



REPUBLIC OF THE PHILIPPINES
PROVINCE OF ILOILO
MUNICIPALITY OF TUBUNGAN
OFFICE OF THE SANGGUNIANG BAYAN

EXCERPTS FROM THE MINUTES OF THE SPECIAL SESSION OF THE SANGGUNIANG BAYAN OF TUBUNGAN, ILOILO, HELD AT THE SANGGUNIANG BAYAN SESSION HALL ON DECEMBER 31, 2016.

PRESENT: Hon. Roquito Tacsagon
Vice-Mayor, Presiding Officer

Hon. Leo Cezar Taypen	Sangguniang Bayan Member
Hon. Melania Tacsagon	-do-
Hon. Danilo Escobañez	-do-
Hon. Joemel Embate	-do-
Hon. April Rose C. Tacadao	-do-
Hon. Medalla P. Balandra	-do-
Hon. Rolland Tabingo	-do-
Hon. Romeo Garingalao	-do-
Hon. Renato Tanque	-do-, Liga Pres.

ABSENT: NONE

ORDINANCE NO. 2016-14
ENACTING THE TUBUNGAN INVESTMENTS AND INCENTIVES CODE OF 2016

WHEREAS, Article 10, Section 2 of the Constitution of the Republic of the Philippines states that the territorial and political subdivision shall enjoy local autonomy;

WHEREAS, Republic Act 7160, otherwise known as the Local Government Code of 1991 Book I, Title VI, Section 109 states that LGU shall formulate local investment incentives to promote the inflow and direction of private investment capital;

WHEREAS, pursuant to Section 192 Republic Act 7160, the Municipality may, through a duly approved ordinance, grant tax exemptions, incentives, reliefs under such terms and conditions as the municipality may deem necessary;

WHEREAS, the Municipality of Tubungan, in pursuance of its Local Development Plan, encourages the entry of domestic and foreign investors to establish and expand enterprises that will utilize substantial amount of labor, raw materials and natural resources available in the Municipality;

WHEREAS, there is a need to institutionalize interventions regarding recognized needs and definite advantage to promote and develop agriculture and economic industries in the community in order to provide employment and livelihood opportunities, and further improve the quality of life and standard of living of its residents;

WHEREAS, fiscal and non – fiscal incentives are attractive solutions to problems encountered by investors and aim to create a friendly and more favourable business climate in the Municipality of Tubungan;

WHEREAS, there shall be formed a specific body composed of local government officials, employees and investors to analyze and formulate solutions/interventions to the problems encountered by the investors;

NOW THEREFORE, on motion of Sangguniang Bayan Member April Rose C. Tacadao seconded by Sangguniang Bayan Members Medalla P. Balandra, Romeo Garingalao, Danilo Escobañez and Melania Tacsagon; Be it:

Ordained by the Sangguniang Bayan of Tubungan, Iloilo in session duly assembled that:

THE TUBUNGAN INVESTMENTS AND INCENTIVES CODE OF 2016
ARTICLE I
TITLE, DECLARATION OF POLICY, OBJECTIVES

SECTION 1. TITLE. – This Ordinance shall be known and cited as the **“Tubungan Investments and Incentives Code of 2016”**.

SECTION 2. DECLARATION OF INVESTMENT POLICIES. – It is the declared policy of the

Municipality of Tubungan to actively encourage the participation of the private sector in the promotion of economic growth, prosperity and local economic development of the Municipality. For this purpose, it shall create an environment conducive to business that shall encourage and attract new investors and promote retention and expansion of existing businesses. It shall enjoin the participation of all stakeholders to support endeavors to accelerate economic progress, generate employment opportunities, increase local revenues and income, reduce poverty and improve the over-all quality of life of Tubunganons.

SECTION 3. OBJECTIVES. This Code has the following objectives:

1. Integrate and supplement the investment and incentive laws of the national government, appropriate to local initiative to attract both local and foreign investors;
2. Enhance the image of the Municipality of Tubungan as a competitive location of business in the Province of Iloilo;
3. Establish organizational structures to guide the efficient and effective implementation of this Code;
4. Set the guidelines, procedures and standards for identifying local investment priority areas (LIPAs);
5. Provide the guidelines and procedures for the registration and availment of local incentives;
6. Define the scope of incentives that the LGU may grant to attract and retain investments;
7. Detail the conditions and rules for the grant and continued enjoyment of incentives;
8. Promote the development and utilization of local products and market for local products and ignite the ingenuity of the entrepreneurs and other stakeholders; and
9. Encourage the participation of all Filipinos including OFWs, Balikbayans and other community stakeholders in investment undertakings.

ARTICLE II

DEFINITION OF TERMS AND ACRONYMS

SECTION 1. DEFINITIONS – For purposes of this Code, the following terms and definitions shall apply:

1. **After-Care Service** – refers to the assistance, which the investor gets after he has registered his business.
2. **Barangay Micro Business Enterprise / BMBE** – shall be as defined under Barangay Micro Business Enterprises (BMBEs) Act of 2002 (Republic Act No. 9178), i.e., any business entity or enterprise engaged in the production, processing or manufacturing of products or commodities, including agro – processing, trading and services, whose total assets including those arising from loans but exclusive of the land on which the particular business entity’s office, plant and equipment are situated, shall not be more than Three Million Pesos (Php 3, 000, 000. 00) ;
3. **Board** – shall mean the Municipality’s Local Investments and Incentives Board created under this Code, the powers and composition of which shall be provided under Article III;
4. **Board of Investments / BOI** – shall refer to the implementing agency of the Department of Trade and Industry for Books One to Five of the Omnibus Investment Code (EO No. 226 dated 27 February 1987) as created under the latter; i.e, responsible for the promotion of investments in the country;
5. **Capitalization** – refers to the total project cost which includes land, building, machineries, equipment and working capital except where it pertains to a BMBE, in which case, the same shall be exclusive of the cost of the land; provided that in the case of corporations, capitalization shall refer to its paid – up capital;
6. **Code** - shall refer to Tubungan Investments and Incentives Code promulgated pursuant to this Code;
7. **Date of Official Acceptance** – refers to the date the application for registration was received by the receiving personnel of the TIPC and recorded in a logbook for the purpose;
8. **Date of Registration** – refers to the date when the Certificate of Registration is issued

by the Board, which information shall be recorded in a Registration Logbook to be maintained by the board;

