



Republic of the Philippines  
City of Bago

**OFFICE OF THE SANGGUNIANG PANLUNGSOD**

**ORDINANCE NO. 19-02**

**AN ORDINANCE ENACTING THE REVISED BAGO CITY INVESTMENT AND INCENTIVE CODE OF 2019 AND FOR OTHER PURPOSES.**

On motion of SP Member Marina Javellana-Yao, unanimously seconded by all Members present, the Sangguniang Panlungsod.

Be it ordained by the Sangguniang Panlungsod of the City of Bago, Negros Occidental, in a regular session assembled that:

**ARTICLE I**

**Title and Declaration of Policy**

**Section 1. Title** – This Ordinance shall be known as “Revised Bago City Investment Incentive Code of 2019”

**Section 2. Declaration of Policy** – It is hereby declared to be the policy of the City Government of Bago, Negros Occidental to pursue a diversified green economy, provide a business environment conducive to investment and attract and encourage the establishment of business enterprises, both foreign and domestic, for the purpose of accelerating the socio-economic development of the city in accordance with the City Development Plan.

**Section 3. Purpose and Objectives.** The City of Bago welcomes and encourages domestic and foreign capitals to establish enterprises that will utilize substantial amount of local labor, raw materials, and natural resources of the city for the expansion and diversification of agri-business, tourism facilities, transshipment facilities, miscellaneous light-manufacturing industries, property development and such other areas of investments that will provide employment opportunities, raise standard of living of the people and provide equitable distribution of wealth.

Specifically, the Code seeks to:

- a. Spell out the guidelines and procedures for the availment of local incentives;
- b. Harmonize national and local investment policies;
- c. Define and promote the Investment Priority Areas (IPAs) of the LGU through the granting of local incentives consistent with the national investment priorities plan (IPP) and the LGU’s CDP, CLUP and zoning regulations;
- d. Establish investment promotions center to implement the investment promotion programs of the LGU for business attraction, retention and expansion and/or diversification;
- e. Attract investors that will catalyze and accelerate economic activity, generate employment and income opportunities in the locality;
- f. Unfold the development of the MSMEs, utilize local resources and develop markets for local products as well as ignite the ingenuity of the entrepreneurs and other stakeholders on “Biodiversity-Friendly Businesses”.
- g. Revive and accelerate the growth of local industries;
- h. Disperse and direct industry and commercial activities in less developed areas; and
- i. Encourage and broaden concept of Public-Private Partnership in eco-socio, bio environmental friendly and climate resilient local development.

**ARTICLE II**

**Definition of Terms**

**Section 4. Definition of Terms** – The following terms and phrases shall mean as follows when used under this Code:

- a. “Code” - shall refer to the City of Bago Investment Incentive Code of 2018

- b. "Board" - shall refer to the City of Bago Investment Board created under this Code.
- c. "City" - shall mean the City of Bago and covering all areas within its territorial jurisdiction.
- d. "Center" – shall refer to the Investment Promotions Center
- e. "Green Economy" – describes the recent business necessity towards the production of environmentally-friendly goods and services that are more sustainable in the long term and can moderate climate change and biodiversity loss.
- f. "Local Investment" - shall refer to an investment made by a Filipino in the form of cash or other assets actually put into the project.
- g. "Foreign Investment" - shall mean an equity investment made or foreign exchange or other assets actually transferred or invested in the Philippines by a non-Filipino.
- h. "New Enterprise" - shall refer to an establishment or enterprise which is not yet engaged in any type of business in the City of Bago but is interested in establishing their place of operation in the City of Bago.
- i. "Existing Enterprise" - shall refer to an establishment/ enterprise which is already existing and operating in the City of Bago.
- j. "Priority Investment Area" - shall mean the economic activities that the Board shall have approved and declared as such after a thorough study and evaluation.
- k. "Registered Enterprise" - shall mean an enterprise or business registered in accordance with the provisions of this Code.
- l. "National Law" - shall refer to acts passed by Congress and the decrees or executive orders issued by the Office of the President of the Republic of the Philippines in the implementation of said acts.
- m. "Special Economic Zone" - shall refer to that zone as defined under Republic Act 7916 otherwise known as the Special Economic Zone Act of 1995;
- n. "BOT" - shall refer to Republic Act 7718 otherwise known as Built-Operate-Transfer Scheme Act of 1994.
- o. "Bonafide Residents" - shall mean people actually living or residing in the City of Bago, Negros Occidental and shall apply to the labor force to be recruited for business or enterprises.
- p. "Bonafide Domicile" - shall mean people actually living or while not residing in Bago City have the intention to come back and invest in the city.
- q. "Incentives" - shall refer to the grants and privileges granted to an investor as referred to in Articles VIII, IX and X of this Code.
- r. "Capitalization" - shall refer to the total project cost of the applicant excluding the value of land.

