

# || TIEZAWORKS

P H I L I P P I N E S



# TOURISM ENTERPRISE P H I L I P P I N E S ZONE

The background is a solid blue color with a subtle pattern. A dark blue map of the Philippines is centered. Overlaid on the map is a light blue compass rose with a star in the center. Dashed white lines represent flight paths, connecting various points across the map. Small white icons of airplanes are scattered along these paths. The text 'TOURISM ENTERPRISE P H I L I P P I N E S ZONE' is prominently displayed in white, bold, sans-serif capital letters. The word 'P H I L I P P I N E S' is smaller and spaced out between 'ENTERPRISE' and 'ZONE'.

**TIEZA Background**

**Tourism Enterprise Zone (TEZ)**

**Fiscal and Non-Fiscal Incentive**

**Designated Private TEZs**

**Flagship TEZs**



# TIEZA

On May 12, 2009, **RA 9593** or the **Tourism Act of 2009**, was signed into law providing for, among others, the reorganization of the Philippine Tourism Authority into the **Tourism Infrastructure and Enterprise Zone Authority** or **TIEZA**.

**TIEZA** is a body corporate under the supervision of the Secretary and attached to the Department of Tourism for purposes of program and policy coordination.



# Board of Directors

Chairperson

**DOT Secretary Wanda Corazon T. Teo**

Vice Chairperson

**TIEZA Chief Operating Officer Pocholo J.D. Paragas**

Members:

The Secretary, Department of Interior and Local Government  
The Secretary, Department of Public Works and Highways  
The Secretary, Department of Environment and Natural

Resources

The Chairman, Mindanao Development Authority  
The Chief Operating Officer, Tourism Promotions Board  
Representative from Accommodation Sector  
Representative from Tourism Transport Services  
Representative from Medical Tourism  
Representative from Tourism Estate Management  
Representative from Travel and Tours

# Mandate

- To develop, manage and supervise tourism infrastructure projects nationwide
- To designate, regulate, and supervise Tourism Enterprise Zones (TEZs) established under R.A. 9593
- To grant and administer fiscal and non-fiscal incentives

# Jurisdiction

- Shall have sole and exclusive jurisdiction in the establishment and designation of a Tourism Enterprise Zone (TEZ) as well as the registration of Tourism Enterprises (RTE) which shall not be impliedly repealed or modified
- Shall issue all permits and licenses to TEZ Operators and Registered Tourism Enterprises
- Shall administer and grant the incentives under RA 9593



## Tourism Enterprise Zone (TEZ)

- Is one contiguous territory
- Has historical and cultural significance, environmental beauty, or existing or potential integrated leisure facilities
- Has, or it may have, strategic access through transportation infrastructure, and connection with utilities infrastructure systems
- must be sufficient in size (5 hectares for Private and 50 hectares for Flagship TEZ)
- Is in a strategic location

