

MUNICIPAL ORDINANCE NO. 2024-33

“CREATING THE BUSTOS INVESTMENT INCENTIVE CODE OF BUSTOS, BULACAN.”

Motioned by:

Honorable Aljhaneal E. Quiñones

Chairman

Committee on Budget, Appropriations, Ways and Means

BE IT ORDAINED BY THE SANGGUNIANG BAYAN, IN A SESSION DULY ASSEMBLED, THAT:

ARTICLE I. TITLE AND DECLARATION OF POLICY

WHEREAS, under Section 192 of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, local government units may, through ordinances duly approved, grant tax exemptions, incentives or reliefs under such terms and conditions as they may deem necessary;

WHEREAS, under Section 1 of DILG Memorandum Circular No. 153 dated June 4, 1992 (PRESCRIBING THE GUIDELINES FOR THE IMPLEMENTATION OF TAX EXEMPTION PRIVILEGES UNDER THE LOCAL GOVERNMENT CODE OF 1991) stating that:

“Section 1. The sangguniang bayan/panlungsod/panlalawigan may grant tax exemptions, tax incentives or tax reliefs but such grant shall not, however, apply to regulatory fees which are levied under the police power of LGUs. Tax exemptions shall be conferred through the issuance of a tax exemption certificate, which shall be non-transferable. In this regard, the sanggunian concerned may be guided by the following:

- a. Tax exemption or tax relief may be granted in cases of natural calamities, civil disturbances, general failure of crops, or adverse economic conditions such as substantial decrease in the prices or agricultural or agri-based products;
- b. The grant of exemption or relief shall be through an ordinance;
- c. Any exemption or relief granted to a type or kind of business shall apply to all business similarly situated; and

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TANGGAPAN NG SANGGUNIANG BAYAN

BAKURAN NG BAHAY PAMAHALAANG BAYAN NG BUSTOS, BULACAN

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d. Any exemption or relief granted shall take effect only during the next calendar year for a period not exceeding twelve (12) months as may be provided in the ordinance. In case of shared revenues, the exemption or relief shall only extend to the LGU granting such exemption or relief.”

WHEREAS, under Article 282 of Implementing Rules of Local Government Code:

“**Article 282** Authority to Grant Tax Exemption Privileges or Incentives –

(a) While sanggunians may grant tax exemption, tax incentive, or tax relief, such grant shall not apply to regulatory fees which are levied under the police power of LGUs. Tax exemptions shall be conferred through the issuance of a tax exemption certificate, which shall be non-transferable.

(b) The sanggunians granting tax exemptions, tax incentives and tax reliefs may be guided by the following:

(1) On the grant of tax exemptions or tax reliefs:

(i) Tax exemption or tax relief may be granted in cases of natural calamities, civil disturbance, general failure of crops, or adverse economic conditions such as substantial decrease in the prices of agricultural or agri-based products;

(ii) The grant of exemption or relief shall be through an ordinance.

(iii) Any exemption or relief granted to a type or kind of business shall apply to all business similarly situated, and

(iv) Any exemption or relief granted shall take effect only during the next calendar year for a period not exceeding twelve (12) months as may be provided in the ordinance. In the case of shared revenues, the exemption or relief shall only extend to the LGU granting such exemption or relief.

(2) On the grant of tax incentives

(i) The tax incentive shall be granted only to new investments in the locally and the ordinance shall prescribe the terms and conditions therefor,

(ii) The grant of the tax incentive shall be for a definite period not exceeding one (1) calendar year;

(iii) The grant of tax incentives shall be by ordinance passed prior to the first (1) day of January of any year; and

(iv) Any tax incentive granted to a type or kind of business shall apply to all businesses similarly situated.

