



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
FISCAL INCENTIVES REVIEW BOARD
MANILA

FIRB Resolution No. 012 - 23

3 March 2023

WHEREAS, FIRB Resolution No. 033-22 was issued on 23 December 2022, extending until 31 January 2023 the effectivity of FIRB Resolution No. 026-22, which allows existing registered business enterprises (RBEs) in the Information Technology – Business Processing Management (IT-BPM) to transfer their registration to the Board of Investments (BOI) from the investment promotion agency (IPA) administering an economic zone or freeport zone where their project is located;

WHEREAS, the monitoring of these “transferee” RBEs’ compliance and the availment of their remaining incentives shall remain with the concerned IPA administering such economic zone or freeport zone where they are located;

WHEREAS, FIRB Resolution No. 033-22 also provides that RBEs in the IT-BPM sector that will opt to register with the BOI pursuant to said resolution from January 1 to 31, 2023, will not be required to post a bond for all equipment and other assets that will be brought outside the economic or freeport zone until they secure the Tax Exemption Indorsement (TEI) for all their equipment and assets from the Department of Finance – Revenue Office (DOF-RO) or 31 March 2023, whichever is earlier;

WHEREAS, FIRB Administrative Order No. 001-2023 was issued on 16 January 2023, operationalizing FIRB Resolution Nos. 026-22 and 033-22, and stating that existing goods imported as of 31 January 2023 will be covered by a blanket TEI per project;

WHEREAS, there are 1,370 Information Technology and Business Process Management (IT-BPM) projects of Registered Business Enterprises (RBEs) which have registered with the Board of Investments to adopt, on a long-term basis, flexible work arrangements without adverse effects on their tax incentives and to avail of the free movement of goods to and from the economic and freeport zones;

WHEREAS, the subject IT-BPM RBEs are required to secure the TEI from the DOF-RO, which will serve as proof of the value-added tax (VAT) and/or

customs duty exemption of new and imported goods and will facilitate the free movement of goods to and from the economic and freeport zones;

WHEREAS, as of 2 March 2023, there is no blanket TEI issued thus far by the DOF-RO out of the expected 1,370 blanket TEIs to be issued to the subject IT-BPM RBEs, covering existing goods that were imported as of 31 January 2023 VAT and/or duty-exempt;

WHEREAS, the FIRB continues to support the RBEs in the IT-BPM sector by recognizing their need to adopt the WFH and any proposed alternative work arrangement as their business model, which is not contrary to law;

WHEREAS, there is an urgent need to extend the bond-free period under FIRB Resolution No. 033-22 to provide additional time for IT-BPM RBEs to process their TEIs covering existing goods imported as of 31 January 2023;

WHEREAS, Section 297(A) of the NIRC of 1997, as amended by the CREATE Act, vests in the FIRB the power to exercise policy-making and oversight functions in the administration and grant of incentives;

NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, *That* the effectivity of the period under FIRB Resolution No. 033-22, which allows the subject RBEs in the IT-BPM sector to move equipment and other assets outside the economic zone or freeport zone, without posting any bond, until they secure from the DOF-RO the TEI for all their equipment and other assets or 31 March 2023, whichever is earlier, is hereby extended until 30 June 2023.

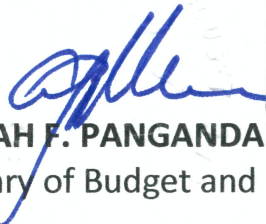

RESOLVED, FURTHER, *That* the provisions of FIRB Resolution No. 033-22, FIRB Administrative Order No. 001-2023, and other appurtenant issuances shall remain in force, as may be applicable.

RESOLVED, FINALLY, *That* the FIRB Secretariat, in coordination with the DOF-RO, BOI, and the concerned IPAs, shall when necessary, issue an order or circular to effectively and expeditiously carry out the requirement of securing the TEI from the DOF-RO.

This *Resolution* may be signed in any number of counterparts, each of which, when duly executed and sent by facsimile or electronic transmission to the Secretariat, shall be valid and effectual as if executed as an original, but all

the counterparts (including counterparts sent by way of facsimile or electronic transmission) shall together constitute one and the same document.

Adopted by the Board via *ad referendum* on 3 March 2023.



AMENAH F. PANGANDAMAN
Secretary of Budget and Management

ARSENIO M. BALISACAN
Secretary of National Economic and Development Authority

LUCAS P. BERSAMIN
Executive Secretary

ALFREDO E. PASCUAL
Co-Chairperson and Secretary of Trade and Industry

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Chairperson and Secretary of Finance

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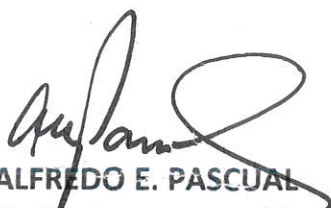
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