\*\*\* minimum investment requirement of \$ 5M

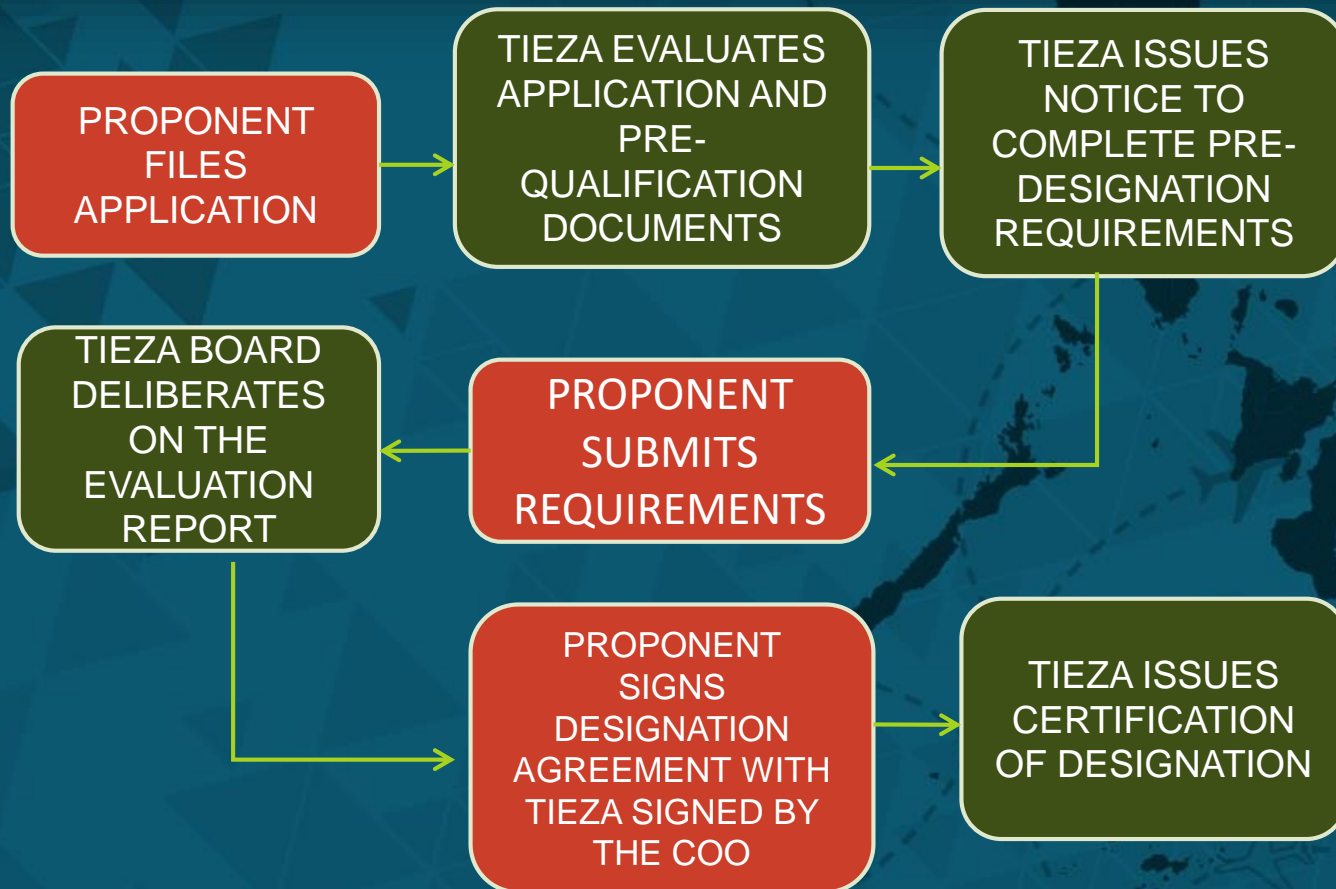




# Who may apply for designation as TEZs?

- Private entity created under Corporation Code
- Local Government Unit or any instrumentality of government in pursuit of its mandate
- Joint Venture between Private and Public Sector

# Designation of TEZs and Registration of Tourism Enterprises (RTEs)



# Facilities, Services and Attractions Involved in Tourism

- Travel and Tour Services
- Tourist Transport Services
- Adventure Sports Services
- Convention Organizers
- Accommodation Establishments
- Theme Parks
- Convention Centers
- Zoos
- Retirement Facilities may locate within TEZs
- Tourism Estate Management Services
- Restaurants
- Shops
- Sports and Recreational Centers
- Spas
- Facilities offering Health and Wellness Services
- Museums and Galleries



# Zone Development (Operation And Administration)

- TEZ Operator: Corporate Entity
- TEZ Administrator: Appointed by TEZ Operator
- RTEs or Locators: Tourism Enterprise

# One-Stop Shop

Prospective TEZ investors and tourism enterprises can register under a single window system to avail of the incentives and benefits under the Act, including the issuance of permits and visas.

TIEZA shall collect fees necessary for the issuance of these permits and licenses.