WHEREAS, there is an existing Municipal Ordinance No 2022-15 dated September 12, 2022 entitled “REQUIRING ALL BUSINESS AND COMPANIES OPERATING WITHIN THE MUNICIPALITY OF BUSTOS SHALL BE COMPOSED OF AT LEAST SEVENTY PERCENT (70%) RANK AND FILE EMPLOYEES WHO ARE RESIDENTS OF BUSTOS, BULACAN.”

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SECTION 1. Title. – This ordinance shall be known as the
“**BUSTOS INVESTMENT INCENTIVE CODE OF 2024**”

SECTION 2. Declaration of Policy. – This Code shall govern the provision of incentives in addition to any incentive granted by the National Government to a registered enterprise. It is hereby declared to be the policy of the Municipality of Bustos to attract, promote, encourage and welcome private Filipino and foreign investment in order to accelerate the development of Bustos, Bulacan.

ARTICLE II. DEFINITION OF TERMS

SECTION 3. Definition of Terms. – When used for purposes of this Code, the following terms and phrase shall mean as follows:

1. BOI – refers to the Board of Investment under the Omnibus Investment Code.
2. Board - shall mean the Investment Incentive Board of Bustos.
3. Bonafide - Resident shall refer to a person with at least six (6) months of residency in any of the barangays within the municipality of Bustos.
4. Capitalization - shall mean the total project cost of business.
5. Existing establishments/enterprises - shall refer to those establishments / enterprises whose places of operation or production are located within the territorial jurisdiction of the Municipality of Bustos.
6. Investment Code - shall refer to the Investment Incentive Code of the Municipality of Bustos.
7. Workforce - shall refer to those workers or personnel who are bonafide residents of the Municipality of Bustos duly certified by the barangay chairman.
8. Municipality - shall mean the Municipality of Bustos covering all areas within its territorial jurisdiction as provided by the law.
9. New Investors/ Enterprises - shall refer to those investors who:
 - i. Are not engaged in any type of business activity in the Municipality of Bustos at the time of the effectivity of this ordinance; and
 - ii. Will engage in business undertakings on preferred/ priority areas in this Municipality as provided in this code during the effectivity of this ordinance.
10. Priority Investment Areas - shall mean the economic activities that the Board shall have declared as such in accordance with the provision of this Ordinance.
11. Registered Enterprises shall refer to those enterprises registered in accordance with the provision of this Code.
12. National Law – refers to R.A 7160, R.A.7042, RA 7042 and RA 11647
13. Memorandum Circular – refers to DILG Memorandum Circular No. 153
14. Project Feasibility Study – refers to a project which presents the marketing, technical, organizational, financial and socio-economic aspects of the project.

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15. Tax abatement - exemption for one year for new businesses included in the Preferred Areas of Investment

ARTICLE III. BUSTOS INVESTMENT INCENTIVE BOARD

SECTION 4. Creation of Bustos Investment Incentive Board. –

For the purpose of efficient and effective facilitation of the provisions of this Ordinance, the Bustos Investment Incentive Board (BIIB) is hereby created.

SECTION 5. Composition of the Board. – The Board shall be composed of the following:

Chairperson: Municipal Mayor

Vice Chairman: Municipal Administrator

Executive Officer: Local Economic Development & Investment Promotion Officer

Deputy Officer: Business Permit and Licensing Officer

Members: Chair, SB Committee on Appropriation, Finance, Ways and Means

Chair, SB Committee on Trade and Industry

Chair, SB Committee on Arts, Tourism and Culture

Chair, SB Committee on Livelihood and Employment

Chair, SB Committee on Cooperative

Municipal Planning and Development Coordinator

Municipal Engineer

Municipal Treasurer

Municipal Budget Officer

Municipal Accountant

Municipal Agricultural Officer

Municipal Assessor

Public Employment Service Officer

A representative of the league of barangay treasurers in the Municipality

A representative of a business sector association in Bustos accredited/recognized by the Sangguniang Bayan or Bulacan Chamber of Commerce Inc. or, in case of none, any person engaging in business in the Municipality designated by the Municipal Mayor

