

Initial demand estimate for P29 rice at 69,000 MT/month

THE Department of Agriculture (DA) said it initially estimates demand for subsidized P29 rice at 69,000 metric tons (MT) per month, though this total is expected to fluctuate depending on consumer response.

"Of course it will change, it not exact. It will really depend on how many will avail of the program. We will not force them to buy," Agriculture Assistant

Secretary and Spokesperson Arnel V. de Mesa told reporters on Thursday.

The National Food Authority (NFA) council on Wednesday approved the sale of ageing rice stocks to individuals classified as poor or otherwise vulnerable.

"We want to reach to as many members of our vulnerable sectors. We will be needing about

69,000 MT of rice every month," he added.

The DA proposed to import about 363,697 MT to replace the ageing stocks that will be disposed of under the "Bigas 29" program.

"The priority is still to use the NFA stocks, because we don't have the clearance to import yet," Mr. De Mesa said.

The DA's plan is estimated to cost the government between

P1.39 billion and P1.53 billion per month.

Beneficiaries of the rice subsidy program are estimated at more than 34 million vulnerable individuals, which include persons with disabilities, solo parents, and senior citizens, apart from those below the poverty line. Each beneficiary is entitled to purchase about 10 kilograms per month. — **Adrian H. Halili**

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ARTA: LGUs with automated permit systems now at 44

THE Anti-Red Tape Authority (ARTA) said local government units (LGUs) with fully automated business permit processes now number 44, with seven awaiting commendation.

ARTA reported that the most recent LGU to be issued a commendation for full compliance was Pulilan, Bulacan on June 13.

Meanwhile, the LGUs awaiting commendations are Himamaylan, Negros Occidental, Tagbilaran and Ubay, Bohol, Valencia, Bukidnon, and Alubijid, Laguiding and Manticao, Misamis Oriental.

ARTA reported that five more LGUs have declared they are compliant, which is subject to validation, and that 635 LGUs are partly compliant.

Some 606 LGUs have not implemented the electronic Business One-Stop Shop (eBOSS) system, while 344 LGUs have not reported.

ARTA Deputy Director General for Operations Gerald G. Divinagracia told reporters on Tuesday that the agency is confident of hitting the target of enrolling 200 LGUs in the eBOSS program.

"We are still on track. It is more about continuously validating, calling the LGUs out. But our target really for this year is for the seven remaining LGUs in the National Capital Region to be fully compliant," Mr. Divinagracia said.

Metro Manila is composed of 17 LGUs, Caloocan, Malabon, Navotas, Valenzuela, Quezon City, Marikina, Pasig, Taguig, Makati, Manila, Mandaluyong, San Juan, Pasay, Parañaque, Las Piñas, Muntinlupa, and Pateros.

The onboarding of Caloocan, Pasig, Taguig, Makati, San Juan,

Las Piñas, and Pateros is pending, he said.

"We want them to be fully compliant this year. And they promised," he said.

"Meaning, in terms of trustworthiness and getting away from the old way of doing things, people still want the hard copy rather than the electronic version. So, they cannot move or transition to the digital world," he added.

However, he said that ARTA is not asking LGUs to operate solely digitally and that they can still accept non-electronic submissions. — **Justine Irish D. Tabile**

BIR allows companies to use up ORs even after Dec. 31 deadline

THE Bureau of Internal Revenue (BIR) is allowing the use of official receipts (ORs) until these are fully consumed extending their permissible issuance beyond the initial Dec. 31 deadline.

BIR Commissioner Romeo D. Lumagui, Jr. said in a statement: "All remaining official receipts can be used, until fully consumed. Inventory reports and notices can be submitted through e-mail. The BIR is committed to making the transition to Ease of Paying Taxes Act (EoPT) as convenient to taxpayers as possible."

"Further, the submission of inventory reports and/or notice required in compliance with the transitory provisions of Revenue Regulation No. 7-2024 can now be done through e-mail," he added.

The BIR has been working to harmonize its various

regulations, systems, and processes with the requirements of EoPT.

