REPUBLIKA NG PILIPINAS
TANGGAPAN NG SANGGUNIANG PANLUNGSOD
LUNGSOD NG BAKOLOD
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CITY ORDINANCE NO. 207
Series of 1998

AN ORDINANCE APPROVING THE BACOLOD CITY INVESTMENT INCENTIVES CODE.

Be it ordained by the Sangguniang Panlungsod of Bacolod, that:

Chapter I

Title, Declaration of Policy and Purpose

Section 1. **Short Title** - This Act shall be known as the "**Bacolod Investment Code**".

Section 2. **Declaration of Policy** - It is hereby declared a policy of the City Government to attract investors, both local and foreign, to invest in Bacolod City by providing investors the incentives as means for the development, income generation and employment of the people of Bacolod.

Section 3. **Purpose, Intent and Objective** - It is the purpose, intent and objective of this Act:

1. To lay down the legal framework and mechanism of integrating the investment incentives' law of the National Government to the local development initiative.

2. To spread the development of Bacolod City from highly developed to undeveloped and underdeveloped areas.

3. To promote the flow of investors both foreign and local into Bacolod City which would generate employment opportunities and provide backward and forward linkages among industries in City, Province and the Country.

4. To transform selected areas of Bacolod City into highly developed Agro-Industrial, Industrial, Commercial, Tourist, Investment and Financial Center of the Province and the Region.

5. To promote balance development in the City where land use shall be rational as to promote the general welfare of the people of Bacolod.

Chapter II

Definition of Terms

Section 4. **Definition of Terms** - For purposes of this Act, the following shall apply to the following terms:

"BOI" refers to Board of Investment under Executive Order No. 226 or the Omnibus Investment Code.

"Capitalization" refers to total project cost.

"Center" refers to One-Stop-Shop Center.

"Council" refers to Local Investment Council.

"Existing Firms" refers to those firms whose places of operation are presently located in Bacolod City.

"Firms Under Expansion" refers to existing firms that are expanding their operations in the City of Bacolod.

"Firms Under Diversification" refers to existing firms that are investing in other products or services.

"Foreign Investment" shall mean equity investments owned by a non-Philippine national.

"Local Investment Code" refers to the Bacolod City Investment Incentive Code created under this Act.

"Investment" expenditures for future benefits.

"National Laws" refers to Omnibus Investment Code of 1987, RA 7844, RA 7916, and RA 7718.

"OIC" refers to Omnibus Investment Code of 1987.

"Preferred Areas of Investment" refers to investments identified by the council in consultation with other sectors to be given preference.

"Project Study" refers to the profile of the project which presents the marketing, technical, financial and socio-economic aspects of the project.

"RA 7718" refers to Build-Operate Transfer Law or BOT Law which was enacted on May 5, 1994.

"RA 7916" refers to Special Economic Zone of 1995.

"**RA 7844**" refers to the Export Development Act of 1994.

"**Registered Enterprise**" shall mean any individual, partnership, cooperative, corporation or other entity incorporated and/or organized and existing under Philippine laws; and registered with the Board of Investment (BOI), OIC of 1987, RA 7844, RA 7916 and RA 7718.

Chapter III

The Local Investment Council

Section 5. **Local Investment Council** - There shall be created a Local Investment Council (LIC) for the purpose of overseeing the implementation of this Local Investment Code.

Section 6. **Composition of the Local Investment Council**- The Council shall be composed of the following:

a) City Mayor - Chairman and Presiding Officer
b) City Treasurer
c) City Administrator
d) City Assessor
e) City Planning and Development Officer
f) Provincial Director - Department of Trade and Industry.
g) Four (4) representatives from the private sector to be appointed by the Mayor with a term of two (2) years
h) Chairman, SP Committee on Ways and Means

Section 7. **Meeting of the Council** - The Council shall meet at least once a month or the Chairman may convene the Council anytime whenever he deems it necessary.

Section 8. **Powers and Duties of the Local Investment Council** - The Council shall be responsible for the regulation and promotion of investments in the City. The majority members of the LIC shall constitute a quorum for it to exercise its powers and perform its duties which shall be as follows:

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1. Prepare the list of preferred areas of investment in consultation with the public and private sector.

2. Promulgate the implementing rules and regulations of this Act as may be necessary to implement the provisions of this Act subject to the approval of Sanggunians Panlungsod.