**ARTICLE III**  
**City of Bago Investment Board**

**Section 5. City of Bago Investment Board.** - There shall be created the City of Bago Investment Board for the purpose of overseeing the implementation of the provisions of this Code.

**Section 6. Composition of the Board.** – The Board shall be composed of the following:

- |               |  |
|---------------|--|
| Chairman      | - City Mayor   |
| Vice Chairman | - City Vice Mayor  |
| Members       | - Chairman, SP Committee on Commerce, Trade and Industry |

- Chairman, SP Committee on Appropriation and Finance
- City Planning and Development Coordinator
- Provincial Director of the Department of Trade and Industry or designated representative
- City Treasurer
- City Assessor
- Seven (7) Private Sector Representatives

Provided, that the membership to the Board may be increased by the Sangguniang Panlungsod through an amendatory Ordinance after determining the need for such. Provided further, that the representative from the Private Sector, shall be appointed by the City Mayor from among the group, organization, or partnership they represent, which are duly accredited by the Sangguniang Panlungsod and that the Board finds that their inclusion is highly beneficial to the promotion of investment and business environment in the City. Provided further, that the term of office of the private sector representative shall be two (2) years or co-terminus with the appointing authority whichever comes first. Provided finally, that the City Legal Officer shall be the Secretary of the Board.

**Section 7. Meetings and Quorum of the Board.** – The Chairman or any eight (8) Members of the Board may call a meeting. The Board shall meet every 3<sup>rd</sup> Tuesday of every month or the Chairman may convene the Board anytime whenever he deems necessary. The presence of at least a majority of its members shall constitute a quorum.

Any private sector representative to the Board who incurs three (3) consecutive absences without justifiable reason, shall be removed from the Board upon the approval of the majority of the members present. In case of vacancy due to removal, the City Mayor, through an Executive Order, may appoint a replacement to fill in such vacancy.

**Section 8. Powers and Functions of the Board.** – The primary function of the Board shall be to establish a favorable and stable policy on business to promote and encourage investors to invest in Bago City. The following are the specific powers and functions of the Board:

- a. To promulgate the governing Implementing Rules and Regulations for the implementation of the provisions of this Code.
- b. To recommend to the Sangguniang Panlungsod (SP) the grant of appropriate incentives and support measures in order to attract qualified investors.
- c. To process and approve or disapprove applications for incentive availment with the Board.
- d. To decide controversies concerning the implementation of this Code.
- e. To check and verify the compliance of registered enterprises.
- f. To recommend to the SP the cancellation and suspension of the enjoyment of incentive under this Code and/or require refund of incentives benefits enjoyed by such investors for violating the provisions of this Code.
- g. To secure additional funding and other resources to implement the budgetary support provided by the City Government of Bago for the operation of the secretariat in the implementation of this Code.
- h. To exercise all powers necessary or incidental to attain the purpose of this Code.
- i. To assist in the settlement of dispute arising from labor problems.
- j. Either as a body or a duly authorized member-representative, to conduct ocular inspections in the premises or examination of the business activity of any enterprise including the record of books, registered or applying for registration at any reasonable time of the day, during office hours, for verification or ascertaining the enterprise' strict compliance with the provisions of this Code, or when the Board deems necessary in or incidental to the effective exercise and performance of its functions and powers.
- k. To do other activities in order to attract investments in the city.

