Republic of the Philippines

PHILIPPINE ECONOMIC ZONE AUTHORITY

MEMORANDUM CIRCULAR NO. 2025-048

TO : **ALL CONCERNED REGISTERED BUSINESS ENTERPRISES**
ALL ZONE ADMINISTRATORS/ZONE MANAGERS/OFFICERS-IN-CHARGE

FROM : **TERESO O. PANGA**
Director General

DATE : **15 September 2025**

SUBJECT : **REVISED APPLICATION FORM AND CHECKLIST OF DOCUMENTARY REQUIREMENTS FOR EXTENSION OF INCOME TAX HOLIDAY**

Please be informed of the revised Application for Extension of Income Tax Holiday (ERD.2.F.002) and Checklist of Documentary Requirements for Extension of Income Tax Holiday (ERD.2.I.003), effective 15 September 2025.

Attached hereto is the revised Application Form and Checklist of Requirements for Extension of Income Tax Holiday.

For your information and guidance.

VSS:JBE/LJF/gdt

REPUBLIC OF THE PHILIPPINES
Philippine Economic Zone Authority
APPLICATION FOR EXTENSION OF INCOME TAX HOLIDAY (ITH)

Name of Enterprise: _____

Registered Activity: _____

Zone Location : _____

Reference (RA/SA date): _____

Actual Start of Commercial Operations (SCO): _____

Notice of SCO Approval Number/Date: _____

Notice of Confirmation of Entitlement to ITH No. / Date: _____

	CHECKLIST OF DOCUMENTARY REQUIREMENTS	Submitted
1	Duly accomplished and notarized application form	
2	Clearance from PEZA -Enterprise Services Division that the company is compliant with the submission of PEZA reportorial requirements and has no outstanding penalties.	
3	Payment confirmation of application fee (PhP1,200.00 per criterion)	
4	**A. For Capital Equipment to Labor Ratio (CELR) Criterion**	
	a. Copy of Audited Financial Statements duly stamped "Received" by BIR for the taxable year preceding the period applied for extension, together with the itemized lapsing schedule of property, plant, and equipment schedule segregated per project, certified by a responsible official of the company. **If the accounting period does not coincide with the ITH period, the Interim Balance Sheet should also be submitted together with the itemized lapsing schedule of property, plant, and equipment schedule segregated per project, certified by a responsible official of the company.**	
	b. List of machines and equipment (Form No. ERD.2.F.003) utilized for the project being extended, certified by two (2) of the company's highest responsible officials and attested by the Zone Administrator/Manager/OIC. Soft copy in PDF and Excel format **NOTE:** In case equipment is sent on a consignment basis, an itemized list of consigned machinery and equipment with corresponding cost covering the registered activity/ies duly certified under oath by a responsible official of the company, shall be submitted. Copy of Consignment Agreement, if any.	
	c. Payroll (per payroll period) for 12 months preceding the period applied for extension in Excel format, supported by: (a) Certification duly signed by duly responsible official stating that the payroll submitted is true and correct (b) Remittances of SSS premiums or withholding taxes due to BIR pertaining to the registered activity being extended for 12 months preceding the period applied for extension (c) Job description of workers classified as direct labor **NOTE:** The payroll should indicate the respective position of the workers, including the project/activity to which the workers are assigned (if the enterprise has more than 1 activity).	
	d. Computation of Capital Equipment to Labor Ratio using the attached prescribed format	

	B. For Net Foreign Exchange Earnings (NFEE) Criterion	
	a. Copy of Audited Financial Statements, including Income Tax Return (ITR), duly stamped "Received" by BIR for the first three years of commercial operation.	
	b. Soft copy of Sales summary report (monthly basis, indicating invoice number/s, date, buyer/destination, description, amount in US$ with Peso equivalent) covering the first three years (36 months) of commercial operation, duly certified by a responsible official of the applicant enterprise. Export and local sales must be segregated. For enterprises with multiple projects, the sales summary should be per project. Provide softcopy in Excel and PDF format.	
	c. Segregated Income Statement (with details of cost of sales and operating expenses) per project if enterprise has more than 1 registered project covering the first three (3) years (36 months) of commercial operations certified by two (2) of the highest officials of the enterprise (shall be based on accounting period and reconciled with Income Statement in the AFS). An interim income statement should be submitted if the accounting period does not coincide with the ITH period.	
	d. Computation of Net Foreign Exchange Earnings with Summary of Imported Costs duly certified by a responsible official of the applicant enterprise using the attached prescribed format.	
	C. For Indigenous Raw Material (IRM) Criterion	
	a. Copy of Audited Financial Statements filed with BIR with detailed Manufacturing Cost Statement for all taxable years from the start of commercial operations until the expiry of ITH (including extension year, if any). The Income Statement should segregate the results of operations for each registered activity. An Interim Income Statement should also be submitted if the accounting period does not coincide with the ITH period	
	b. Duly certified Breakdown of Cost of Raw Materials for the inclusive ITH period (including extension year, if any) pertaining to the registered activity and indicating what is indigenous and attested by the Zone Administrator/Manager/OIC. Data on the source/origin of indigenous raw materials should also be provided. Provide softcopy in Excel and PDF format.	

Pre-screened by (PEZA-IMD Staff):

_____
(Signature over Printed Name)

Date: _____

Conforme (Representative of Co.):

_____
(Signature over Printed Name/Date)

_____
(Position/Designation)

_____
Contact Nos. and Email Address

REPUBLIC OF THE PHILIPPINES
Philippine Economic Zone Authority

APPLICATION FOR EXTENSION OF INCOME TAX HOLIDAY

I. INFORMATION ABOUT APPLICANT

Name of Enterprise :
Tax Identification Number (TIN) :
Zone Location :
Official Representative :
Contact No/s. :
E-mail Address :
Certificate of Registration No. / Date :
Registered Activity :
(indicate location of the activity and date of Registration/Supplemental Agreement)

Status : _____ Pioneer _____ Non-Pioneer

Regular ITH Period: From _____ to _____
(mo./yr.) (mo./yr.)

Data on Past Availments
Previously Approved ITH Extension : NFEE _____ Period Covered :_____
CELR _____ Period Covered : _____
IRM _____ Period Covered : _____

II. PERIOD APPLIED FOR EXTENSION

From _____ **to** _____
(mm/yy) (mm/yy)

III. CRITERIA USED (pls. check)

_____ Capital Equipment to Labor Ratio
_____ Net Foreign Exchange Earnings
_____ Indigenous Raw Materials

IV. COMPLIANCE CRITERIA

(Fill appropriate line and attach supporting computation and documents as enumerated in the attached list of documentary requirements)

a. **Capital Equipment to Labor Ratio:** $ _____ per worker

b. **Net Foreign Exchange Earnings:**

Average for 36 months of operations: $ _____

c. **Ratio of Cost of Indigenous Raw Materials to Total Raw Materials Cost:**

Average Ratio _____%

All representations and supporting documents in this application are true and correct.

Done in _____ this _____ day of _____

_____
APPLICANT

_____
Signature of Authorized Signatory

Printed Name: _____
Designation/Position: _____

REPUBLIC OF THE PHILIPPINES
_____)
_____) S.S.

SUBCRIBED and SWORN to before me this _____ day of _____ 20 _____ in the _____ affiant exhibited to me his/her Passport/ID No. _____ dated _____.

_____
NOTARY PUBLIC

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

Until December 31, 20____
PTR No. _____
Issued at _____
Issued on _____