9. **Diversification** – refers to the introduction and production of a distinct line of products or services by an Existing Business, whether or not a Registered Enterprise; Provided, That, to be considered distinct, it should require new investment in terms of machinery or equipment or would involve the use of new skills set not currently used in the existing product or services, Provided further, That a new service or product may constitute a diversification even if such service or product is already within the scope of its original or existing business purposes;
10. **ECOZONE** – shall be defined under the Special Economic Zone Act of 1995 (PEZA Law, Republic Act No. 7916), i.e., selected areas with highly developed or which have the potential to be developed into agro-industrial, industrial, tourist/recreational, commercial, banking, investment and financial centers;
11. **Existing Businesses** – are businesses engaged in activities included in the LIPA List and are already engaged in operating in the Municipality and are intending to expand and/or diversify to other business ventures falling within the LIPAs as defined herein;
12. **Expansion** – shall mean installation of additional facilities/equipment that will result in the increase in the production capacity of an Existing Business. It may include modernization and rehabilitation. No expansion for additional capacity shall be allowed unless applicant has attained, in general, 85% utilization of its existing capacity;
13. **Fiscal Incentives** – refers to the direct financial or monetary benefit given to the investor
14. **Incentives** – refers to the benefits granted by the Municipality of Tubungan to encourage investments
15. **Incentive Law** – shall refer to a law, such as the Omnibus Investments Code, granting incentives to specific businesses at both the national and local levels, by virtue of the nature of their business activity pursued or the location where such business is going to be pursued or undertaken, as administered by a designated government agency or office (Registering Agency), such as BOI;
16. **Indigenous Materials** – refer to the products growing and living natural in the Municipality of Tubungan.
17. **Investments** – refer to money, equipment or properties, professional services or rights expressed in monetary value put – in for the purpose of engaging in a business activity
18. **Investment Priorities Plan / IPP** – shall refer to the annual listing of specific activities that have been identified as priority investment areas and thus encouraged by granting those engaging in the activities in the list the incentives under the Omnibus Investments Code, approved by the President of the Philippines, subject to the recommendation of the BOI;
19. **Large Investments** – refer to businesses with capital investment infusion in the Municipality amounting to more than One Hundred Million Pesos (> Php 100,000,000.00);
20. **Local Applicants** – refer to applicants for incentives under this Code which have no outstanding registration with a Registering Agency under an Incentive Law, provided that its proposed business is under the LIPA List;
21. **Local Investment Priority Areas / LIPA** – are investment areas/business activities identified by the Board to be priority investment areas specifically in the Municipality which are not yet among the Mandatory Investment Priority Areas and are

encouraged to be pursued within the Municipality by granting to them incentives in accordance with the policy on the grant of incentives;

22. **Local Staff** – refer to a worker or personnel who is a bonafide resident of the Municipality for at least six (6) months where proof of residency consists of the presentation of voter’s ID/ Registration and a Barangay Clearance from the barangay where he resides. Where the eligibility of an applicant to avail of incentives is anchored on its ability to generate employment, it should meet the minimum ratio of Local Staff to non – Local Staff, as the Board may prescribe;
23. **Micro, Small and Medium Enterprise (MSME)** – for purposes of granting incentives under this Code shall refer to businesses that meet the criteria below and which are to engage in a business activity included in the LIPA List:

By Capital Investment:

Micro Enterprise:	Php 100,000.00	–	Php 3,000,000.00
Small Enterprise:	Php 3,000,001.00	–	Php15,000,000.00
Medium Enterprise:	Php 15,000,001.00	–	Php 100,000,000.00

Provided, that, in the case of Micro Enterprises, including BMBEs, land which is not officially contributed into the business as capital or purchased by the business shall not form part of the assets of the business for purposes of determining the asset size above.

Provided further, that, for purposes of securing incentives, in lieu of meeting the foregoing criteria, an enterprise may qualify as an MSME using the following criteria:

By Number of Employees:

Micro Enterprise:	1 – 9 employees
Small Enterprise:	10 – 50 employees
Medium Enterprise:	51 – 199 employees

In the event that an enterprise falls under different classifications foregoing categories, the classification that will entitle it to more incentives shall be controlling.

The foregoing categories may be amended, from time to time, to render the definitions consistent with national laws and other issuances pertaining to MSMEs;

24. **Modernization or Rehabilitation Projects** – refer to projects of Existing Businesses or Registered Enterprises, which projects are registrable and thus, eligible to incentives if any of the following conditions are met:
- a. At least twenty percent (20%) reduction in production cost, which if sold in the Philippines should result in the reduction of the selling price of the product; or
 - b. Significant increase in productive efficiency including de – bottlenecking; or
 - c. Meaningful upgrading or product quality; or upgrade in the technology used in production to bring it at par with the technology used by leading manufacturers of the product manufactured by the Registered Enterprise,

The modernization or rehabilitation contemplated may or may not result in increase in the operating capacity/actual production output to be eligible for registration.

25. **Moratorium** – shall mean a suspension of activity or an authorized period of delay or waiting.
26. **Municipality** – shall mean the Municipality of Tubungan covering all the areas within its territorial jurisdiction as provided for by law and its charter;
27. **New Projects** – refer to projects or activities in LIPA List that have not started commercial operations, undertaken by 1) a newly organized or formed enterprise, or 2) an Existing Business that proposes to engage in an entirely distinct activity from its existing business as would qualify as a Diversification;

28. **Non – Fiscal Incentives** – pertain to the non – monetary value of incentives that provide indirect benefit to investor
29. **Official Acceptance** – refers to the final acceptance of application for registration with complete requirements
30. **PEZA** – shall refer to the Philippine Economic Zone Authority, as created under PEZA Law;
31. **Pioneering Enterprise** – shall mean a newly introduced industry or business endeavor in the Municipality of Tubungan.
32. **Project Study** – refers to a project profile which represents, among others, highlights of the projected financial viability and environmental and socio-economic impact of the proposed business:
 - a. **Registered Enterprise** – refers to any individual, partnership, cooperative or corporation, whether a domestic or resident foreign corporation licensed to do business in the Philippines that has been issued a Certificate of Registration by the Board pursuant to this Code, and
 - b. **Registering Agency** – refers to any other government agency/office/instrumentality that is authorized to administer incentives under an Incentives Law and register and regulate corporations that are enjoying incentives at the national level pursuant to an applicable Incentive Law, such as but not limited to the BOI and the PEZA.
33. **TIPC** – refers to the Tubungan Investments Promotion Center with the responsibilities and functions provided under Article IV of this Code;

SECTION 2. ACRONYMS as used in this Code

BIR	Bureau of Internal Revenue
BOI	Board of Investments
BMBE	Barangay Micro Business Enterprise
CDP	Comprehensive Development Plan
CLUP	Comprehensive Land Use Plan
CSO	Civil Society Organization
CSR	Corporate Social Responsibility
DENR	Department of Natural Resources
DTI	Department of Trade and Industry
ECC	Environmental Compliance Certificate
FPIC	Free Prior and Informed Consent
IPP	Investment Priorities Plan
LCE	Local Chief Executive
LDC	Local Development Council
LGC	Local Government Code
LGU	Local Government Unit
LIPA	Local Investment Priority Areas
MEEEO	Municipal Economic Enterprise office
MPDO	Municipal Planning and Development Officer
MRF	Material Recovery Facility
NAPC	National Anti – Poverty Commission
NCC	Non – Compliance Certificate
NGA	Non – Governmental Agencies
NGO	Non – Government Organizations
PESO	Public Employment Service Office
PEZA	Philippine Economic Zone Authority
PPP	Public – Private Partnership
SEC	Securities and Exchange Commission
TESDA	Technical Education and Skills Development Authority
TIIB	Tubungan Investments and Incentives Board
TIIC	Tubungan Investments and Incentives Code

TIPC	Tubungan Investments Promotion Center
TIPO	Tubungan Investments Promotion Officer

ARTICLE III

TUBUNGAN INVESTMENTS AND INCENTIVES BOARD (TIIB)

SECTION 1. CREATION OF THE TIIB – The Tubungan Investments and Incentives Board (TIIB) is hereby created to implement the provisions of this Code and to provide policy and operational directions of the TIPC. Terms of office shall take effect immediately upon appointment of the incumbent Mayor for three (3) years. In case of vacancies, the Chairperson will appoint for the vacant position with consideration on balance/equal representation of the business group. The appointed member fills the vacant position and serves for the remaining years of the 3-year term.

