



Republic of the Philippines  
**SANGGUNIANG PANLUNGSOD**  
City of Mandaluyong

ORDINANCE NO. 605, S-2015

ORDINANCE CREATING THE MANDALUYONG  
CITY INVESTMENT INCENTIVES CODE

WHEREAS, the territorial and political subdivisions of the State enjoy genuine and meaningful local autonomy to enable them to attain their fullest development as self-reliant communities as provided under Republic Act No. 7160 known as the "Local Government Code of 1991";

WHEREAS, Republic Act No. 7160 also mandates the formulation of a local investment incentives to promote the inflow and direction of private investment capital;

WHEREAS, the Mandaluyong City Government is empowered to grant tax exemptions, incentives and reliefs subject to existing laws, rules and regulations, and under such terms and conditions as may be necessary;

WHEREAS, to facilitate investment in Mandaluyong City, there is a need to adopt an investment incentives measure, consistent with the Comprehensive Development and Land Use Plans, Zoning Regulations, Investment Priorities Plans and other plans and programs, that will hasten economic progress, provide employment opportunities, increase revenues, reduce poverty, promote environmental protection and improve the quality of life both men and women;

WHEREAS, the Mandaluyong City Government recognizes that it must strike a balance between economic progress, and environmental protection and awareness in order to achieve sustainable development;

WHEREAS, there is a need for the Mandaluyong City Government to ensure the mainstreaming of climate change and disaster risk reduction and management in its development and investment plans and programs.

NOW, THEREFORE, be it ORDAINED by the Sangguniang Panlungsod of Mandaluyong, in session duly assembled that:

**ARTICLE I**  
TITLE, DECLARATION OF POLICIES &  
DEFINITION OF TERMS

SECTION 1. TITLE. This Act shall be known as "Mandaluyong City Investment Incentives Code".

SECTION 2. DECLARATION OF POLICIES. The grant of investment incentives by the Mandaluyong City Government shall be governed by the following principles:

- a. Domestic and foreign investments are crucial factors in attaining economic growth;
- b. The Mandaluyong City Government adopts a policy of sustainable development by attaining economic growth while preserving and protecting the environment for present and future generations;

- c. The Mandaluyong City Government adopts a policy of encouraging domestic and foreign investments by creating a good business climate and providing incentives for needed investments, especially in priority areas and industries for development;
- d. The Mandaluyong City Government shall establish an investment incentives law that is reasonable, fair, clear, time-bound and consistent with our national laws to level the playing field of all investors;
- e. Fiscal and special incentives shall be granted to registered enterprises to assist their initial operations, and shall cover the next succeeding year after the start of commercial operations, unless a different period is otherwise stated;
- f. The Mandaluyong City Government shall establish best practices aimed at prevention of red tape and graft and corruption in the process of registration of enterprises as well as application for availment of the incentives;
- g. Public Private Partnership (PPP) is recognized as an effective tool for investment and shall provide incentives to the private sector component of the PPP projects and programs;
- h. The Mandaluyong City Government adopts a policy of improvement or transformation of less developed areas, including idle lands in its territorial jurisdiction, into highly developed industrial, commercial, tourist, recreational and service centers to fully achieve economic growth;
- i. The Mandaluyong City Government shall also help promote, support, strengthen and encourage the growth and development of Micro Small and Medium Enterprises (MSMEs) by establishing linkages and networks with Large Enterprises;
- j. Recognizing its vulnerability to potential dangerous consequences of climate change such as increasing frequency and severity of droughts, fires, floods, storms and climate change related illnesses and diseases, the Mandaluyong City Government shall encourage the proactive participation of the registered enterprises in addressing the issues of climate change and disaster risk reduction and management geared towards building a disaster-resilient City;
- k. The Mandaluyong City Government shall create an enabling environment that shall promote registered enterprises' social and environmental awareness and sharing with them the risk and responsibilities of climate change mitigation and adaptation by formulating and integrating strategies that will mitigate Green House Gas (GHG) emissions and other anthropogenic causes;
- l. The Mandaluyong City Government shall integrate in the Investment Priorities Plan (IPP) those programs and activities that may be undertaken by the investors that will help minimize climate change-related disasters in exchange of local incentives that may be granted in accordance with law;
- m. The Mandaluyong City Government shall encourage key investments in climate-sensitive sectors such as water and energy resources, health, service and infrastructure, as well as, biodiversity-friendly sectors;

- n. The Mandaluyong City Government has a long standing commitment to leadership in Green Building standards, sustainable design and construction practices, efficient water and other resource conservation and management, and the reduction of GHG emissions, and shall integrate these systems and standards in the investors' business practices;
- o. The Mandaluyong City Government shall forge partnerships with the registered enterprises in providing opportunities and protection for women, children, disabled and marginalized people, and improve their quality of life by instilling in them social responsibility;
- p. The Mandaluyong City Government shall establish effective mechanisms to assist and encourage employment of *bona fide* residents of Mandaluyong City in the registered enterprises.

SECTION 3. DEFINITION OF TERMS. For purposes of this Ordinance, the following terms are defined:

- a. ANTHROPOGENIC CAUSES – refer to causes resulting from human activities or produced by human beings (Section 3(c), Republic Act No. 9729);
- b. BIODIVERSITY-FRIENDLY INVESTMENT – refers to those investments that either directly or indirectly support the protection of the flora and fauna species and other natural resources conservation initiatives and activities. These types of businesses should incorporate biodiversity relevant knowledge and technical resources management and development processes and practices that enhance biodiversity resource conservation to include those businesses that directly or indirectly support biodiversity (*i.e.*, use of indigenous species, protection of flora and fauna and the like);
- c. BOARD – shall mean the Mandaluyong City Investments Board created under this Code;
- d. CAPITAL INVESTMENT – is the capital which a person employs in any undertaking, or which he/she contributes to the capital of a partnership, corporation, or any other juridical entity or association in a particular taxing jurisdiction (Section 31(f), Ordinance No. 484, S-2011);
- e. CLIMATE CHANGE – refers to a change in climate that can be identified by changes in the mean and/or variability of its properties and that persists for an extended period typically decades or longer, whether due to natural variability or as a result of human activity (Section 3(d), Republic Act No. 9729);
- f. DISASTER RISK REDUCTION – refers to the concept and practice of reducing disaster risks through systematic efforts to analyze and manage the causal factors of disasters, including reduced exposure to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events (Section 3(n), Republic Act No. 10121);
- g. DIVERSIFICATION PROJECT – involves: (i) a company's movement into a broader range of products by buying firms already serving the market or by expanding existing operations; or (ii) the act of investing in a wide range of companies to reduce the risk if one sector of the market suffers losses;