SECTION 6: Meetings and Quorum of the Board. –

The Board shall meet every last week of the month or least once every quarter of a year or as often as may be necessary, at such day and time as it may fix. The presence of at least a majority of its members shall constitute a quorum and


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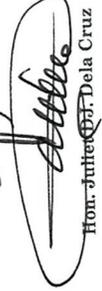

Hon. Wilfredo G. Canozo


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Hon. Sofiman C. Santos

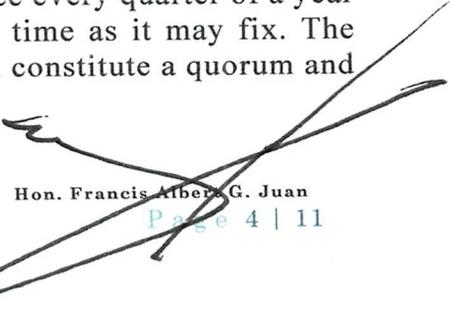

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Hon. Juliet D. Dela Cruz


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a majority of the quorum of a meeting shall be required for the Board to exercise its powers and perform its functions. If the Chairperson is not present, the Vice Chairperson shall preside; if both of them are not present, then the presiding officer shall be elected by the members present from among themselves.

SECTION 7: Powers and Functions of the Board. - The primary function of the Board

shall be to establish favorable and stable policies & guidelines which will encourage investments and business activities consistent with the development needs of the municipality of Bustos. Pursuant to this, the Board shall be vested with the following powers:

- a. Adopt an investments promotion program;
- b. To screen, evaluate, accept, approve, or disapprove application, of a person engaging in business who proposes to avail of the tax incentives provided in this Code;
- c. Ensure compliance of business receiving tax incentives with the provisions of this Code particularly with regards to the hiring of local residents, adherence to labor laws, rules and regulations; and the protection of the environment;
- d. To act upon all applications for registration of projects and availment of local incentives within thirty (30) calendar days upon the official acceptance hereof;
- e. In coordination with the Office of the Municipal Treasurer or with appropriate agencies of the National Government, periodically check and verify, by inspection of the books and premises of the business receiving tax incentives or by requiring periodic reports, compliance with this Code, with the implementing rules and regulations promulgated under this Code, and with the terms and conditions of registration;
- f. After due notice, cancel the registration or suspend the enjoyment of incentives of any business receiving tax incentives and/ or require refund of incentives enjoyed by such business including interests and monetary penalties, for failure to maintain the qualification required by this Code for registration, for violation of any provision of this Code, of the implementing rules and regulations issued under this Code, or of the terms and conditions of registration: PROVIDED, That the business receiving tax incentives whose project timetable, as approved by the Board, is delayed by one (1) year, shall be considered automatically cancelled unless otherwise reinstated upon its renewal of application to the Board;

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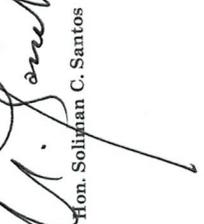

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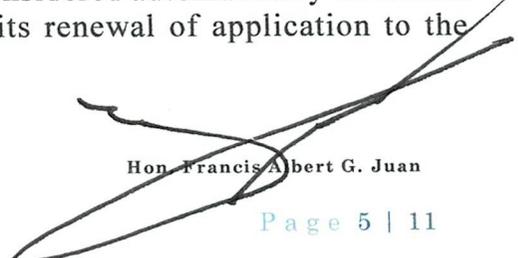

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Hon. Ed. Dela Cruz


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Hon. John Nick L. Perez


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Hon. Julie D. Dela Cruz


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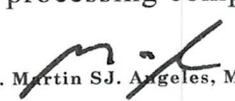

