



23 February 2023

CUSTOMS MEMORANDUM CIRCULAR
NO. 38 - 2023

To: All District Collectors
Subport Collectors
OIC, Customs Offices in PEZA zones and their satellite offices
Chiefs, Assessment Division
All Others Concerned

Subject: **FISCAL INCENTIVES REVIEW BOARD (FIRB) ADMINISTRATIVE ORDER NO. 001-2023 ON EXTENSION OF WORK-FROM-HOME (WFH) ARRANGEMENTS FOR INFORMATION TECHNOLOGY-BUSINESS PROCESS MANAGEMENT (IT-BPM) SECTOR REGISTERED WITH THE BOARD OF INVESTMENTS (BOI)**

Attached is a copy of the Fiscal Incentives Review Board Administrative Order No. 001-2023 dated 16 January 2023 entitled: "Supplemental guidelines to operationalize Fiscal Incentives Review Board (FIRB) Resolution No. 026-22 dated 14 September 2022, as further extended by FIRB Resolution No. 033-22, dated 23 December 2022, providing the registration of existing RBEs in the IT-BPM sector with the BOI allowing them to adopt up to 100% work-from-home (WFH) arrangements without adversely affecting the enjoyment of their fiscal and non-fiscal incentives".

For your information and guidance.

For records purposes, please confirm the dissemination of this Circular throughout your offices within fifteen (15) days from receipt thereof.


BIENVENIDO Y. RUBIO
Commissioner





REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
FISCAL INCENTIVES REVIEW BOARD

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FIRB Administrative Order No. 001-2023

FOR : All Heads of Investment Promotion Agencies (IPA)

All registered business enterprises (RBEs) in the Information Technology — Business Process Management (IT-BPM) sector registered with the Board of Investments (BOI)

Bureau of Internal Revenue (BIR)

Bureau of Customs (BOC)

FROM : 
JUVY C. DANOFRATA
Assistant Secretary of Finance and
Head of the Fiscal Incentives Review Board (FIRB) Secretariat

SUBJECT : Supplemental guidelines to operationalize Fiscal Incentives Review Board (FIRB) Resolution No. 026-22 dated 14 September 2022, as further extended by FIRB Resolution No. 033-22, dated 23 December 2022, providing the registration of existing RBEs in the IT-BPM sector with the BOI allowing them to adopt up to 100% work-from-home (WFH) arrangements without adversely affecting the enjoyment of their fiscal and non-fiscal incentives

DATE : 16 January 2023

WHEREAS, on 14 September 2022, FIRB approved FIRB Resolution No. 026-22 authorizing RBEs in the IT-BPM sector registered with the IPAs administering economic zones or freeport zones (herein referred to as the “concerned” IPA) to register their projects or activities with the BOI. RBEs in the IT-BPM sector, once registered with the BOI, shall be allowed to implement WFH arrangements without adversely affecting the enjoyment of their fiscal and non-fiscal incentives.

WHEREAS, pursuant to FIRB Resolution No. 026-22, the Department of Trade and Industry (DTI) issued Memorandum Circular (MC) No. 22-19 dated 18 October 2022, to carry out the registration of RBEs in the IT-BPM sector with the BOI and the monitoring of their compliance and availment of incentives with the concerned IPA.

WHEREAS, on 23 December 2022, FIRB approved FIRB Resolution No. 033-22 authorizing an extended effectivity of FIRB Resolution No. 026-22, from 31 December 2022 to 31 January 2023, as aligned with the intent behind the provisions of FIRB Resolution No. 026-22 to allow affected RBEs in the IT-BPM sector to adopt, on a long-term basis, flexible work arrangements without adverse effects on their tax incentives.

WHEREAS, to guide the IT-BPM RBEs, BIR, BOC, concerned IPAs, and other concerned agencies in implementing FIRB Resolution No. 026-22, as extended under FIRB Resolution No. 033-22, the FIRB Secretariat deemed it necessary to issue a FIRB Administrative Order for its proper implementation.

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, That there is a need to supplement the existing Guidelines to facilitate and allow a seamless and orderly operationalization of the registration of RBEs in the IT-BPM sector with the BOI for purposes of adopting up to 100% WFH arrangement.

RESOLVED, FURTHER, all IPAs, RBEs, and officials and employees of the BIR and BOC are enjoined to follow the procedures and guidelines prescribed under FIRB Resolution No. 026-22 dated September 14, 2022, DTI MC No. 22-19 dated 18 October 2022, FIRB Resolution No. 033-22 dated 23 December 2022, and the supplementary guidelines provided hereunder.

A. Coverage

The registration with BOI pursuant to FIRB Resolutions 026-22 and 033-22 shall only be available to the following RBEs in the IT-BPM sector:

- a) Those availing of the Transitory Provisions under Section 311 of the National Internal Revenue Code (NIRC) of 1997, as amended by the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act; or,
- b) Those registered and with approved incentives under the CREATE Act on or before 14 September 2022.

RBEs in the IT-BPM sector shall have until **31 January 2023** to exercise the option to register with the BOI. For this purpose, they shall file their request with the concerned IPA using the prescribed *Request to Register with BOI Form* (Annex A of *DTI MC No. 22-19*). The registration with BOI shall be on a per project or activity basis and not per enterprise.