SECTION 2. COMPOSITION OF THE TIIB – The Board shall be composed of eleven (11) members as follows:

- a. Chairperson – Municipal Mayor
- b. Vice Chairperson –Municipal Planning and Development Officer
- c. Members:
 1. Chairperson, SB Committee on Ways and Means and Games and Amusements
 2. Chairperson, SB Committee on Economic Enterprise and Trade and Industry
 3. Tubungan Investments Promotion Officer
 4. Municipal Treasurer
 5. Municipal Assessor
 6. Municipal Budget Officer
 7. Municipal Tourism Officer
 8. Municipal Agriculturist
 9. Representative of Business sector

The Board may likewise invite, from time to time, representatives from pertinent national government agencies (NGAs), including but not limited to Regional Officers of the BOI/Department of Trade and Industry (DTI), and other relevant stakeholders for advice or consultation in their areas of expertise.

The members of the Board shall be immediately appointed by the incumbent Mayor for a specified period not exceeding three (3) years beginning within six months from the date of his assumption. In case of vacancies, the Municipal Mayor will appoint for the vacant position with consideration on balance/equal representation of the business group. The appointed member fills the vacant position and serves for the remaining period of the term.

SECTION 3. MEETING AND QUORUM OF THE BOARD – The Board shall meet at least once every quarter of the year, the date and time of which to be set by the Board upon the call of the Chairperson whenever he deems it necessary on such day and time. Notice of meetings shall be given to all members of the Board at least 24 hours before the meeting. The presence of at least a majority of the members of the Board shall constitute a quorum and the affirmative vote of a majority of the quorum shall be necessary for the exercise of its powers and the performance of its duties, including the approval of all decisions and policies issued by the Board.

SECTION 4. POWERS AND DUTIES OF THE BOARD. – The primary functions of the TIIB are to establish a favourable and stable policy for business, encourage and support private sector investment, and encourage business retention and expansion. Pursuant to this, the Board shall be vested with the following powers, duties and functions:

1. Formulate and prescribe the Implementing Rules and Regulations to implement the intent and provisions of the Local Investments and Incentives Code;
2. Give more effects to the Investment Program under this Code, the Board is hereby empowered to conduct Trade Missions for the purpose of inviting investors as well as providing necessary information and dissemination drive to parties willing to avail of the Investments and Incentives Program under this Code;
3. Periodically review the Local Investments Priority Areas (LIPAs) eligible for incentives after considering the Municipal development needs, economic and technical

conditions, available resources and prospects of an industry, among other relevant considerations;

4. Adopt an Investment Promotion Program and prescribe corresponding incentives and support measures for the promotion of the Municipality as an investment destination to be adopted by the Sangguniang Bayan;
5. Coordinate and consult with the Local Development Councils (LDCs) in the identification of LIPAs and the formulation of local incentives; and
6. Act within thirty (30) days from receipt thereof all applications submitted for registration of projects and availment of incentives;
7. Accept, process, appraise, evaluate, approve, and/or reject applications for incentives under this Code;
8. Review the package of appropriate incentives and support measures every three (3) years or as the need arises;
9. Decide on issues and controversies concerning the implementation of this Code that may arise between the Registered Enterprise and Municipal government agencies or other governmental agencies within sixty (60) days after the controversy has been submitted for decision;
10. Recommend to the Sanggunian any amendments to the Code;
11. Supervise the operations of the TIPC;
12. Establish cooperative undertakings with other local government units (LGUs), the private sector, Non – Governmental Organizations (NGOs) or other institutions as may be necessary;
13. Perform such other duties and functions as are relevant, necessary and incidental to the performance of its functions.

SECTION 5. DUTIES OF THE TIIB CHAIRPERSON. The Chairperson of the Board shall have the following powers and duties:

1. Preside over the regular and special meetings of the Board;
2. Sign the Certificate of Registration in accordance with the rules and regulations of the Code;
3. Submit a semi – annual report to the Mayor and the Sanggunian on the accomplishments of the TIPC and the Board and its impact to the local investment environment; and
4. Exercise such other powers and perform such other duties as the Board may direct it to perform to carry out the objectives of this Code.

SECTION 6. POWERS AND FUNCTIONS OF THE VICE CHAIRPERSON. – The Vice Chairperson shall have the following powers and duties:

1. To preside over the regular and special meetings of the Board in the absence of the Chairperson; and
2. To perform such other duties and functions as may be delegated by the Chairperson or by the Board.

SECTION 7. THE TIIB SECRETARY

The secretary to the TIIB shall be constituted and designated by the Municipal Mayor upon the recommendation of the Board, preferably a staff from the office of the Municipal Mayor to assist the board in all its functions and duties.

DUTIES AND RESPONSIBILITIES OF THE SECRETARY:

1. Attend meetings of the TIIB and keep a journal of its proceedings;
2. Type minutes and journal of sessions of the TIIB;
3. Proofread and make computer corrections to transcript and other documents of the meetings;
4. Sort and distribute incoming communications, collects and prepares for mailing outgoing communications and binds correspondence and other records;
5. File, maintain, arrange for storage, retrieve or reproduce documents records and reports of the board;
6. Perform other related works as may be assigned from time to time by TIIB

SECTION 8. VISITORIAL POWERS OF THE BOARD. – The Board, or any his duly authorized representatives shall be empowered to conduct ocular inspections of the premises or examination of the business activity of any enterprise, registered and applying for registrations, at a reasonable time of the day, during office hours, for verification or ascertaining the enterprise’s compliance with the provisions of this Code, or when the Board deems it necessary or incidental to the effective exercise and performance of their respective powers and functions.

ARTICLE IV

TUBUNGAN INVESTMENTS PROMOTION CENTER (TIPC)

SECTION 1. CREATION OF THE TUBUNGAN INVESTMENT PROMOTIONS CENTER (TIPC). – Working under policy guidance from the LCE and the TIIB, the Tubungan Investment Promotions Center (TIPC) is hereby created to be a guide on investments promotions and in carrying out the objectives of the Code.