Hon. Leo T. Santos

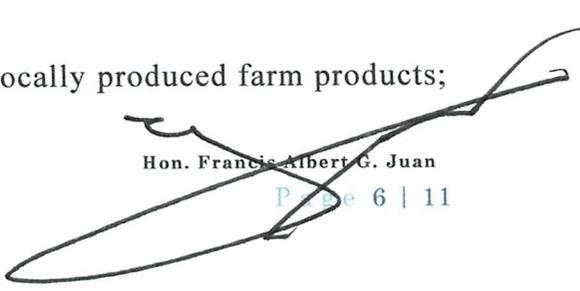
- a. Extend the period of availment of incentives; PROVIDED, That the total period of availment shall not exceed two (2) years, subject to any of the following criteria:
 - a) The registered enterprise has suffered operational force majeure that has impaired its viability; or
 - b) The project of the registered enterprise has a gestation period which goes beyond the availment of incentives.
 - c) The registered enterprise has not fully enjoyed the incentives granted to it by the BIIB for reasons beyond its control.
- b. Within three (3) months from the close of the calendar year, submit an annual report to the Board covering its activities in the enforcement of this Code including recommendations on investment policies;
- c. Periodically review the list of priority investment areas and activities and due board meetings or add such areas or activities necessary to further advance the objectives and the declared policies of this Code;
- d. To designate the Local Economic Development and Investment Promotion Office to act as Secretariat and to consequently implement the provisions of this Code;
- e. To enter into any agreement with other government agencies and or private sector organizations for the purposes of simplifying the system, procedures and requirement or investment and business operation in Bustos, Bulacan;
- f. To secure additional funding and other resources to supplement the budgetary support provided by the Municipal Government of Bustos for the operation of the Secretariat in the implementation of the Code; and
- g. Generally, exercise all the powers ascribed it by this Code and those necessary or incidental to attain the purpose of this Code.

ARTICLE IV. PREFERRED OR PRIORITY INVESTMENT AREAS/ACTIVITIES AND APPROPRIATE INCENTIVE MEASURE

SECTION 8. Preferred Areas of Investment Qualified for Tax Abatement. – A business established after effectivity of this Code engaging in the following activities may be qualified for a tax abatement incentive as stipulated in this Code:

1. Agro-processing complexes utilizing locally produced farm products;


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Hon. Mel Kyark, Juan

1. Eco-cultural tourism facilities such as water sports, concert or theatre halls, and recreational transport facilities or investment resulting in the
2. development of the Municipality's eco-cultural or heritage resources for tourism purposes, or the construction of infrastructure, or the operation of service facilities or the production of souvenir items, all catering to tourists and of a type, class or category that will boost the Municipality's attractiveness as a tourist destination;
3. Short term accommodation particularly hotels of Class AA or better;
4. Amusement or theme parks, excluding those that are itinerant or ambulant;
5. Commercial banks;
6. Supermarket or department stores;
7. Mass housing;
8. Infrastructure and Logistics including LGU-PPPs;
9. Restaurants and fast food restaurants provided that they utilize locally sourced plant or animal products for food preparation; and
10. Manufacturing plants excluding those that will manufacture tobacco products, rubber and plastic products, textile, coke and refined petroleum products, chemical and chemical products, weapons and ammunition.

Hon. Wilfredo G. Canoza

Hon. Johnrick L. Perez

ARTICLE V. TAX INCENTIVE AND QUALIFICATION OF ENTERPRISES

Hon. Aljhaeal E. Quinsnes

Hon. Soliman C. Santos

SECTION 9. Tax abatement. – or exemption for one (1) year for new business included in the Preferred Areas of Investment. The Municipal Government through the Local Investment Incentive Board may provide the following incentives to qualified businesses:

(a) A business that will be established after the effectivity of this Code may receive the following tax abatement incentives:

1. Exemption from business tax imposed by the Municipal Government;
2. Exemption from the payment of Mayor's Permit; however, a copy thereof should be obtained regardless if it is free of charge; and
3. Exemption from the payment of all applicable permit and inspection fees.

