



Philippine Economic Zone Authority

Roxas Boulevard corner San Luis Street Pasay City, Metro Manila, Philippines
Telephones (632) 5513438 • 5513454 • Facsimile (632) 5513436
E-mail: info@peza.gov.ph • Website: www.peza.gov.ph

MEMORANDUM CIRCULAR No. 2007 011^e

TO : ALL PEZA-REGISTERED ENTERPRISES
ALL PEZA ZONE ADMINISTRATORS /
ZONE MANAGERS / ZONE OFFICERS-IN-CHARGE

FROM : DIRECTOR GENERAL LILIA B. DE LIMA *L.B. De Lima*

DATE : 07 May 2007

SUBJECT : SUBMISSION TO PEZA OF COPY OF
INCOME TAX RETURNS AND
AUDITED FINANCIAL STATEMENTS

All PEZA-registered enterprises (Ecozone Developers/Operators; Ecozone Export Enterprises; Ecozone IT Enterprises; Ecozone Logistics Service Enterprises; Ecozone Facilities Enterprises; Ecozone Utilities Enterprises; Ecozone Tourism Enterprises) are advised of the following:

1. As provided in Rule XXI, Section 4 the Rules and Regulations to Implement the PEZA Law (R.A. No. 7916, as amended), Reportorial Requirements of PEZA include annual submission by all PEZA-registered Enterprises of copy of their Income Tax Returns and Audited Financial Statements, in accordance with the following schedule:

<u>Document</u>	<u>Due Date</u>
(a) Income Tax Returns (ITR)	Fifteen (15) calendar days from filing
(b) Audited Financial Statements	Thirty (30) calendar days from the date of filing with the BIR

The BIR has agreed with PEZA, in the PEZA-BIR Memorandum of Agreement, dated 01 March 2007, to give Ecozone Enterprises a uniform submission period for said documents of thirty (30) calendar days from the prescribed last day of filing of their ITR / AFS with the BIR. Thus, the due date for submission to PEZA of the annual final ITR and AFS for the Calendar Year Ending 31 December 2006, is on May 16, 2007.

The copy of the ITR and the AFS submitted to PEZA, should include all other attachments/schedules filed with the BIR, duly stamped "Received" by the BIR.

2. Pursuant to the PEZA-BIR Memoranda of Agreement, PEZA shall conduct a pre-screening of the availment of income tax incentives by all PEZA-registered enterprises entitled to Income Tax Holiday (ITH) and/or the 5% Special Tax on Gross Income (5% GIT) beginning with taxable year ending 31 July 2004 and onwards. Results of the evaluation by PEZA shall be forwarded to the BIR in *[Signature]*

accordance with prescribed schedules which will give both PEZA and the BIR sufficient time to review the ITRs within the three – year audit period prescribed under the National Internal Revenue Code.

For this purpose, all PEZA-registered enterprises which have not yet submitted their respective ITRs and AFS, as required in the above-cited provision of the PEZA Rules and Regulations, from Taxable Year Ending July 31, 2004 to Taxable Year Ending November 30, 2006, are hereby required to submit said documents, duly marked "Received" by the BIR, together with other supporting documents / schedules filed with the BIR, and : (a) the corresponding breakdown of Revenues/Sales per Registered Activity , in case the enterprise has multiple registered activities, duly certified by the Chief Finance Officer and noted by the next higher-ranking Officer of the Enterprise; and (b) the corresponding details of "Other Income" in accordance with the attached prescribed Format, not later than the following dates:

<u>For Taxable Year Ending</u>	<u>Due Date</u>
July 31, 2004 to June 30, 2005	May 31, 2007
July 31, 2005 to June 30, 2006	August 31, 2007
July 31, 2006 to Nov. 30, 2006	December 31, 2007

Submission of the ITR and AFS on the above-prescribed dates shall nonetheless be considered late submission vis-à-vis the prescribed submission dates provided in the PEZA Rules and Regulations for said documents.

3. Ecozone Enterprises which have already submitted their respective ITRs and AFS for the Taxable Years ending July 31, 2004 up to December 31, 2006 (including those which are yet to submit their ITRs and AFS for Calendar Year Ending December 31, 2006 under this Memorandum-Circular), are hereby required to also submit the schedules specified in Items 2(a) and 2(b) above, not later than the following dates:

<u>For Taxable Year Ending</u>	<u>Due Date</u>
July 31, 2004 to June 30, 2005	May 31, 2007
July 31, 2005 to June 30, 2006	August 31, 2007
July 31, 2006 to December 31, 2006	December 31, 2007

4. Submission by Ecozone Enterprises of copy of their ITR, AFS, together with supporting documents/schedules filed with the BIR, and the schedules specified in Items 2(a) and 2(b) above, shall serve as sufficient compliance with the requirements for availment of incentives provided under Rule XIII, Section (1) of the Rules and Regulations Implementing R.A. 7916, as amended, which reads as follows: "All applications for availment of incentives shall be filed with PEZA."

Hence, no separate application for availment of the ITH and/or the 5% GIT incentives will be required.

5. Henceforth, copy of the annual final ITRs, together with the AFS and supporting documents / schedules, duly stamped "Received" by the BIR, and the schedules specified in Items 2(a) and 2(b) above, shall be submitted to PEZA annually not

later than thirty (30) days from the prescribed last day date of filing of the annual final ITR with the BIR.

6. It is advised that as provided in the PEZA-BIR Memorandum of Agreement on the availment of the ITH and /or the 5% GIT incentives, BIR shall "conduct immediate audit of enterprises that claimed income tax exemptions but failed to submit to PEZA a copy of their final annual ITRs and AFS."
7. As regards Ecozone Enterprises availing of Income Tax Holiday and/or the 5% Gross Income Tax Incentive which failed to attach the required Certification from PEZA (that the enterprise is a bona-fide PEZA-registered enterprise) to their final ITRs for the Calendar Year ending 31 December 2006 upon filing thereof as directed under BIR's Revenue Memorandum Circular No. 21-2007, dated 05 March 2007 and PEZA Memorandum Circular No. 2007-008, dated 02 April 2007, the BIR-Head Office has agreed that said Enterprises be given a grace period of until 16 May 2007 to submit the required PEZA Certification to their respective Revenue District Offices.
8. The above-required documents may be submitted to the office of the PEZA Zone Administrator / Zone Manager / Zone Officers-in-Charge in the economic zone where the enterprise is located. The Zone Administrators/ Zone Managers / Zone Officers-in-Charge are hereby instructed to immediately forward submitted documents to PEZA Head Office - Incentives Management Division, Enterprise Regulations Department.

Any queries on the foregoing may be directed to the PEZA-Incentives Management Division, PEZA Head Office (tel. nos. 551-3458 and 551-9542; fax no. 891-6382).

For compliance. 