- h. DOMESTIC INVESTMENT – shall mean any equity participation made by a Philippine national in any enterprise organized or existing under the laws of the Philippines;
- i. EXISTING PROJECT – refers to a project of an existing enterprise that has started commercial operation at the time of application with the BOARD that does not qualify as new, expansion, and diversification or modernization project;
- j. EXPANSION PROJECT – refers to a project of an existing enterprise that would involve the installation of additional facilities/equipment that will result in increase in capacity of the same/similar activity within the same existing plant/facilities of the enterprise (Part I (g) Definition of Terms, 2013 Investment Priorities Plan, Board of Investments);
- k. FOREIGN INVESTMENT – shall mean an equity investment made by a non-Philippine National in the form of foreign exchange and/or other assets actually transferred to the Philippines and duly registered with the Bangko Sentral which shall assess and appraise the value of such assets other than foreign exchange (Article 11, Executive Order No. 266);
- l. GREEN BUILDING – is an integrated whole-building approach to the planning, design, construction, operation and maintenance of buildings and their surrounding landscape that help mitigate the environmental, economic and social impacts of buildings through the following: site conservation and sustainable planning, water conservation and efficiency, energy efficiency and renewable energy; conservation of materials and resources, and improved indoor environmental quality and human health;
- m. GREEN HOUSE GAS (GHG) EMISSION – refers to constituents of the atmosphere that contribute to the greenhouse effect including, but not limited to, carbon dioxide, methane, nitrous oxide, hydro fluorocarbons, per fluorocarbons and sulfur hexafluoride (Section 3(I) Republic Act No. 9729);
- n. GREEN PROJECTS – covers the manufacture or assembly of goods, products and equipment, the utilization of which would lead to either the efficient use of energy, natural resources or raw materials; minimize/prevent pollution; or reduce Green House Gas (GHG) emissions;
- o. GROSS SALES OR RECEIPTS – include the total amount of money or its equivalent representing the contract price, compensation or service fee, including the amount charged or materials supplied with the services and deposits or advance payments actually or constructively received during the taxable quarter for the services performed or to be performed for another person excluding discounts if determinable at the time of sales, sales return, excise tax, and value-added tax (VAT) (Section 31(o), Ordinance No. 484, S-2011);
- p. IDLE LANDS – refer to lands located in Mandaluyong City, more than one thousand (1,000) square meters in area one-half (1/2) of which remain unutilized or unimproved by the owner of the property or person having legal interest therein (Section 237(b), Republic Act No. 7160);

- q. INCENTIVES – shall refer to support measures provided by the government to stimulate establishments and assist initial operations of an enterprise; to encourage private domestic and foreign investments in commercial, industrial, service, recreational and tourism sectors of the economy which shall provide significant employment opportunities relative to the amount of the capital being invested, increase productivity of the land and other resources of the country, and improve utilization of products thereof;
- r. INVESTMENT – is the purchase of a financial product or other item of value with the expectation of capital appreciation, dividends, and/or interest earnings. It also refers to an activity/project involving entry (new), expansion, diversification and modernization of an enterprise in various fields of commercial, service, industrial, recreational and tourism sectors;
- s. INVESTMENT PRIORITY AREA (IPA) – shall mean the economic activities that the BOARD shall have declared as such in accordance with Article V of this Code;
- t. INVESTMENT PRIORITIES PLAN (IPP) – shall mean the overall plan prepared by the BOARD which includes and contains:
  - i. The specific activities and generic categories of economic activity wherein investments are to be encouraged and the corresponding products and commodities to be grown, processed or manufactured pursuant thereto for the domestic or export market;
  - ii. Specific public utilities which can qualify for incentives under this Code and which shall be supported by studies of existing and prospective regional demands for the services of such public utilities in the light of the level and structure of income, production, trade, prices and relevant economic and technical factors of the regions as well as the existing facilities to produce such services;
  - iii. Specific activities where the potential for utilization of indigenous no-petroleum based fuels or sources of energy can be best promoted; and
  - iv. Such other information, analyzes, data, guidelines or criteria as the Board may deem appropriate (Article 26, Executive Order 266).
- u. HIGH PRIORITY AREAS – refers to those geographic areas included in the list prepared by the BOARD taking into consideration the following criteria: low per capita domestic product, low level of investments, high rate of unemployment and/or underemployment, and level of infrastructure development including its accessibility to developed urban centers;
- v. MEASURED CAPACITY – refers to the estimated additional volume of production/service which the BOARD determines to be desirable in each preferred area of investment taking into account the export potential of the product (Part I (q) Definition of Terms, 2013 Investment Priorities Plan, Board of Investments);

- w. MICRO, SMALL, MEDIUM AND LARGE ENTERPRISES – are defined as any business activity/enterprise engaged in industry, agri-business/services, whether single proprietorship, cooperative, partnership, or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated, must have a value falling under the following categories:

i	MICRO	not more than P3,000,000
ii	SMALL	P3,000,001 – P15,000,000
iii	MEDIUM	P15,000,001 – P100,000,000
iv	LARGE	P100,000,001 and over (Section 3, Republic Act No. 9501)

- x. MODERNIZATION PROJECT – refers to a project of an existing enterprise that would involve improvements in systems, processes, equipment, and/or facilities that must result in any of the following:
- i. At least twenty five percent (25%) substantial reduction of production cost/cost of provision of the service; or
  - ii. Upgrading of product/service quality or classification of the facility (e.g., hospitals, hotels, resorts) to a higher class in accordance with accreditation standards applicable to the industry concerned (Part I (s) Definition of Terms, 2013 Investment Priorities Plan, Board of Investments).
- y. NEW PROJECT – refers to a project/activity listed in the IPP that has not started commercial operation undertaken by (i) a newly organized/formed enterprise; or (ii) an existing enterprise that shall engage in an entirely distinct and different activity from its existing business operations or the same activity, provided, it shall establish a new facility in an area not contiguous to the premises of its existing project and with new investments;
- z. PEZA – shall mean the Philippine Economic Zone Authority. It is the Philippine government agency tasked to promote investments, extend assistance, register, grant incentives to and facilitate the business operations of investors in export-oriented manufacturing and service facilities inside selected areas throughout the country proclaimed by the President of the Philippines as Special Economic Zone (SEZ);
- aa. PHILIPPINE NATIONAL – shall mean a citizen of the Philippines or a diplomatic partnership or association wholly-owned by citizens of the Philippines; or a corporation organized under the laws of the Philippines of which at least sixty per cent (60%) of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines; or a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine national and at least sixty per cent (60%) of the fund will accrue to the benefit of Philippine nationals: Provided, That where a registered and its non-Filipino stockholders own stock in a registered enterprise, at least sixty (60%) percent of the capital stock outstanding and entitled to vote of both corporations must be owned and held by the citizens of the Philippines and at least sixty per cent (60%) of the members of the Board of Directors of both corporations must be citizens of the Philippines in order that the corporation shall be considered a Philippine National (Article 15, Executive Order No. 266);

- bb. PUBLIC PRIVATE PARTNERSHIP – is a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies.
- cc. REGISTERED ENTERPRISE – shall mean any individual, partnership, cooperative, corporation or other entity incorporated and/or organized and existing under Philippine laws; and registered with the BOARD in accordance with this Code: Provided, however, That the term “registered enterprise” shall not include commercial banks, savings and mortgage banks, rural banks, savings and loan associations, building and loan associations, developmental banks, trust companies, investment banks, finance companies, brokers and dealers in securities, consumers cooperatives and credit unions, and other business organizations whose principal purpose or principal source of income is to receive deposits, lend or borrow money, buy and sell or otherwise deal, trade or invest in common or preferred stocks, debentures, bonds or other marketable instruments generally recognized as securities, or discharge other similar intermediary, trust or fiduciary functions (Article 11, Executive Order No. 266).

## ARTICLE II COVERAGE

SECTION 4. MEDIUM AND LARGE ENTERPRISES (MLE). The incentives granted under this Code shall be given only for entry (new), expansion, diversification and modernization of Medium and Large Enterprises (MLEs) as defined herein, whether domestic or foreign, resident or non-resident, in various fields of commercial, industrial, service, recreational and tourism sectors.

