with the provision of this Ordinance.
12. **Registered Enterprises** shall refer to those enterprises registered in accordance with the provision of this Code.

Expansion Business/Enterprises – existing businesses that would expand their operations in terms of additional facilities and/or equipment.

National Law – refers to OIC of 1987, R.A. 7844, R.A. 7916 and R.A. 7718

13. **Project Study** – refers to a project which presents the marketing, technical, organizational, financial and socio-economic aspects of the project.

14. **Resource-based economic development** – activities agriculture, tourism and environment facilities, infrastructure and services, environment-friendly enterprise, transshipment facilities including but not limited to bonded cold storage warehouse, miscellaneous light industry-activities such as electronics, garments, house wares, kitchen wares, foot wears, etc. properly development such as residential, commercial subdivisions, institutional, theme parks and such other preferred areas of investments as provided in this Code and as may be determined from time to time which will provide for an equitable distribution of wealth.

15. **High Valued Crops** – refers to vegetables, fruit trees, etc. that is also an agro-industrial business that needs to be promoted and be considered preferred/prioritized.

CHAPTER III THE INVESTMENT INCENTIVE BOARD

SECTION 6. There is hereby created The Investment Incentive Board of the Municipality of Bongabong which shall hereinafter be referred as the Board, to formulate and implement sound investment policies to provide a healthy and promising business climate and environment for investors.

SECTION 7. Composition of the Local Investment Incentive Board. – The Board shall be composed of the following:

a)	Municipal Mayor
b)	Municipal Vice – Mayor
c)	SB Chair on Committee on Trade and Industry
d)	SB Chair on Ways and Means
e)	SB Chair on Committee on Finance, Budget and Appropriations
f)	Municipal Treasurer
g)	Municipal Assessor
h)	Municipal Budget Officer
i)	Municipal Accountant
j)	Municipal Planning and Development Coordinator
k)	Head of Local Public Enterprise, and Public Utility Local Economic Investment Promotion Office
l)	Municipal Agriculturist
m)	Municipal Engineering
n)	Municipal Environment and Natural Resources
o)	Municipal Representative for Department of Trade and Industry
p)	President of the Municipal Tourism Council
q)	Representative From the Business Organization duly accredited by the Sangguniang Bayan
r)	Representative from the Industry Associations duly accredited by the Sangguniang Bayan
q)	Business Permits and Licensing Officer

The representatives of the private sector and their alternates shall be recommended by the sectors and organizations they represent and shall be appointed by the Mayor for a term of two (2) years.

SECTION 8. Meetings of the Board – The Board shall meet semi-annually, JANUARY/JULY. A majority of the members present shall constitute a quorum and a vote of the majority of the quorum in a meeting validly held shall be binding to exercise its powers and perform its function.

SECTION 9. Powers, Duties and Functions of the Board – In pursuance of this Ordinance, and subject to existing laws, rules and regulations, the Board shall be vested with the following powers:

- i. Adopt a comprehensive investment promotion program which shall specify list of priority investment areas and corresponding incentives.
- ii. Promulgate such rules and regulations which shall be regularly reviewed and updated by the Board and technical secretariat that shall become effective upon approval of the Municipal Mayor.
- iii. Institutionalize an Investments Promotion center and designate as technical secretariat of the Board with the following function:
 1. Accept and Process registration application.
 2. Documentation and Promotion of Board matters (minutes, decisions, application approvals/rejection, annual report, plans)
 3. Cultivate network with organizations, government offices and agencies to coordinate the necessary linkages for investment promotion
 - a. One stop shop for doing business
 - i. Covering all permits, documents and requirements
 - ii. Assist investors on inquiries (zoning, socioeconomic data, requirements)
 - iii. Assist registered enterprises in dealing with other agencies of The government
 - b. Facilitation of technical assistance programs for business (accounting/bookkeeping, feasibility studies, tax compliance, product packaging, skills trainings and workshops, etc.)
 - c. Coordinate with investor on labor, financing, education, telecommunication, utilities needs in expeditious manner
 - d. Conduct trade and investment fairs/seminars, trade missions
- iv. Production and dissemination of investment promotion materials, conduct investor briefings, and provide investment consultations
- v. Act an applications for registration and availment of local incentives. All application shall be acted upon within 90 days.
- vi. Review incentive package every two years, Recommend fiscal and non-fiscal incentives to grant to targeted investors, Institute monitoring scheme/feedback mechanism for the investors.
- vii. Identify, acquire and develop Industrial Estates and Business Parks and other preferred and priority investment areas.
- viii. Enter into MOA with other government agencies and private sector for simplifying systems, procedures and requirement.
- ix. Enlist assistance of government agencies and Peoples Orientation necessary for implementation.
- x. Identify and recommend appropriate incentives and support measures.
- xi. Revoke or suspend incentive benefits of any registered enterprise in violation of the Terms and Condition of the code.