IT-BPM RBEs that are eligible to register with BOI under (a) and (b) above but have decided not to exercise their option by 31 January 2023, and all RBEs registered with the concerned IPAs starting 15 September 2022 onwards shall not be allowed to register with BOI under FIRB Resolutions 026-22 and 033-22 and shall be covered by Section 309 of the NIRC of 1997, as amended.

RBEs of the IT-BPM sector, as used herein, refer only to those providing services in line with the transitional Strategic Investment Priority Plan (SIPP).

The RBEs registered with the BOI pursuant to FIRB Resolutions 026-22 and 033-22 and DTI MC No. 22-19 (hereinafter referred to as "covered RBEs") shall be allowed to adopt up to 100% WFH arrangements without adversely affecting the enjoyment of their fiscal and non-fiscal incentives upon issuance of the BOI Certificate of Registration (BOI-COR) on the date indicated therein.

B. Availment of incentives

The covered RBEs shall be allowed to avail of all their remaining fiscal and non-fiscal incentives, and the registration with BOI shall not adversely affect their existing fiscal and non-fiscal incentives.

1. Issuance of a BOI-COR

The BOI shall issue a separate COR for each registered project or activity duly endorsed by the concerned IPA upon payment of the applicable fee, provided that the covered RBE may already adopt 100% WFH arrangement from the date indicated in the Official Receipt representing the payment of the applicable fee in the amount of P2,250.00, pending the issuance of the BOI-COR. The BOI-COR shall state, among others, the registered project or activity of the covered RBE, the remaining fiscal incentives, and all necessary information as required in Rule 7, Section 2 of the CREATE Act Implementing Rules and Regulations (IRR), as amended. In addition and for ease of cross-referencing, the BOI-COR shall include an annotation stating, among others, the following:

- a) Reference to FIRB Resolution 026-22, as extended under FIRB Resolution No. 033-22;
- b) Registration number of the COR issued by the concerned IPA and date of its issuance;
- c) The date of registration of the RBE with BOI, which shall be the date indicated in the Official Receipt of payment of the applicable fee amounting to P2,250.00; and
- d) The unique control number indicated in the original COR issued by the concerned IPA, if applicable.

The covered RBE must, likewise, submit to the concerned IPA the original COR issued by the said concerned IPA for annotation of the above-mentioned information.

The covered RBE must comply with the terms and conditions of both CORs to avail of both its fiscal and non-fiscal incentives.

The IPAs, BIR, and BOC shall use and refer to the (1) BOI-COR as the basis for the entitlement to the remaining fiscal incentives of the covered RBE as indicated therein and (2) original COR issued by the concerned IPA as the basis for the entitlement to non-fiscal incentives as stated therein and its corresponding Terms and Conditions or Registration Agreement and/or Supplemental Agreement.

2. *Application for a Certificate of Entitlement to Tax Incentives (CETI)*

Covered RBEs that have been issued a BOI-COR shall apply for a CETI before filing their Income Tax Return (ITR) with the concerned IPA in accordance with Rule 8 of the CREATE Act IRR, as amended.

Once the concerned IPA has verified the covered RBE's entitlement to tax incentives, it shall issue the CETI in favor of the covered RBE. The CETI shall then be attached to the ITR of the RBE for purposes of filing with the BIR.

The CETI issued by the concerned IPA shall be considered valid and sufficient proof of compliance with the terms and conditions indicated in the BOI-COR and the RBE's entitlement to tax incentives.

3. Application for a Certificate of Authority to Import (CAI)

As the CAI is yet to be fully implemented, existing control procedures, existing process flows, and the documentary requirements of the IPAs and the BOC shall be observed.

Once the CAI is fully implemented, the covered RBE shall apply for a CAI with the concerned IPA in accordance with Rule 9 of the CREATE Act IRR, as amended. The concerned IPA may either approve or disapprove the application for a CAI of the RBE. If issued, the concerned IPA shall provide viewing access to the concerned BOC Office with regard to the corresponding CAI. In all cases, any action on the application for a CAI shall be communicated by the concerned IPA to the covered RBE.

The CAI issued by the concerned IPA shall be valid and be considered by the BIR and BOC as proof of entitlement to tax and/or duty-free importation, notwithstanding the BOI-COR. The CAI, or the related admission permit or import permit, or any other equivalent document issued by the concerned IPA while the CAI is still being rolled-out, shall be used for importations.

For existing capital equipment and other assets that are used in the registered project or activity of the covered RBE, which were imported on or before 31 January 2023, these shall be covered by a Tax Exemption Indorsement (TEI) issued by the Department of Finance's Revenue Office (DOF-RO). Please refer to Annex A for the step-by-step guidance in securing the TEI from the DOF-RO.

4. Application for a value-added tax (VAT) zero-rating certification

The VAT zero-rating certification shall be applied with the concerned IPA following BIR Revenue Memorandum Circular (RMC) No. 36-2022. For counterchecking purposes, the BIR shall rely on the master list and VAT zero rate indorsement of covered RBEs, which the concerned IPA shall submit to BIR.

All general and specific terms and conditions imposed upon the registration of the project and availment of incentives must, nevertheless, be complied with by the covered RBE, with the exception of exclusively conducting or operating the registered project or activity within the

geographical boundaries of the economic zone or freeport zone being administered by the concerned IPA.