A MEDIUM ENTERPRISE (ME) is any business activity engaged in industry, agri-business/services, whether single proprietorship, cooperative, partnership, or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated, must have a value of P15,000,001 to P100,000,000.

A LARGE ENTERPRISE (LE) is any business activity engaged in industry, agri-business/services, whether single proprietorship, cooperative, partnership, or corporation whose total assets, inclusive of those arising from loans but exclusive of the land on which the particular business entity's office, plant and equipment are situated, must have a value of P100,000,001 and above.

An enterprise is new when a project/activity listed in the IPP that has not started commercial operation undertaken by:

- a. a newly organized/formed enterprise; or
- b. an existing enterprise that shall engage in an entirely distinct and different activity from its existing business operations, or the same activity; provided, it shall establish a new facility in an area not contiguous to the premises of its existing project and with new investments.

Expansion refers to a project of an existing enterprise that would involve the installation of additional facilities/equipment that will result in increase in capacity of the same/similar activity within the same existing plant/facilities of the enterprise.

Diversification involves:

- i. a company's movement into a broader range of products by buying firms already serving the market or by expanding existing operations; or
- ii. the act of investing in a wide range of companies to reduce the risk if one sector of the market suffers losses.

Modernization refers to a project of an existing enterprise that would involve improvements in systems, processes, equipment, and/or facilities that must result in:

- i. at least twenty five percent (25%) substantial reduction of production cost/cost of provision of the service; or
- ii. upgrading of product/service quality or classification of the facility (e.g., hospitals, hotels, resorts) to a higher class in accordance with accreditation standards applicable to the industry concerned.

Project of an existing enterprise that has started commercial operation at the time of effectivity of this Code does not qualify as new, expansion, diversification or modernization project, and not entitled to the incentives under this Code.

### ARTICLE III MANDALUYONG CITY INVESTMENTS BOARD

SECTION 5. CREATION. The Mandaluyong City Investments Board is created to implement the provisions of the Mandaluyong City Investment Incentives Code.

SECTION 6. COMPOSITION. The BOARD shall be composed of the following:

a.	CHAIRPERSON	Local Chief Executive
b.	VICE-CHAIRPERSON	Investments Promotion Officer (IPO)
c.	MEMBERS	President of the Chamber of Commerce
		City Treasurer
		City Assessor
		Business Permits and Licenses Officer
		City Budget Officer
		City Engineer
		City Planning and Development Officer
		City Legal Officer
		The Sanggunian Chairperson of the Committee on Trade, Commerce and Industry
		The Sanggunian Chairperson of the Committee on Ways and Means
		Two (2) private Sector Representatives of significant business/industry in the locality to be appointed by the Local Chief Executive, for a term of two (2) years, duly accredited by the Sanggunian

- SECTION 7. COMPENSATION OF THE BOARD. All members of the BOARD shall receive per diem for every meeting actually attended at a rate as may be deemed fixed by the BOARD subject to relevant laws, rules and regulations on appropriation, budgeting, accounting and auditing; Provided, that the total compensation for a member of the BOARD in one month shall not exceed the monthly Representation and Transportation Allowance (RATA) of a department head; Provided further, that when an authorized representative attends a meeting, such representative shall be entitled to receive the per diem.
- SECTION 8. MEETINGS AND QUORUMS OF THE BOARD. The BOARD shall have a regular meeting once a month on such date and time as may be fixed by the BOARD. Upon the call of the Chairperson or by the majority of the Members, a special meeting may be convened; Provided, that there is a written notice stating the matters to be taken up; Provided further, that no matters shall be taken up other than that stated in the notice. The presence of at least a majority of all the members shall constitute a decisions and policies acted upon by at least the majority of the Members present during the meeting, there being a quorum, shall be considered valid. The BOARD is authorized to promulgate its own rules and regulations for the conduct of its meetings and proceedings.
- SECTION 9. POWERS AND FUNCTIONS OF THE BOARD. The BOARD shall be responsible for the regulation of investments in Mandaluyong City. Pursuant to this, the BOARD is generally vested with the following powers:
- a. Promulgate rules and regulations in the conduct of its meetings and proceedings;
  - b. Recommend to the Sanggunian any amendments on the Code;
  - c. Issue guidelines, memoranda, circulars, resolutions or orders and other processes relative to the application for registration and incentives by an enterprise;
  - d. Adopt and approve the Investment Priorities Plan (IPP) to be recommended by the IPO, and update the same every three (3) years in accordance with the CDP, CLUP, Zoning Ordinance and other related laws, Ordinances, rules and regulations implemented by Mandaluyong City;
  - e. Review and update annually Investment Priority Areas (IPAs) eligible for incentives;
  - f. Approve applications for registration of projects and availment of the incentives;
  - g. Suspend or revoke the Certificate of Registration, and order refund of incentives given to a registered enterprise for violations of the Code, and payment of all fees and charges previously exempted including penalties and fines, only after notice and hearing;
  - h. Supervise the operations of the IPC and, more particularly, the One-Stop Shop Registration and Application of enterprises;

- i. Establish cooperative undertakings with other LGUs, the private sector, NGOs or other institutions as may be necessary;
- j. Enlist the assistance of Mandaluyong City Government offices, national agencies and private sector organizations, as may be necessary, useful and incidental to the effective and efficient implementation of the Code;
- k. Establish trade and investment satellite offices in such other places as may be deemed necessary to effectively carry out its mandates;
- l. Ensure that the green and socially responsible projects undertaken by enterprises on public property or to the constituents shall be in harmony with the overall environmental management program of Mandaluyong City;
- m. Formulate and implement rationalization programs for certain industries whose operation may result in dislocation, overcrowding or inefficient use of resources, thus impeding economic growth. For this purpose, the BOARD shall formulate guidelines for progressive programs, local content programs, mandatory sourcing requirements and dispersal of industries; and
- n. Perform such other tasks necessary and incidental to the exercise and performance of their functions under this Code insofar as they are consistent with existing national laws, rules and regulations.

SECTION 10. POWERS AND FUNCTIONS OF THE CHAIRPERSON. The Chairperson of the BOARD shall have the following powers and duties:

- a. To preside over the regular and special meetings of the BOARD;
- b. To sign the Certificate of Registration in accordance with the rules and regulations of this Code;
- c. To recommend to the BOARD such policies and measures he may deem necessary to carry out the objectives of the Code; and
- d. Generally, to exercise such other powers and perform such other duties as may be directed by the BOARD.

SECTION 11. POWERS AND FUNCTIONS OF THE VICE-CHAIRPERSON. The Vice-Chairperson of the Board shall have the following powers and duties:

- a. To preside over the regular and special meetings of the BOARD in the absence of the Chairman; and
- b. To exercise such other powers and perform such other duties as may be directed by the BOARD.

SECTION 12. VISITORIAL POWER OF THE BOARD. The BOARD, any duly authorized Member thereof or any duly authorized or deputized representative or agency, shall be empowered and authorized to conduct an 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 verification or ascertaining the enterprise's compliance with the provisions of the Code, or when the BOARD deems it necessary or incidental to the effective exercise and performance of their respective functions and powers.

## ARTICLE IV

### TIGER CITY INVESTMENTS PROMOTION CENTER (IPC)

SECTION 13. CREATION. The Tiger City Investments Promotion Center (IPC) is hereby created under the Office of the Mayor that shall serve as the Technical Secretariat of the BOARD, and shall take an active role to carry out the objectives of the Code. The BOARD shall appoint technical staffs and other personnel subject to Civil Service Law, rules and regulations.