3. Grant availment of incentives to qualified investors.

4. Process and approve application for incentive availment with the Council.

5. Decide controversies concerning the implementation of this Act.

6. Check and verify the compliance by registered enterprises.

7. Cancel or suspend the enjoyment of incentive benefits by the act and/or require refund of incentives enjoyed by such investor for violating the provisions of this Act.

8. Exercise all power necessary or incidental to attain the purpose of this Code.

Section 9. **Powers of the Chairman** -

1. To preside over the meetings of the Council.

2. To act as liaison between investors seeking collaboration in particular area of investment.

3. Generally, to exercise such other powers and perform such other duties as may be directed by the LIC from time to time.

Chapter IV

Areas of Investment Eligible for Investors

Section 10. **Investors Enjoying Incentives under the National Laws.** Investors enjoying incentives under OIC of 1987, RA 7844, RA 7916, and RA 7718.

Section 11. **Investors Under Preferred Areas of Investment.** Investors engaged in business identified by the Council to be Preferred Areas of Investment are eligible for incentives under this code:

Section 12. **Investors Who Are Investing Under Site Development Priority Plan** promulgated by the Council pursuant to the Zoning Ordinance of the City are eligible for incentives under this code.

Section 13. **Investors Under Expansion and Diversification.** Investors who are expanding their existing business and/or diversifying to the preferred areas of investment identified by the Council are eligible for incentives.

Section 14. **Investors Under Non-Preferred Areas of Investment.** Investors who are not covered by Sections 10, 11, 12 and 13 of this code can still avail of incentives provided that:

a. That the investment shall have a capitalization ranging from P25 M to over P100 M and employ at least 10 to over 100 persons.

Chapter V

Incentives

Section 15. **Incentives Given to Investors Enjoying Incentives Under the National Laws.**

a.) Investors enjoying incentives under RA 7844, RA 7916, and RA 7718 shall be exempted from payment of Business Tax for a period of five (5) years from the date of issuance of Business permit.

Investors enjoying incentives under OIC of 1987 shall be exempted from payment of Business Taxes within a period of four (4) years for non-pioneer and six (6) years for pioneer industries from the date of issuance of business permits.

b.) Investors enjoying incentives under RA 7874, RA 7916, and RA 7718 shall be exempted from payment of Real Property Tax on improvement for a period of five (5) years from the date of issuance of Business permit.

Investors enjoying incentives under OIC of 1987 shall be exempted from payment of Real Property Taxes within a period of four (4) years for non-pioneer and (6) years for pioneer industries from the date of issuance of business permits.

Section 16. **Incentives Given to New Investors Under Preferred Areas of Investment.** Investors enjoying incentives under this provision shall be exempted from:

a.) Payment of Business Tax for a period of five (5) years from date of issuance of Business permit.

b.) Payment of Real Property Tax on improvement for a period of five (5) years from the date of issuance of Business permit.

Section 17. **Incentives Given to Investors Under the Site Development Plan.** Investors enjoying incentives under this provision shall be exempted from:

a.) Payment of Business Tax for a period of five (5) years from the date of issuance of Business permit.

b.) Payment of Real Property Tax on improvement for a period of five (5) years from the date of issuance of Business permit.

Section 18. **Incentives Given to Investors Under Expansion and Diversification.** Investors enjoying incentives under this provision shall be exempted from:

a.) Payment of Business Tax for a period of five (5) years from the date of issuance of Business permit.

b.) Payment of Real Property Tax on improvement for a period of five (5) years from the date of issuance of Business permit.

b.) Investors enjoying incentives under RA 7874, RA 7916, and RA 7718 shall be exempted from payment of Real Property Tax on improvement for a period of five (5) years from the date of issuance of Business permit.

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a.) Payment of Business Tax for a period of five (5) years from the date of issuance of Business permit.

b.) Payment of Real Property Tax on improvement for a period of five (5) years from the date of issuance of Business permit.

Section 19. **Incentives Given to Investors Under Non-Preferred Areas of Investment.**

Investors under non-preferred areas of investment shall be exempt from payment of Business and Real Property Taxes under the following conditions:

Capitalization	Employment Generated	No. of Years of Exemption
P 25 M - 50 M	at least 10 workers	2
P 51 M - 75 M	at least 20 workers	3
P 76 M - 100 M	at least 50 workers	4
P101 M - and above	at least 100 workers	5

Provided that the investment is pursuant to the purpose, intent and objective enunciated in Section 3 of this Code.