5. Required Annotation in the Certifications for availment of incentives

All certifications for the availment of incentives provided in the BOI-COR that the concerned IPA will issue shall contain the following annotation:

"This [CETI/CAI/VAT 0% certification] is issued pursuant to FIRB Resolution No. 026-22, as extended under FIRB Resolution No. 033-22, in relation to Board of Investments (BOI) Certificate of Registration No. TR-xxx dated xxx for purposes of allowing this registered project or activity to adopt up to 100% WFH arrangement and [concerned IPA] COR No. dated xxx as part of [concerned IPA] authority to monitor the compliance with the terms and conditions and administer the availment of remaining incentives of the aforementioned RBE."

C. Submission of reports and compliance monitoring

The monitoring of the covered RBEs' compliance with the terms and conditions of their registration, reportorial requirements, and other compliance requirements under the CREATE Act and its IRR, as amended, and other applicable laws, rules, and regulations shall remain with the concerned IPA. The concerned IPA shall continue to submit regularly, or when requested, the following reports:

- a) Master list of all RBEs;
- b) Monitoring of performance commitments for approved project/s with investment capital of P1,000,000,000.00 or below;
- c) Monitoring of performance commitments for approved project/s with investment capital of more than P1,000,000,000.00;
- d) Consolidated Annual Tax Incentives Report (ATIR) and Annual Benefits Report (ABR); and

- e) Other reports that may be required by the FIRB Secretariat, pursuant to FIRB Resolution No. 022-22.

Findings and results gathered by the concerned IPA, if any, in the performance of its monitoring functions shall be endorsed by the concerned IPA to BOI.

BOI shall forward the aforementioned reports to the FIRB, BIR, BOC, FIRB Secretariat, and other relevant government agencies, as applicable. For this purpose, the BOI-issued COR number shall be used as a common identifier for all covered RBEs.

D. Allocation of the five percent (5%) tax on gross income earned (GIE) or special corporate income tax (SCIT)

Covered RBEs currently availing of the 5% tax on GIE or the SCIT incentive, in lieu of all national and local taxes, shall be allowed to avail of the same continuously.

Existing rules on the allocation of the 5% SCIT among the National Government, Local Government Units (LGUs), and the IPAs under special laws governing the latter shall be observed.

For covered RBEs governed by special laws, which do not provide an allocation, the 5% GIE or SCIT based on the gross income shall be paid and remitted as follows:

- a) Three percent (3%) to the National Government, to be remitted to the BIR using the electronic system for filing and payment of taxes; and
- b) Two percent (2%) to be directly remitted by the covered RBE to the treasurer's office of the municipality or city where the covered RBE is located.

No part of the GIE or SCIT shall be remitted to the LGU where an employee under a WFH arrangement is located unless the LGU where an employee under a WFH arrangement is located is the same as that where the covered RBE is located.

E. Movement of capital equipment and other assets within and outside the economic zones and/or freeport zones

As proof of entitlement to import VAT and/or customs duties exemption and to facilitate the free movement of capital equipment and other assets within and

outside the economic zones and freeport zones, the covered RBE shall secure a TEI from the DOF-RO. For the step-by-step guidance, please refer to Annex A.

Existing goods will be covered by a blanket TEI per project, covering existing goods that were imported as of 31 January 2023. While for importations starting 1 February 2023, these shall be processed per project per shipment.

Once the TEI has been secured for existing equipment and other assets, no bond requirement, in whatever form, shall be imposed for the transfer or movement of equipment and other assets, such as laptops, desktops, and other equipment, outside the economic zones or freeport zones. *Provided*, That the number of equipment of the covered RBE outside the economic zone or freeport zone shall not exceed the number of its employees under a WFH arrangement. Upon approval of the concerned IPA, additional laptops/other equipment may be allowed if reasonably needed to perform the registered project or activity.

For new capital equipment and other assets that will be imported per project starting 1 February 2023, such assets must be covered by a TEI, as issued by the DOF-RO. The step-by-step guidance in securing the TEI for new importations is provided in Annex A.

Provided, further, that the covered RBE shall, within thirty (30) days from the issuance of BOI-COR, submit a report to the concerned IPA containing the following:

- a) List of all equipment and other assets permanently situated inside the economic or freeport zones, and those assets brought out of the economic or freeport zones, including the quantity of laptops, desktops, furniture and fixtures, and other assets, whether local or imported;
- b) Acquisition cost, book value, and year of acquisition of the equipment and/or other assets; and
- c) Total number of employees and number of employees under WFH arrangement.

F. Transitory period for the movement of capital equipment and other assets within and outside the economic zones and/or freeport zones

Date of importation of capital equipment and other assets	Applicability of the TEI	Covered period	Surety bond requirement	Documentary proof of authority to move the goods while TEI is still pending
deemed as "existing")	availed of VAT exemption and/or customs duty exemption. The TEI pertaining to existing goods will be secured on a per project basis .		(bond-free transition period)	with the notarized undertaking, in lieu of posting any type of bond.
		1 February 2023 to 31 March 2023		BOI-COR or BOI Official Receipt and the provisional goods declaration, together with the notarized undertaking, in lieu of posting any type of bond.
		1 April 2023 onwards	Surety bond is needed as the transition period has already lapsed.	BOI-COR or BOI Official Receipt and duly filed and approved surety bond. The subject goods can be released through a provisional goods declaration, subject to the BOC's existing rules and regulations.
Imported as of 1 February 2023 (i.e., assets deemed as "new")	TEI must be secured for all imported goods that availed of VAT exemption and/or customs duty exemption. The TEI pertaining to new goods will be secured on a per	1 February 2023 onwards	No requirement (i.e., goods shall remain with the concerned BOC Office and shall not be released while the TEI is still pending)	No alternative document. The duly processed TEI, Statement of Settlement of Duties and Taxes (SSDT) and consumption entry are all required prior to the release of the goods.

