



GUIDELINES TO GOVERN THE TRANSFER OF EXISTING TOURISM ECONOMIC ZONES (AND LOCATORS THEREIN) REGISTERED WITH PEZA TO TIEZA AND ADMINISTRATION OF INCENTIVES THEREFOR UNDER R.A.9593; AND DESIGNATION OF THOSE PENDING TEZ APPLICANTS THAT WERE AFFECTED BY THE BIR IMPASSE ON INCENTIVES BUT PROCEEDED WITH THEIR DEVELOPMENT

1.0 Purpose

To centralize the regulation, supervision and grant of incentives to all tourism-oriented zone developments and tourism enterprises created and registered with other Investment Promotion Agencies by transferring all to TIEZA for designation as a Tourism Enterprise Zone (TEZ) and the registration of Tourism Enterprises therein for availment of incentives under R.A. 9593.

2.0 Legal Basis

Section 85 (a) and (b) of R.A. 9593, which states:

(a) Recognizing the strategic economic importance of tourism, the necessity that investments within TEZs be properly coordinated with environmental, cultural and developmental imperatives, and the fundamental differences between the export manufacturing and tourism industries, the TIEZA shall have sole and exclusive jurisdiction to grant the incentives hereinafter provided.

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(b) “The DOT and the DTI shall promulgate rules and regulations to govern the relationship between TEZ created under this Act, and economic zones created under Republic Act No. 7227, otherwise known as the Bases Conversion and Development Act of 1992, and Republic Act No. 7916, as amended, otherwise known as the Special Economic Zone Act of 1995, where an area comprising a TEZ overlaps, falls within or encompasses that of an economic zone; Provided, That such rules and regulation shall consider the special nature and requirements of tourism in relation to other industries, establishments and operations in economic zones. TEZs proclaimed as such prior to the passage of this Act shall be transferred to the supervision of the TIEZA.”

3.0 Coverage

- 3.1 Existing tourism economic zones and the tourism enterprise-locators registered with Philippine Economic Zone Authority (PEZA);
- 3.2 Existing tourism economic zones and the tourism enterprise locators registered with PEZA affected by the geographical limitations issued by PEZA and granted with **“limited incentives”**; and
- 3.3 Integrated tourism development estates with pending application with TIEZA which designation as a TEZ were deferred due to the issued **“designation/registration**

moratorium” by the Secretary of the Department of Tourism and proceeded with its development prior to the release of Revenue Regulations No. 7-2016.

4.0 Transfer of existing tourism economic zone and tourism enterprise locators

4.1 Registered developers of existing tourism economic zones shall submit a letter of intent to transfer registration to TIEZA together with the following:

- TIEZA application form no. T-RD-APP-01;
- Copies of the supporting documents submitted to DTI, PEZA, BCDA, whichever is applicable (TIEZA may require additional documents deemed necessary)
- Certificate/Authorization to transfer from DTI, PEZA, BCDA, whichever is applicable containing information such as, but not limited to:
 - Date of registration
 - List of incentives already availed of under existing laws
 - Existing manpower complement
- Certified True Copy of pertinent proclamation, registration agreement effecting the tourism economic zone status of the property.

4.2 Registered tourism enterprise locators shall submit a letter of intent to transfer registration to TIEZA together with the following:

- TIEZA application form no. T-RD-APP-02;
- Copies of the supporting documents submitted to DTI, PEZA, BCDA, whichever is applicable (TIEZA may require additional documents)
- Certificate/Authorization to transfer from DTI, PEZA, BCDA, whichever is applicable containing information such as, but not limited to:
 - Date of registration
 - List of incentives already availed of under existing laws
 - Existing manpower complement
- Certified True Copy of the registration agreement.

4.3 TIEZA Board of Directors upon determination of compliance with the aforementioned and recommendation from the TEZ Management Sector shall ratify the transfer and designate existing tourism economic zone as a TEZ and register tourism enterprise locators therein for availment of incentives under R.A. 9593.

4.4 TIEZA and the registered tourism enterprise will sign a “Designation/Registration Agreement” and “Registration Agreement” to effect the transfer and registration of investments for availment of incentives under R.A. 9593.

5.0 Guidelines on the grant of incentives

5.1 As a general rule, existing tourism economic zone, developers and tourism enterprise locators therein that will transfer registration to TIEZA shall be entitled to avail of incentives under Sec. 86 and 87 of R.A. 9593, subject to relevant existing Revenue Regulations issued by the Bureau of Internal Revenue.

5.2 Registered zone developer and tourism enterprise locators will only continue to avail the incentives currently being enjoyed under other existing laws after its transfer to TIEZA. They shall be entitled to 5% GIT but shall cease to avail of the income tax holiday if they are still entitled to the balance of ITH period granted to them.

- 5.3 Registered zone developer and tourism enterprise locators may avail of other incentives from other IPAs which are not granted or have no similar incentives under TIEZA. There will be no double availment of the same type of incentives.
- 5.4 Integrated tourism development estates with pending application with TIEZA which designation as a TEZ were deferred due to the issued “**designation/registration moratorium**” by the Secretary of the Department of Tourism and proceeded with its development prior to the release of Revenue Regulations No. 7-2016, shall be granted 5% GIT. Tourism Enterprises that were not able to apply TIEZA registration due to the moratorium and had commenced business operations may apply for availment of incentives.
- 5.5 Existing tourism economic zones and the tourism enterprise locators registered with the DTI, PEZA and BCDA granted with “**limited incentives**” due to geographical limitations shall also be entitled to 5% GIT and other incentives under TIEZA;
- 5.6 The availment of incentives under R.A. 9593 shall be reckoned from the date of the signing of the registration agreement with TIEZA.
- 5.7 Registered zone developer and tourism enterprise shall request TIEZA for the issuance of “Certificate of Entitlement” within seven (7) days from signing of Registration Agreement.

6.0 Payment and Fees

- 6.1 Designated and registered zones & tourism enterprises by TIEZA shall pay the following fees:
- TEZ
 - Designation Fee – Php 150,000.00
 - Publication Fee – Php 100,000.00
 - Registered Tourism Enterprises
 - Registration Fee – Php 10,000.00
 - Publication Fee – Php10,000.00

7.0 Effectivity

This guidelines shall take effect immediately and supersede issuances which are inconsistent or contrary thereof.