**Section 9. Powers and functions of the Chairman of the Board.** - The Chairman of the Board shall have the following powers and duties:

- a) To preside over the regular and special meetings of the Board;
- b) To render annual reports or such other reports as may be required;
- c) To act as liaison between investors seeking collaboration in a particular area of investment;

- d) To recommend to the Board policies and measure he may deem necessary to carry out the objectives of this Code;
- e) To sign the Certificate of Registration of qualified applicants in accordance with the rules and regulations of this Code;
- f) To exercise such other powers and perform such other duties as may be directed by the Board from time to time.

**ARTICLE IV**  
**Preferred/Priority Investment Areas/Activities**  
**And Appropriate Incentives and Support Measures**

**Section 10. Preferred/Priority Investment Areas/Activities.** - Incentives shall be made available to entities investing in projects herein below listed:

- a) Preferred areas of investment
  - 1) Agri-business such as but not limited to:
    - a) Dried fruit processing
    - b) Canned food products
    - c) Cutflower production
  - 2) Tourism facilities such as but not limited to:
    - a) Hotel/Pension Houses
    - b) Beach and Mountain Resorts
    - c) Parks, restaurants and marina
    - d) Historical and cultural tourism facilities
    - e) Agri-tourism facilities
  - 3) Transshipment facilities such as but not limited to:
    - a) Seaport Infrastructures and shipping facilities
    - b) Common bonded warehouse
  - 4) Storage Facilities
  - 5) Miscellaneous manufacturing activities such as but not limited to:
    - a) Garments
    - b) Footwears
    - c) Housewares
    - d) Toys
    - e) Electrical & Electronics
  - 6) Property Development such as but not limited to:
    - a) Private industrial estates
    - b) Commercial/office buildings
    - c) Convention Centers
    - d) Retirement estates
    - e) Memorial parks
    - f) Sports Complex
    - g) Socialized Housing
    - h) Medical Facilities
  - 7) Power Projects
    - a) Power Generation
    - b) Power transmission
  - 8) New Educational Facilities
  - 9) Information and Communications Technology
- b) Other Preferred Investments – Incentives will be provided to new, expanding or diversifying projects of the following enterprises that are:
  - 1) Registered under the following National Special Laws:
    - a) Omnibus Investment Act of 1987
    - b) Export Development Act of 1994
    - c) Special Economic Zone Act of 1995
    - d) BOT Law

- e) Other laws that shall be promulgated hereafter that are giving incentives
- f) Public Private Partnership for the People
- 2) Labor Generating enterprises
  - a) Enterprises established in less-developed areas as determined by the zoning ordinance
  - b) Those generating at least 100 locally-sourced labor
- 3) Manufacturing enterprises using raw materials available locally
- 4) Metal and foundry shops

**Section 11. Additional Preferred Investments** - The Board may, if necessary, add new preferred investments to the list after a study made by the Board or their engaged study group. The bases for addition to the list in the preceding Section, shall be if the business:

- 1) Generates high level of local employment;
- 2) Promotes historical and cultural values;
- 3) Features a high degree of added value to locally sourced raw materials;
- 4) Creates linkages with local industries; and/or
- 5) Is environment-friendly.

**Section 12. Removal of a Preferred Investment.** The Board shall review these preferred investment areas every two (2) years and may remove an area from the list if it deems that sufficient investment in the area has been attained and when continued extension would adversely affect the interest of the City and the public. The Board may also remove an area from the list of preferred areas if it is convinced that the investment area is not attractive and may only result in an unfavorable business climate.

## **ARTICLE V Investors/Investments**

**Section 13. Investors/Investments.** – This Code shall apply to any person or entity with the following qualifications:

- a) All Filipinos and foreign nationals not otherwise disqualified by law;
- b) Single proprietorship, cooperatives, joint ventures, partnerships, corporations which are registered by the Department of Trade and Industry, Securities and Exchange Commission, Cooperative Development Authority or other registering agencies with initial capital investment of not less than Three Million Pesos (P 3,000,000.00) for Filipino Investors and Seventy Five Thousand Dollars (\$75,000.00) for foreign investors. Provided, it must be proven that the required investments have been remitted to a bank in the City of Bago. However, banks and other banking institutions which are governed by banking laws are excluded.