SECTION 2. COMPOSITION. – The TIPC shall be headed by a Tubungan Investment Promotions Officer (TIPO) who shall be appointed by the Local Chief Executive. The TIPO must at least be a holder of a degree in law, accountancy, business, economics and other relevant disciplines. Experienced in marketing, business development and management of business is desirable. It shall be attached under the Municipal Economic Enterprise Office, and shall be entitled to have staff commensurate to its duties and functions.

SECTION 3. FUNCTIONS OF THE TIPC. – The TIPC shall function as a one-stop-shop for investors and shall serve as the technical and advisory secretariat of the Board. In addition, it shall have the following specific duties and responsibilities:

1. Develop a medium – term and long – term investment promotions and retention plan to be approved by the Board in coordination with the Local Development Council (LDC) and consistent with national investment policies. The Plan shall be broken down into annual investment programs to be integrated into the local priorities for implementation;
2. Maintain close coordination with all stakeholders as may be necessary, useful and incidental to the effective and efficient implementation of the Code;
3. Facilitate the efficient and effective operations of the TIPC through:
 - a. Compilation and processing of information, studies and reports relevant to the local economic environment and to identified investment priority areas;
 - b. Establishment, maintenance and update of the data bank on general business information and a web based information system to disseminate key messages, procedures and information necessary to attract and retain investments;
 - c. Preparation and updating of an operations manual specifying processes, activities, roles and responsibilities for the administration of investment

promotion and retention. The operations manual shall include a client/citizens charter specifying accountability and maximum periods for the processing of documents for investments and code of conduct for TIPC management and staff; and

- d. Establishment of a one-stop-shop for investments including existing or expanding enterprises
4. Assist in:
 - a. Securing licenses and permits;
 - b. Identifying business or joint venture partners, raw materials suppliers and possible business sites;
 - c. Sourcing skilled manpower and service providers; and
 - d. Facilitating the resolution of issues and concerns encountered by business enterprises;
5. Undertake investment promotions activities based on value-added in relation to cost:
 - a. Develop and disseminate investments promotion collaterals, i.e. brochures, industry and project profiles, cost of doing business in the LGU,
 - b. Respond to information needs of investors,
 - c. Conduct marketing and investment targeting strategies such as investment meetings, fairs and missions,
 - d. Conduct briefings of potential investors whenever necessary, and
 - e. Conduct follow through activities to convert potential investors to actual locators in the LGU;
6. Receive, process and evaluate applications for registration and grant of local incentives for approval of the Board;
7. Render after-care services to all investment/business locators particularly the registered enterprises;
8. Recommend to the Board any modifications/amendments to existing legislation and procedures on local investments for its appropriate action;
9. Establish cooperative undertakings with other LGUs, private sector, NGOs, NGAs and other institutions as maybe necessary, useful and incidental to the effective and efficient implementation of the TIPC;
10. Monitor and supervise project implementation of registered enterprises;
11. Represent the Municipality in trade and investments meetings, conferences, conventions and other similar gatherings as maybe directed by the Board; and
12. Perform such other functions as may be necessary to implement the intent of the Code.

ARTICLE V

LOCAL INVESTMENT PRIORITY AREAS (LIPA)

SECTION 1. POLICIES IN THE IDENTIFICATION OF LOCAL INVESTMENT PRIORITY AREAS (LIPA) – The Board through the TIPC shall formulate the LIPA, consistent with the IPP, the CDP and CLUP, Zoning Regulations and such other criteria that will ensure sustainable and equitable economic and social development. The identification of the LIPA shall be based on the following policies:

1. Investment activities that are aligned to the national development thrusts and the development vision of the Municipality;
2. Investments that have significant potential contribution to the growth of a sizable number of existing businesses or to a vital industry in the Municipality;
3. Investments that have capacity to generate employment, whether direct or indirect, particularly for those within the Municipality and the 1st District of Iloilo;
4. Investments that use locally available materials and resources;
5. Investments that have the ability to promote the dispersal of business/commercial activities to less developed areas within the Municipality;
6. Investments that have the ability to improve environmental conditions within the Municipality including those whose activities promotes bio-diversity and sustainability of existing natural resources of the Municipality; and
7. Investments that will contribute to the infrastructure in the Municipality through Public–Private Partnership (PPP).

Note: Existing businesses, if qualified and in good standing, may seek registration and apply for the incentives being provided by the LGU. Good standing means no existing tax delinquency, religiously paying taxes, no incidence of under declaration of gross receipt and has not been involved in any cases of bribery or corrupt practices for the past 5 years. The incentive shall be prospectively applied. (The LGU should be able to calibrate the impact of any investment incentives they will dangle to priority areas particularly existing business.)

SECTION 2. CRITERIA OF THE LIPA LIST. – The identification of the preferred areas of investment to be listed in the LIPA shall be based on the following:

- a. Long Term Competitive Advantage
- b. Environmental Impact
- c. Economic Viability
- d. Extent of project’s Contribution to the Local Economy;
- e. Social Responsibility
- f. Gender Equality
- g. Generation of High Level of Employment

SECTION 3. PRIORITY. – The Board shall give priority to projects with the highest rate return favourable to the local economy. No project shall be included in the Investment Priorities Plan nor declared as Preferred Area of Investment, unless shown to be economically, technically, financially and ecologically sound after thorough investigation and analysis by the Board.

SECTION 4. INCLUSION IN THE LIPA LIST AS THE BASIS FOR GRANT OF INCENTIVES – The investment activities listed in the Local Investment Priority Areas (LIPAs) shall be the basis for the grant of incentives. The LIPA shall be determined by the Municipality and be limited to those industry, project, or activity that satisfies the criteria as follows:

1. New Investments:
 - a. The new enterprise shall employ at least 40% of its non-skilled workforce from the 1st District of Iloilo, three fourths of which are bona fide residents of Tubungan. The manpower requirements can be hired through PESO of the Municipality;
 - b. The environment facility caters to the needs of the residents of the Municipality and complies with the local and national environmental standards;

- c. The operators of agricultural support facilities like rice/corn mills, dryers, aquatic ponds and lessors of processing equipment have their business office in Tubungan;
- d. The investment, as much as practicable shall utilize local materials for production;
- e. The investment can create linkages with local industries such as joint ventures with the local investors; and
- f. Projects of historical or cultural value such as restoration of historical buildings, cultural revivals, among others, in accordance with the program for historical or cultural revival of the locality.

2. Existing Investments

Existing investments which will undertake expansion, modernization or diversification activities falling under priority investment areas shall likewise be entitled to incentives under this Code provided that the expansion, modernization or diversification shall employ at least forty percent (40%) of its non-skilled workforce shall come from the 1st District of Iloilo, three-fourths of which shall come from the Municipality of Tubungan and production uses locally available materials.