SECTION 10. Powers, Duties and Functions of the Chairperson – The Chairperson of the Board shall have the following powers, duties and functions:

- a. To preside over all regular and special meetings of the Board.
- b. To submit annual reports to the Sangguniang Bayan and to the Board.
- c. Recommend to the Board such policies and measures he may deem necessary to carry out the objectives of this Code.
- d. To exercise such other powers and perform such other duties as may be authorized by the Board from time to time as may be provided by an ordinance.

SECTION 11. Powers, Duties and Functions of the Co-Chairperson – The Co-chairperson of the Board shall have the following powers, duties and functions:

- a. To preside over all regular and special meetings of the Board in the absence of the Chairperson.

- b. To exercise such other powers and perform such other duties in the absence of the Chairperson as may be authorized by the board.

SECTION 12. The Secretariat – The Municipal Secretariat shall be appointed by the Municipal Mayor and such shall perform the following functions:

- a. Record the proceedings of every meeting of the Board
- b. Receive for filing, recording and docketing of applications, communications and documents covered by the Investment Incentive Code and recommend appropriate action therefore to the Board;
- c. Research and gather data for appropriate action of the Board; and
- d. Perform such other function provided in the Investment Code and the rules and regulations promulgated by the Board.

CHAPTER IV PRIORITY INVESTMENT AREAS

SECTION 13. Priority Areas – The Board shall identify and make a list of business activities/ areas to be Promoted to targeted investors and which as much as possible fall within the context of the Comprehensive Land Use Plan and Zoning Ordinance of the Municipality

SECTION 14. Preferred/ Priority Investment Areas – Incentives and other support measures shall be provided to new and diversified investments in the following preferred and priority environment – friendly areas as embodied in the Zoning Ordinance of this Municipality.

1. Agro –industrial business such as but not limited to:

- a. Organic Farming, Organic Production
- b. Fruits, food and vegetables processing
- c. Livestock poultry fishing and aqua- culture
- d. Cold storage facilities
- e. Rice and Corn Mills
- f. Feed Mills
- g. Post – harvest facilities
- h. Agro- forestry (such as forestry development)
- i. Aqua-Marine Production

2. Light manufacturing/ processing industries such as but not limited to:

- a. Ceramics and other stone construction or non-metallic materials processing
- b. Furniture, woodcrafts and furnishings
- c. Jewelry/fashion accessories
- d. Electronics, hard wares and soft wares
- e. Garments
- f. foot wares
- g. Toys
- h. Gift wares

- i. Farming/Fishing machineries and tools
- j. Glass wares
- k. Light metal products/metal industry
- l. others

3. Tourism facilities such as but not limited to:

- a. Mid-range business hotels, motels and other hotel related facilities
- b. Theme parks, restaurants, food courts/ food services and food chains
- c. Marts, malls and department stores
- d. Beach and inland resorts
- e. Tour and Travel Agencies
- f. Employment Agencies
- g. Tour Operators
- h. others as may be determined by the Board

4. Transshipment Facilities such as but not limited to:

- a. Bonded Warehouses
- b. Container
- c. Port Infrastructures
- d. Multi-Modal Transport Terminals
- e. Airlines
- f. Shipping
- g. Cargo and Forwarders
- h. Air Freight Services