In January, President Ferdinand R. Marcos, Jr. signed EoPT, which seeks to streamline the tax system. The act amends sections of the National Internal Revenue Code of 1997 and introduces various reforms.

For example, Revenue Regulations No. 7 implements amendments on registration procedures and invoicing requirements.

Under EoPT, the VAT official receipt has been removed as a requirement for substantiating refund claims and input and output taxes, making the VAT invoice the sole supporting document required in declaring output taxes and claiming input taxes for both sale of goods and services. — **Luisa Maria Jacinta C. Jocsos**

PEZA locators account for bulk of special investor visas issued

THE Philippine Economic Zone Authority (PEZA) said its locators were issued 17,592 special residency visas between November 2021 and April 2024, accounting for the overwhelming majority of the visas endorsed by investment promotion agencies (IPAs).

Jenny Romero, PEZA legal affairs group manager, said in a radio interview: "The top nationalities that we have issued PEZA visas to are Japanese, Indians, and then South Koreans. Our issuance to Chinese (nationals) is very small — only 1,812."

On Tuesday, Party-list Rep. Erwin T. Tulfo filed House Resolution (HR) No. 1771, calling for an investigation into the issuance

of Special Resident Retiree Visas and the Special Investor Resident Visas (SIRV).

He said that the resolution aims to address reports of excessive issuance of special visas to foreigners, particularly Chinese nationals.

In an online briefing, Ryan Ramos, director of the Incentives Administration Service at the Board of Investments (BoI), said that the BoI endorsed around 3,000 SIRVs since 1988.

"On average, around 50% of the SIRVs we endorsed from 2020–2024 are for Chinese nationals," Mr. Ramos said.

The BoI endorsed 18 SIRVs in 2020, 29 in 2021, 42 in 2022, 80 in 2023, and 71 in 2024.

According to Mr. Ramos, to make the issuance of the special visas easier to monitor, the Department of Justice has created a technical working group to address the need to compile data from the various agencies.

"That is still ongoing, and its purpose is really to have a database shared with immigration so that immigration would know how many visas have been issued by each IPA," he said.

"This will also allow immigration to monitor if the foreign nationals granted special visas are staying in the Philippines or not," he added. — **Justine Irish D. Tabile**

Gov't cash utilization rate hits 94% at end-May

GOVERNMENT agencies' cash utilization rate hit 94% at the end of May, the Department of Budget and Management (DBM) said in a report.

The DBM said that national agencies and local governments, as well as state-owned corporations, utilized P1.78 trillion out of P1.89 trillion worth of notices of

cash allocation (NCAs) issued as of the end of May, leaving P115.55 billion unused.

The year-earlier utilization rate was 91%.

NCAs are a quarterly disbursement authority that the DBM issues to government offices, allowing them to withdraw funds

from the Treasury bureau for the spending needs.

In May, utilization was P477.19 billion out of P494.15 billion, the DBM said.

The Commission on Human Rights posted the highest budget usage at 100%, followed by the Department of Foreign Affairs and the

Commission on Audit (both 97%).

During last month's Philippine Economic Briefing, Budget Secretary Amenah F. Pangandaman said early procurement and digitization of government transactions will help the government avoid underspending this year. — **Beatriz Marie D. Cruz**

Incentives may be key to EPR compliance

THE proper incentives will encourage more businesses to comply with the Extended Producers Responsibility (EPR) Act, which holds companies responsible for plastic waste over the full life cycle of their products.

National Solid Waste Management Commission Vice-Chairman Crispian Lao said in a forum: "It is important for us to use incentives to drive the markets towards circularity."

He was referring to the circular economy, a sustainability strategy that seeks to maximize the recycling or repurposing of existing products while minimizing extraction of new raw materials. "If we want to go circular, alternative materials may be available but may not necessarily

be price competitive," he added.

Republic Act No. 11898 or the EPR Act of 2022 requires producers, manufacturers, and other companies to move away from single-use plastics and establish their own waste recovery schemes in partnership with communities, local governments, and others.

Current incentives for EPR compliance include tax breaks, subsidies, or reduced fees for those that adopt sustainable practices.