SECTION 5. LOCAL INVESTMENT PRIORITY AREAS – The following shall be the adopted list LIPA of this Municipality:

- a. Eco – Tourism Agri – Industrial Business;
- b. Tourist Accommodation Facilities and Other Tourism Oriented Enterprises;
- c. Manufacturing/Processing Enterprises Using Indigenous Materials;
- d. Manufacturing industries related to semi-conductors, electronics, garments, food processing, automotive industries and health and personal care products;
- e. Property Development;
- f. Export – Oriented Industries;
- g. Service and other Service Oriented Enterprises;
- h. Pioneering Enterprises;
- i. Information and Communication Technology enterprises;
- j. Utility companies engaged in Power Generation and Distribution, Water, Telecommunication and other similar in nature;
- k. Medical Services and Facilities;
- l. Registered businesses operating as micro-small-medium enterprises in an MSME subdivisions;
- m. Learning Institutions;
- n. Sports related business operations for public use;
- o. Privately owned transportation terminals serving inter-town transport services;
- p. Business producing and selling one town-one product;
- q. Manufacturing of pollution eliminating devices and equipment;
- r. Operation of materials recovery facilities (MRF) and/or sanitary landfills;

SECTION 5. PERIODIC REVIEW OF THE LIPA LIST – The Board shall undertake review of the LIPA List at least once every three (3) years taking into consideration the socio-economic development plan and public investment plans formulated by the LDC of the Municipality and the preferred areas of investments as provided under pertinent national laws and may recommend amendments to the same based on the results of such periodic review.

SECTION 6. AMENDMENT OF THE LIPA LIST. – The Board may recommend the amendment/removal of an investment activity from the LIPA List;

- a. As soon as the sufficient investments in the area has been attained;
- b. Continued extension of incentives is no longer to the interest and benefit of the locality; and
- c. The investment area or activity cannot attracted within a reasonable time and the cost may result in unfavorable business climate.

ARTICLE VI

REGISTRATION

SECTION 1. REGISTRATION REQUIREMENT – For the purpose of effective management, all new investors, including existing or expanding business enterprises who intend to register and wanting to avail of local incentives shall be registered to the concerned office of LGU. Prior to registration the following requirements shall be complied:

- a. The business enterprise must have complied with all the requirements mandated under existing national and local laws;
- b. The activity engaged in by the enterprise must be listed in the LIPA of the LGU;
- c. The place of operation or production must be located within the territorial jurisdiction of Tubungan;
- d. Specified percentage of its workforce must be bona fide residents of the LGU or the 1st Congressional District of the Province, giving equal opportunities for men, women, the poor, the indigenous people and the physically handicap;
- e. The business enterprise shall be willing to partner with the LGU's plans, programs and activities as part of their corporate social responsibilities (CSR);
- f. In case business enterprise will locate within the ancestral domain of indigenous people, the enterprise must secure from the Office of the National Commission on the Indigenous People a Free Prior and Informed Consent (FPIC); and
- g. The activity engaged in must have safeguards against pollution and other environmental and health hazards.

SECTION 2. TYPES OF PROJECTS FOR REGISTRATION – The following are the types of investment projects eligible for registration, provided they involve business activities included in the LIPA List;

- a. New Projects,
- b. Expansion Projects,
- c. Modernization Projects, and
- d. Diversification Projects

SECTION 3. DOCUMENTARY REQUIREMENTS – The following documents shall be submitted to the Board through the TIPO for evaluation:

- a. **Single Proprietorship**
 1. Copy of Business Name Registration issued by the Department of Trade and Industry;

2. Copy of Audited Financial Statements;
3. Copy of completed application form for registration under the TIIB;
4. Project Feasibility Study; and
5. Such other documents that may be required by the LGU.

b. For Partnership/Corporation

1. Copy of the Articles of Partnership or Incorporation and By-Laws;
2. Certified true copy of its Certificate of Registration issued by the Securities and Exchange Commission (SEC), for Corporation/Partnership;
3. Certificate of Good Standing from SEC, if the business is already existing;
4. Resolution authorizing the filing of application by the applicant's Board of Directors or their duly authorized representatives;
5. Copy of Audited Financial Statements (if existing);
6. Environmental Compliance certificate (ECC) or Non-Compliance Certificate (NCC), if applicable;
7. Copy of completed application form for registration under LIIB;
8. Project Feasibility Study; and
9. Such other documents, as may be required by the LGU.

c. For enterprise registered under existing Incentives Law

1. Certified true copy of the BOI Certificate of Registration, and
2. Copy of documents submitted to the appropriate registration Agency pertaining to their registration.

SECTION 4. REGISTRATION PROCEDURES – The procedures for the processing of registration under this Code are as follows:

A. Filing of Applications

All applications shall be filed with the TIPC together with all the documentary requirements listed above. The form shall be issued by the same center.

B. Check Listing/ Assessment of Documents

Prior to acceptance, The TIPC shall evaluate completeness of the application form and other requirements as to the consistency of information stated therein. The applicant must be advised immediately of any erroneous or missing documentary requirement.

C. Date of Official Acceptance

It is only upon the determination of completeness of the application form and the supporting documents that the application shall be officially accepted and registered in the Registration Application Logbook and the application form is stamped "received". The date stamped on the application and entered in the Registration Application Logbook shall be considered as the date of official acceptance of the application.

D. Notice of Filing of application in the municipal hall shall suffice as publication requirement;

E. The TIPC shall issue a non-refundable filing fee of Five Hundred Pesos (Php 500.00) for each application, provided, that all documentary requirements have been duly complied with.

F. Evaluation/ Approval of Application

Once an application is officially accepted, the proposed project shall be evaluated by the TIPC. Whenever necessary, the TIPC may conduct an ocular inspection at the premises of the business. The inspection shall be conducted during office hours at a time convenient for both, the applicant and the TIPC which should not be later than two (2) weeks or ten (10) working days after the official acceptance of the application.

The results of the evaluation by and the recommendation of the TIPC shall be submitted to the Board and shall be included in the agenda for the immediately succeeding meeting of the Board.

If the application is approved, the TIPC shall notify the applicant of the Board's action on its application, together with the terms and conditions of the approval/registration; and inform the Treasurer and the Assessor of such approval for their guidance and appropriate action. If the application is denied, the TIPC shall inform the applicant in writing.

The Board shall approve or disapprove within a maximum period of thirty (30) calendar days from the date of official acceptance, in case of local registrants and fifteen (15) calendar days for those already registered with registering agencies. If no approval or disapproval is issued within the periods indicated, at no fault attributable to the applicant, the Board is deemed to have approved the application, thus the Board shall nonetheless issue a Certificate of Registration with the usual Terms and Conditions.

G. Issuance of Certificate of Registration

Upon approval, an enterprise shall be issued a Certificate of Registration by the Board through the TIPC, which shall state among others, the following:

1. Name of the Registered Enterprise;
2. The LIPA in which the registered enterprise will engage,
3. The Incentives granted and the respective period of its incentive availment; and
4. Such other terms and conditions to be observed by virtue of its registration.

SECTION 5. PERIOD FOR ISSUANCE OF CERTIFICATE OF REGISTRATION – The Certificate of Registration shall be issued not later than five (5) working days from the date of approval of the application by the Board or the lapse of the prescribed processing period. The fact of issuance of the Certificate of Registration under this Code shall be recorded in the Registration Book.