5. Property Development such as but not limited to:

- a. Business parks
- b. Condominiums
- c. Low Cost Housing/Real State
- d. Sports and Fitness Center
- e. Private industrial estates
- f. Commercial/Office building
- g. Resident area development/subdivisions

6. Development of other environment – friendly enterprises/ manufacturing/ production/ basic engineering industries such as but not limited to:

- a. Irrigation system
- b. Potable water system development
- c. Electric power/ energy generating plans
- d. Biological and natural/ organic pesticides and other agricultural treatments
- e. Natural/ organic fertilizers
- f. Herbal medicines
- g. Communication and transportation system
- h. Pharmaceuticals and laboratories
- i. Engineering and Surveying Offices
- j. Material and Recovery Facilities
- k. Hydroelectric Power – energy
- l. Construction Material
- m. Marine and Industrial Enterprises
- n. Other machines motor and automotive, car assemblies, body building parts and accessories
- o. Sanitary landfill/material recovery facility
- p. Petroleum distribution

7. Institutional Development

- a. Elementary Schools
- b. Secondary Schools
- c. Colleges and Universities
- d. Technical Schools
- e. Financing Institutions, Banks, Credit/Lending Institutions and Pawnshops
-rural banks, commercial banks, foreign banks, financing and lending co., savings and thrift banks, development banks.
- f. Moneychangers
- g. Postal Services, Freight Forwarders and Broker Service

SECTION 15. Determination Of Other Investment Areas – Other investments areas may be recommended by the Board for inclusion in the list of priority investment areas which shall become effective upon approval by the Sangguniang Bayan. The following may be used as bases of determination:

- a. Employment opportunities
- b. Extent to which technological advances are applied and adopted to local conditions
- c. Value added potential
- d. Linkage with local industries
- e. Extent to which local labor, raw materials and other indigenous resource are utilized.
- f. Effect on the environment

SECTION 16. Removal/ Deletion of a preferred/ priority investment area – The Board may remove an area or activity from the preferred / priority areas for investments subject to the Constitutions, national laws, rules and regulations, contractual or propriety rights. The following may be used as bases for the removal of a preferred investments area:

- a. Over investment in area/ activity
- b. The confirmed extension of incentives or support measure for the specific investment area is no longer in the interest of the Municipality. Provided, however, that without the incentive provided in this Code, the affected enterprises may continue unless public welfare and interest require otherwise.

SECTION 17. Build and Transfer (BT), Build, Operate Transfer (BOT) and other modalities – Any person, business or firm covered by, operating and seeking to operate under the provisions of this Ordinance may enter into a contract of BT, BOT or other modalities including but not limited to transfer of technology with Municipal Government of Bongabong under the terms and conditions beneficial to the Municipality.

SECTION 18. Joint Ventures – Any joint venture agreement may be entered into by a business or economic enterprises covered by this Ordinance with the Municipal Government of Bongabong, however, such undertaking shall be limited only to industrial participation on the part of the municipal Government of Bongabong and under such terms and conditions advantageous to the latter.

CHAPTER V REGISTRATION

SECTION 19. Qualifications of a New Enterprise – A new enterprise which intends to avail of the incentives and other support measures provided in this Code must meet the following:

- a. That the business enterprise must have complied with all the requirements mandated under existing local and national laws and by the constitution through presentation of certification of registration issued by either the Security and Exchange Commission (SEC), Department of Trade and Industry (DTI), or Cooperative Development Authority (CDA) and other national government accrediting agencies as the case may be.

- b. That the enterprises place of operation is within the territorial of jurisdiction of the Municipality of Bongabong.
- c. That the enterprises must have complied with all the requirements mandated under existing laws and ordinance.
- d. That the enterprises must engage in activities identified as preferred/priority investment area by section 13 and 14 of this ordinance and such areas as may hereafter be declared by the Board.
- e. That the new enterprises must have actually invested at least THREE MILLION PESOS (P3.0M) initial capital investment and will at least generate ten (10) employment opportunities at the time of registration.
- f. That the new enterprises shall provide to bona fide residents of this Municipality 70% of the job opportunities it generates, whether regular, contractual or casual.