# Fiscal Incentives

## INCOME TAX HOLIDAY

- Income tax exemption for a period of six (6) years, extendible for another six (6) if the enterprise undertakes a substantial expansion or upgrade of its facilities prior to the expiration of the first six (6) years.

## NET LOSS CARRY OVER

- These enterprises shall be allowed to carryover as a deduction from the gross income for the next six (6) consecutive years immediately following the year of the loss, their net operating losses.





# Fiscal Incentives

## GROSS INCOME TAXATION

- Except real estate taxes and such fees as may be imposed by the TIEZA, a new enterprise shall be pay a tax of 5% on its gross income in lieu of all national and local taxes and license fees, imposts and assessments.

## TAX and DUTY FREE IMPORTATION OF :

- a. Capital Investment and Equipment
- b. Transportation equipment and Spare parts
- c. Goods and services

**TAX CREDIT** equivalent to all national internal revenue taxes paid on all locally-sourced goods and services



# Fiscal Incentives

## SOCIAL RESPONSIBILITY INCENTIVE

- Tax deduction equivalent to fifty percent (50%) of the cost of environmental protection or cultural heritage, preservation activities, sustainable livelihood programs, and other similar activities as approved by the TIEZA Board.





# Non-Fiscal Incentives



## EMPLOYMENT OF FOREIGN NATIONALS

- A registered enterprise may employ foreign nationals in executive, supervisory, technical or advisory position for such reasonable periods and under such terms as may be provided by the TIEZA Board., provided that the total number of foreigners shall not exceed 5% of total workforce.

## SPECIAL INVESTOR'S RESIDENT VISA

- A foreign national who invests at least Two Hundred Thousand Dollars (\$200,000.00) in a TEZ and/or a Registered Tourism Enterprise, his dependents, spouse and unmarried children under 18 years of age, shall be entitled to a special investor's resident visa



# Non-Fiscal Incentives

## LEASE OF LAND

- Lands and buildings in each TEZ may be leased to foreign investors for a period not exceeding fifty (50) years, renewable once for a period of not more than twenty-five (25) years.
- The leasehold right acquired under long-term contracts may be sold, transferred or assigned

## RIGHT TO FOREIGN CURRENCY TRANSACTIONS IS GUARANTEED

## NO REQUISITION OF INVESTMENT





Limited to EXISTING ACCOMMODATION ESTABLISHMENTS outside a TEZ which shall undertake substantial expansion or upgrade of its facility such as hotels, tourist inns, motels, apartelles, resorts, home stay operators and pension houses

- INCOME TAX HOLIDAY
- TAX AND DUTY-FREE IMPORTATION ON CAPITAL INVESTMENT AND EQUIPMENT

# Incentives for Enterprises Outside TEZs



## DESIGNATED PRIVATE TEZs

It is an 13.9-hectare mixed residential, commercial and gaming, sports and hotel-use zone. It is home to luxury hotels, malls, theater and a convention center.



# Resorts World Manila (Pasay)





It is a 58-hectare events complex that provides a robust portfolio of service and recreational facilities, transport, infrastructure, sustainable townships and prime residential condominiums.

# Ciudad De Victoria (Bulacan)

It is a 70-hectare property with four components: 18-Hole Golf Course and Hotel; Condominium Hotel Resort; Retirement Village ; and Golfer's Village.



