

Republic of the Philippines
Bangsamoro Autonomous Region in Muslim Mindanao
BANGSAMORO TRANSITION AUTHORITY
Cotabato City

SECOND PARLIAMENT
Second Regular Session

BTA Bill No. 286



Introduced by: GOVERNMENT OF THE DAY

**AN ACT PROVIDING FOR THE REVENUE CODE OF THE BANGSAMORO
AUTONOMOUS REGION IN MUSLIM MINDANAO, APPROPRIATING FUNDS
THEREFOR, AND FOR OTHER PURPOSES**

TITLE I — GENERAL PROVISIONS

ARTICLE 1 - Short Title and Declaration of Policy

SECTION 1. *Short Title.* — This Act shall be known as the Bangsamoro Revenue Code (BRC) of the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

SECTION 2. *Declaration of Policy.* — Pursuant to the autonomy granted to the BARMM by the Constitution and the Bangsamoro Organic Law (BOL), it is hereby declared the policy of the Bangsamoro Government to establish a revenue system that is consistent with the principles of equalization, equity, accountability, administrative simplicity, harmonization, economic efficiency, and fiscal autonomy, is reflective of the aspirations of the people and their system of life as prescribed by their faith, in harmony with their customary laws, cultures, and traditions, and will contribute to self-sufficiency and genuine development in the region.

ARTICLE 2 - Scope and Sources of Revenue

SECTION 3. *Scope.* — The BRC shall govern the levy, assessment, and collection of all regional taxes, fees, charges, and the administration of other regional revenue sources and tax expenditures. It shall also cover the assessment and collection of Capital Gains, Documentary Stamp, Donor's and Estate Taxes under Section 9, Article XII, and the collection of other national taxes under Sections 11 and 12, Article XII, both of the BOL.

SECTION 4. *Sources of Revenue.* — The sources of revenue of the Bangsamoro Government include:

- (a) Taxes, in accordance with the BOL;
- (b) Fees and charges;
- (c) Annual block grant from the National Government;
- (d) Revenues or shares in revenues from the exploration, development, and utilization of natural resources derived from land or water areas or territories within the Bangsamoro territorial jurisdiction;
- (e) Capital Gains, Documentary Stamp, Donor's and Estate taxes under the National Internal Revenue Code (NIRC), as amended, when all the taxable elements are within the BARMM;
- (f) Share in the National Government taxes, fees, and charges collected in the Bangsamoro territorial jurisdiction;

- (g) Dividends from Bangsamoro government-owned or -controlled corporations (GOCCs) and other corporations, and shares from the dividends of national government-owned or -controlled corporations and their subsidiaries in the BARMM as may be determined by the Intergovernmental Fiscal Policy Board (IFPB);
- (h) Grants from economic agreements or conventions entered into by the Bangsamoro Government to which the National Government is a party;
- (i) Grants, endowments, donations, foreign assistance, and other forms of aid;
- (j) Loans and official development assistance;
- (k) Shares and revenues generated for the operations of public utilities within the Bangsamoro territorial jurisdiction;
- (l) Appropriations and other budgetary allocations from the National Government;
- (m) Tax on ordinary stones, sand, gravel, earth, and other quarry resources, as defined by the provisions of the NIRC, as amended, extracted from public lands or from the beds of seas, lakes, rivers, streams, creeks, and other public waters within its territorial jurisdiction; and
- (n) Other revenue sources as may be provided by law.

ARTICLE 3 - Definitions of and Construction of Terms

SECTION 5. *Definitions.* — When used in the BRC, these terms, whether used in the singular or plural, shall mean as follows:

- (a) *“Bangsamoro Autonomous Region in Muslim Mindanao”* or *“BARMM”* refers to the autonomous region established by virtue of Republic Act No. (R.A. No.) 11054, also known as the *“Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao”*;
- (b) *“Bangsamoro Government”* refers to the corporate governmental entity with all the powers granted to it by the Constitution, the BOL, and other statutes, as well as those implied, necessary for, or incidental to, the governance of the BARMM, including the Bangsamoro Parliament, Bangsamoro Government of the Day, and various instrumentalities through which political authority is exercised;
- (c) *“Bangsamoro Parliament”* refers to the body in which the powers of government are vested and shall have legislative authority to enact laws on matters that are within the powers and competencies of the Bangsamoro Government;
- (d) *“National Government”* refers to the entire machinery of the central government, as distinguished from the different levels of local governments;
- (e) *“Bangsamoro Organic Law”* or *“BOL”* refers to R.A. No. 11054, also known as the *“Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao,”* the purpose of which is to establish a political entity, provide for its basic

structure of government in recognition of the justness and legitimacy of the cause of the Bangsamoro People and all indigenous cultural communities in the BARMM and their aspirations to secure their identity and posterity, and allow for meaningful self-governance within the framework of the Constitution and the national sovereignty as well as territorial integrity of the Republic of the Philippines;