SECTION 20. The existing enterprises and/or newly-established business enterprises are required to include in their requirements of employment the Barangay Clearance of individuals applying in the said establishment. No permit, no hiring.

- a.) All applicants are required to secure the above-mentioned permit before exercising the occupation.
- b.) All new enterprises are required to submit their new hires with a certificate of compliance of this ordinance before a business permit will be issued.
- c.) All new enterprises are required to provide the Municipality of Bongabong a list of their vacancies and the qualifications thereof for posting at conspicuous places.
- d.) All new enterprises are enjoined to submit a notarized certification or affidavit stating that they have indeed complied with this Ordinance before the Municipality of Bongabong approves their application for business permit.
- e.) Hiring of non-Bongabong residence can only be had if nobody from Bongabong is qualified and nobody has applied for the position.

SECTION 21. Qualification of an Existing Enterprises – An existing enterprise may avail itself of the incentives and other support measure under this Ordinance provided it meets the following qualifications:

- a. That the business enterprise must have complied with all the requirements mandated under existing local and national laws, rules and regulations and the constitution by and through the presentation of registration issued by either the SEC, DTI or CDA and other national government accrediting agencies as the case may be...
- b. That the existing enterprises shall venture into in a diversification of investment and such diversification must be engaged in activities mentioned in Section 13 and 14 hereof;
- c. That the enterprises whose business undertaking is among those listed as preferred/ priority investment area provided for under section 13 and 14 of this ordinance and whose place of operation is not located within the territorial jurisdiction of Bongabong but which will expand to the Municipality of Bongabong and which will result to increase production capacity and employment opportunities in this Municipality.
- d. That the enterprises had put up additional capital investment making its total resources not less than 3M.

SECTION 22. Existing of business of whatever kind of nature that are retired for the purpose of availing the incentives afforded through this ordinance shall not be allowed to apply under this ordinance.

SECTION 23. Exception. The Investment Incentives program shall not apply to financing or banking institutions which are governed by the Central Bank Act and under the supervision of the Central Bank of the Philippines.

SECTION 24. Application – Application should be filed with the Board, through the secretariat who shall record

the same in the registration book including the date of filling.

A non-refundable service fee shall be paid to the Municipal Treasurer and the official receipt shall be submitted to the secretariat together with other documents as follows:

A. Required documents for registration

For Sole Proprietorship

1. Three copies of completed application from which can be secured from BPLO;
2. A copy of the project study of the proposed investment indicating the financial, environment and socio-economic impact of the project;
3. A Certified true copy of its Certificate of Business Name registration from DTI.

For Partnership and Corporation

1. Three copies of completed application from which can be secured from BPLO;
2. A copy of the project study of the proposed investment indicating the financial, environmental and socio-economic impact of the project.
3. A copy of a company's Article of partnership/Incorporation and By-Laws as approved by the SEC;
4. Authority from partners or the Board of Director as the case may be, to file the application.

For Cooperatives

1. Three copies of completed application from which can be secured from BPLO;
2. A copy of the project study of the proposed investment indicating the financial, environmental and socio-economic impact of the project;
3. A copy of the Certificate of Registration from CDA.
4. Authority from the Board of Directors to file the application.

B. Requirements under environmental laws, rules and regulations and other laws.

C. Such other requirements as may be provided by law, rules and regulations and as the Board may require.

SECTION 25. Approval and Registration Procedure – The Board is vested with the authority to approve the application mentioned in the proceeding section when all the requirements thereof have been copied with. For this purpose, the Board is authorized to adopt rules and regulations filed with it based on the prescribed criteria for the evaluation of several applications filed in one preferred area, and device standard forms for use of the applicants.

SECTION 26. Certificate of Registration – A registered enterprises under this ordinance shall be issued a Certificate of Registration in such form and style as the Board may determine with the signature of the Chairperson and/ or such other officer of

may empower for the purpose, with the official Municipality of upon the annual of _____ every year

Capitalization	Fee
₱3M up to ≤ ₱5M	₱500
₱5M up to ≤ ₱10M	₱1,000
₱10M up to ≤ ₱20M	₱1,500
₱20M up to ≤ ₱30M	₱2,000
₱30M up to ≤ ₱40M	₱2,500
Above ₱40M	₱3,000

the Board as it and designated duly sealed seal of the Bongabong payment at the registration fee renewable thereafter.