# Queen's Castle Cebu



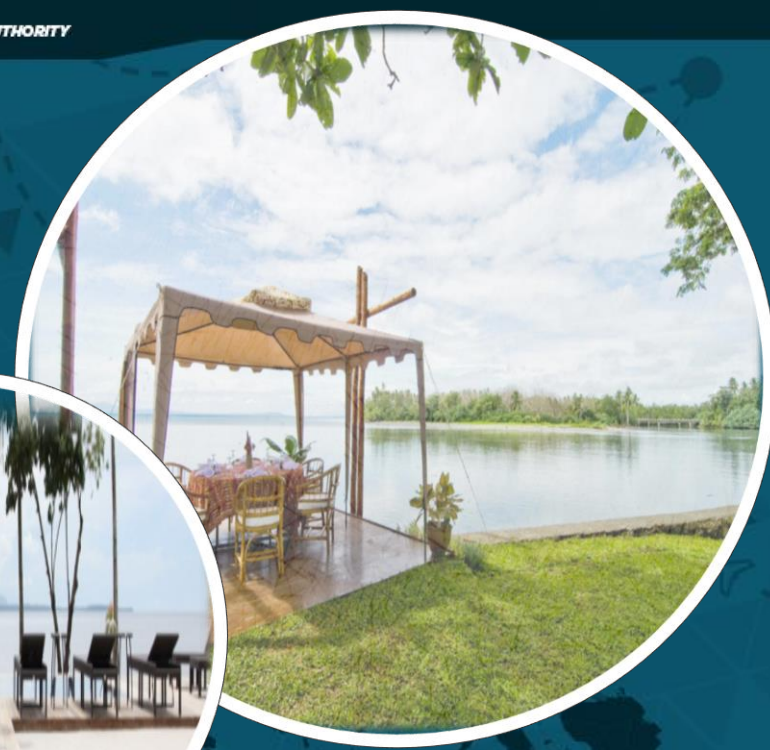


It is a 19.4-hectare general leisure zone operating a medium quality accommodation facility with complete amenities such as swimming pool, spa and dining, chapel, and 9-hole golf course.

