

Republic of the Philippines
Department of Finance
BUREAU OF INTERNAL REVENUE
Quezon City

February 22, 2013

REVENUE MEMORANDUM CIRCULAR NO. 23-2013

SUBJECT : Circularizing the Full Text of PEZA Board Resolution No. 12-610 dated November 13, 2012

TO : All Internal Revenue Officers and Others Concerned

For the information and guidance of all internal revenue officials, employees and others concerned, quoted hereunder is the full text of PEZA Board Resolution No. 12-610 dated November 13, 2012:

“RESOLUTION NO. 12-610

RESOLVED, That the PEZA Board hereby **APPROVES** the herein proposed amendments to the PEZA Guidelines on the registration and administration of Incentives to Tourism Economic Zone (TEZ) developers and locator enterprises, as follows:

1. No more 5% Gross Income Tax (5% GIT) incentive to developers of Tourism Economic Zones (TEZs) in Metro Manila, Cebu City, Mactan Island, and Boracay Island;
2. No more Income Tax Holiday (ITH) and 5% GIT incentives to locator enterprises of TEZs in the aforesaid 4 areas, except for tax and duty-free importation and zero-VAT rating on local purchases of capital equipment;
3. Henceforth, no more new TEZs shall be established in Metro Manila, Cebu City, Mactan Island, and Boracay Island;
4. This new policy shall not have retroactive effect, however, TEZ developers/operators and locator enterprises in the above-mentioned areas that

have not signed their Registration Agreements with PEZA shall be covered by this new policy; and

5. Existing and future TEZ developers and locator enterprises outside the 4 areas shall continue to avail of the incentives granted by PEZA subject to existing guidelines, as follows:

- For TEZ developer/operator - 5% GIT; and
- For TEZ locator enterprises – ITH, 5% GIT, Tax and duty-free importation, and zero-VAT rating on local purchases of capital equipment.

RESOLVED FURTHER, That all PEZA Board Resolutions, Memorandum Circulars, and Guidelines inconsistent herewith are hereby **REVOKED** and/or **AMENDED** accordingly.

RESOLVED FURTHERMORE, That this new policy shall take effect fifteen (15) days following the publication once in a newspaper of general circulation.”

All internal revenue officials and employees are hereby enjoined to give this Circular as wide a publicity as possible.

(Original Signed)
KIM S. JACINTO-HENARES
Commissioner of Internal Revenue