## **ARTICLE VI New/Existing Enterprises**

**Section 14. Qualifications of a New Enterprise.** – New investors who intend to avail of the incentives provided in this code shall meet the following qualifications:

- a. That the business enterprise must have complied with all the requirements mandated under existing local and national laws;
- b. That The investor's place of operation or production must be located and be registered to do business within the territorial jurisdiction of the City of Bago;
- c. That the prospective investment must engage in preferred areas of investment as may hereafter be declared by the Board;
- d. That the enterprise must have a capitalization of at least Three Million (P3,000,000.00) Pesos but not more than Fifteen Million (P15,000,000.00) Pesos in case of a small-scale enterprise; over Fifteen Million (P15,000,000.00) Pesos but not more than One Hundred Million (P100,000,000.00) Pesos in case of a medium-scale enterprise and more than One Hundred Million (P100,000.00) in case of a large-scale industry.

- e. That the new enterprise shall provide substantial number of employment to bonafide residents of the City of Bago of at least seventy percent (70%) of the labor force, giving equal opportunities for men, women, the poor, and the physically handicapped.

**Section 15. Qualifications of an existing Enterprise.** - An existing enterprise may avail of the incentives under this Code provided it meets the following qualifications.

- a. That the business enterprise must have complied with all the requirements mandated under existing local and national laws;
- b. That the expansion of diversification must engage in activities mentioned in Section 10 or in any other preferred areas of investments as may hereafter be declared by the Board.
- c. That the existing enterprise whose place of operation is already located in the City of Bago must expand its existing production capacity or construct a new building or other civil works provided that the said expansion is located in the same investment area or another investment area within the city.
- d. That the enterprise must have a capitalization of at least Three Million Pesos (P3,000,000.00) but not over Fifteen Million Pesos (P15,000,000.00) in case of a small-scale enterprise over Fifteen Million Pesos (P15,000,000.00) but not more than One Hundred Million Pesos (P100,000,000.00) in case of medium-scale enterprise; and more than One Hundred Million Pesos (P100,000,000.00) in case of large-scale industry.
- e. That the expansion shall provide a substantial number of employment to bonafide residents of Bago City of at least seventy percent (70%) of the labor force, giving equal opportunities for men, women, the poor, and the physically handicapped.

## **ARTICLE VII**

### **Requirements, Applications, and Approval Process**

**Section 16. Requirements.** – For firms to enjoy the incentives under this Code, they must comply with the following :

- a) **Period for filing of Applications.** – Applications for incentives under of this provision, shall be filed before the start of constructions or commencement of business operations but in no case later than six (6) months after commencement of business operations.
- b) **Requirements common to Single Proprietorship, Partnership, Joint Ventures, Corporations and Cooperatives.**
  - 1) Three (3) copies of completed application form available from the Investment Promotion Center;
  - 2) Business Plan of the proposed investment (prescribed form available from the Investment Promotion Center)
  - 3) A certified true copy of the Certification of Business Registration with Securities and Exchange Commission, the Cooperative Development Authority, Department of Trade and Industry or other government registering agencies;
  - 4) A certification from the City Treasurer that the applicant has no outstanding obligation with the City.
  - 5) Certification of Registration if enjoying incentives under the National Laws.
- c) **Additional Requirements for Partnerships, Corporations, Cooperatives and Joint Ventures:**
  - 1) Authority from the Partnership or Board of Directors to file application.
  - 2) Partnership or incorporation documents.
  - 3) Cooperative Development Authority documents in the case of cooperatives.

**Section 17. Application, Evaluation, and Approval.**

- a) **Time for filing of application.** - Application must be filed within the period, provided in Section 16 (a) of this Code.