SECTION 27. Rights and Privileges – Upon the issuance of the Certificate of Registration as provided in Section 26 of this Ordinance, the registered investors or enterprise are entitled to the rights, guarantees, incentives and support measures provided by the law, the constitution and this Investment Code. In additions to such rights, guarantees, incentives and support measures and to enhance investor’s confidence in the incentive program, the Municipal Government through the Investment Incentive Board shall:

- a. Provide concise and comprehensive information to investors of the economic priorities of the Municipality including target investment areas and the general conditions applicable to incoming direct private investments such as availability of the Comprehensive Land Use for investors.
- b. Communicate investment policies, evaluation criteria and procedures to enhance transparency in the process of granting government incentives.
- c. In accordance with law and where no local personnel or worker is capable and available, allow the employment of qualified foreign personnel where this is necessary for efficient operation of the enterprise or for technology transfer.
- d. Take the fullest possible account of the need of the investors for stability, growth and profit on their operations in the formulation or modification of policies and ordinance that affect investments.
- e. Not to interfere or modify agreements with the investors after the details of the implementation of an investment project has been approved and accepted, the ownership and management structures of the enterprise has been established, unless the law provided otherwise.
- f. Avoid undue distortion of competition between and among enterprises operation with its territorial, whether domestic or foreign, when granting any special incentives aimed at encouraging investment in the identified target areas.
- g. Subject to existing laws, national rules and regulations, resolve all doubts concerning the benefits and the incentives granted under the Investment Code in favor of the attainment of the objectives thereof.

CHAPTER VII INCENTIVES AND SUPPORT MEASURES TO REGISTERED ENTERPRISES

SECTION 28. Fiscal Incentives – All enterprises registered under this Code in addition to the incentives by law under the Omnibus Investment Code of 1987 (E.O. 226), the Foreign Investment Act of 1991 and other laws granting fiscal incentives including and not limited to Local Government Code of 1991 (RA 7160), shall be entitled to:

Capital Investment	Period of Availment
₱3M up to ₱5M	1 year
₱5M up to ₱10M	2 years
₱10M up to ₱20M	3 years
₱40M up to ₱200M	4 years
Above ₱200M	6 years

1. Exemption from local taxes, fees, and charges i.e. Medical certificate fee, fire inspection fee, barangay clearance fee, real property tax and building permit fee (3 years)
2. Regional Area headquarter/s or Regional Operating Headquarters of Multi National Companies are exempt from all kinds of taxes, fees and charges except Real Property Tax on land improvements and equipment.
3. Business Tax reduction

SECTION 29. Non – Fiscal Incentives – Aside from the fiscal the fiscal incentives mentioned in the foregoing section, the following non – fiscal measures are herein provided purposely to assist investors in successfully accomplishing their activities prior to, during and after the registration of their business.

1. **Trade Promotion**
 - a.) Trade fairs and exhibits
 - b.) Promotion of products
2. **Access to Economic Development and Investment Promotions Center services:**
 - a.) Investment counselling
 - b.) Business visit facilitation
 - c.) Business Information relative to Investment
 - d.) Project profile preparation
 - e.) Business partner identification & matching
 - f.) Incentive Availment
 - g.) Access to financing
 - h.) Social services
 - i.) Trouble shooting and follow up
3. **Project feasibility studies assistance Support to MSMEs**
 - a.) Simplified registration (docs, fees)
 - b.) Identification of support companies
4. **Provide free online database of all enterprises**
5. **Recognition and Rewards**

SECTION 30. Review Appropriate Incentive and Support Measures – The Board may review the package of appropriate Incentive and support measures every three (3) years provided that, subject to the constitution, national rules and regulations, contractual and propriety rights the Board may recommend to the Sangguniang Bayan the adoption of the appropriate incentive and support measures consonant with this Code. The adoption of means the objectives of

Year	Reduction
1 st	100% of Sales
2 nd	75% of Sales
3 rd	50% of Sales

SECTION 31. Appropriations – The funds to defray the expenses for the implementation to the provisions of this Code shall be sourced from the General Fund or Local Development Fund of the Municipality of Bongabong or such other sources including but not limited to legitimate grants and aids.