SECTION 14. POWERS AND FUNCTIONS OF THE TIGER CITY IPC. The Tiger City IPC shall have the following powers and functions:

- a. Receive, process and evaluate applications for registration and applications for the availment of the local incentives, and submit its recommendation to the BOARD within a specified period from the receipt of application;
- b. Prepare and implement the annual investments promotion plan as approved by the BOARD;
- c. Prepare and recommend to the BOARD the Investment Priorities Plan (IPP);
- d. Assist investors in:
  1. securing licenses and permits;
  2. identifying business or joint venture partners, raw materials suppliers and possible business sites;
  3. sourcing out skilled manpower and service providers;
  4. facilitate in resolving issues and concerns encountered by investors, among others;
- e. Facilitate after care services to registered enterprises/locators;
- f. Establish and update data bank on general business information;
- g. Strengthen networking relationships;
- h. Prepare and disseminate investment promotion materials, *e.i.*, brochures, industry and project profile as well as the cost of doing business in the LGU;
- i. Conduct briefings to investors;
- j. Collate, analyze and compile pertinent data and studies concerning areas that have been or may be declared as IPAs;
- k. Perform such other functions as may be necessary to implement the intent of the Code.

SECTION 15. INVESTMENTS PROMOTION OFFICER. The Local Chief Executive shall appoint the Investments Promotion Officer (IPO), who will be the Head of the Tiger City IPC, shall have a Salary Grade 24. The IPO shall have the following qualifications:

- a. A Filipino citizen, a *bona fide* resident of Mandaluyong City and of good moral character;
- b. A holder of a Masteral Degree, preferably in Marketing/Management, Business Economics, Finance, Business Marketing/Management, or any related field;
- c. A Civil Service Eligible;
- d. At least five (5) years professional experience at the managerial level in the field of Economics, Finance or Marketing/Management.

SECTION 16. POWERS, DUTIES AND RESPONSIBILITIES OF THE IPO. The IPO shall have the following powers, duties and responsibilities:

A. OPERATIONS

- i. Formulate an annual IPP;
- ii. Determine, prepare and update the list of IPAs subject to the approval of the BOARD;
- iii. Prepare investment opportunity profiles, including but not limited to industry profiles, project profiles, and viability/feasibility studies;
- iv. Identify support investment activities, such as but not limited to trade agreements with other LGUs for sourcing of raw materials; cooperation agreements with other government entities to facilitate investor transactions; and Public-Private Partnership (PPP) arrangements;
- v. Monitor and evaluate project implementation of registered enterprises;
- vi. Monitor the performance of investments;
- vii. Coordinate and monitor policies, programs and activities relative to registered enterprises of all national and local government agencies;
- viii. Continuously review the local investment climate and incentives program in order to recommend improvements;
- ix. Provide advisory and other support series to new investors to facilitate their investments;
- x. Provide advisory and other support services to established investors to promote investment retention and/or investment expansion;
- xi. Prepare presentations and materials for BOARD when meeting with registered enterprises;
- xii. Advise qualified investors on the preparation of their applications for incentives packages;
- xiii. Represent Mandaluyong City in trade and investments meetings, conferences, conventions, and other similar gatherings in both domestic and foreign venues whenever so directed by the BOARD;
- xiv. Recommend to the BOARD any modification or amendment to existing legislation and procedures on local investments;

## B. PROMOTIONS AND MARKETING

- i. Promote and market Mandaluyong City as an attractive investment/business destination;
- ii. Identify key investment opportunities from among those provided by the operations unit to be highlighted in promotions and marketing efforts;
- iii. Disseminate information about such to potential investors through trade missions, trade fairs and exhibits for seminars, briefings/orientations and the like;
- iv. Prepare investment promotion materials (*i.e.*, presentations of industry and project profiles; competitive analyses vis-a-vis other LGUs; competitive advantages of Mandaluyong City; other general business information); and
- v. Develop and implement retention/expansion strategies for existing investors.

## C. SUPPORT SERVICES

- i. Provide facilitation services to investors which shall include assistance in the following requirements:
  - a. Registration requirements of the Securities and Exchange Commission (SEC), Department of Trade and Industry (DTI) or Cooperative Development Authority (CDA) as the case may be;
  - b. Obtaining of Barangay Clearance/Certification;
  - c. Securing of Locational Clearance;
  - d. Securing of Fire Safety Inspection Certificate (FSIC);
  - e. Processing of Mayor's Permit;
  - f. Applications for Certificate of Registration (CR) and TIN at the Bureau of Internal Revenue (BIR);
  - g. Registration with the Social Security System (SSS);
  - h. Registration with the Philippines Health Insurance Corporation (PhilHealth);
  - i. Applications for the conduct of Department of Labor and Employment (DOLE) approved time and motion studies; and
  - j. Applications for Environmental Clearance Certificates (ECC) from DENR.
- ii. Establish and maintain a database of investment opportunities and investors;
- iii. Operate an on-line information assistance desk;
- iv. Recommend and/or implement improvements in systems and processes towards simplification of improved productivity; and
- v. Coordinate access to skilled, city-based manpower resources.

**ARTICLE V**  
**INVESTMENT PRIORITY AREAS (IPAs)**

SECTION 17. PRIORITY INDUSTRIES AND ACTIVITIES. The Mandaluyong City Government shall prioritize for investment the following industries and activities:

**A. COMMERCIAL**

- i. Exporting and importing of goods or products for commercial sale;
- ii. Assembling, packing or distributing of goods or products for commercial sale;
- iii. Wholesale and retail of commercial goods or products;
- iv. Marketing, sale and distribution of petroleum products.

**B. CREATIVE INDUSTRIES/KNOWLEDGE-BASED SERVICE**

- i. Business Process Outsourcing (BPOs) activities;
- ii. IT and IT-enabled services that involve original content;
- iii. Manufacture or assembly of motor vehicles including alternative fuel vehicles and electric vehicles, and manufacture of its parts and components;
- iv. Research & Development activities.

**C. INSTITUTIONAL**

- i. Schools;
- ii. Hospitals;
- iii. Retirement homes and foster care activities;
- iv. Hotels, apartment hotels; tourist inns, motels, pension houses;
- v. Medical, health care and diagnostic centers and clinics;
- vi. Publishing and printing of books and textbooks;
- vii. Radio and television broadcasting stations.

**D. RECREATIONAL**

- i. Sports complexes and facilities;
- ii. Adventure and ecotourism facilities;
- iii. Health and wellness facilities.

**E. TOURISM**

- i. Shopping malls and shopping centers;
- ii. Convention and exhibition facilities;
- iii. Information Technology zones and centers;
- iv. Amusement and Theme Parks.

**F. REALTY**

- i. Condominiums;
- ii. Subdivisions;
- iii. Townhouses/townhomes;
- iv. Commercial buildings and offices.

G. BIODIVERSITY-FRIENDLY

- i. Water treatment facilities;
- ii. Waste management facilities;
- iii. Energy sources adopting environmentally-friendly technologies;
- iv. Environmental protection and conservation facilities and activities.

SECTION 18. PRIORITY AREAS AND HIGH PRIORITY AREAS. The Mandaluyong City Government declares C-1 to C-3 of the Commercial Zones under Section 7 of Ordinance No. 475, S-2011 or the "New Zoning Ordinance" as preferred areas or industries for investment, to wit:

COMMERCIAL ZONES

A. C-1 LOW DENSITY COMMERCIAL (Maximum Building Height: 15 meters)

1. The lot deep both sides of F. Blumentritt St., from Boni Avenue to Coronado St., except for area presently occupied by cemetery;
2. The lot deep both sides of P. Cruz St., from Ortigas St., to F. Blumentritt;
3. The lot deep (15 meters uniform depth) both sides of J. Rizal St. from F. Blumentritt St., to Rodriguez St.;
4. The lot deep (15 meters uniform depth) both sides of Martinez St., from Rodriguez St., to the Mandaluyong-Manila boundary;
5. The lot deep north side of Coronado St. from F. Blumentritt St., to area presently occupied by Acqua Residences;
6. The lot deep both sides of Martinez St., from a lot deep exterior side of Maysilo St., to Dr. Fabella Road;
7. The lot deep both sides of Sgt. Bumatay St., from a lot deep exterior side of Maysilo St., to Pantaleon St.;
8. The lot deep western side of 9 de Febrero St., from a lot deep south side of Shaw Blvd. to Fabella Road;
9. The lot deep eastern side of 9 de Febrero St., from a lot deep south side of Shaw Blvd., to the area occupied by Socialized Housing Zone (SHZ).
10. The lot deep east side of 9 de Febrero St., from Dr. J. Fernandez St., to a lot deep north side of D.M. Guevara Street.

B. C-2 MEDIUM DENSITY COMMERCIAL (Maximum Building Height: 18 meters)

1. The area bounded by EDSA, Florida St., and Connecticut St.;
2. The lot deep north side of Ortigas Avenue from EDSA to Holy Cross St.;
3. The lot deep south side of Ortigas Avenue from EDSA to Notre Dame St.;
4. The lot deep on the western side of EDSA from a lot deep southern side of Ortigas Avenue to Cornell St., except for area presently occupied by Utility;

5. The block deep on the western side of EDSA from Cornell St., to Shaw Blvd.;
6. The lot deep northern side of Shaw Blvd. from a block deep from EDSA to the area presently occupied by Sun Plaza at corner Shaw Blvd. and Princeton St.;
7. The lot deep both sides of San Francisco St., from Coronado St., to Maysilo St.;
8. The lot deep both sides of Barangka Drive from Sgt. Bumatay St., to Dr. Jose Fabella Road and from E. Pantaleon St., to Camiguin St.;
9. The lot deep west side of Sierra Madre St. from Mariveles St., to Pinatubo St.;
10. The lot deep north side of Pinatubo St., from Boni Avenue to Sierra Madre St.;
11. The lot deep west side of Pinatubo St. from Boni Avenue to Sen. Neptali Gonzales St./S. Cruz St.

C. C-3 HIGH DENSITY COMMECIAL ZONE

1. C3-A (Maximum Building Height: 48 meters)
  - a. The area bounded by the Sen. Neptali A. Gonzales Street, by Gen. Kalentong St. and by the Manila-Mandaluyong boundary;
  - b. The Block bounded by Pinatubo Street and by Apo Street;
  - c. The area north of Sen. Neptali Gonzales Street bounded by Sen. Neptali Gonzales Street, Gen. Kalentong St., and the Mandaluyong-Manila-San Juan boundary, except for a lot deep both sides of Shaw Blvd., herein declared as C3-B from Gen. Kalentong St., to the Mandaluyong-San Juan Boundary;
  - d. The lot deep on the east side of Gen. Kalentong St., from a lot deep north side of Shaw Blvd., to Mandaluyong-San Juan boundary;
  - e. The area bounded Gen. Kalentong St., by a lot deep south side of Shaw Blvd., by J. Tiosejo St., and by Martinez St., (Barangay Daang Bakal);
  - f. The lot deep south side of Martinez St., (Daang Bakal) from Gen. Kalentong St., to the area presently occupied by Jose Rizal University;
  - g. The lot deep east side of F. Roxas St. and Gen. Kalentong St., from a lot deep north side of F. Blumentritt St., to a lot deep south side of Martinez St.;
  - h. The block bounded by Gen. Kalentong St., F. Roxas St., and F. Blumentritt St., and the Mandaluyong-Manila boundary, except for area occupied by the Liberation Marker;
  - i. The lot deep both sides of F. Blumentritt St., from the Mandaluyong-Manila boundary to San Felipe Neri Parish Church and Boni Avenue/F. Blumentritt St. junction;

- j. The lot deep both sides of Boni Avenue from San Felipe Neri Parish Church and Boni Ave./F. Blumentritt St. junction to Maysilo Circle;
  - k. The exterior lot deep along Maysilo Circle;
  - l. The lot deep both sides of Boni Avenue from Maysilo Circle to Pinatubo St.;
  - m. The lot deep both sides of D. M. Guevarra St., from Arayat St., and 9 de Febrero St., to Sierra Madre Street.
2. C3-B (Maximum Building Height: 90 meters)
- a. The lot deep north side of Shaw Blvd., from the San Juan River easement to Princeton St., and including the area presently occupied by Sun Plaza;
  - b. The lot deep south side of Shaw Blvd. from San Juan River easement to Jaime Cardinal Sin St. except for areas presently occupied by institutions (Barangay Hall and Jose Rizal University);
  - c. The area bounded by Shaw Blvd., by S. Laurel St., by 9 De Febrero St., by R. Pascual St., and by area presently occupied by the Archbishop's Palace (Institutional) at corner Shaw Blvd. and Rodriguez St.;
  - d. The area bounded by Shaw Blvd., S. Laurel St. (Victoria), 9 de Febrero St., and Old Wac-Wack Road;
  - e. The lot deep south side of Shaw Blvd. from Samat St., to Old Wack-Wack Road;
  - f. The area bounded by EDSA, Shaw Blvd, Samat St., by a lot deep north of Queens Road (PSD 8570), by Queens Road., by PSD 942 presently occupied by Highway Hills Elementary School, by PCS 2473 lots 4047 (8), 4048 (7), 4049 (6), and 4050 (5) as indicated in Mandaluyong Cadastre Mcadm 586 Case 013 approved 30 September 1980, and by Mariveles and Sultan Sts.;
  - g. The area bounded by Sultan St., Mariveles St., and Sierra Madre St.;
  - h. The area bounded EDSA, Sultan St., Sierra Madre St. and D. M. Guevara St.;
  - i. The area bounded by EDSA, D. M. Guevara St., Sierra Madre St., and Pinatubo St.;
  - j. The area north side of Boni Avenue bounded by EDSA, Pinatubo St., and Boni Avenue;
  - k. The area south side of Boni Avenue bounded by EDSA, Boni Avenue, Pinatubo St., and Apo St.;
  - l. The area bounded by EDSA, Lion's Road, and Apo St.;
  - m. The area bounded by EDSA, the ten-meter easement along Pasig River, by Pinatubo St. and Lions Road.

3. C3-C (Maximum Building Height: 180 meters)

- a. The area bounded by EDSA, Shaw Blvd., St. Francis St., Lourdes St., the Mandaluyong-Pasig-Quezon City boundary, and Guadix Drive;
- b. The lot deep north side of Guadix Drive from EDSA to the Mandaluyong-Pasig-Quezon City boundary.

The Mandaluyong City Government further declares that the area occupied by the Welfareville Property, which is an Urban Renewal Area (URA) under the New Zoning Ordinance as High Priority Area for development.

SECTION 19. DETERMINING THE IPAs. The IPO shall be responsible for formulating and updating the IPAs, consistent with the IPP, the CDP and CLUP, Zoning Regulations and such other criteria that will ensure sustainable development of Mandaluyong City, and submit the same to the BOARD for approval.

SECTION 20. FACTORS TO CONSIDER. The following factors may be considered in determining the IPAs of Mandaluyong City:

- a. Specific industry/sector to be developed;
- b. The potential of such areas of investments for creating productive employment considering the necessity for the dispersal of industries in less developed areas on a planned and balanced basis to the extent that is economically feasible and practicable;
- c. The availability of local/indigenous raw materials and manpower needed for said project; and
- d. IPAs green projects may be included.

ARTICLE VI  
INVESTMENT PRIORITIES PLAN (IPP)

SECTION 21. IPP SUBMISSION AND RENEWAL. At a specific date as may be fixed by the BOARD, after consultation with the appropriate government agencies and the private sector, the IPO shall submit to the BOARD an IPP. Such IPP shall be reviewed and updated every three (3) years.

SECTION 22. CRITERIA IN INVESTMENT PRIORITY DETERMINATION. No economic activity shall be included in the IPP unless it is shown to be economically, technically and financially sound after thorough investigation and analysis by the BOARD.

The determination of IPAs to be listed in the IPP shall be based on long-run comparative advantage, taking into account the value of social objectives and employing economic criteria along with market, technical, and financial analyses.

The BOARD shall take into account the following:

1. Primarily, the economic soundness of the specific activity as shown by its economic internal rate of return;
2. The extent of contribution of an activity to a specific developmental goal;
3. Other indicators or comparative advantage;
4. Measured capacity as defined in this Code; and
5. The market and technical aspects and considerations of the activity proposed to be included.

SECTION 23. APPROVAL OF THE IPP. The BOARD shall proclaim the whole or part of such plan as in effect; or alternatively, return the whole or part of the plan to the IPO for revision.

Upon the effectivity of the plan, the BOARD shall issue all necessary directives to all departments, offices or agencies of Mandaluyong City Government to ensure the implementation of the plan by the agencies concerned in a synchronized and integrated manner. No government body shall adopt any policy or take any course of action contrary to or inconsistent with the plan.

SECTION 24. AMENDMENTS. Subject to the criteria for investment priority determination, the BOARD may, at any time, add additional areas in the plan, alter any of the terms of the declaration of an investment area or the designation of 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 qualified enterprises which shall continue to enjoy such rights to the full extent allowed under this Code. The Board shall neither accept applications in an IPA to the approval of the same as an IPA nor after approval of its deletion as an IPA.

## ARTICLE VII REGISTRATION

SECTION 25. PRE-QUALIFICATION REQUIREMENTS. For purposes of application for registration and availment of incentives under the Code, the following qualifications must be complied with:

- a. The enterprise shall have complied with all the requirements mandated under the Constitution, existing national and local laws, rules and regulations for doing business;
- b. The industry or activity engaged in is listed in the IPAs of Mandaluyong City;
- c. The place of operation or production shall be located within the priority areas or high priority areas of Mandaluyong City;
- d. The enterprise shall have complied with the capitalization requirements;
- e. At least fifty percent (50%) of its workforce shall be *bona fide* residents of Mandaluyong City giving equal opportunities for men, women, the poor, indigenous people and the physically and handicapped; and

- f. Undertaking that the enterprise shall:
  - i. Comply with all climate change and disaster risk reduction measures implemented by the City, including compliance with Mandaluyong City's Green Building Ordinance;
  - ii. Within a specified period after the grant of incentives as may be fixed by the BOARD, continuously operate its business within the territorial jurisdiction of Mandaluyong City, and shall not voluntarily close or cease business operations; otherwise, it shall pay in favor of City Government the amount equivalent to all incentives given by virtue of this Code, in addition to other penalties and fines that may be imposed under existing laws, rules and regulations.

SECTION 26. DOCUMENTARY REQUIREMENTS. The applicant shall submit a Letter of Intent addressed to the BOARD and its Company Profile together with the following requirements:

A. SINGLE PROPRIETORSHIP

- i. Copy of Business Name Registration issued by the Department of Trade and Industry (DTI);
- ii. Copy of Audited Financial Statements;
- iii. Copy of completed application form for registration under the Code; and
- iv. Such other documents that may be required by Mandaluyong City to be submitted in compliance with the preceding Section.

B. PARTNERSHIP/CORPORATION

- i. Copy of the Articles of Partnership or Incorporation;
- ii. Certified true copy of its Certificate of Registration issued by the Securities and Exchange Commission (SEC), for Corporation/ Partnership;
- iii. Resolution of the applicant's Board of Directors, in case of a Corporation authorizing the filing of application;
- iv. Copy of Audited Financial Statements;
- v. Certificate (ECC) or Non Compliance Certificate (NCC), if applicable;
- vi. Copy of completed application form for registration under the Code; and
- vii. Such other documents that may be required by Mandaluyong City to be submitted in compliance with the preceding Section.

C. FOR BOI REGISTERED ENTERPRISES

- i. Certified true copy of the BOI Certificate of Registration;
- ii. Copy of the documents submitted to BOI pertaining to their registration.

D. FOR RHQ AND ROHQ OF MULTINATIONAL COMPANIES

- i. Copy of the Articles of Partnership or Incorporation;
- ii. Certified true copy of its Certificate of Registration issued by the Securities and Exchange Commission (SEC), for Corporation/ Partnership.

E. FOR PEZA REGISTERED ENTERPRISES

They shall be governed by the Memorandum of Agreement between PEZA and the City Government of Mandaluyong.

SECTION 27. REGISTRATION PROCEDURES. The following procedure shall govern registration of enterprises:

- a. FILING OF APPLICATIONS. All applications shall be filed with the Tiger City IPC of Mandaluyong City;
- b. CHECK LISTING/ASSESSMENT OF DOCUMENTS. Client presents documents for check listing on its completeness of the documentary requirements and consistency of information in the application;
- c. DATE OF OFFICIAL ACCEPTANCE. Only complete and correct application shall be officially accepted and registered in the Registration Book. Date stamped on the application shall be considered as the date of official acceptance of the application.

Order of Payment shall be issued for complete application for payment of the necessary fees.

- d. EVALUATION/APPROVAL OF APPLICATION. Once an application is officially accepted, the project will be evaluated by the IPO, which may conduct an ocular inspection at the premises of the business, if necessary, pursuant to Section 12 hereof. The evaluation of the application shall be presented for the action of the BOARD;

If the application is approved, the IPO shall notify the applicant and inform the Mandaluyong City Treasurer and Assessor of such approval, guidance and appropriate action. If the application is denied, the IPO shall inform the applicant in writing. In both cases, a BOARD Resolution shall be entered in the minutes of the meeting of the BOARD;

- e. PROCESSING TIME. From date of official acceptance, the IPO shall submit its recommendation on the enterprise's application within a period of thirty (30) days to the BOARD. From date of submission of IPO's recommendation, the BOARD shall act on the application of the enterprise; Provided that, the inaction of the BOARD within a period of sixty (60) days from date of such submission shall be construed that the application is deemed approved;
- f. FILING FEE. A non-refundable filing fee shall be paid together with the required documents for registration. In no case shall the filing fee for registration and availment of incentives exceed TEN THOUSAND PESOS (Php10,000.00), subject to such guidelines that the BOARD shall issue;

- g. CERTIFICATE OF REGISTRATION. Upon approval, an enterprise shall be issued a Certificate of Registration with the signature of the Chairperson of the Board or such other officer as the BOARD may designate for the purpose as the need arises. It shall state among others, the following:
  - i. Name of the registered enterprise;
  - ii. The IPA in which the registered enterprise will engage in;
  - iii. The incentives granted and period of its availment; and
  - iv. Such other terms and conditions to be observed by virtue of its registration.
- h. REMEDY IN CASE OF DENIAL OF APPLICATION FOR REGISTRATION. Any order or decision of the BOARD shall be final and executory after the lapse of fifteen (15) days from its promulgation. Any aggrieved party may file a Motion for Reconsideration with the BOARD. Any order or decision on the Motion for Reconsideration shall be final and unappealable.