# Bravo Golf (Negros Occidental)

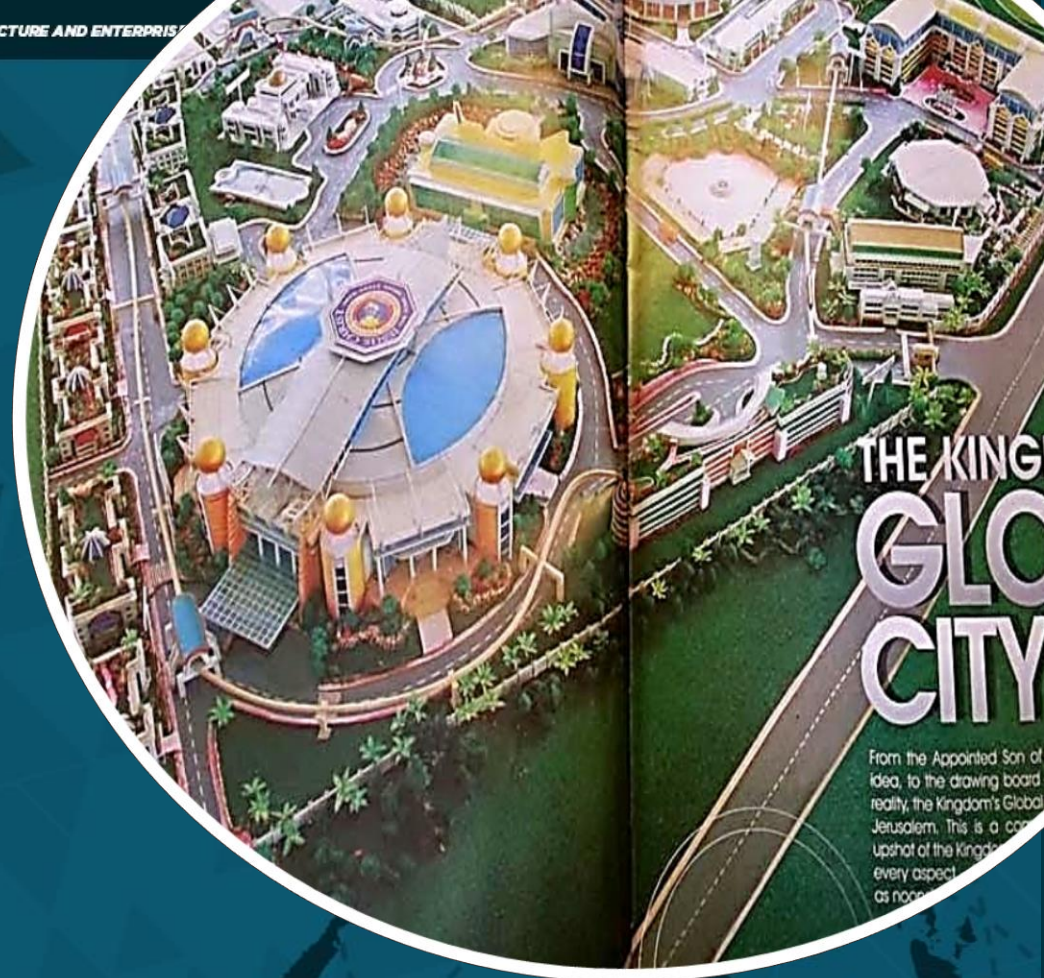


It is a 350-hectare property composed of the following: leisure villas, safari recreational site, urban parks and resort hotel.



# Hijo Plantation (Tagum City, Davao)

It is a 26-hectare property that is envisioned to house the grandest integrated leisure resort complex.



# Kingdom Global City (Davao)





It is a 16-hectare integrated tourism center that will house a 225-room internationally branded hotel; 76-room boutique hotel and beach club; residential-retirement community; nature park and botanical garden.

# Jewel Resorts (Puerto Princesa, Palawan)



It is a 7-hectare property with a hotel and restaurant, wellness facility, arts village, Tawala Marine Protected Area Center, and other activity facilities and areas.



# Amorita Resort (Panglao, Bohol)

# Flagship Tourism Enterprise Zone

A joint initiative of the Department of Tourism (DOT) and TIEZA to seek out and develop areas in the Philippines with viable tourism potential.

## National Tourism Development Plan

- Disperse tourism activity throughout the entire country
- Improve tourism investment and business climate
- Proactively identify flagship tourism investment through TIEZA



# FLAGSHIP TEZs

A Flagship TEZ as a tourism enterprise zone with the following characteristics:

- Master planned
- Provided with basic infrastructure support
- Infused with incentives
- Distributed benefits to local community
- Conducive environment for locators or Registered Tourism Enterprise





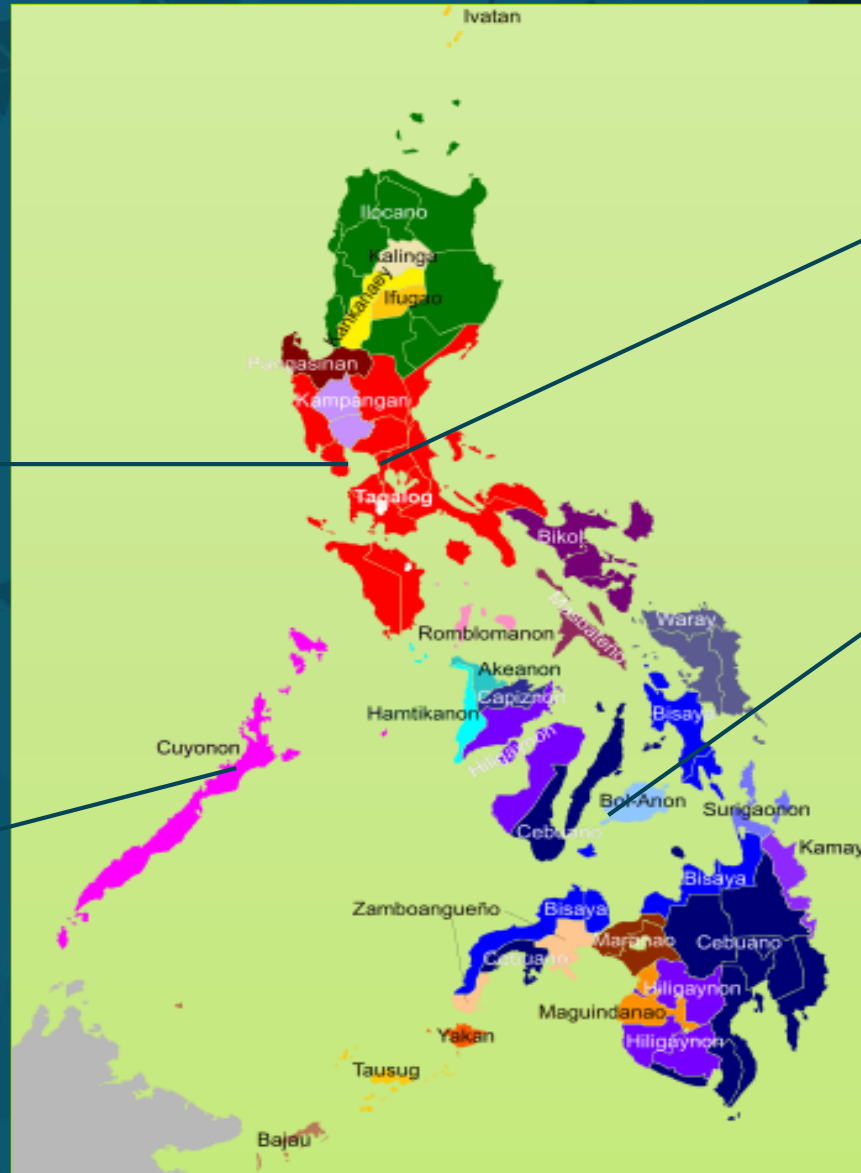
# IDENTIFIED FLAGSHIP TOURISM ENTERPRISE ZONE