Hon. Phyllis Werner B. Santos

Hon. Juliet D. De la Cruz

(b) The tax incentive shall be granted only to new enterprises with capital investment of Fifteen Million (15,000,000.00) to One Hundred Million (100,000,000.00) and above in the locality for a period not exceeding one (1) year.

Hon. Maria Nita N. De Perez, MA

Hon. Cleo T. Santos

SECTION 10. Qualification for Incentives of New Enterprise – Any person, partnership, cooperative, corporation, or any other form of business organization intending to engage in an economic activity qualified for incentive under this Code, provided that they meet the following qualifications:

1. Must have complied with all requirements mandated under the existing

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laws, rules and regulations for doing business in the Philippines;

2. Must have an initial investment of not less than Fifteen Million (15,000,000.00) to One Hundred Million (100,000,000.00) for Filipino Investors;
3. Must have an initial investment of not less than One Hundred Million Pesos (PhP100,000,000.00) or its US Dollar equivalent for foreign investors;
4. Must engage in business activities as stated in Investment Priority Areas as stated in Chapter IV, Section 7 hereof;
5. That not less than seventy percent (70%) rank and file of its workforce are bonafide residents of Bustos within at least six (6) months prior to employment duly certified by the barangay chairman;
6. Must have an Environmental clearance from the Department of Environment and Natural Resources for projects requiring such clearance and such other permits and clearances required and issued by other agencies of the national government;
7. That in case of an industrial or manufacturing facility, it must have proper solid and wastewater disposal facilities;
8. Foreign companies intending to apply for foreign registration must comply with the Foreign Investment Act of 1991 (RA 7042, as amended by RA 11647) and the provisions of this Ordinance; and
9. Such other requirements or documents the Bustos Investment Incentive Board may require.

SECTION 11. Review of Investment Incentives and Support Measures. – The Board shall review the list of preferred areas, package of appropriate incentive and support measure every three (3) years and recommend for approval of the Sangguniang Bayan the appropriate incentives that the government shall grant to qualified investors and enterprises. Without prejudice to existing rights of registered business or enterprise, the Board may revise or remove any of activity that may place the interest of the municipality and the public in adverse position.

ARTICLE VI. APPLICATION, APPROVAL AND REGISTRATION PROCEDURE

SECTION 12. Filing of application. – All applications shall be filed to the Board through the Local Economic Development and Investment Promotion Office of the Municipality. The client shall present all documents for checking of completeness and accuracy. Only complete applications shall be accepted and registered on the Registration Book. Applicants must be pay a one-time non-refundable filing fee of five thousand pesos (5,000.00) to the Municipal Treasurer’s Office and required to submit the following documents:

1. Project feasibility study of the proposed investment;
2. Certified true copies of the article of incorporation bylaws, and certificate

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Hon. Mel Ryan C. Juan


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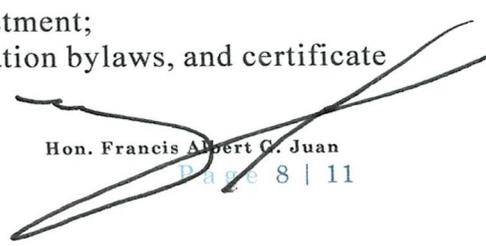

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Hon. Juliet Daj. Dela Cruz


Hon. Marie Nira Nikkie Perez, MA


Hon. Leo T. Santos




Hon. Raymond R. Perez


Hon. Mel Ayra, P. Juan

- or registration issued by the Securities and Exchange Commission, the Cooperative Development Authority, the Department of Trade and Industry and Board of Investment, whichever is applicable;
3. Letter of application address to the Mayor from the owner or proprietor of the enterprise or resolution of the applicant's board of directors authorizing the filing of the application;
 4. List of directors, principal officers, their respective nationalities and current addresses as certified by the corporate secretary.
 5. Such other requirements or documents the Bustos Investment Incentive Board may require.