SECTION 6. VALIDITY OF REGISTRATION – The Registration shall be valid from the date of official acceptance until the termination of any incentives granted to registered investment unless sooner revoked by the Board.

SECTION 7. PAYMENT OF REGISTRATION FEES – All participating members who are granted the incentives/privileges are required to pay the Registration Fee to the Municipal Treasurer in accordance with the rate prescribed below, after which the Board shall issue a Certificate of Registration along with the Certificate of Exemption to the business concerned as member/participant duly stating the incentives and privileges granted under the provision of this Code:

Business Classification	Annual Registration Fee (Php)
Micro	500.00
Small	1,000.00
Medium	2,500.00
Large	5,000.00

SECTION 8. ANNUAL INSPECTION – The TIIB shall conduct an annual inspection of the participating members on their progress either by itself or by requesting a local government agency to conduct the same and the said inspection shall be limited to the total sales/receipts or to the provisions of this Code and the privileges granted as stated in the Certificate of Registration/Exemption.

SECTION 9. REPORTING – At the end of each calendar year but not later than April 30, all participating members in this program shall submit copies of duly audited financial statements through the TIPC to the TIIB, Sangguniang Bayan, the Municipal Treasurer and the Office of the Municipal Mayor for evaluation and record purposes.

ARTICLE VII

INCENTIVES TO REGISTERED ENTERPRISES

SECTION 1. GENERAL POLICIES IN THE ADMINISTRATION OF LOCAL INCENTIVES – Unless specifically provided in an applicable incentive law or the Local Government Code, the grant of incentives shall be governed by the following general policies:

- a. Incentives shall be extended only to investment activities specifically enumerated in the LIPA lists that support and promote the development vision of Municipality of Tubungan, as expressed in its Local Development Plan and Comprehensive Land use Plan and those which are included in the investment thrusts of the local government;
- b. Incentives to be established shall be fair, clear, time – bounded and ensure the level playing field for investors in the locality
- c. The incentives shall not extend to regulatory fees levied under the police power of the LGU and on fees and charges imposed for services rendered by the municipality , such as garbage fees, sanitary inspection fees, electrical inspection fees and other similar fees , as well as rental for use of public utilities owned and operated by the local government such as charges for actual consumption of water, and electric power for use of public roads and bridges and the like, and those levied for the use of government facilities and properties;
- d. The grant shall apply to all business similarly situated subject to the pertinent provisions of this Code;
- e. The exemption granted shall take effect only during the next calendar year for a specified number of years, or as stated in the Implementing Rules and Regulations of this Code
- f. No double availment of incentives/benefits under different laws and/ or programs
- g. Amendments of LIPAs resulting to changes in the Incentives granted to registered enterprise shall take effect prospectively and shall not impair the incentives being enjoyed by registered enterprise s pursuant to the Certificate of Registration;
- h. The violation of the conditions for the grant of incentives under the relevant Incentive Law or the pertinent Certificate of Registration shall automatically result in the withdrawal of local incentives granted pursuant to such incentive law.

SECTION 2. LOCAL INCENTIVES GRANTED TO INVESTMENTS UNDER LIPA LIST – Enterprises registered under the LIPA List pursuant to its subsisting Certificate of Registration with a Registering Agency shall only enjoy the fiscal and non-fiscal incentives at the local level that are expressly granted under the Incentive Law under which it is registered and specifically included among the incentives in its Certificate of Registration with the Registering Agency. Incentives granted shall take effect from:

- a. The date of registration until the lapse of the term of such incentive, unless another reckoning date is approved by the Board on justifiable grounds, but in no case beyond six (6) months from the date of registration; or
- b. Such other reckoning date as maybe prescribed under an applicable Incentive Law; Provided that the case of BOI-registered enterprises, their local incentives shall be reckoned from the date of their registration with the BOI, as provided under Section 133(g) of the LGC. In case of change of ownership of the enterprise, the local incentives which is previously being enjoyed shall continue to be enjoyed by the enterprise provided that the terms conditions of the registration of the project are Assumed by the new owner/s provided further, that if a Registered Enterprise is enjoying local incentives pursuant to an Incentive Law, the Certificate of Registration issued by the Registering Agency remains valid despite the change of ownership. Any change in the controlling shareholders of a Registered Enterprise shall be reported to the board within Three (3) months; a Registered Enterprise which ceases to be registered with the Registering Agency or wishes to avail of Local Incentives other that those provided under the incentive law under which it is registered may apply for incentives under this code, subject to the registration procedure applicable to Local Applicants.

SECTION 3. REGULAR UPDATE OF CERTIFICATE OF REGISTRATION – Those enjoying Incentives by virtue of their registration with a National Registering Agency and pursuant to business activity in the LIPA list shall submit annually to the TIPC an original copy of a certification from the National Registering Agency that it continues to be registered with said Agency and that it remains in good standing at such and thus fully entitled to all incentives granted under its Certificate of Registration. Failure to submit such Certificate to TIPC on or before every anniversary date of the registered enterprises registration with the National Registering Agency shall authorize the board to exercise its authority under this code.

SECTION 4. LOCAL FISCAL INCENTIVES – The following fiscal incentives shall be given to enterprises consistent to the Local Revenue Code and Book II of the Local Government Code (R.A. 7160).

1. Policies on the Grant of Local Fiscal Incentives

- a. The incentives shall be granted only to new, expanding, diversifying and /or modernizing projects located in the Municipality;
- b. Exemption under Section 133(g) of the Local Government Code (Republic Act 7160) shall be for a period of Seven (7) years for pioneer and three (3) years for non-pioneer from the date of registration; exemptions under the LIIC shall be in addition to the incentives provided under Executive Order No. 226 or the “Omnibus Investments Code of 1987”;
- c. Incentives to Regional or Area Headquarters (RHQ) or Regional Operating Headquarters under Article 66, Chapter IV of RA8756 (Amending Book III of EO226). Regional or area headquarters and regional operating headquarters 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 equipment;
- d. The exemption should not extend to regulatory fees which are levied under the police power of the LGU as well as fees and charges imposed for services rendered by the LGU such as garbage fees, sanitary inspection fees, electrical inspection fees and similar other fees, as well as rental for use of public utilities owned and operated by the local government such as charges for actual consumption of water, electric power, and toll fees for use of public roads and bridges and the like, and those levied for the use of government facilities and properties;
- e. The grant shall apply to all businesses similarly situated subject to the pertinent provisions of this Code;

- f. The exemption granted shall take effect only during the next calendar year for a specified number of years, or as stated in the Implementing Rules and regulations of this Code;
- g. Article 61 of Republic Act (RA) 9520, otherwise known as “ The Philippine Cooperative Code of 2008”, and RA7916, otherwise known as “The Special Economic Zone Act of 1995”, provide for the tax incentives of cooperatives and locators of Ecozones, respectively;
- h. In case of a change of ownership of the enterprise, the incentives shall continue to be enjoyed by the enterprise provided that the terms and conditions of the registration of the project are assumed by the new owner/s; and
- i. No double availment of incentives/ benefits under different laws and/ or programs.