Chapter VI

Other Incentives

Section 20. **Tax Credit to Persons Donating Property to the City.** Persons donating land or property or money to the City for the priority projects of the City shall be entitled to tax credit which can be used by the taxpayer to pay his tax obligations with the City Government.

Section 21. **Basis of Tax Credit.** The amount of tax credit shall correspond to 70% of the fair market value of the property as determined by the offices of the City Assessor, City Engineer and City Treasurer or 70% of the money donated.

Chapter VII

Requirements for Availment of Incentives

Section 22. **Requirements for Firms Enjoying Incentives under National Laws.** For firms to enjoy the incentives under this provision, they must comply with the following:

a.) Submit the Certificate of Registration issued by the concerned national agencies:
b.) The investor's place of business or operation must be located in Bacolod City:
c.) That the investment has no delinquency with the national agencies:

d.) Shall submit incorporation papers.

Section 23. **Requirements for Firms Under Preferred Areas of Investment.** For firms to enjoy the incentives under this provision, they must comply with the following:

1. The preferred area of investment shall be included in the list approved by the Council.
2. The investors shall submit a copy of the project study.
3. The Investors shall have no outstanding obligation with the City government.
4. Shall submit incorporation papers.

Section 24. **Requirements for Firms Under the Site Development Plan.**

1. The site shall be included as growth point area under the new zoning ordinance.
2. The investor shall submit a copy of the project study to be approved by the Council.
3. The investor shall have no outstanding obligation with the City government.
4. Shall submit incorporation papers.

Section 25. **Requirements for Firms Under Expansion and Diversification.**

1. The investors shall be investing in preferred area of investment approved by Council.
2. The investor shall submit a copy of the project study to be approved by the Council.
3. The investor has no outstanding obligation with the city.
4. shall submit incorporation papers.

Section 26. **Requirements for Firms Under Non-Preferred Areas of Investment.**

1. Investors shall submit a copy of the project study.
2. Investors shall have no existing obligation with the city.
3. Investors must comply with the provisions of Section 19 of this code.
4. Shall submit incorporation papers.

Chapter VIII

One-Stop-Shop

Section 27. **One-Stop-Shop Center.** The LIC shall establish one-stop shop center for the purpose of facilitating the Registration and Issuance of business permit to the enterprises covered under this Act.

Chapter IX

Appropriations

Section 28. **Appropriations.** The city shall appropriate the funding requirements which is necessary for the implementation of the provisions of this Act based on the budget presented by the Council.

Chapter X

Transitory Provision

Section 29. **Transitory Provision.** Business establishments already enjoying the benefits under the existing National Laws prior to the enactment of this Code may apply with the Local Investment Council for incentives availment. Provided that they are still within five (5) years from the date of registration and said firms are only qualified to avail of the incentives for the remaining years of their eligibility. Furthermore, establishments that are included under Chapter V, Section 19 of the Code shall still enjoy the full incentive starting from the time of approval of this code provided that they have started operation in 1996 which was the time of the filing of this code.

Chapter XI

Final Provisions

Section 30. **Penal Clause.** Any violation of the provisions of this Act, Ordinances, Rules and Regulations, shall be ground for the cancellation of the registration of the business, withdrawal of all incentives granted under this Code and refund of the fiscal incentives granted.

Section 31. **Separability Clause.** The provisions of this Act are hereby declared separable. The invalidity of one or more provisions shall not affect the validity of the other provisions thereof.

Section 32. **Repealing Clause.** All ordinances, Executive Orders and Rules and Regulations inconsistent with the provisions of this Act are hereby repealed.

Section 33. **Effectivity.** This Code shall take effect upon its approval.

CARRIED BY THE VOTE OF:

Affirmative:

Councilors : Renecito S. Novero, Lorendo K. Dilag, Rolando V. Villamor, Juanito S. Amihan, Jr., Napoleon A. Cordova, Constancio G. Legaspi, Archie S. Baribar, Celia R. Flor, Joaquin L. Torre, Juan Ramon R. Guanzon, Ricardo L. Tan, Pepito T. Malapitan.

Negative : N o n e .

MAIN PROPONENTS : Councilor Lorendo K. Dilag
Councilor Juan Ramon R. Guanzon

Absent : N o n e .

Official Travel : Councilor Christine Angelie V. Matus

Passed : January 28, 1998 (Special Session)

Comments : P a s s e d .
Councilor Luzviminda S. Valdez was out of the Session Hall when this ordinance was passed.

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WILMAR L. DRILON
Vice Mayor
Presiding Officer

ATTESTED:
ATTY. NILO T. ALEJANDRINO
Secretary to the Sanggunian

BY:

HELEN P. LEGASPI
Stenographic Reporter IV
Acting Board Secretary

APPROVED: February 11, 1998

EVELIO R. LEONARDIA
City Mayor

NTA/HPL/*rgl*

RECORDS DIVISION
OFFICE OF THE MAYOR
BACOLOD CITY
DATE 2/3/98
TIME: 10:35 A.m
REC'D BY:

Rules and Regulations Implementing the Bacolod City Investment Incentives Act of 1996

Rules and Regulations Implementing the Bacolod City Investment Incentives Act of 1996

TABLE OF CONTENTS

Rules and regulations Implementing The Bacolod City Investment Incentives Act of 1996

Rule I Title, Purpose and Declaration of Policy

Article 1. Title. The rules shall be known and cited as the Rules and Regulations Implementing the Bacolod City Investment Act of 1996.

Article 2. Purpose. These rules are promulgated to prescribe the procedures for the implementation of the Bacolod City Investment Incentives Act of 1996 in order to facilitate compliance and achievement of the objectives of this Act.

Article 3. Declaration of Policy. It is hereby declared a policy of the City Government to attract investors, both local and foreign, to invest in Bacolod City by providing investors the incentives as means for the development, income generation and employment of the people of Bacolod.

Rule II Definition of Terms

Article 4. Definition of Terms. For the purposes of this Rules and Regulations the following definitions shall apply to the following terms:

"BOI" refers to Board of Investment under Executive Order No. 226 or the Omnibus Investment Code.

"Capitalization" refers to total project cost.

"Center" refers to One-Stop-Shop Center.

"Council" refers to Local Investment Council.

"Executive Order No. 226" refers to the Omnibus Investment Code of 1987.

"Existing Firms" refers to those firms whose places of operation are presently located in Bacolod City.

"Firms Under Expansion" refers to existing firms that are expanding their operations in the City of Bacolod.

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"Foreign Investment" shall mean equity investments owned by a non-Philippine national.

"Local Investment Act" refers to the Bacolod City Investment Incentive Act of 1996 created under this Act.

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"Preferred Areas of Investment" refers to investments identified by the council in consultation with other sectors to be given preference.

"Project Study" refers to the profile of the project which presents the marketing, technical, financial and socio-economic aspects of the project.

"RA 7718" – refers to Build-Operate-Transfer Law or BOT Law which was enacted on May 5, 1994.

"RA 7916" refers to Special Economic Zone of 1995.

"RA 7844" refers to the Export Development Act of 1994.

"Registered Enterprises" shall mean any individual, partnership, cooperative, corporation or other entity incorporated and/or organized and existing under Philippine laws; and registered with the Board of Investment (BOI), EO 226, RA 7844, RA 7916 and RA 7718.

Rule III Creation, Composition, Meetings, Powers and Duties of the Local Investment Council and Power of the Chairman

Article 5. Local Investment Council. The Local Investment Council (LIC) is hereby created to implement the provisions of this Act.

***Article 6. Composition of the Local Investment Council*.** The Council shall be composed of the following:

Chairman:	City Mayor
Members:	Chairman, SP Committee on Ways and Means
	City Treasurer
	City Administrator
	City Assessor
	City Planning and Development Officer
	Provincial director, Department of Trade and Industry
	Executive Assistant to be appointed by the Mayor
	Four (4) representative from the private sector

The membership of the Council may be increased by the Sangguniang Panlungsod thru the recommendation of the Council as it may deem necessary for the effective implementation of this Act.

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	Executive Assistant to be appointed by the Mayor
	Four (4) representative from the private sector

The membership of the Council may be increased by the Sangguniang Panlungsod thru the recommendation of the Council as it may deem necessary for the effective implementation of this Act.

5. Generally, to exercise such other powers and perform such other duties as may be directed by the LIC from time to time.