Hon. Wilfredo G. Canozo


Hon. John Erick L. Perez

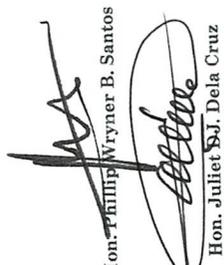
Completed application for registration shall be filed with the Local Economic Development and Investment Promotion Office, and recorded in a registration book. The date appearing in the book and stamped on the upon submission of completed application shall be considered as the date of official acceptance. The Board may conduct an ocular inspection at the premises of the business, if necessary.

SECTION 13. Evaluation and Approval of Application - The secretariat shall conduct a preliminary review of individual applications for tax incentives and present to the Board, for appropriate action. If the secretariat finds the application valid and sufficient, it shall be forwarded to the Bustos Investment Incentive Board (BIIB) for final review and consent. Otherwise, it shall be disapproved. The Board shall make decision on application within thirty (30) calendar days from date of official receipt. The Secretariat shall notify the applicant in writing of its approval or refusal or request for additional information to be submitted


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Hon. Soliman C. Santos

In case of approval, the LEDIPO shall inform the applicant, Municipal Treasurer's Office and Business Permit and Licensing Office for guidance and appropriate action. The Certificate of Registration shall be issued to the applicant and the latter shall pay a non- refundable Registration Fee of 1/10 of 1% of the amount of investment.


Hon. Phillip Wryner B. Santos


Hon. Juliet SJ. Dela Cruz

SECTION 14. Certificate of Registration. - Upon approval of the application by the board, a Certificate of Registration shall be issued to the entitled enterprise for the applicable incentives set forth in this Code.

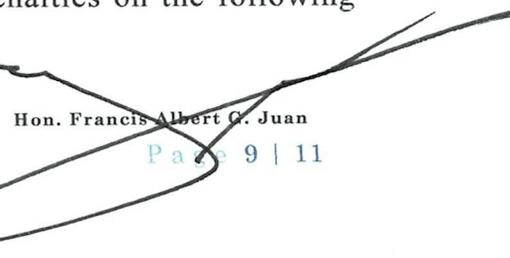
SECTION 15. Confidentiality of Applications. - All applications and their supporting documents filed under this Code shall be confidential and shall not be disclosed to any person, except with the consent of the applicant or on orders of a court of competent jurisdiction.


Hon. Marie Nina Nikkie Perez, MA


Hon. Leo T. Santos

SECTION 16. Refund and Penalties. - In case of cancellation of the Certificate of Registration, the Board shall require the refund of incentives availed of and impose corresponding fines and penalties on the following grounds:


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- a) The applicant submits fraudulent documents;
- b) The applicants provide erroneous or misleading information to the approval of the application;
- c) The applicant conceals information relevant to the approval of the application; and
- d) The registered enterprise fails to comply or violates the provisions of this Ordinance and pertinent laws.

SECTION 17. Rules of Procedure and Issuance of Guidelines. - Within sixty (60) calendar days after the creation of the Local Investment and Incentive Board, it shall promulgate its rules of procedure for the conduct of its business. The Local Investment Incentive Board is hereby empowered to enact guidelines for the effective implementation of this Code from time to time as it may deem proper.

ARTICLE VII. FINAL PROVISIONS

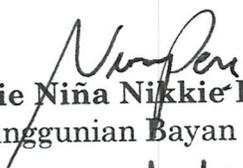
SECTION 18. The Implementing Rules and Regulations. - The Municipal Investment Incentive Board shall enact and formulate the rules and regulations implementing this ordinance, for proper implementation and guidance;

SECTION 19. Repealing Clause. - Any ordinance or resolution or part thereof, in conflict with, or inconsistent with any provision of this Code to this ordinance shall be considered repealed or amended as the case may be;

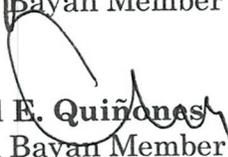
SECTION 20. Separability Clause. - Any provision of this ordinance which will later declared illegal and/or unconstitutional shall not affect the legality and constitutionality of the provisions of this Code.