**MT. SAMAT  
FLAGSHIP TEZ  
(PILAR, BATAAN)**

**SAN VICENTE  
FLAGSHIP TEZ  
(SAN VICENTE,  
PALAWAN)**

**RIZAL PARK  
COMPLEX  
FLAGSHIP TEZ  
(MANILA)**

**PANGLAO BAY  
PREMIERE  
FLAGSHIP TEZ  
(PANGLAO,  
BOHOL)**



# San Vicente Long Beach Palawan

*-Master plan completed last December 2014*



A 14.7-kilometer long beach along Imuruan Bay, expected to be transformed into a dynamic and environmentally sustainable tourist destination.

## Developments:

1. Beach and Mountain Resorts
2. Agri-tourism Area
3. Cultural Heritage Tourism Area
4. Retirement Village
5. Accommodation Facilities
6. Airport
7. Cruise Tourism Facilities

# Rizal Park Complex (Manila)

*-Master plan approved and designated as a Flagship TEZ last October 2014*

A 54-hectare property of rich history, culture and heritage nestled in nature. It is envisioned to be a “Nation’s Premier Historic Green Park.”

## Developments:

1. Amenity Cores
2. Botanical Garden
3. Antique Shops
4. Art Enclaves
5. Esplanade
6. Redevelopment of Playground
7. Cruise Ship Dock





# Mt. Samat Shrine (Pilar, Bataan)

*-Master plan approved and designated as Flagship TEZ last October 2014*

The 75 has area of the Mt. Samat Shrine houses the historical “Dambana ng Kagitingan” and the historical steel Cross. There is a limited area for new development in the Shrine area, hence, a 145 has TEZ Locator Site will be developed in support of the Shrine with the same historical and heritage development theme.

## Developments:

1. Improvement of Cross
2. Underground Museum
3. Rehabilitation of the Colonnade
4. Tribute Wall/Memorial Centers
5. Commercial Areas
6. Agricultural-Residential Areas
7. Recreation Areas



# Panglao Bay Premiere Bohol

*-Master planning already commenced this April 2016*



An expanse of 111 hectares of mostly greenfield areas that will be positioned as a mixed-use large-scale integrated leisure resort.



02-5519556



tez.secretariat@gmail.com



tieza.gov.ph

# || TIEZAWORKS

P H I L I P P I N E S