- (f) *“Bangsamoro Revenue Office”* or *“BRO”* refers to the office whose primary function is to assess and collect all taxes, fees, and charges, unless otherwise delegated or assigned by law, and account for all revenues collected, including national taxes that it is authorized to assess and collect under the BOL or other laws;
- (g) *“Bangsamoro Revenue Office Director”* refers to the head of the BRO;
- (h) *“Bangsamoro Treasury Office”* or *“BTO”* refers to the office whose primary function is to receive and safeguard all the revenues generated and collected by the Bangsamoro Government;
- (i) *“Bangsamoro Treasurer”* refers to the head of the Bangsamoro Treasury Office;
- (j) *“Chief Minister”* refers to the head of the Bangsamoro Government;
- (k) *“Code of Muslim Personal Laws”* refers to Presidential Decree No. (P.D. No.) 1083, also known as, the *“Code of Muslim Personal Laws of the Philippines,”* as amended;
- (l) *“Intergovernmental Fiscal Policy Board”* or *“IFPB”* refers to the body created under Section 4, Article VI, of the BOL and with functions enumerated in Section 37, Article XII, and other relevant sections of the BOL;
- (m) *“Islamic Banking Act”* refers to R.A. No. 11439, also known as, the *“An Act Providing for the Regulation and Organization of Islamic Banks”*;
- (n) *“Local Government Units”* or *“LGUs”* refer to the constituent units of the BARMM, such as the provinces, cities, municipalities, barangays, and such other political subdivisions established by law or in accordance with the BOL;
- (o) *“Ministry of Finance, and Budget and Management”* or *“MFBM”* refers to the ministry which is primarily mandated to evolve sound, efficient, and responsive fiscal management, and utilization of resources, and is responsible for the formulation, institutionalization, and administration of fiscal policies in coordination with other concerned ministries, agencies, and instrumentalities of the Bangsamoro Government;
- (p) *“Minister”* refers to the head of the MFBM; and
- (q) *“National Internal Revenue Code”* or *“NIRC”* refers to R.A. No. 8424, also known as, the *“National Internal Revenue Code of 1997,”* as amended.

SECTION 6. *Construction of Terms and Provisions.* — In constructing the provisions of the BRC, the following rules of construction shall be observed, unless inconsistent with the manifested intent of the provision, or when applied would lead to absurd results:

- (a) *General Rule.* — All words and phrases shall be construed and understood according to the common and approved usage of language, but such words and phrases which may have acquired technical, peculiar, or appropriate meanings shall be construed and understood according to their respective technical, peculiar, or appropriate meanings;
- (b) *Number.* — Every word importing a singular number shall extend and apply to several persons or things, and every word importing the plural number shall extend and apply to one person or a thing as well;
- (c) *Computation of Time.* — The time within which an act is to be done as provided in the BRC or in any rule or regulation issued pursuant to its provisions, when expressed in days, shall be computed by excluding the first day and including the last day, except, if the last day falls on a Sunday or holiday in which case the same shall be excluded from the computation and the next business day shall be considered the last day;
- (d) *References.* — All references to chapters, articles, sections refer to the chapters, articles, sections in the BRC, unless otherwise specified;
- (e) *Conflicting Provisions of Chapters.* — If the provisions of different chapters conflict with or contravene each other, the provisions of each chapter shall prevail as to all specific matters and questions involved within the chapter;
- (f) *Conflicting Provisions of Sections.* — If the provisions of different sections in the same article conflict with each other, the provisions for the section which is last in point of sequence shall prevail;
- (g) *Full Implementation of Fiscal Autonomy.* - The provisions of the BRC shall be interpreted in a manner that will fully implement the fiscal autonomy and powers granted to the Bangsamoro Government by the Philippine Constitution and the BOL; and
- (h) *Self-executing Provisions.* - The provisions of the BRC shall be self-executing, without prejudice to the issuance of additional implementing guidelines by the MFBM;

TITLE II — REGIONAL TAXES

CHAPTER 1 — General Provisions

ARTICLE 1 - Construction of Terms Used in This Title

SECTION 7. *Applicability Clause.* — Unless they conflict with this Title, the definitions, procedures, and provisions in the Bangsamoro Local Governance Code (BLGC), as may be amended, shall be applicable to the taxes under this Title, which are levied on the same taxes imposed by the LGUs under the BLGC. *Provided,* That the taxpayer's remedies and the BRO's remedies for the collection of taxes under the BRC shall be applicable for all regional taxes under the BRC.