SECTION 32. Visual Power – The Board, or any of its authorized representatives, is hereby empowered and authorized to conduct an ocular inspection of the enterprise to ensure compliance with pertinent national law, rules and regulations the provisions of the Investment Code and the rules promulgated by the Board and other ordinance.

SECTION 33. Reportorial Requirements – Every registered enterprise shall for each preferred/ priority area of investment submit to the Board the following reports and/or documents within the time herein prescribed.

- a. Amendment of Articles of Incorporation and By – laws or Articles of Partnership or Articles of Cooperation as well as the corresponding certificates of registration with the registering office within thirty (30) calendar days from the date of submission of said amendments with the Securities and Exchange Commission or Cooperative Development Authority or other registering agencies.
- b. Election of Directors within thirty (30) calendar days from the day of election.
- c. Report on alien officers or employees within thirty (30) calendar days from the date of appointment or replacement of their employees, provided, that such aliens are registered as such with the Bureau of Immigration and Deportation (BID) and with the Department of Labor and Employment (DOLE).
- d. Report on employment of bona fide residents of Bongabong Oriental Mindoro within thirty (30) calendar days from the date of their appointment.
- e. Annual report on the enterprise's business operations, including its production or gross sales or receipts with in sixty (60) calendar days from the end of each calendar year; and
- f. Audited Annual Financial Statements within sixty (60) calendar days after its submission to the Bureau of Internal Revenue (BIR)

SECTION 34. Sanctions for Late Submission of Reportorial Requirements – For late submissions of the required reports and statements, every registered enterprise shall, for each preferred/ priority area of investment be fined in accordance with the following:

- | | | | | |
|------------------------------------|---|---|---|-----------------|
| a. First Violation | - | - | - | ₱25.00 per day |
| b. Second Violation | - | - | - | ₱50.00 per day |
| c. Third and Subsequent Violations | - | | | ₱100.00 per day |

CHAPTER VIII MISCELLANEOUS PROVISIONS

SECTION 35. Failure to Commence Business Operation – Failure to commence business operation within a period of six (6) months from the date of issuance of the Certificate of Registration shall be a ground for the cancellation of the Certificate of Registration. The registered enterprise may before expiration of this six month period, request in writing an extension of another non-extendible period of two (2) months to commence business operation which may be granted by the Board upon justifiable grounds as may be provided in the rules and regulations implementing the ordinance.

SECTION 36. Penal Clause – Any violation of the provisions of this ordinance, existing laws, ordinances, rules and regulations promulgated pursuant to this Code shall be a ground for the cancellation or revocation of registration of the enterprise and the withdrawal of all the incentives granted under this ordinance.

SECTION 37. Repealing Clause. All Ordinances, Resolutions, Circulars, Memorandums or Rules and Regulations inconsistent with the provision of this Code are hereby repealed and modified accordingly.

SECTION 38. Publication - For the information of prospective investors, the business community and the general public, the Municipal Information Office is hereby tasked to cause the publication and circulation of this code to widest readership as may be possible.

SECTION 39. Separability Clause. If, for any reasons, any part of the provisions of this Code shall be held unconstitutional or invalid, other parts hereof which are not affected thereby shall continue be in full force and effect.

SECTION 40. Effectivity Clause. The Code shall take effect after fifteen (15) days following its posting in the Municipal Bulletin Board and two (2) conspicuous public places as well as provision of copies to the 36 barangays of this Municipality.

Certified true:

Atty. EDUARDO M. MAGSINO
Secretary to the Sangguniang Bayan

Attested by:

Hon. RICHARD S. CANDELARIO
Vice-Mayor and Presiding Officer

Approved:

Hon. ELEGIO A. MALALUAN, O.D.
Municipal Mayor
Date: