



REPUBLIC OF THE PHILIPPINES
SANGGUNIANG PANLUNGSOD
CITY OF MANDALUYONG



ORDINANCE NO. 1052, S-2026

AN ORDINANCE GRANTING EXEMPTION TO
FILIPINO INVENTORS SEEKING REGISTRATION
AND OPERATING IN THE CITY OF MANDALUYONG
FROM THE PAYMENT OF BUSINESS TAXES IN
ACCORDANCE WITH REPUBLIC ACT NO. 7459 OR
THE INVENTORS AND INVENTIONS INCENTIVES
ACT OF THE PHILIPPINES

WHEREAS, Section 13, Article XIV of the 1987 Philippine Constitution provides that the State shall protect and secure the exclusive rights of scientists, inventors, artists, and other gifted citizens to their intellectual property and creations, particularly when beneficial to the people, for such period as may be provided by law;

WHEREAS, Section 2 of Republic Act No. 7459, otherwise known as the "*Inventors and Invention Incentives Act of the Philippines*" declares it a national policy of the State to give priority to invention and its utilization in the country's productive systems and national life, and to provide incentives to inventors in recognition of their indispensable contribution to national development and progress;

WHEREAS, Section 5 of Republic Act No. 7459 provides that inventors, as certified by the Filipino Inventors Society and duly confirmed by the appropriate Screening Committee, shall be exempt from the payment of license fees, permit fees, and other business taxes in the development of their inventions, as part of the incentives granted by law to encourage Filipino ingenuity and innovation;

WHEREAS, Section 16 of Republic Act No. 7160 or the "*Local Government Code of 1991*" vests upon local government units the general welfare power to enact measures necessary and appropriate for the promotion of the general welfare;

WHEREAS, Sections 129 and 192 of the same Code recognize the authority of local government units to create sources of revenue and to grant tax exemptions, incentives, or reliefs through duly enacted ordinances, consistent with law and public policy;

WHEREAS, the City of Mandaluyong recognizes the vital role of Filipino inventors, innovators, researchers, and technology developers in fostering local economic growth, generating employment, promoting scientific and technological advancement, enhancing productivity, and encouraging the commercialization of locally developed technologies;

WHEREAS, the grant of exemptions from business taxes to qualified inventors pursuant to Republic Act No. 7459 will serve as a meaningful incentive to encourage creativity, research, technological innovation, and the establishment of invention-based enterprises within the territorial jurisdiction of the City;

WHEREAS, in furtherance with the same, there is a need to enact a local mechanism for the implementation of the tax incentives granted under Republic Act No. 7459, including the manner of availing the exemption, the qualifications of beneficiaries, the period and extent of the exemption, and the responsibilities of concerned local offices in its administration and enforcement.

NOW, THEREFORE, be it ENACTED, as it is hereby ENACTED, by the Sangguniang Panlungsod of Mandaluyong City, Metro Manila, by virtue of the powers vested in it by law, in session assembled, that:

SECTION 1. The City of Mandaluyong, through this Sangguniang Panlungsod, hereby exempts inventors, as certified by the Filipino Inventors Society and duly confirmed by the Department of Science and Technology (DOST), from payment of the following:

- a. License fees;
- b. Permit fees;
- c. Other business taxes; and
- d. Fees involved in their application for registration of their inventions.

Further, any income derived from registered inventions with the City Government of Mandaluyong shall be exempted from all kinds of taxes during the first ten (10) years from the date of the first sale, subject to the rules and regulations of the Department of Finance: *Provided*, that this tax exemption privilege pertaining to invention shall be extended to the legal heir or assignee upon the death of the inventor.

SECTION 2. For availing the exemption, the following documents shall be presented to the Business Permits and Licensing Department of the City Government of Mandaluyong:

- a. Certification issued by the Filipino Inventors Society (FIS) that the invention is new or original, and the technology is newly developed by local researches or adopted locally from foreign sources, including the name, address, and other personal circumstances of the inventors, and a technical description, comparative date, and other matters indicating the utility models, industrial design of the invention/technology;
- b. Confirmation by the Screening Committee;
- c. Certification from the Bureau of Internal Revenue (BIR) or from any applicable office under Republic Act No. 7459 that the manufacture and/or sale of the invention products from technology developed is made on a commercial scale; and
- d. A separate Certificate of Tax Exemption from the BIR which shall be effective on the date of approval thereof.

SECTION 3. If, for any reason, any section or provision of this Ordinance is declared unconstitutional or invalid by a competent court, the remaining sections or provisions shall not be affected thereby and shall continue to be in full force and effect.

SECTION 4. All ordinances, resolutions, rules, or regulations which are inconsistent with or contrary to the provisions of this Ordinance are hereby repealed, amended, or modified accordingly.

SECTION 5. This Ordinance shall take effect immediately upon its approval.

ENACTED on this 8th day of June 2026, in the City of Mandaluyong.

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


MA. TERESA S. MIRANDA
Sanggunian Secretary

ATTESTED BY:

APPROVED BY:


ANTONIO DLS. SUVA, JR.
City Vice Mayor
& Presiding Officer


CARMELITA A. ABALOS
City Mayor

Date: JUN 09 2026

DISTRICT I

VACATION LEAVE

CHARISSE MARIE ABALOS-VARGAS
Councilor

SICK LEAVE

ANJELO ELTON P. YAP
Councilor


DANILO L. DE GUZMAN
Councilor

ABSENT

CARISSA MARIZ S. MANALO
Councilor

EMERGENCY LEAVE

GRACE MARIE V. ANTONIO
Councilor


ESTANISLAO V. ALIM III
Councilor


DARWIN A. FERNANDEZ
LnB President


CHERYLL V. MINA
SK Federation President

DISTRICT II


BENJAMIN A. ABALOS III
Councilor


ALEXANDER C. STA. MARIA
Councilor


MICHAEL ERIC G. CUEJO
Councilor


FERNANDO S. OCAMPO
Councilor


REGINALD S. ANTIOJO
Councilor


LESLIE F. CRUZ
Councilor