In order to provide sufficient time for the covered RBEs to secure the related TEI for their existing capital equipment and other assets, a transition period is hereby provided.

From 1 January 2023 until 31 March 2023, the covered RBEs shall be authorized to move the related capital equipment and other assets outside the economic zones and/or freeport zones through a provisional goods declaration, as supported by a notarized undertaking that the related TEI will be secured, ***in lieu of posting any type of bond and during the pendency of the TEI.***

However, from 1 February 2023 until 31 March 2023, only covered RBEs registered with the BOI, as evidenced by the related BOI-COR or the corresponding Official Receipt representing the payment of the applicable fee, will be authorized to move their existing capital equipment and other assets within and outside the economic zones and/or freeport zones through a provisional goods declaration, as supported by a notarized undertaking that the related TEI will be secured, ***in lieu of posting any type of bond and during the pendency of the TEI.***

Provided, that only the capital equipment and other assets related to the registered IT-BPM project or activity that has been registered with the BOI shall be allowed to avail of the transition period.

During the transition period, the covered RBEs shall secure the related TEI covering their existing capital equipment and other assets that were imported as of 31 January 2023.

In summary, we provide below the timelines and the supporting documents that will authorize the free movement of goods of covered RBEs within and outside the economic zones and/or freeport zones:

Date of importation of capital equipment and other assets	Applicability of the TEI	Covered period	Surety bond requirement	Documentary proof of authority to move the goods while TEI is still pending
Imported on or before 31 January 2023 (i.e., assets	TEI must be secured for all imported goods that	1 January 2023 to 31 January 2023	No requirement	BOI-COR or BOI Official Receipt (<i>only if available</i>) and the provisional goods declaration, together

Date of importation of capital equipment and other assets	Applicability of the TEI	Covered period	Surety bond requirement	Documentary proof of authority to move the goods while TEI is still pending
	<i>shipment per project basis.</i>			

In essence, all imported goods of the covered RBE that were granted exemptions covering import VAT and/or customs duties will all be covered by a duly processed TEI, statement of settlement of duties and taxes, and duly processed consumption entry.

For purposes of determining the bondable amount, the amount of customs duties and/or VAT shall be based on the net book value of imported assets that have availed of the corresponding exemption on customs duties and/or VAT. If the net book value is zero, the valuation methods under Section H will take precedence.

With regard to the movement of locally purchased capital equipment and other assets that were subjected to VAT zero-rating, the IPA-issued VAT zero-rating certificate should suffice as proof of its VAT incentive, in accordance with existing BIR rules and regulations. However, the sale, transfer, donation, and disposal of locally purchased assets shall be governed by Section H of this Administrative Order.

G. Implications of the registration with the BOI

The remaining period of fiscal and non-fiscal incentives of covered RBEs shall be availed from the concerned IPA. After the expiration of the fiscal incentives, the covered RBE shall not be allowed to register anew the same project or activity to avail of fiscal incentives unless there is a new project or activity or a qualified expansion project under the SIPP.

Upon completion of registration of projects or activities with the BOI, the BOI shall submit to the BIR, BOC, and FIRB Secretariat a master list of all covered RBEs per IPA. The master list shall include the following information:

1. RBE details

- a) Control number;
- b) Date of filing the request to register with BOI;
- c) Enterprise name;
- d) Office address;
- e) Tax Identification Number (TIN);
- f) BIR RDO code;
- g) Ownership details;
- h) Contact details of an authorized representative to the IPA, including the: name, position/designation, telephone or mobile number, and email address; and
- i) TIN of the authorized representative.

2. IPA registration details

- a) IPA registration number;
- b) IPA registration date (DD/MM/YYYY);
- c) Registered activity;
- d) Registered capacity;
- e) Type of project (indicate if new or expansion);
- f) Market orientation (export or domestic);
- g) Export requirement, if applicable;
- h) Five (5) digit Philippine Standard Industrial Classification (PSIC) code and description based on the 2019 PSIC;
- i) Project/plant address, which shall include the: economic zone, building name, unit no., street no., barangay, city/municipality, province, region;
- j) Project cost (in Philippine Pesos); and
- k) Approved start of commercial operations (DD/MM/YYYY).

3. Remaining fiscal incentives details

The start and end date (DD/MM/YYYY) of the following:

- a) Income tax holiday;
- b) 5% tax on gross income earned incentive;
- c) Duty exemption;
- d) VAT exemption;
- e) VAT zero-rating; and

f) Other remarks.

Employees under WFH arrangements shall not be made liable to pay Local Business Taxes, Mayor's or Business Permit Fees, and Occupational Permit Fees by the LGU where they render service in a WFH arrangement pursuant to *Department of Finance Local Finance Circular No. 001-2022* or the Guidelines on the Imposition of Local Business Tax, Fees, and Charges to Service Contractors.