Rule IV Areas of Investment Eligible for Investors

Article 10. Pursuant to the Provisions of this Act, incentives will be provided to Investors enjoying incentives under the National Laws which include but not limited to the following:

EO 226 or otherwise known as Omnibus Investment Act of 1987

RA 7844 or otherwise known as Export Development Act of 1994

RA 7916 or otherwise known as the Special Economic Zone of 1995

RA 7718 or otherwise known as the BOT Law

Provided that:

1. The investor must submit the Certificate of Registration.
2. That he must have complied with all the requirements under existing national and local Laws or guidelines issued by accrediting agencies.

Article 11. Preferred Areas of Investment. Incentives will be provided to new projects in the following areas:

1. Manufacture of Agro-based products such as but not limited to:
    a) Canned food products
    b) Dried fruit processing
    c) Sweet, candies and condiments

2. Manufacture of handicraft products such as but not limited to:
    a) Toys
    b) Ceramics
    c) Furnitures
    d) Garments

3. Tourism related business such as but not limited to:
    a) Mid-range hotels
    b) Beach resorts
    c) Theme parks
    d) Marina

4. Property Development projects such as but not limited to:
    a) Commercial complexes

5. Generally, to exercise such other powers and perform such other duties as may be directed by the LIC from time to time.

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   d) Garments
3. Tourism related business such as but not limited to:
   a) Mid-range hotels
   b) Beach resorts
   c) Theme parks
   d) Marina
4. Property Development projects such as but not limited to:
   a) Commercial complexes

enterprise and at least 100 persons in case of large size industry who are bonafide residents of Bacolod City.

Article 13. Addition of Areas of Preferred Areas of Investment. The Local Investment council may, if necessary, add any area in the list after a study made either by the LIC or a study group engaged by the LIC.

The bases for addition to the list found in Article 11 are the following:

1. It must generate high levels of employment.
3. It must feature a high degree of value-added.
4. It must create linkages with local industries.
5. It must be environment friendly.

Article 14. Removal of a Preferred Investment Area. The Council may remove any activity from the list found in Article 11 if:

1. Sufficient investment in the areas of activity have been attained.
2. The continued extension of incentives for specific investment area is no longer to the interest of Bacolod City.
3. The investment area or activity does not attract investors within reasonable length of time or may result to unfavorable business climate.

RULE V Application, Processing and Approval

Article 15. Application Requirements of Investors. All applications must be filed with the Council, recorded in a registration book and the date appearing therein and stamped on the application shall be considered the date of official acceptance. Application shall only be deemed accepted upon submission of complete requirements to the Council.

a) Venue of filing of applications

All application shall be filed with the Local Investment Council thru the One Stop Shop Center located at the Permits and Licensing Division of Bacolod City.

b) Processing time

Application for incentives shall be acted upon by the Council within fifteen (15) working days from official acceptance.

c) Filing Fee

A non-refundable filing fee of one thousand pesos (P1,000.0) shall be paid together with the required documents for registration.

A non-refundable filing fee of one thousand pesos (P1,000.0) shall be paid together with the required documents for registration.

d) Required documents for registration.

For single proprietorship:

1. Three (3) copies of completed application form, the form of which can be secured from the Center.

2. A copy of the project study of the proposed investment.

3. A certified true copy of its certificate of Business Name Registration from the Department of Trade and Industry.

4. Certificate of Registration if registered under the National Law.

For Partnerships and Corporations:

1. Three (3) copies of completed application form, the form of which can be secured from the center.

2. A copy of the project study of the proposed investment, indicating the financial and socio-economic impact of the project.

3. A copy of the company's Articles of Partnership/Incorporation and By-laws as approved by the Securities and Exchange Commission.

4. Authority from Partners or the Board of Directors as the case may be, to file the application.

5. Certificate of Registration if registered under the National Law.

For Cooperatives:

1. Three (3) copies of completed application form, the from of which can be secured from the Center.

2. A copy of the project study of the proposed investment, indicating the financial and socio-economic impact of the project.

3. A copy of the Certificate of Registration from the CDA.

4. Authority from the Board of Directors to file application.

e) A certified true copy of its Certificate of Registration with other accrediting agencies, as the case may be.

Article 16. Registration and Approval Procedures.

a) Registration procedures

1. Application shall be submitted to the Center together with the required documents.

2. The applicant pays the non-refundable filing fee of One Thousand Pesos (P1,000.00) to form part of the operating expenses of the Center;

3. Once all required documents are submitted, the project will be evaluated by the Center.

4. If found not qualified, the center informs the applicant;

5. If found qualified, the Center forwards the application to the council thru the Chairman for approval;

6. Once approved by the Council, the Center informs the applicant in writing and delivers the Certificate of Registration.

b) Evaluation criteria

The following will be used in the evaluation of applications for registration under this Act:

1. Capitalization for new enterprises or investments for expansion or diversification will be as follows:

    a. At least One Million Pesos but not more than Ten Million Pesos for small scale enterprise;
    b. At least Ten Million Pesos but not more than forty Million Pesos in case of medium scale enterprise;
    c. And more than Forty Million Pesos in case of large scale enterprise.

2. Direct employment generated for new enterprises, or investments for expansion or diversification must be as follows:

    a. Not less ten persons in case of small scale enterprise;
    b. At least twenty persons in case of medium scale enterprise;
    c. At least one hundred persons in case of large scale industry, unless under exceptional cases as may be determined by the Council.

3. Plant location and Business address of the new or expanded or diversified enterprise must be within Bacolod City.

c) Certificate of Registration

A qualified enterprise under the Act shall be issued a Certificate of Registration with the signature of the Chairman and/or such other officer as the Council may empower and designate for the purpose. The Certificate shall be in such form and style as the Council may determine and shall state among other matters, the following:

1. The name of the registered enterprise;
2. The preferred/priority area of investment in which the registered enterprise will engage in;
3. The other terms and conditions to be observed by the registered enterprise by virtue of its registration.

Rule VI Incentives.

Article 17. Incentives Given to Investors Enjoying Incentives Under the National Laws. Investors enjoying incentives under National Laws such as but not limited to EO226, RA 7844, RA 7916 and RA 7718 shall be exempt from the following:

a) Payment of Business Fees, Building Permit Fees, Business Sales Taxes and other fees and charges imposed by existing City Ordinances within 5 years from the date of issuance of Business Permit.

b) Payment of basic real property tax imposed by the City for a period of 5 years from the date of approval of registration by the Council.

Article 18. Incentives Given to New Investors Under Preferred Areas of Investment. Investors eligible under Section 11 of this Act shall be exempt from the following:

a) Payment of Business Fees, building Permit Fees, Business Sales Taxes, and other fees and charges imposed by existing City Ordinances within 5 years from start of commercial operation.

c) Payment of basic real property tax imposed by the City for a period of 5 years from the date of approval of registration by the council.

Article 19. Incentives Given to Investors Under New, Expansion and Diversification. An existing business who is expanding and/or diversifying to preferred areas of investment as determined by the council is exempt from the payment of the following:

a) Payment of Business Fees, Building Permit Fees, Business Sales Taxes, and other fees and charges imposed by existing City Ordinances within 5 years from start of commercial operation.

b) Payment of basic real property tax imposed by the City for a period of 5 years from the date of approval of registration by the council.

Rule VII Other Incentives

Article 20. Tax Credit. Persons donating land or property or money to the City for priority projects of the City shall be entitled to tax credit which can be used by the taxpayer to pay his tax obligations with the City Government. These projects shall include but not limited to: housing project, resettlement project, public market, bus terminal, health project, educational scholarship, government centers, sports facilities.

Article 21. Basis of Tax Credit. The amount of tax credit shall correspond to 70% of the Fair Market Value of the property as determined by the offices of the City Assessor, city Engineer and City Treasurer or 70% of the value of money donated.

Article 22. Rules of Donation. The following rules shall govern the implementation of sections 16 & 17 of the Investment Act.

1. The intent to donate shall be submitted to the chairman of the Council thru the Center.

2. The council shall act on the intent to donate within fifteen (15) days from receipt.

3. Should the Council approve the donation, a deed of donation shall be prepared by the donor.

4. The Council shall submit the Deed of Donation to the Sanggunian for approval.

5. The donor should avail of the tax credits within five (5) years from the approval of the donation.

Rule VIII. One Stop Shop

Article 23. One Stop Shop Center. Pursuant to Section 27 of the Investment Incentives Act of 1996, the Center shall perform the following:

1. Receive applications of firms/establishments availing of incentives.

2. Process the application of the firms/establishments.

3. Submit the applications to the Council for approval.

4. Prepares and issue the Certificate of Registration to qualified firms/establishments.

5. Inform the applicants as to the action taken by the Council.

Rule IX. Appropriations

Article 24. Appropriations. The City shall appropriate the funding requirements which is necessary for the implementation of the provisions of this Act based on the budget presented by the Council.

