

- Economic development

QC approves updated business incentives ordinance

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The local government of Quezon City has approved an ordinance updating incentives for medium and large enterprises to boost the city's economic growth.

Mayor Joy Belmonte said that Ordinance No. SP-3296, S-2024 amends Ordinance SP-2219, S-2013 to offer better and more customized fiscal incentive packages to medium to large businesses in the city.

Councilors Wency Lagumbay, Doray Delarmente, Banjo Pilar, and Chuckie Antonio introduced the ordinance.

"We have implemented necessary changes to the incentives we provide to medium and large enterprises as part of our ongoing efforts to attract more businesses and investors to channel their resources, expand or relocate their activities in the City to strengthen local economic progress," Belmonte said.

Under the ordinance, new medium and large enterprises with an asset size of above P15 million excluding land value may apply for a two-year exemption from business tax, amusement tax, franchise tax, and real property tax on registered land and new buildings constructed within two years from registration.

An additional year of exemption will be given if a newly registered enterprise is engaged in a business listed in the latest Investment Priorities Plan of Quezon City, such as circular and sustainable infrastructure, creative economy and industry, inclusive economy, and innovation and development.

Businesses planning to expand or establish a new branch in Quezon City can benefit from a two-year exemption from business tax, amusement tax, franchise tax, and real property tax on registered lands and new buildings constructed within two years of the registration of the office or additional branch.

Meantime, businesses relocating their principal offices to Quezon City may receive a 10-year tax exemption from situs tax (the location in which a taxing event occurs) for all their gross sales outside of Quezon City.

The Ordinance also provides incentives to loyal businesses that have maintained their principal office in Quezon City for 15 years, giving them a 10-percent discount on their situs tax for all gross sales outside of Quezon City for one year.

On the other hand, Businesses seeking to avail of these incentives must register with the Local Economic Investment Promotions Office and obtain approval from the QC-Economic Development and Investments Board.