H. Valuation methods of the BOC for the sale, transfer, donation, or disposal of the related assets of the covered RBE, whether local or imported

1. Sale or transfer of equipment and other assets made to other non-privileged persons or entities shall be subject to the payment of duties and/or taxes based on the following:
 - a) Net book value; or
 - b) Depreciated value using the straight-line depreciation method, with depreciation capped at 10% per year, but in no case shall it exceed 90%. Effectively, this assumes that the related equipment and other assets have a residual value of 10%, once fully depreciated.

The value to be used shall be whichever is higher between A and B.

2. Transfer of equipment and other assets by way of donation to non-privileged persons or entities shall be subject to the payment of duties and/or taxes based on the following:
 - a) Net book value; or
 - b) Depreciated value using the straight-line depreciation method, with depreciation capped at 10% per year, but in no case shall it exceed 90%. Effectively, this assumes that the related equipment and other assets have a residual value of 10%, once fully depreciated.

The value to be used shall be whichever is higher between A and B.

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3. If the asset shall be destroyed or incinerated, the reference values per BOC Memorandum dated 07 April 2017, numbered 2017-04-012, shall be used for the BOC's valuation.

In all three cases above, the imposition of customs duties and/or import VAT shall be applied to all imported goods, which have been initially exempted from customs duties and/or VAT, per original importation.

For locally purchased assets, which were initially brought into the economic zone or freeport by availing of VAT zero-rating, the related VAT shall be imposed upon its sale, transfer, donation, or disposal.

Kindly note that a transfer does not mean mere movement of the subject assets, as contemplated under Section F of this Administrative Order.

I. Treatment of existing capital equipment and other assets with lost or missing documents, specific to the requirements needed for the DOF-RO's TEI.

The receiving BOC Office shall check the completeness of the documentary requirements.

The receiving BOC Office shall only be allowed to process and approve applications with sufficient supporting documents. In case of insufficient supporting documents, import VAT and/or customs duties shall be assessed, as applicable.

J. Allowable ratio of WFH arrangements for covered RBEs from 1 January to 31 January 2023

Beginning 1 January 2023, only covered RBEs that have successfully registered with the BOI on or before 31 January 2023, as evidenced by the BOI-COR or the BOI Official Receipt representing the applicable fee, shall be allowed to implement 100% WFH from 1 January to 31 January 2023. Notably, RBEs who did not register with the BOI shall not be allowed to implement any WFH arrangement starting 1 January 2023.

K. BIR and BOC rules and regulations

The BIR and BOC may issue rules and regulations to supplement *FIRB Resolutions 026-22 and 033-22, DTI-MC 22-19*, and this FIRB Administrative Order.

These guidelines were closely coordinated with the BOC, the DOF-RO, the BOI, and IPAs' representatives.

For strict compliance.

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Annex A. Process flow for existing goods (covering importations as of 31 January 2023¹) and for new goods (to be imported starting 1 February 2023)

Step	Action	In-charge	Submitted to	Documentary support	Estimated duration of processing (in working days)	Link per FIRB website
	Register with the BOI					
1	The IT-BPM RBE shall file the "Request to Register with BOI Form" (see Attachment 1) For PEZA, this shall be sent to itbpm.transfer@peza.gov.ph	Covered RBE	Concerned IPA	Request to Register with BOI Form <i>Refer to Attachment 1</i>	Not applicable (Day 0/zero)	Attachment 1
2	The Concerned IPA shall review the submission and endorse to the BOI - Infrastructure and Services Industries Service the request using the prescribed template entitled: IPA List of Endorsed RBEs (see Attachments 2.1 and 2.2). The concerned IPA shall also provide the following documents: a. Scanned copy of the covered RBE's original Certificate of Registration (COR) with the Terms and Conditions or Agreement issued by the concerned IPA; and b. Scanned copy of the "Request to Register with BOI Form" duly accomplished by the covered RBE. The endorsement will be done through email, furnishing a copy to the covered RBE.	Concerned IPA	BOI - Infrastructure and Services Industries Service	IPA List of Endorsed RBEs <i>Refer to Attachments 2.1 and 2.2</i>	Days 1 to 7 (seven working days)	Attachment 2.1 Attachment 2.2
3	Once the covered RBE receives the email endorsement from the concerned IPA, the former shall pay a fee of P2,250.00. The BOI - Infrastructure and Services Industries Service will issue the COR upon payment. The Official Receipt representing the P2,250.00 filing fee shall be treated as proof of registration, pending the issuance of the BOI-COR. The date indicated in the Official Receipt shall also be the effective date of registration with the BOI.	Covered RBE and BOI	BOI - Infrastructure and Services Industries Service	<i>Refer to Attachment 3</i> for a sample of the BOI-COR <i>Refer to Attachment 4</i> for the sample Official Receipt issued	Day 8 (1 working day)	Attachment 3 Attachment 4

¹ Date of importation, as defined per BOC.