- b) **Venue for filing of Application.** – All applications shall be filed with the Local Investment Board through the Investment Promotion Center under the City Mayor's Office.
- c) **Processing Time.** – The Board shall act upon applications within seven (7) working days from receipt of complete documentary requirements pursuant to R.A. 1103 otherwise known as the Ease of Doing Business Act.
- d) **Application/Filing Fee.** - A non-refundable application/filing fee depending on the asset size category of the enterprise as enumerated below:
  - a) Small-scale enterprise P2,000.00
  - b) Medium-scale enterprise P 5,000.00
  - c) Large-scale enterprise P 10,000.00
- e) **Procedure for Filing, Processing/Evaluation and Approval.** –
  - 1) The head or senior staff of the Center provides pre-counseling/advise to prospective applicant as to various provisions of this Code.
  - 2) The Center issues a checklist of requirements and forms for the applicant to accomplish.
  - 3) The applicants present all the required documents to the Center
  - 4) If the Center determines that the documents submitted are complete, it requires the applicant to pay the non-refundable filing fee as stated above.
  - 5) The Center accepts the application and supporting documents indicating the date of acceptance and official receipt number in the application form and in the Application and Registration Book.
  - 6) The Center forwards the application and its Evaluation Report and Recommendation to the Board, through the Chairman. The Board shall deliberate and decide on the application.
  - 7) The Center records the favorable/unfavorable recommendation of the Board on the application.
  - 8) The Board endorses the application for approval/disapproval by the Sangguniang Panlungsod;
  - 9) The Center informs the applicant of the decision of the SP and if the application is approved, requires payment of the registration as provided in Section 18 hereof;
  - 10) The Certificate of Eligibility is issued and the business is registered as an eligible enterprise.

**Section 18. Registration fee.** - The Board issues the Certificate of Registration upon the payment of one-time registration fee as follows:

<u>Capitalization</u>	<u>Registration Fee</u>
P 3 Million to P 6 Million	P 10,000.00
Over P 6 Million to P 10.5 Million	P 12,500.00
Over P 10.5Million to P 15 Million	P 15,000.00
Over P15 Million to P 30 Million	P 17,500.00
Over P 30 Million to P 45 Million	P 20,000.00
Over P 45 Million to P 60 Million	P 22,500.00
Over P 60 Million	P 25,000.00

**Section 19. Certificate of Registration.** – A registered enterprise shall be issued a Certificate of Registration with the signature of the Chairman of the Board and such other officer as the Board may empower or designate for the purpose. The Certificate shall be in such form and style as the Board may determine and shall state among other matters the following:

- a) The name of the registered enterprise
- b) The preferred/priority area of investment in which the enterprise will engage
- c) The duration of the tax exemption
- d) Other terms and conditions to be observed by the enterprise by virtue of its registration.

**ARTICLE VIII**  
**Rights and Privileges of Registered Enterprise**

**Section 20. Rights and Privileges Guaranteed by the Government.** - In addition to rights and privileges provided by law and the Constitution, the City Government through the City of Bago Investment Board, in order to enhance investors' confidence in the incentive program of the City, shall:

- a) Provide comprehensive information to prospective investors on the economic priorities of the City Government;
- b) Take full account of the need of the participation of investors in the formulation of policies and ordinances that affect investments;
- c) Not interfere or modify arrangement with investor after investment prospect has been accepted and approved, unless the law provides otherwise;
- d) Allow in accordance with law to employ qualified foreign personnel where no local personnel or worker is capable and available;
- e) Resolve in favor of the investor all doubts concerning benefits and incentives granted under the ordinances enacted for the purpose of encouraging investments.
- f) Assist in the settlement of disputes arising from labor problems; and
- g) Establish and operationalize investment and promotion centers to assist the prospective investors in the registration and issuance of business permits, identification of sites and negotiation with lot owners, land conversion, and identification of potential joint-venture partners.