SECTION 5. APPLICATION ON AVAILMENT OF THE LOCAL INCENTIVES – The Investments and Incentives Program shall apply to new/pioneer businesses which are established and started their operations after the approval of this Code and to those existing or expanding investments. They shall enjoy privileges granted by this program for a period as may be determined on the basis of the amount of investments put up by the investors.

SECTION 6. LOCAL BUSINESS TAX HOLIDAY (LBT HOLIDAY)
Registered enterprises shall enjoy exemption from local business tax that is otherwise due on their gross receipts in accordance with the Municipal Revenue Code based on the following schedule:

New/ Pioneer Investments

Business Size	Micro	Small	Medium	Large
1 st year of operation	Exempt	Exempt	Exempt	Exempt
2 nd year of operation	75% discount	85% discount	90% discount	95% discount
3 rd year of operation	Taxable in full	75% discount	80% discount	85% discount
4 th year of operation		50% discount	70% discount	80% discount
5 th year of operation		Taxable in full	50% discount	75% discount
6 th year of operation			35% discount	65% discount
7 th year of operation			Taxable in full	50% discount
8 th year of operation				Taxable in full

Existing / Expanding Investments

Business Size	Micro	Small	Medium	Large
1 st year of operation	Exempt	Exempt	Exempt	Exempt
2 nd year of operation	Taxable in full	60% discount	75% discount	95% discount
3 rd year of operation		Taxable in full	50% discount	85% discount
4 th year of operation			Taxable in full	50% discount
5 th year of operation				Taxable in full

SECTION 7. MORATORIUM – This Code prescribed suspension of activity i.e., constructing / establishing of the same establishment/business enterprise unless specified time as follows are met:

Business Classification	Moratorium Period Granted
Micro	1 year
Small	3 years
Medium	6 years
Large	10 years

SECTION 8. PERMIT FEES (For One Year Only)

Registered Local Applicants shall be exempted for one year only from the payment of all permit fees such as Mayor's Permit, Inspection Fees and Garbage fees. Accordingly, fees due to the Municipality such as Building Permit Fees, clearances and other regulatory fees shall remain due and payable.

SECTION 9. NON-FISCAL INCENTIVES – The Board through the TIPC shall provide non-fiscal incentives to Registered Enterprises as follows:

1. One stop documentation for simplified registration procedure;
2. Assistance in resolving issues and concerns with NGA, NGOs and other service providers;
3. Assistance in securing an electric power and water supply connection;
4. Coordination in the negotiation of special rates for utilities of industries with a certain minimum load, if feasible
5. Networking with concerned national government agencies such as Technical Education Skills and Development Authority (TESDA) and other similar institutions for training of workers to enhance manpower skills of the enterprise and assistance in identifying and sourcing of skilled human resources;
6. Facilitation and/or referral to existing technical and financial assistance programs such as product labelling and packaging, product development, trainings, capital assistance through short term loans available through government and non-government organizations
7. Facilitation of outbound and inbound missions of investors
8. Assist potential and existing investors in:
 - a. securing of business, construction, and other regulatory permits and licenses;
 - b. identifying business and joint venture partners and raw and materials suppliers;
 - c. sourcing of skilled manpower and service providers ;
9. Such other aftercare services that maybe afforded to investors ,
10. Technical support to business enterprises in land use conversion process validation of site development plan to fast track approvals and review of specific details to facilitate permits;
11. Facilitation of request for zoning revisions in sites zoned as areas in transition;
12. Exemptions from new development fees imposed on strategic areas being considered for development;
13. Joint venture development with the Municipality for prospective public infrastructure features within the private enterprises project area ;
14. Facilitation of negotiations for site resettlement requirements ;
15. Facilitation of negotiations with concerned parties for specific development trade-off proposals and right of way
16. Technical support in negotiations for land consolidation and/or re-adjustment requirements;

17. Identification of joint venture partner upon request by the investment;
18. Provide opportunities for micro and small enterprises to participate trade fairs and exhibits, entrepreneur development and training, and inclusion in business matching; and
19. Acknowledgement/Awarding to the Top 10 Businessmen of the Municipality through Certificate and Monetary in the amount of not less than Ten Thousand Pesos (Php 10,000.00) each during the Tubong – Tubong Celebration held every May 1st of the year.
20. Such other non-fiscal incentives as maybe approved by the Board.

SECTION 10. CONTINUING ELIGIBILITY FOR REGISTRATION – A registered enterprise must continue to satisfy all criteria which rendered it eligible for registration under this Code. If a local applicant qualified for registration on account of the quantity of manpower, nature of technology, or local raw materials that it represented will be used in its production, the Board through the TIPC shall have authority to inspect the Registered Enterprise to verify compliance to the required criteria. If the Registered Enterprise ceases to meet the said registration criteria, the Board shall have authority to suspend all or some of the incentives of the registered enterprise or to revoke its registration.

SECTION 11. PERIODIC AND OTHER COMPLIANCE REQUIREMENTS – Nothing under this Code exempts a Registered Enterprise from applicable requirements of the Municipality on businesses, as generally applicable to all businesses or specifically applicable to the business activity or circumstances of the Registered Enterprise. Accordingly, Registered Businesses except those specifically exempt under applicable law, shall secure and comply with all the requirements to secure a Business Permit and renew the same annually. Except as expressly provided under this Code or the Incentive Law under which they are likewise registered, enterprises shall comply with all applicable laws as other enterprises engaged in the same businesses as they are engaged in are required to comply with. Other than as provided herein, Registered Enterprises shall not be required to comply with any other requirements that businesses not registered under this Code are not required to comply with.

ARTICLE VIII

CORPORATE SOCIAL RESPONSIBILITY (CSR) OF REGISTERED ENTERPRISES

SECTION 1. CSR REQUIREMENT – BOI - registered enterprises with projects under pioneer status must undertake CSR activities which shall be monitored starting on the fourth year of operation of the business enterprise. Those on non-pioneer status are encouraged, in the course of their operations, to undertake CSR activities in accordance with the development plan of the community where the registered project is located.

Registered Local Applicants, on the other hand, are encouraged to pursue CSR projects as soon as they can afford to allocate resources for the purposes; however, it shall be mandatory for Registered Local Applicants to pursue CSR projects starting on their fourth year of operation if they enjoy local incentives for a term of more than three (3) years.