Step	Action	In-charge	Submitted to	Documentary support	Estimated duration of processing (in working days)	Link per FIRB website
4	<p>After this step, please proceed to Step 6 while waiting for the issuance of the BOI-COR.</p> <p>Upon issuance of the BOI Certificate of Registration, the covered RBE shall furnish a copy of the same to the concerned IPA for annotation in the concerned IPA's Certificate of Registration. The BOI Certificate of Registration must be sent to the designated email address of the concerned IPA.</p> <p>For PEZA, this shall be sent to itbpm.transfer@peza.gov.ph while for the other concerned IPAs, please reach out to your concerned IPA focal.</p> <p>You may receive correspondences from the BOI, via infra.services@boi.gov.ph, should they have additional queries or concerns regarding the issuance of their COR.</p> <p>Bond-free transitory period (1 January 2023 - 31 March 2023)</p>	Covered RBE and BOI	Concerned IPA	Not applicable	Days 9 to 11 (three working days)	Not applicable
5	<p>In order to provide sufficient time for the covered RBEs to secure the related TEI for their existing capital equipment and other assets, a transition period is hereby provided.</p> <p>From 1 January 2023 until 31 March 2023, the covered RBEs shall be authorized to move the related capital equipment and other assets outside the economic zones and/or freeport zones through a provisional goods declaration, as supported by a notarized undertaking that the related TEI will be secured, in lieu of posting any type of bond and during the pendency of the TEI.</p> <p>However, from 1 February 2023 until 31 March 2023, only covered RBEs registered with the BOI, as evidenced by the related BOI-COR or the corresponding Official Receipt representing the payment of the applicable fee, will be authorized to move their existing capital equipment and other assets within and outside the economic zones and/or freeport zones through a provisional goods declaration, as supported by a notarized undertaking that the related TEI will be</p>	Covered RBE	Not applicable	Notarized undertaking Refer to Attachment 15 for a sample of the undertaking to be notarized	Not applicable	Attachment 15

Step	Action	In-charge	Submitted to	Documentary support	Estimated duration of processing (in working days)	Link per FIRB website
	<p>secured, in lieu of posting any type of bond and during the pendency of the TEI.</p> <p>During the transition period, the covered RBEs shall secure the related TEI covering their existing capital equipment and other assets that were imported on or before 31 January 2023.</p> <p>Securing the TEI from the DOF-RO.</p>					
6	<p>In preparation for securing the TEI through the DOF-RO, the covered RBE shall request a staging bill of lading (BL) or dummy BL from the BOC. The BOC shall require the following in order to issue the staging BL or dummy BL for all imported goods as of 31 January 2023:</p> <ul style="list-style-type: none"> A. Transit Single Administrative Document (TSAD) number B. Project ID (please secure this from your concerned IPA) or the unique IPA registration number (should be separately identifiable per project per company) C. Enterprise name (company-level name) D. Registered Activity E. TIN F. IPA G. Item description H. Brand (optional/if available) I. Count/units/quantity J. A copy of the TSAD. If this is no longer available, the related admission permit or import permit can also be provided as an alternative. <p>As the TEI is secured on a per-project basis, the staging BL or dummy BL shall also be secured per project. The output would be a system-generated BL or dummy BL.</p> <p>For the spreadsheet template to be used, please refer to Attachment 5.</p> <p>Locally purchased equipment and other assets shall not be listed in Attachment 5. If the locally purchased goods were subjected to VAT zero-rating, the IPA-issued VAT Zero-rating Certificate should suffice in</p>	<p>Covered RBE and the BOC (Office of the Deputy Collector for Operations)</p>	<p>BOC (Office of the Deputy Collector for Operations)</p>	<p>Inventory List to be submitted to BOC <i>Refer to Attachment 5.</i></p> <p><i>Refer to Attachment 6 for the sample staging BL / dummy BL that will be issued.</i></p>	<p>Days 8 to 10 (three working days upon submission of complete documents).</p>	<p>Attachment 5 Attachment 6</p>

Step	Action	In-charge	Submitted to	Documentary support	Estimated duration of processing (in working days)	Link per FIRB website
7	<p>accordance with existing BIR rules and regulations.</p> <p>Finally, these guidelines shall not cover all goods that have been imported and were imposed with the related import VAT and/or customs duties and shall not be required to secure the TEI.</p> <p>As the TEI shall be secured on a per-project basis, the covered RBE shall send an inventory list per project of all imported capital equipment and other assets to the concerned IPA. The inventory list must include the following:</p> <ul style="list-style-type: none"> A. TSAD number B. Project ID (please secure this from your concerned IPA) or the unique IPA registration number (should be separately identifiable per project per Company) C. Enterprise name (company-level name) D. Registered Activity E. TIN F. IPA G. Item description H. Brand (optional / if available) I. Count/units /quantity J. A copy of the related Transit Single Administrative Document (TSAD). If this is no longer available, the related admission permit or import permit can also be provided as an alternative. K. Item description L. Brand (optional / if available) M. Count/units /quantity <p>Unlike the inventory list submitted to the BOC in Step 6, this list must be limited to the projects registered with the concerned IPA. Hence, a covered RBE with projects registered among multiple IPAs must also provide an inventory list for each IPA.</p> <p>The inventory list submitted to the BOC in Step 6 must ideally match the inventory list endorsed by the concerned IPA to the DOF-RO. In cases of discrepancies, the inventory list endorsed by the concerned</p>	Covered RBE	Concerned IPA	Inventory List to be submitted to the concerned IPA <i>Refer to Attachment 7.</i>	Days 8 to 10 (three working days upon submission of complete documents).	Attachment 7

