

QC ordinance exempts business owners, operators from audit

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All business owners and operators in Quezon City are now exempted from audit and examination of their books of accounts from 2016 to 2018, given that they will voluntarily pay 30 percent higher than their previous year's local business tax (LBT) payment. Through City Ordinance No. SP2780, those who have LBT payable in 2019 that are at least 30 percent more than the previous year are exempted from inspection and examination of their books of accounts and other pertinent documents" covering calendar years 2016, 2017 and 2018.

The ordinance approved by Quezon City Mayor **Herbert Bautista** last month is expected to encourage taxpayers to declare more taxable gross receipts, and at the same time to simplify the procedures in the payment of business taxes.

The 30 percent increase in LBT collection under the amnesty program is also seen to cover the revenue loss because of the suspension of the real property tax hike.

It will also "make things easy, trouble-free, uncomplicated and simplify the procedure involved in payment of business taxes and contribute to speedy, prompt facilitation of business permits and licenses renewal in line with the City's commitments towards ease of doing business."

However, the city cautioned that businesses with pending cases on their financial statements and records could not apply for the said exemption.

For Quezon City Vice Mayor **Joy Belmonte**, who led the City council in pushing for the ordinance, she said it will make the City a "premiere business haven for investors" because they are given an option whether they want their books of accounts to be reviewed or not.

"If they don't want, they can just pay additional 30 percent, and they will be exempted from further auditing," Belmonte said.