

QC offers audit-free option to businesses

A new ordinance in Quezon City exempts businesses from audit and examination of their financial records provided that they voluntarily pay 30 percent higher than their previous year's business taxes, Vice Mayor **Joy Belmonte** said yesterday.

Belmonte said the measure, which covers business operations from 2016 to 2018, aims to encourage traders to declare more taxable gross receipts, and at the same time simplify the procedures in the payment of business taxes.

"This ordinance will make Quezon City a premier business haven for investors because we are giving an option to them on whether they want their books of accounts to be reviewed or not. If they pay an additional 30 percent, they will be exempted from auditing," she said.

"Their tax will depend on how much income they have earned. It can be bigger or smaller than the 30 percent of their previous tax. That's why we are giving them an option if they want their

income for a certain year to be waived. It's up to them," she added.

Belmonte clarified that the city government has not implemented a tax increase.

The vice mayor refuted claims that taxpayers are required to pay additional 30 percent.

"This is voluntary — we are giving them a choice whether they want to be audited or not," she explained.

"We have not implemented any tax increase. In fact, the city gave amnesties for real property tax delinquencies. The real property tax increase was also suspended and recently, we provided an option for audit exemption. This shows that Quezon City is a taxpayer-friendly city," Belmonte added.

The vice mayor said the ordinance is seen to cover revenue losses because of the suspension of the real property tax increase for two years.

Businesses with pending cases on their financial statements could not apply for exemption, according to Belmonte.

– **Janvic Mateo**