SECTION 31. ELIGIBLE CSR PROJECTS – CSR projects which a Registered Enterprise may undertake include but shall not be limited to the following:

1. Urban Renewal, Greening or Re-greening:
 - a. Rehabilitation and restoration of buildings or other structures in accordance with the urban renewal or restoration plan of the Municipality; and
 - b. Reforestation, rehabilitation, and urban greening or landscaping of major road sides; areas with historical or tourism value ; areas in biogeographic zones, especially key biodiversity areas; eroded slopes as technically appropriate based on assessment by competent authorities; public open spaces especially in residential and commercial areas including street islands, parks, promenades, parking area peripheries and the like, provided that the enterprise takes care of the maintenance of the trees and plants . Otherwise, reimbursement of the

incentives granted shall be due and demanded should the trees and plants die due to poor maintenance;

2. Social Projects:
 - a. Housing for employees,
 - b. Educational Projects,
 - c. Cultural revivals ;
 - d. Programs for women, children, elderly, physically handicap, out of school youth and Indigenous People
 - e. Community infrastructure projects aligned with the development plan of the municipality,
 - f. Facilities to be used as satellite office of the LGU and other National Government Agencies, and
 - g. Such other projects or activities based on the development needs of the community where the project is located or as identified by the National Anti-Poverty commission (NAPC)

ARTICLE IX

ENVIRONMENTAL PROTECTION

SECTION 1. ENVIRONMENTAL IMPACT ASSESSMENT- Environmentally critical projects or enterprises locating their activities or expansion projects in environmentally critical areas must comply with the requirements of Presidential Decree No. 1586 (Philippine Environmental Impact Statement System) and related issuances of the Department of Environment and Natural Resources (DENR).

SECTION 2. HAZARDOUS SUBSTANCES – Projects involving the handling, transport, processing and storage of toxic, hazardous substances and/ or nuclear waste shall be subject to strict regulations as provided under applicable local issuances and National Laws. The Sangguniang Bayan of the Municipality of Tubungan shall have the option to exclude such projects from being entitled to local incentives.

SECTION 3. SPECIFIC PROHIBITIONS

1. No industrial or manufacturing facility shall be operated without proper air pollution devices, wastewater treatment facilities, and solid waste management facilities.
2. No industrial or manufacturing plant shall be operated at levels beyond the operating capacity of their respective waste treatment facilities in order to maintain the effluent quality within the standards required by law.
3. All industrial and manufacturing establishments shall subject their operations and premises, facilities and systems to periodic environmental compliance monitoring, which shall be conducted by the LGU in coordination with the DENR. Refusal to be subject to such inspection shall be sufficient ground for the forfeiture of any incentive and the revocation of its Certificate of Registration and/or Business Permit.

SECTION 4. REGULATION – The Board shall ensure that the green and socially responsible projects undertaken by enterprises on public property shall be in harmony with the overall environmental management program of the LGU, as determined by the appropriate LGU office.

ARTICLE X

MANDATED APPROPRIATION

- SECTION 1. APPROPRIATIONS** – The expenditures to operationalize the Board and the TIPC shall be provided through regular or supplemental budget. The Municipality shall appropriate the funds necessary for the implementation of the provisions of this Code based on a budget that maybe presented by the Board to include personal services, maintenance and other operating expenses (MOOE), Capital Outlay and Contingency. Budget Appropriation shall be determined by the TIIB on an annual basis. An annual appropriation of 3% of the MOOE fund shall be allocated for the implementation of this Code.
- SECTION 2. REVENUES FROM THE OPERATION OF THE CODE.** – Income derived from the operation of this Code shall go to a special account captioned “Tubungan Investments Promotion Fund”, which shall be used solely for the operation and maintenance and other operating expenses of the Board, TIPC and other investments promotion expenses of the Municipality.
- SECTION 3. IMMEDIATE RELEASE OF FUNDS** – For purposes of expediting the operations of the TIPC, its allocation for the Tubungan Investments Promotion Fund shall be released immediately, subject to the usual government accounting and auditing rules and regulations.

ARTICLE XI

FINAL PROVISIONS

- SECTION 1. DISQUALIFICATION** – Existing business enterprise which closes its business with an intention to reorganize for the purpose of availing the incentives herein shall be disqualified. The Board reserves the right to disapprove application based on valid grounds prescribed by the Board in its rules and guidelines.
- SECTION 2. REVOCATION/CANCELLATION** – Any violations of the provisions of this Code shall be ground for the cancellation or revocation of the Certificate of registration of the project or business. The cancellation or revocation of the Certificate of Registration shall mean the withdrawal of incentives granted and all fees and charges previously exempted shall become due and demandable.
- SECTION 3. GROUNDS FOR THE CANCELLATION OF CERTIFICATE OF REGISTRATION** – The following are grounds for the cancellation of Certificate of Registration:
- a. Violation of the provision of this Code and such other violations of laws, rules and regulation or ordinance;
 - b. Violation of the terms and conditions specified in the Certificate of registration; and
 - c. Material misrepresentation.
- SECTION 4. APPEAL FROM THE DECISION OF THE TIIB** – Registered enterprises adversely affected by any decision of the Board relative to the cancellation/revocation of registration or the imposition of fines/penalties in accordance with this Code may file a motion for reconsideration within fifteen (15) days from the receipt of the decision, otherwise the decision shall become final and executory.
- SECTION 5. REFUND AND PENALTIES** – In case of the cancellation of the Certificate of Registration, the TIIB shall require the refund of incentives availed of and impose corresponding fines and penalties.
- SECTION 6. EXISTING INCENTIVES** – All incentives granted through previous Ordinances issued by the Municipality and presently enjoyed by existing investments shall continue to take effect until the period for such incentives expires.
- SECTION 7. COORDINATION AMONG LGUs WITHIN A PROVINCE** – Municipalities within the Province shall as much as possible modify its systems and procedures in the issuance of applicable permits and licenses to be consistent with the provisions of this Local Investments and Incentives Code. The Municipality of Tubungan shall further coordinate or consult with the province for proper guidance on matters of incentives particularly the real property tax.

SECTION 8. IMPLEMENTING RULES AND REGULATIONS – To appropriately manage the orderly administration of the provisions of this Code, the LCE, the TIPO, Municipal Development Planning Officer, Treasurer, Municipal Assessor and the Budget Officer of the Municipality shall prepare the Implementing Rules and Regulations for approval of the Board within three (3) months from the approval of this Code.

ARTICLE XII

REPEALING, SEPARABILITY CLAUSES AND JUDICIAL RELIEF

SECTION 1. REPEALING CLAUSE – All ordinances, rules and regulations or parts thereof which are in conflict or inconsistent with the provisions of this Code are hereby considered repealed, amended or modified accordingly.

SECTION 2. SEPARABILITY CLAUSE – If, for any reason, any portion or provision, section or part of the 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 hereof which shall remain or continue to be in full force and effect.

SECTION 3. JUDICIAL RELIEF – All orders or decisions of the Board/Municipal Government in cases involving the provisions of this Code shall immediately be executory. Any appeal or petition from the aggrieved party adversely affected by this Code may be filed in the proper court.

ARTICLE XIII


EFFECTIVITY

SECTION 1. This Ordinance shall take effect fifteen (15) days after its approval and posting of the text in the Municipal Hall and three (3) conspicuous places in the Municipality.

APPROVED.

I hereby certify to the correctness of the above-quoted ordinance.

CONCURRED:


ROQUITO G. TACSAGON
Municipal Vice Mayor, Presiding Officer


ARNIE T. GARGARITANO
Secretary to the Sangguniang Bayan

APPROVED:


VICENTE T. GARGARITANO, JR.
Municipal Mayor