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	IPA will take precedence. For the spreadsheet template to be used, please refer to Attachment 7. The spreadsheet should also state that the personnel accomplishing the same shall be an authorized representative of the Company. The concerned IPA receives the inventory list from the covered RBE, and the concerned IPA validates the inventory list using existing reports and monitoring systems. Once validated, the concerned IPA shall provide an endorsement of the inventory list per project to the BOI, furnishing a copy to the covered RBE upon send-out. The endorsement shall be documented through email using a designated email address nominated by the concerned IPA. For PEZA, separate emails shall be used by their respective Zone Offices for this purpose. Please reach out to your respective IPAs or Zone focal for the email addresses to be used by your concerned IPAs. The concerned IPA shall send the endorsement to the BOI through email, at infra.services@boi.gov.ph .	Concerned IPA	Covered RBE and BOI	Not applicable	Days 11 to 13 (three working days)	Not Applicable
9	Once the covered RBE receives the email endorsement from the concerned IPA, the former will proceed with filing the request for Tax Exemption through the DOF-RO. The request for Tax Exemption shall be filed electronically through the DOF-RO Tax Exemption System hosted online. The registration procedures can be accessed through its published manual. Given the unique situation of the covered RBEs, a special list of requirements shall be submitted to the DOF-RO, viz: A. The BOI-COR, if the BOI-COR is not yet available, the Official Receipt issued by the BOI, representing the payment for the registration, shall be accepted. B. Endorsement of the concerned IPA (under Step 8). C. Completely filled-out DOF-RO Form No. 91 D. Staging BL or dummy BL issued by the BOC (under Step 6)	Covered RBE	DOF-RO	For reference documents, please refer to the following attachment guide: <i>Item C – Attachment 8</i> <i>Item D – Attachment 6</i> <i>Item G – Attachment 9</i> <i>Item H – Attachment 10</i>	Day 14	Attachment 8 Attachment 6 Attachment 9 Attachment 10

Step	Action	In-charge	Submitted to	Documentary support	Estimated duration of processing (in working days)	Link per FIRB website
	<p>E. Commercial Invoice or packing list (if available)</p> <p>F. Certificate of Authority to Import, or equivalent, and the Admission Entry issued by the concerned IPA. If the latter is not available, the TSAD or the admission permit/import permit, can be accepted as alternatives.</p> <p>G. Notarized Affidavit of End-Use / Ownership</p> <p>H. Authorization Letter (if filing as an authorized representative)</p> <p>I. Other documents as may be determined by the DOF-RO. In cases where there are other documents not part of items A to H but are deemed necessary by the DOF-RO, the TSAD or the admission permit/import permit may be considered alternatives, subject to the assessment of the DOF-RO.</p> <p>For reference documents, please refer to the following attachment guide: Item C – Attachment 8 Item D – Attachment 6 Item G – Attachment 9 Item H – Attachment 10</p>					
10	<p>Upon the affirmative assessment of the DOF-RO of the import VAT and/or customs duty exemption of the subject capital equipment and other assets, the DOF-RO shall endorse the TEI to the Concerned BOC Office. A copy of the TEI shall also be provided to the covered RBE through email.</p> <p>As evidence of the exemption of the capital equipment and other assets, the covered RBE may provide its employees with a copy of the duly processed consumption entry and the SSDT, in case requested by the BOC, especially when these assets are being moved to and from the economic zones or freeport zone.</p> <p>The DOF-RO endorsement shall be received from revenueoffice@dof.gov.ph, for the covered RBE's guidance.</p>	DOF-RO	BOC	<p>Refer to Attachments 11 and 12 for a sample duly processed consumption entry and a sample SSDT, respectively.</p>	<p>Days 15 to 17 (three working days, per Mabuhay Lane, upon complete submission of documents)</p>	<p>Attachment 11 Attachment 12</p>

Step	Action	In-charge	Submitted to	Documentary support	Estimated duration of processing (in working days)	Link per FIRB website
11	<p>Securing a bond covering existing imported goods as of 31 January 2023</p> <p>If the covered RBE deems that it cannot secure a TEI for its existing goods during the transitory period, the covered RBE shall apply for a one-time 90-day surety bond covering all existing capital equipment and other assets as of 31 January 2023. However, if the covered RBE expects to secure the Tax Exemption Indorsement (TEI) from the DOF-RO on or before 31 March 2023, this step can be dispensed with.</p> <p>This will allow the covered RBE to continue moving their existing capital equipment and other assets duly covered by the subject surety bond to and from the economic zone or freeport zone while securing their TEI.</p> <p>Ultimately, imported assets that form part of the covered RBE's project/activity, even if the same shall remain inside the economic zone or freeport zone, shall also be covered by the surety bond. This is because all of the imported assets used in the registered project or activity of the subject covered RBE will now be covered by a TEI as proof of its exemption from import VAT and/or customs duties.</p> <p>Effectively, all the capital equipment and other assets of the covered RBE as of 31 January 2023 that were exempted from import VAT and/or customs duty upon importation, by virtue of the registration of the project with the concerned IPA, must be covered by a surety bond, pending the issuance of the DOF-RO endorsed TEI, duly processed consumption entry, and the SSdT.</p>	Covered RBE	Surety company	Confirmation of the surety bond, as sent by the surety company.	To ensure enough time, we recommend the filing of the surety bond at least 10 working days before the end of the transitory period, or on or before 17 March 2023.	No sample available
12	<p>The surety company will then endorse the bond to the BOC for approval. The endorsement of the surety company shall be emailed to both the concerned BOC Office and the covered RBE.</p> <p>For previously bonded capital equipment and other assets, the email endorsement from the surety company shall contain the following:</p> <p>1. Bonded value/amount (150% of customs duties and/or VAT, based on the valuation methods under Section H of this Administrative Order)</p>	Surety company	Concerned BOC Office	Email endorsement from the surety company.	Less than one working day BOC's bond approval shall be within an hour upon submission of complete documents	Not applicable