"I think it is important to look into other alternatives that promote circularity such as design (optimized for) recycling, refillable content and even education," Mr. Lao said.

Enterprises that fail to register for EPR programs will face fines of

between P5 million and P20 million. Those that fail to comply and meet targeted recovery rates will also be fined.

"When we want actual transformation, more things have to converge, (like) technology, business models, public policy, and (community)... that is the promise of EPR for the Philippines," according to Philippine Business for Social Progress Executive Director Elvin Ivan Y. Uy.

The Department of Environment and Natural Resources reported that 917 businesses have registered for programs to comply with the EPR law as of June, including 129 obligated enterprises which are required to implement an EPR program. — **Adrian H. Halili**

Cigarette, vape seizures valued at P7.2 billion in foregone taxes

THE Bureau of Internal Revenue (BIR) said seized tobacco and vapor products this year would have generated P7.2 billion in revenue had they entered the market through regular channels.

"What we have caught so far for this year is quite a lot. For cigarettes, we've confiscated more than 500,000 packets. For vape products, we have confiscated 170,000 units. For all of these, the estimated tax liability is at P7.2 billion," BIR Commissioner Romeo D. Lumagui, Jr. said in a television interview.

The BIR urged vape manufacturers to mark their products with revenue stamps to signify tax compliance. The BIR said that all vape products sold in

the country were required to bear the revenue stamps starting June 1.

"There were no stamps for vape products before. That's why we couldn't tell if the excise tax for these products were paid. Now, we can easily find this out," Mr. Lumagui said.

"If you go to a store and see that your vape products don't have stamps, it means that the excise tax for these products was not paid."

The BIR is seeking to collect P152.404 billion in excise tax from tobacco products this year.

In March, the BIR seized illicit vape products from a warehouse in Laguna on which an estimated P75.7 million in tax was not paid. — **Luisa Maria Jacinta C. Jocsos**



IT-BPMs back amendments to CREATE, Cybercrime law

THE information technology and business process management (IT-BPM) industry said it expects to benefit from amendments to the Corporate Recovery and Tax Incentives for Enterprises (CREATE) and Cybercrime Prevention laws.

Jack Madrid, president of the IT and Business Process Association of the Philippines (IBPAP), told reporters on Wednesday that the proposed amendments to CREATE will help clarify uncertainties in the law.

"You know, until we see the final version, we will not really be able to make any definitive comments," Mr. Madrid said at an online briefing. "But from all indications, the amendments of CREATE in CREATE MORE (to Maximize Opportunities for Reinvigorating the Economy) will certainly clarify some of the ambiguity of CREATE," he added.

The CREATE MORE bill, which seeks to cut the corporate income tax to 20% from 25%, was approved by the House of Representatives on final reading in March and has been passed on to the Senate.

"We are quite optimistic and confident that the amendments that will be proposed in the latest draft of CREATE MORE will provide clarity and stability in the incentive regime for our investors and for our industry," said Mr. Madrid.

"It will also provide more clarity as to remote work and work from home privileges across the investment promotion agencies. So while we have not seen the final version, all indications are that this will be

a net positive for the IT-BPM industry," he added.

Under CREATE MORE, registered business enterprises in the IT-BPM industry can enjoy the incentives under the law while implementing hybrid work arrangements as long as they are compliant with the on-site work requirements set by their respective investment promotion agencies.

This sets a ceiling for alternative work arrangements at 50% of the total workforce or total work hours.

"Aside from CREATE MORE, one of the priorities for the industry is really to amend, working together with the Department of Justice, some badly needed adjustments to the cybercrime law," Mr. Madrid said.

"The law is still constraining our industry from taking action against specific employees who are performing certain actions," he added.

In particular, he said the industry wants to adjust the Cybercrime Prevention Act of 2012 to make it easier for employers to take action against such employees.

"And once we can establish that the Philippines is serious about deterring cybercrime, then we are hopeful that this actually becomes a competitive advantage for the Philippine industry compared to other countries," he added.

According to Mr. Madrid, the amendments to the Cybercrime Law are also important in protecting IT-BPM companies bottom line against fraud. — **Justine Irish D. Tabile**



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