## ARTICLE VIII INCENTIVES TO REGISTERED ENTERPRISES

SECTION 28. NON-FISCAL INCENTIVES. All registered enterprises shall be entitled to the following non-fiscal incentives:

- a. ONE-STOP SHOP REGISTRATION AND APPLICATION. The Tiger City IPC shall receive, process and evaluate applications for registration by prospective enterprises, and their applications for the availment of the local incentives. The IPC thereafter shall submit its recommendation to the BOARD within a specified period from the receipt of application. The Mandaluyong City Government shall expedite and promote transparency in the process of registering and qualifying with the incentives free from red tape;
- b. ACCESS TO INFORMATION ON INVESTING AND DOING BUSINESS. The registered enterprise shall have access to information on local policies and plans, investment and doing business in Mandaluyong City as they relate to economic growth and development. The Tiger City IPC shall prepare and disseminate investment promotion materials, such as brochures, industry and project profile as well as the cost of doing business in the City, and conduct briefings to investors;
- c. ASSISTANCE TO INVESTORS. The Tiger City IPC shall assist registered enterprises in promptly securing City permits and licenses needed to conduct their businesses. It shall also facilitate in resolving issues and concerns encountered by investors such as but not limited to power and water connections, negotiating special rates for utilities as well as for right of way, identifying business or joint venture partners, raw materials suppliers and possible business sites, and sourcing out skilled manpower and service providers;
- d. GREEN BUILDING CERTIFIED. The Tiger City IPC in coordination with the Green Building Council shall provide all assistance in order to comply and secure the Green Building Compliance Certificates pursuant to City Ordinance No. 535, S-2014;

- e. EMPLOYMENT OF FOREIGN PERSONNEL. The Mandaluyong City Government shall allow and facilitate employment of foreign personnel by registered enterprises; Provided, such foreign personnel shall first comply with the requirement of labor laws and other relevant laws, including technology transfer and Filipino apprentices;
- f. SUPPORT INDUSTRIAL PEACE. The Tiger City IPC shall assist in promoting industrial peace by facilitating mediation and conciliation between the management of the registered enterprise and the labor force, and help them arrive at amicable settlement. The IPC may seek assistance from the relevant and proper agency in local government to arrive at best results in accordance with our laws;
- g. SECURITY AND SAFETY. The Mandaluyong City Government shall help keep the security and safety of the registered enterprise and its personnel by promoting peace and order in the entire City, and quick response of every agency of the City to emergencies, man-made and natural disasters;
- h. HUMAN RESOURCE DEVELOPMENT. The Mandaluyong City Government shall network to qualified manpower sources such as but not limited to the City's Public Employment Service Office (PESO), state colleges, private colleges and universities as well as duly accredited training centers in the City for recruitment by registered enterprises of skilled manpower and employees. The IPC shall establish effective mechanisms to assist employment of *bona fide* residents of Mandaluyong City in registered enterprises. The IPC shall also promote the welfare of the manpower by coordinating with concerned national and local agencies for guidance, training and enhancement their knowledge, skills and abilities;
- i. NON-MODIFICATION CLAUSE. There shall be no modification by the City Government of regulatory and contractual requirements and arrangements after grant of incentives to the registered enterprise, unless such modifications are the result of mutual agreement between the registered enterprise and the City Government;
- j. CONSTRUCTION IN FAVOR OF THE INVESTOR. In case of doubts, the provisions of this Code and the terms and conditions in the registration, application and grant of incentives shall be liberally construed in favor of the investor.

SECTION 29. FISCAL INCENTIVES. All registered enterprises shall be entitled to the following tax exemptions for a period of one (1) year under City Ordinance No. 484, S-2011 to be applied on the next succeeding year after the start of commercial operations:

1. Tax Holiday on Business Tax;
2. Tax Holiday on Tax on Printing or Publication;
3. Tax Holiday on Franchise Tax issued by the City;
4. Tax Holiday on Amusement Tax;
5. Tax Holiday on Tax on Delivery Trucks/Vans;
6. Tax Holiday on Real Property Tax on land only;
7. Tax Holiday on one percent (1%) Additional Tax for Special Education Fund insofar as the City's share is concerned;

8. Exemption on Special Levy for being benefitted by public projects and infrastructures.

SECTION 30. SPECIAL DEDUCTIONS. In addition to the above-mentioned fiscal incentives, all registered enterprises shall be entitled to the following special deductions from gross sales or receipts for the preceding calendar year for purposes of computing the business tax:

1. Special deduction of fifty percent (50%) of total amount for net labor wages/salary paid for the Mandaluyong residents-workers, if employs at least fifty percent (50%) *bona fide* residents of Mandaluyong City;
2. Special deduction of one hundred percent (100%) of total amount paid for net labor wages/salary paid for the Mandaluyong resident-workers, if employs at least eighty percent (80%) *bona fide* residents of Mandaluyong City;
3. Special deduction of twenty five percent (25%) of the total amount paid for purchase of raw materials produced by a registered enterprise in Mandaluyong City;
4. Special deduction of ten percent (10%) total amount paid for purchase of capital equipments manufactured or produced by a registered enterprise in Mandaluyong City.

SECTION 31. INCENTIVES FOR INVESTMENTS IN HIGH PRIORITY AREAS. All registered enterprise in high priority areas mentioned in Article V of the Code shall enjoy the following fiscal incentives for a period of one (1) year under City Ordinance No. 484, S-2011, to be applied on the next succeeding year after the start of commercial operations, and special deductions:

1. Tax Holiday on Business Tax;
2. Tax Holiday on Tax on Printing or Publication;
3. Tax Holiday on Exemption from Franchise Tax issued by the City;
4. Tax Holiday on Amusement Tax;
5. Tax Holiday on Tax on Delivery Trucks/Vans;
6. Tax Holiday on Real Property Tax on land only;
7. Tax Holiday on one percent (1%) Additional Tax for Special Education Fund insofar as the City's share is concerned;
8. Exemption on Special Levy for being benefitted by public projects and infrastructures;
9. Special deduction of fifty percent (50%) of total amount for net labor wages/salary paid for the Mandaluyong resident-workers, if employs at least fifty percent (50%) *bona fide* residents of Mandaluyong City to be deducted from gross sales or receipts for the preceding calendar year;
10. Special deduction of one hundred percent (100%) of total amount paid for net labor wages/salary paid for the Mandaluyong resident-workers, if employs eighty percent (80%) *bona fide* residents of Mandaluyong City to be deducted from gross sales or receipts for the preceding calendar year;

11. Special deduction of twenty five percent (25%) of the total amount paid for purchase of raw materials produced by a registered enterprise in Mandaluyong City to be deducted from gross sales or receipts for the preceding calendar year;
12. Special deduction of ten percent (10%) total amount paid for purchase of capital equipments manufactured or produced by a registered enterprise in Mandaluyong City to be deducted from gross sales or receipts for the preceding calendar year;
13. Special deduction of fifty percent (50%) of the total amount paid for construction, or necessary and major repairs on public roads and infrastructures in top priority areas to be deducted from gross sales or receipts for the preceding calendar year.