SECTION 21. Effectivity Clause. - This Ordinance shall take effect immediately after signing hereof.

ENACTED, 23rd of December, 2024 at the Amado Raymundo Session Hall.

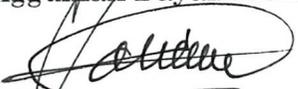

Marie Niña Nikkie Perez, MA
 Sanggunian Bayan Member

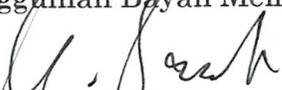

Phillip Wagner B. Santos
 Sanggunian Bayan Member

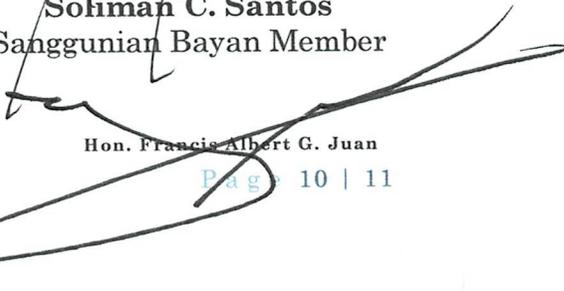

Aljhaneal E. Quiñones
 Sanggunian Bayan Member


 Hon. Martin S.J. Angeles, MMPA


Leo T. Santos
 Sanggunian Bayan Member


Juliet D.J. Dela Cruz
 Sanggunian Bayan Member


Soliman C. Santos
 Sanggunian Bayan Member


 Hon. Francis Albert G. Juan


 Hon. Raymond R. Perez


 Hon. Melkayan P. Juan


 Hon. Wilfredo G. Canoza


 Hon. John Erick L. Perez


Wilfredo G. Canozo
Sanggunian Bayan Member


John Erick L. Perez
Sanggunian Bayan Member

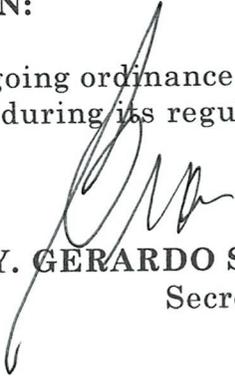

Raymond R. Perez
ABC Vice President


Mel Ryan P. Juan
SK President


Martin S.J. Angeles, MMPA
Municipal Vice Mayor and
Presiding Officer of the Sangguniang Bayan

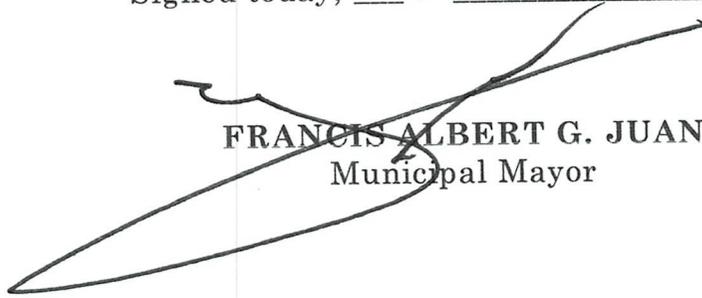
CERTIFICATION:

I HEREBY CERTIFY that the foregoing ordinance which was duly enacted by the Sangguniang Bayan during its regular session held on 23rd of December, 2024.


ATTY. GERARDO S. BRIASA
Secretary

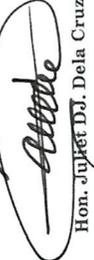
Attested:

Signed today, ___ of _____ 2025


FRANCIS ALBERT G. JUAN
Municipal Mayor


Hon. Aljha Neal E. Quinones

Hon. Soliman C. Santos


Hon. Phillip Bryner B. Santos

Hon. Juliet D.J. Dela Cruz


Hon. Marie Niña Yikkie Perez, MA

Hon. Leo T. Santos