ARTICLE 2 - Administration of Regional Taxes

SECTION 8. *Deputization of Local Treasurers and Other Officials.* — Unless otherwise stated, the taxes under this Title shall be enforced by the BRO, which may deputize provincial, city, or municipal treasurers, barangay treasurers, and other officials of LGUs and Bangsamoro Government, as may be necessary for the efficient and effective collection of regional taxes. The BRO shall coordinate with the Bureau of Local Government Finance (BLGF) of the Department of Finance (DOF) for the implementation of this section.

SECTION 9. *Remittance of Taxes by Deputized Collection Officers and Withholding Agents.* — The Provincial, City, or Municipal Treasurer, and other officers, who have been deputized by the BRO for the collection of regional taxes, and withholding agents, shall remit the regional taxes collected or withheld within ten (10) days of the month succeeding the month in which the regional tax was collected or withheld. The remittances shall be deposited with the BTO using forms and procedures as may be determined by the BRO in coordination with the BTO.

SECTION 10. *Support for LGUs and Deputized Officers.* — Pursuant to appropriations approved by the Bangsamoro Parliament, the Bangsamoro Government may provide support to the offices deputized by the BRO, to perform functions, conduct capacity building, or implement programs, which may be necessary for implementation of this Title and to improve tax administration.

SECTION 11. *Digitalization of Tax Collection.* The BRO shall implement a program to digitalize the collection of regional taxes. The tax collection system shall, as far as practicable, be designed with interface and interoperability with the information systems of local and National Government offices (if any), which may be involved in the collection of taxes under the BRC or whose data are necessary for the efficient collection of taxes by the BRO and its deputized officers.

SECTION 12. *Authority to Promulgate Rules for Implementation of Regional Taxes* —The MFBM shall issue rules and regulations from time to time to clarify and set additional procedures to implement this Title. The Ministry shall ensure that implementing rules are organized so that related implementing rules are integrated into a single regulation, which can be amended and updated as necessary.

CHAPTER 2 — Taxes on Real Property

ARTICLE 1 — Real Property Tax

SECTION 13. *Imposition of Tax.* — There shall be levied, assessed, and collected, from the owner of the real property, the person having legal interest in the real property, or its agent, an annual regional *ad valorem* tax of one percent (1%) on the assessed value of all real property such as lands, buildings, machinery, and other improvements affixed or attached to real property located in the BARMM, except on those exempted herein. The assessed value shall be based on the values set by LGUs in accordance with the BLGC.

SECTION 14. *Exemptions.* — The following are exempted from payment of the real property tax:

- (a) Real property owned by the Republic of the Philippines or any of its political subdivisions except when the beneficial use thereof has been granted, for consideration or otherwise, to a taxable person;
- (b) Real property owned by the BARMM or any of its political subdivisions, except when the beneficial use thereof has been granted, for consideration or otherwise, to a taxable person;
- (c) Mosques, madaris, tahfidz, charitable institutions, churches, parsonages, or convents appurtenant thereto, nonprofit, or religious cemeteries, and all lands, buildings, and improvements that are actually, directly, and exclusively used for religious, charitable, or educational purposes;
- (d) Waqf properties, that is, assets that are donated, bequeathed, or purchased for being held in perpetual trust for general or specific charitable causes that are socially beneficial in accordance with *Shari'ah* principles;
- (e) All machineries and equipment that are actually, directly, and exclusively used by local water districts and GOCCs engaged in the supply and distribution of water and/or generation and transmission of electric power;
- (f) Machinery and equipment used for pollution control and environmental protection;
- (g) All real property owned by duly registered cooperatives as provided for under R.A. No. 6938, also known as the "*Cooperative Code of the Philippines*"; and
- (h) Other real property, which may be exempted by the BLGC from the real property tax (RPT) imposed therein.

All the properties mentioned in this section shall be valued for the purpose of assessment and records.

SECTION 15. *Time of Payment.* — The RPT shall be paid by the taxpayer within the first twenty (20) days of January. However, at the discretion of the taxpayer, the tax due may be paid without penalty in four equal installments: the first installment to be due and payable on or before March 31; the second installment, on or before June 30; the third installment, on or before September 30; and the last installment on or before December 31, all of the same year.