Rule X. Transitory Provision

Article 25. Transitory Provision – Business establishments already enjoying the benefits under the existing National Laws prior to the enactment of this Act may apply with the Local Investment Council for Incentives availment. Provided that they are still within five (5) years from the date of registration and said firms are only qualified to avail of the incentives for the remaining years of their eligibility.

Provided further, that the applicant complied with the following:

1. Submission of the Certificate of Registration issued by concerned national agency;

2. Submission of the terms and conditions in the issuance of Certificate of Registration issued by concerned national agency;

3. Certification that the applicant has complied with all the requirements of the concerned national agency.

Rule XI. Miscellaneous Provisions

Article 26. Visitorial Power of the council or Center. The council, the Center, or any duly authorized member thereof, is hereby empowered and authorized to conduct an ocular inspection of the premises or examination of the business activity of any enterprise, including the records and books of any enterprise, registered or applying for registration at any reasonable time of the day, during office hours, for verification or ascertaining, the enterprise's strict compliance with the provisions of this Act or of these rules, or when the Council or Center deems it necessary in or incidental to the effective exercise and performance of their respective functions and powers.

Article 27. Reportorial. Submission of Reports and Other Documents. Every registered enterprise shall, for each preferred/priority areas of investments, submit to the Council the following reports and/or documents within the time herein prescribed.

a. Amendment of Articles of Incorporation or by-laws, or Articles of Partemship, or Articles of Cooperation, within thirty calendar days from the date of submission of said amendments with the Securities and Exchange Commission or Cooperative Development Authority;

b. Change of Directors within 30 calendar days from the change;

c. Report on alien officers or employees within 30 calendar days from the date of registration or from the appointment of their aliens/replacements. Provided, that such aliens are registered as such with the Bureau of Immigration and Deportation (BID) and with the Department of Labor and Employment (DOLE);

d. Report on employment of bonafide Bacolod City residents within 30 calendar days from the date of registration or from the appointment of their replacement;

e. Quarterly report on the enterprises business operations including its production or gross sales or receipts within 30 calendar days from the end of each quarter;

f. Audited Annual Financial Statements within 30 calendar days after its submission to the Bureau of Intemal Revenue (BIR);

g. Report on total local incentives availed of under the Act.

Rule XII. Final Provisions

Article 28. Sanctions for Late Submission of Reportorial Requirements. For late submission of the reportorial requirements, every eligible enterprise shall, for each preferred/priority area of investment, be fined in accordance with the following:

a. 1st Violation - P5.00 per day for every violation

b. 2nd Violation - P10.00 per day for every violation

c. 3rd Violation and subsequent Violation- P20.00 per day for every violation

Article 29. Penal Clause. Any violation of the provision of the Act, existing laws, ordinances, rules and regulations, shall be ground for the cancellation or revocation of the registration of business and the withdrawal of all incentives granted under this Act.

The Certificate of Eligibility, as provided under this Act, may be cancelled or revoked due to the following:

a. Violation of the provision of the Act and this Rules.

b. Violation of existing local and national laws, ordinances, rules and regulations.

c. Failure to commence actual project development within one (1) year from registration.

Cancellation or revocation of the Certificate of Eligibility shall mean the withdrawal of all incentives granted this Act; and all fees and charges previously exempted shall become due and demandable.

Upon the recommendation of the Center, the Chairman of the Council may cancel or revoke the Certificate of Eligibility of the concerned business enterprise through a formal written notice to that effect , and shall become effective on the 16th day from receipt thereof.

Article 30. Appeal. The applicant adversely affected by any decision may within 15 days from the receipt of such decision, appeal the same to the Council whose decision shall be final and executory.

Article 31. Separability Clause. The provisions of this Act are hereby declared separable. The invalidity of one or more provisions shall not affect the validity of the other provisions thereof.

Article 32. Repealing Clause. All ordinances, Executive Orders and Rules and Regulations inconsistent with the provisions of this Act are hereby repealed.

Article 33. Effectivity. This act shall take effect upon its approval.