**ARTICLE IX**  
**Incentives to Registered Enterprises**

**Section 21. Tax Incentives to Registered Enterprises.** – New investment of a registered enterprise provided for in Section 10, sub-section a, b, and Section 11 who qualified under this code shall enjoy the following Tax Incentives:

**a. Preferred/Priority Investment Areas/Activities.**

1) For the period of three (3) years from the start of the commercial operation, the registered enterprise under this Code shall be fully exempted from the payment of Mayor's Permit, Building Permit fees, Business Sales Taxes, Transfer Tax and other fees and charges imposed under City Ordinance No 17-10 known as the 2017 Revised Revenue Code of the City of Bago.

2) For the period of three (3) years from the registration or start of commercial operation, whichever comes earlier, the registered enterprises shall be fully exempted from the payment of basic Real Property Tax. However, the applicant to this incentive program is required to secure licenses and permits necessary to operate his business without, however, paying the corresponding fees or charges. In case of new and already existing improvements introduced by the applicant, the exemption from payment of real property tax shall apply only to the increase in assessment due to rehabilitation, expansion, adaptation, and/or diversification. Exemption granted under this section shall apply only to basic real property taxes and shall not mean to include the exemption from payment of the Special Education Fund (SEF).

**b. Other preferred Investment.** - For new, expanding or diversifying business enterprises registered under the National Laws such as Omnibus Investment Code of 1987, Export Development Act of 1994 the Special Economic Zone Act of 1995, the BOT Law or other law that shall be promulgated thereafter, which grant incentives, shall enjoy the same tax incentives enumerated in Section 21, Sub-section (a) (1) and (2) from the start of commercial operation, whichever is earlier.

**c. Additional Investment Areas.** - For new, expanding or diversifying business enterprises engaged in other types of business, the exemption which starts from the date of registration or commercial operation, whichever is earlier, shall enjoy the same tax incentives enumerated in Section 21, Sub-section (a) (1) and (2) .



**ARTICLE X**  
**Other Incentives**

**Section 22. Tax Credit to Persons Donating Property to the City.** - Persons donating land, property or money, to the City for its priority projects shall be entitled to tax credit which can be used to pay tax obligations to the City Government. Priority projects contemplated herein include but not limited to housing projects, resort projects, public markets, bus terminals, health projects, educational institutions, scholarships, government centers, farm to market roads, cemeteries and sports facilities.

**Section 23. Basis of Tax Credit.** - The amount of tax credit shall correspond to twenty five percent (25%) of the fair market value of the land or current market value of the property so donated as determined by the Offices of the City Assessor, City Engineer, and City Treasurer.

**Section 24. Rates of Donation.** - The following rules shall govern the implementation of Section 22 and 23 of the Code:

- a. For the determination of qualification under Section 22, the prospective donor shall submit to the Board through the Investment Promotions Center his/her intent to donate;
- b. The Board determines whether the prospective donation qualifies for the tax credit under this chapter. The Board shall then pass the resolution approving the application of Section 22 and 23;
- c. The Board shall submit the resolution approving the grant of incentives together with the Deed of Donation to the Sanggunian Panlungsod for ratification.

**ARTICLE XI**  
**Investment Promotion Center**

**Section 25. Investment Promotion Center.** - The City of Bago Investment Board shall establish an Investment Promotion Center under the Office of the City Mayor, with adequate personnel and budget for personal services, operation and maintenance, equipment, promotions, and other needs. The Center shall perform the following functions:

- a. Prepare and implement the annual investment promotion plan as approved by the Board;
- b. Receive, process and evaluate applications for registration and applications for the availment of the local incentives and submit its recommendation to the Board within a specified period from the receipt of application;
- c. Assist in: (1) Securing Licenses and Permits; (2) Identifying business or joint venture partners, raw materials suppliers and possible business sites; (3) Sourcing out skilled manpower and service providers; (4) Facilitate in resolving issues and concerns encountered by investors, among others;
- d. Render after care services to registered enterprises/locators;
- e. Monitor and evaluate project implementation of registered enterprises;
- f. Establish and update data bank on general business information;
- g. Strengthen networking relationships;
- h. Prepare and disseminate investment promotion collaterals, e.i., brochures, industry and project profiles as well as the cost of doing business in the LGU;
- i. Conduct briefings to investors;
- j. Represent the LGU in trade and investment meetings, conferences, fora, conventions, and other similar gatherings in both domestic and foreign venues whenever so directed by the Board;
- k. Collate, analyze and compile pertinent data and studies concerning areas that may have been or may be declared as "Investment Priority Areas";
- l. Recommend to the Board any modification/amendments to existing legislation and procedures on local investments;
- m. Provide pre-counseling/ advice to the prospective applicants and answer their queries;
- n. Receive applications of firms/establishments seeking to avail of incentives under this Code;