Step	Action	In-charge	Submitted to	Documentary support	Estimated duration of processing (in working days)	Link per FIRB website
13	<p>2. Period of validity 2.1 Original period of validity 2.2 New period of validity 3. Bond number/bond reference 4. Name of Registered Business Enterprise</p> <p>Once approved by the BOC, such approval shall also cover the movement of the goods. The sub-port collector shall provide the BOC's approval.</p> <p>For capital equipment and other assets under the IT-BPM project existing as of 31 January 2023 that were imported but were not previously bonded (i.e., assets that were not brought outside the economic zone or freeport zone), the covered RBE shall follow the existing process flows for the posting of bonds, covering the list of capital equipment and other assets.</p> <p>Locally purchased capital equipment and other assets shall not form part of the bonded assets. If the locally purchased goods were subjected to VAT zero-rating, the IPA-issued VAT Zero-rating Certificate should suffice as evidence of the VAT incentive, in accordance with existing BIR rules and regulations.</p> <p>All goods that have been imported and were imposed with the related import VAT and/or customs duties shall not be covered by these guidelines and shall not be required to secure the TEI.</p>	Covered RBE and the surety company	Concerned BOC Office	Surety bond and the Official Receipt covering the premium of the bond.	Less than one working day BOC's bond approval shall be within an hour upon submission of complete documents	Not applicable
1	<p>Process flows for new goods (to be imported starting 1 February 2023)</p> <p>Prior to the release of the goods, the covered RBE shall file a request for Tax Exemption electronically, through the DOF-RO Tax Exemption System hosted online. The registration procedures can be accessed through its published manual. The following list of requirements shall be submitted to the DOF-RO:</p> <p>A. The BOI-COR. If the BOI-COR is not yet available, the Official Receipt</p>	Covered RBE	DOF-RO	For reference documents, please refer to the following attachment guide: Item C - Attachment 13 Item D - Attachment 14 Item F - Attachment 9	Day 0	Attachment 13 Attachment 14 Attachment 9 Attachment 10

Step	Action	In-charge	Submitted to	Documentary support	Estimated duration of processing (in working days)	Link per FIRB website
	<p>issued by the BOI, representing the payment for the registration, shall be accepted.</p> <p>B. Completely filled-out DOF-RO Form No. 91</p> <p>C. Signed and dated Import BL / Air Waybill</p> <p>D. Commercial Invoice (packing list, if applicable)</p> <p>E. Certificate of Authority to Import, or equivalent, and the Admission Entry issued by the concerned IPA. If the latter is not available, the TSAD or the Import permit/admission permit can be accepted as alternatives.</p> <p>F. Notarized Affidavit of End-Use / Ownership</p> <p>G. BOI Certificate of Non-Local Availability</p> <p>H. Authorization Letter (if filing as an authorized representative)</p> <p>I. Other documents that may be required to support compliance with conditions or requirements of the law (e.g., permit to import for regulated items)</p>			<p>Item H - Attachment 10</p>		
2	<p>For reference documents, please refer to the following attachment guide:</p> <p>Item C - Attachment 13</p> <p>Item D - Attachment 14</p> <p>Item F - Attachment 9</p> <p>Item H - Attachment 10</p> <p>Upon the affirmative assessment of the DOF-RO of the import VAT and/or customs duty exemption of the subject capital equipment and other assets, the DOF-RO shall endorse the TEI to the Concerned BOC Office. A copy of the TEI shall also be provided to the covered RBE through email.</p> <p>Once received by the Concerned BOC Office, the covered RBE shall then file a consumption entry with the BOC Office and shall undergo regular processing with the same.</p> <p>Upon the affirmative assessment of the Concerned BOC Office, the</p>	Covered RBE, DOF-RO, and BOC	BOC	<p>Refer to Attachments 11 and 12 for a sample duly processed consumption entry and a sample Statement of Duties and Taxes (SSDT), respectively.</p>	<p>Day 1 to Day 3 (three working days, per Mabuhay Lane, upon complete submission of documents)</p>	<p>Attachment 11</p> <p>Attachment 12</p>

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Step	Action	In-charge	Submitted to	Documentary support	Estimated duration of processing (in working days)	Link per FIRB website
	<p>covered RBE shall receive a duly processed consumption entry and the SSDT. As evidence of the exemption of the subject capital equipment and other assets, the covered RBE may provide its employees with a copy of the duly processed consumption entry and the SSDT, in case requested by the BOC, especially when these assets are being moved to and from the economic zones or freeport zones.</p> <p>The DOF-RO endorsement shall be received from revenueoffice@dof.gov.ph, for the covered RBE's guidance.</p>					