

**LOCAL INVESTMENT AND INCENTIVE CODE**

LGU	HAGONOY
LIIC Reference No. / Title	Municipal Ordinance No. 008 An Ordinance Enacting the Municipal Investment Incentive Code of 2000 and, For Other Purposes

**INVESTMENT PRIORITY AREAS / ACTIVITIES**

Investment Priority Areas	Investment Priority Activities
<ol style="list-style-type: none"> <li>1. Labor generating enterprises</li> <li>2. Enterprises engaged in economic activities included in the investment priority areas</li> <li>3. Manufacturing enterprises using raw materials available locally;</li> <li>4. Electronic Industries</li> <li>5. Tourism Oriented Enterprises;</li> <li>6. Service Oriented Enterprises;</li> <li>7. Pioneering Enterprises;</li> <li>8. Water and Power Resources Development Enterprises;</li> <li>9. Telecommunication Development Enterprises;</li> <li>10. Agri-Business and Aquaculture Enterprises except milkfish growing and prawn raising.</li> </ol>	

**QUALIFICATION FOR REGISTRATION**

NEW
<p>New investors who intend to avail of the incentives provided in this Code must meet the following qualifications:</p> <ol style="list-style-type: none"> <li>1. That the business enterprises must have complied with all the requirements, mandated by law and the Constitution;</li> <li>2. That the prospective investor's place of operations or productions be located within the territorial jurisdiction of the Municipality of Hagonoy, Bulacan</li> <li>3. That the prospective investments must engage in activities in preferred areas of investments as may thereafter be declared by the Board;</li> <li>4. The New Enterprises must have a capitalization of at least ₱10M but not more than ₱20M in case of small scales enterprise, at least ₱21M but not more than ₱40M in case of medium scale enterprise, and more than ₱40M and above in case of a large industry or its dollar equivalent in case of foreign investors, provided, that the amount of capitalization shall be based on the total project cost as stated in the investors study submitted to and approved by the Board;</li> </ol>

5. That the New Enterprise will provide out of the labor force on employment of not less than thirty (30) persons in case of small scales enterprise; at least fifty (50) persons in case of a medium scale enterprises, and at least one hundred (100) persons in case of large industry who are bonafide residents of the Municipality of Hagonoy, Bulacan
6. Must remit to and actually deposit the required amount in any bank of their choice in the Province of Bulacan and can be covered by a Certificate of Deposit duly certified by the Bank Managers.

#### **EXPANDING**

An existing enterprise may avail of the incentive under this Code provided it meets the following qualifications:

1. That the business enterprise must have complied with all the requirements mandated under existing local and national law and the Constitution;
2. That the expansion/diversification must engage in activities mentioned in Section 2 hereof or in other preferred areas on investments as may hereafter be declared by the Board;
3. That the existing enterprises whose place of operation or production is already located within the territorial jurisdiction of the Municipality of Hagonoy, but which will undertake any of the following activities/projects;
  - Relocate its principal office from other places of the Philippines to the Municipality of Hagonoy, or;
  - Expand its existing production capacity or construct new buildings and other civil works for the installation of new merchandising and equipment or improvement thereof which will result in an increase in production capacity.
4. That the expansion/diversification shall have a capitalization of at least ₱5M but not less than ₱8M in case of small scale enterprise; at least ₱10M but not more than ₱20M in case of medium scale enterprise; and more than ₱20M in case of medium scale enterprise; and more than ₱35M in case of large industry; Provided, that the amount of capitalization shall be based on the total project cost of such expansion/diversification as stated in the investors project study submitted to and approved by the Board;
5. That the expansion/diversification shall provide out of the labor force on employment of no less than fifteen (15) persons in case of small scales enterprise; at least twenty (25) persons in case of medium scale enterprise; and at least fifty (50) persons in case of large industry, who are bonafide residents of the Municipality of Hagonoy.

### REQUIREMENTS FOR REGISTRATION

- a. Three (3) copies of completed application form to be provided by the Board in accordance with the provisions of this code.
- b. A copy of the complete project study of the proposed investments showing that the project is economically, technically, and financially feasible and viable.
- c. A copy of its article of incorporation and By-Laws as approved by Security and Exchange Commission and Board Investment, as the case maybe;
  - Certified True Copy of its Certificate of Registration with the Security and Exchange Commission, the Board of Investment and Department of Trade and Industry.
  - Resolution of the applicant's Board of Directors in case of Corporation, authorizing the filing of application.

### FILING FEE

A non refundable filing fee of One Thousand Pesos (₱1,000.00) shall be paid together with following documents for registration.

### INCENTIVES

#### FISCAL

#### Tax Incentives to Registered Enterprises

In addition to the incentives provided by law and by the Local Government Code of 1991, a registered enterprise qualified under this Code shall enjoy the following tax incentive:

1. Exemption from Mayor's permit fee, building permit fees, business sales taxes, and other fees and charges imposed under existing municipal ordinances, with period of exemptions subject to the following qualifications:
  - Small Scale Enterprises - 3 years
  - Medium Scale Enterprises - 4 years
  - Large Scale Industry - 5 years
2. Exemption from the basic real property tax and tax on property improvement, building and machinery under the tax code of the Municipality. The period is subject to the following qualifications:
  - Small Scale Enterprises - 3 years
  - Medium Scale Enterprises - 4 years
  - Large Scale Industry - 5 years

## NON-FISCAL

### Other privileges:

- Exemption from inspection and examinations of books of accounts and other pertinent records of business except when allowed by the Board
- Incentives granted to existing enterprises shall apply only to additional capitalization and shall not apply to previous investment. In no case, however, shall rights to incentives be transferred from legal grantee to another and shall enjoyed on one occasion only.