- o. Evaluate applications on the basis of documents submitted. The Center shall forward the complete application of qualified investors to the Board, otherwise it shall inform applicants of the rejection of their applications and the reason/s therefor;
- p. In the event the application is favorably recommended by the Board, furnish to the City Treasurer and City Assessor, copies of the Board Resolution granting incentives and Certificate of Eligibility, for their information and guidance in the implementation thereof;
- q. Have custody and responsibility for filing and safe keeping of all records and discussions;
- r. Provide administrative and secretariat services to the Board;
- s. Facilitate for the issuance of business permits of registered eligible enterprises;
- t. Prepare Investment Promotion Plan;
- u. Establish business linkages and networking;
- v. Conduct/Coordinate business Forum/Economic Briefing;
- w. Conduct/Coordinate Investment Missions; and
- x. Perform such other functions as may be necessary to implement the intent of the Code.

## **ARTICLE XII Appropriation**

**Section 26. – Appropriation.** The City Government shall appropriate annually, based on the budget presented by the Board, the necessary funding requirement for the continued implementation of the provisions of this Code.

## **ARTICLE XIII Miscellaneous Provisions**

### **Section 27. – Miscellaneous Provisions:**

- a. Existing business that shall cease its operation for the purpose of availing this incentive program shall not be allowed to apply under this Code.
- b. The incentives granted to registered enterprises are not transferable except in the event of death or permanent disability of owner/owners where the privileges shall be transferred to the heir of the decedent in accordance with the Law on Corporation and/or hereditary succession.
- c. At the end of each fiscal/calendar year the registered enterprise shall submit Financial Statement to Bago City Investment Board.

## **ARTICLE XIV FINAL PROVISIONS**

**Section 28. Penal Clause.** - Any violation of the provision of the Code shall be a ground for the cancellation or revocation of the Certificate of registration of the project/business. The cancellation or revocation of the Certificate of Registration shall mean the withdrawal of all the incentives granted under the Code; and all fees and charges previously exempted shall become due and demandable.

**Section 29. Cancellation of Certificate of Registration.** The following shall be the grounds for cancellation of the certificate of registration:

- a. Violation of the provisions of this Code , laws, rules and regulations or ordinances;
- b. Violation of the terms and conditions specified in the Certificate of registration; and
- c. Material misrepresentation.

**Section 30. Refund and Penalties.** In case of the cancellation of the certificate of registration, the City of Bago Investment Board shall require the refund of incentives availed of and impose corresponding fines and penalties.

**Section 31. Separability Clause.** – If, for any reason, any portion or provision, section or part of this 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 thereof which shall remain or continue to be in full force and effect.

**Section 32. Repealing Clause** - All ordinances, rules and regulations or any part thereof, inconsistent or in conflict with the provisions of this Code are hereby repealed, amended or modified accordingly.

**Section 33. Effectivity** - This Ordinance shall take effect immediately upon its approval.

Enacted, January 21, 2019.

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I hereby certify to the correctness of the foregoing Ordinance which was duly enacted by the Sangguniang Panlungsod during its regular session held on January 21, 2019.

  
**VICENTE D. MESIAS**

Supervising Environmental Management Specialist/  
City Secretary-Designate

Attested:

  
**RAMON D. TORRES**

City Vice Mayor-Presiding Officer

Approved this 4th day of June 2019.

  
**NICHOLAS M. YULO**  
City Mayor