SECTION 32. EXTENSION OF AVAILMENT OF INCENTIVES. The BOARD may extend the period of availment of incentives by any registered enterprise; Provided, that the total period of availment shall not exceed one (1) year, subject to the following criteria:

- a. The registered enterprise has suffered operational force majeure that has impaired its viability;
- b. The registered enterprise has not fully enjoyed the incentives granted to it for reasons beyond its control;
- c. The project of the registered enterprise has a gestation period which goes beyond the period of availment of needed incentives; and
- d. The operation of the registered enterprise has been subjected to unforeseen changes in government policies, particularly, protectionism policies of importing countries, and such other supervening factors which would affect the competitiveness of the registered enterprise.

SECTION 33. NON-EXEMPTION FROM REGULATORY FEES. Tax exemptions does not include exemptions from regulatory fees and charges, except when expressly provided by law; Provided, however, when there is an existing agreement between the City and a government agency which has control and supervision over concerned registered enterprise, such agreement shall be binding, and in force and effect.

## ARTICLE IX SPECIAL INCENTIVES

SECTION 34. GREEN BUILDING ORDINANCE INCENTIVES. Any registered enterprise that has secured the Green Building Compliance Certificates shall be given a fifty percent (50%) discount on real property tax on every machinery installed, and ten percent (10%) discount on real property tax on improvement, including the privilege of extension of the Floor Area Ratio or Building Height Limit for the building in accordance with City Ordinance No. 535, S-2014.

SECTION 35. INCENTIVES FOR PRIVATE SECTOR COMPONENT UNDER PPP. Under such terms and conditions deem just and reasonable, the BOARD shall grant incentives for the private component sector of Public Private Partnership projects; Provided, that any tax exemption, incentive or relief granted to an enterprise, foreign or domestic, registered or not, shall not exceed a period of one (1) year.

- SECTION 36. INCENTIVES FOR SOCIAL RESPONSIBILITY PROGRAMS. The BOARD may also grant incentives for registered enterprises for social responsibility programs and activities for the welfare of the Mandaluyong City and its constituents under such terms and conditions that may be deemed necessary; Provided, that any tax exemption, incentive or relief granted to such registered enterprise shall not exceed a period of one (1) year.
- SECTION 37. RHQ AND ROHQ EXEMPT FROM LOCAL TAXES. Under Article 66 of Executive Order No. 266, the Regional Area Headquarters (RHQ) and Regional Operating Headquarters (ROHQ) of multinational companies shall be exempted from all kinds of local taxes, fees or charges imposed by a Local Government Unit except real property tax on land improvements and equipments.
- SECTION 38. BOI REGISTERED ENTERPRISES EXEMPT FROM LOCAL TAXES. Under Section 133(g) of Republic Act No. 7160, the exercise of the taxing powers of provinces, cities, municipalities and barangays shall not extend to the levy of taxes on business enterprises certified to by the Board of Investments as pioneer or non-pioneer for a period of six (6) and four (4) years, respectively from the date of registration.
- SECTION 39. OTHER INCENTIVES. Other incentives given to registered enterprises otherwise mentioned in this Code but found in existing laws, rules and regulations are hereby recognized, and shall be given force and effect. The BOARD shall make the appropriate issuance recognizing such incentives.

#### ARTICLE X BUDGET AND REVENUES

- SECTION 40. BUDGET. The Office of the Mayor shall allot a budget to cover the Annual Maintenance and Operational Expenses of the BOARD and IPC.
- SECTION 41. REVENUES FROM IMPLEMENTATION OF THE CODE. All fees and income derived from the implementation of this Code shall be placed in a trust fund known as the "Investment Promotion Fund" (IPF). Said fund shall be used solely for the maintenance and operating expenses of the IPC.
- SECTION 42. IMMEDIATE RELEASE OF FUND. For purposes of efficiency and expediency of the operations of the IPC, its allocations for the IPF shall be immediately released by the City Treasury, subject to auditing and accounting rules and regulations.

#### ARTICLE XI FINAL PROVISIONS

- SECTION 43. PENAL CLAUSE. Fraud, material misrepresentations and any violation of the provisions of this Code shall be a ground for the cancellation or revocation of the Certificate of Registration of the registered enterprise. After notice and hearing, the BOARD shall impose a penalty of suspension or cancellation/revocation of the Certificate of Registration, without prejudice to other penalties and fines that may be imposed under existing laws, rules and regulations.

Suspension of the Certificate of Registration of the registered enterprise shall also suspend the availment of incentives previously granted under the Code, and the suspended enterprise shall pay the amount equivalent to taxes, fees and charges otherwise exempt during the period of suspension.

In case of the cancellation or revocation of the Certificate of Registration, the BOARD shall require the payment of the amount equivalent to all incentives availed by the registered enterprise. All fees and charges previously exempt shall become due and demandable, and the corresponding fines and penalties shall, likewise, be imposed.

SECTION 44. APPEAL FROM THE DECISION OF THE BOARD. Any registered enterprise adversely affected by any order or decision of the BOARD relative to cancellation or revocation of Certificate of Registration as well as the imposition of penalties and fines, may file a motion for reconsideration with the BOARD within fifteen (15) days from receipt thereof; otherwise, it shall become final and executory. Any order or decision on the motion for reconsideration shall be final and unappealable.

SECTION 45. SEPARABILITY CLAUSE. If, for any reason, any portion or provision, Section or part of this Code is declared not valid by a court of competent jurisdiction or suspended or revoked by the Sanggunian, such judgment shall not affect or impair the remaining portions, provisions, sections, or parts thereof which shall remain or continue to be in full force and effect.

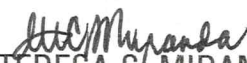
SECTION 46. REPEALING CLAUSE. All Ordinances, rules and regulations, or part thereof, in conflict with, or inconsistent with any provisions of the Code, shall be considered repealed, amended or modified accordingly.

Such implementing rules and regulations shall take effect upon its publication once in a newspaper of general circulation.

SECTION 47. EFFECTIVITY. This Code shall take effect immediately upon its approval.

ENACTED on this 3<sup>rd</sup> day of August, 2015 in the City of Mandaluyong.

I HEREBY CERTIFY THAT THE FOREGOING ORDINANCE WAS ENACTED AND APPROVED BY THE SANGGUNIANG PANLUNGSOD OF MANDALUYONG IN REGULAR SESSION HELD ON THE DATE AND PLACE FIRST ABOVE GIVEN.

  
MA. TERESA S. MIRANDA  
Acting Sanggunian Secretary

PRESIDED BY:   
EDWARD G. BARTOLOME  
Vice Mayor &  
Presiding Officer

APPROVED:  
  
BENJAMIN DC. ABALOS, JR.  
City Mayor

Date: AUG 14 2015