SECTION 16. *Discount for Advance Payments.* — There shall be a discount of twenty percent (20%) of the regional tax due for taxpayers with no tax delinquency who will pay the tax imposed in this Article in full before January 20.

SECTION 17. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall apply:

- (a) *Copy of RPT Declaration.* — The Provincial, City, or Municipal Assessor is hereby required to furnish the BRO a copy of RPT declaration of all properties assessed within their areas of jurisdiction;
- (b) *Amount of Annual Regional Tax Due.* - The Provincial, City, or Municipal Assessor is hereby required to indicate on the tax declaration of real property the amount of annual regional tax due; and
- (c) *General Revision of Real Property Assessments.* - The LGUs shall conduct general revision of real property assessments in accordance with the provisions of the BLGC, without prejudice to the BRO recommending the conduct of a general revision earlier than the period stated in the same, which shall require approval by the Parliament.

ARTICLE 2 — Tax on Transfer of Real Property

SECTION 18. *Imposition of Tax.* — There shall be levied, assessed, and collected, from the seller, donor, transferor, executor, or administrator, a regional tax on the sale, donation, barter or any other mode of transferring ownership or title of real property at the rate of one percent (1%) of the total consideration involved in the acquisition of the property or of the fair market value (FMV) in case the monetary consideration involved in the transfer is not substantial, whichever is higher.

SECTION 19. *Exemption.* — The transfer of real property ownership pursuant to R.A. No. 6657, also known as the “*Comprehensive Agrarian Reform Program*”, as amended, shall be exempt from this tax.

SECTION 20. *Time of Payment.* — The tax on transfer of real property shall be paid by the taxpayer within sixty (60) days from the date of the execution of the deed or from the date of the decedent's death.

SECTION 21. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall be observed:

- (a) *Presentation of Evidence.* - The Register of Deeds of the province or city shall require the presentation of evidence of payment of this tax before registering any document, instrument or deed transferring real property ownership;
- (b) *Issuance of New Tax Declaration.* - In appropriate cases, the provincial, city or municipal assessor shall also make the same requirement before canceling an old tax declaration and issuing a new one; and
- (c) *Deed of Transfer of Ownership or Title.* - Notaries public shall furnish the BRO, and provincial, city or municipal treasurer with a copy of any deed transferring ownership or title to any real property within thirty (30) days from the date of notarization.

ARTICLE 3 — Tax on Idle Lands

SECTION 22. *Imposition of Tax.* — There is hereby levied, assessed, and collected, from the seller, donor, transferor, executor, or administrator, a regional tax on idle lands, at the following rates:

- (a) For commercial and industrial lands, at the rate of one-half (1/2) of one percent (1%) of the assessed value of the property; and
- (b) For agricultural and residential lands, at the rate of one-fourth (1/4) of one percent (1%) of the assessed value of the property.

The assessed value shall be based on the values set by LGUs in accordance with the BLGC.

SECTION 23. *Exemption.* — Lands affected by force majeure, civil disturbance, natural calamity or any analogous cause or circumstance, which physically or legally prevents the owners or persons with legal interest from improving or cultivating the same, shall be exempted from this levy.

SECTION 24. *Time of Payment.* — The tax on idle lands shall be paid by the taxpayer within sixty (60) days from the date of the execution of the deed or from the date of the decedent's death as provided in the BLGC.

SECTION 25. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall be observed:

- (a) *Inventory of Idle Lands.* — The provincial and city assessors shall complete an inventory of all idle lands within their respective areas of jurisdiction within a period of two (2) years from the effectivity of the BRC. In conducting the inventory, the local assessors shall indicate the size of land, the type of land use, the degree of land utilization, and other data or information necessary to carry out the purposes of the BOL and in line with implementing guidelines to be issued by the BRO. The local assessors shall furnish the BRO with the inventory of idle lands. Pursuant to an appropriation act, the Bangsamoro Government may provide resources and support to LGUs for the conduct of the inventory.
- (b) *Collection of Tax.* — Collection of the tax on idle lands shall begin in the fiscal year immediately after the end of the two-year inventory period or the date set by Parliament for the collection of the taxes under the BRC, whichever comes later.

ARTICLE 4 — Special Development Levy

SECTION 26. *Imposition of Tax*— There shall be levied, assessed, and collected, from taxpayer, a regional tax on lands within the territorial jurisdiction of the BARMM specially benefited by public works projects or improvements funded by the Bangsamoro Government at the maximum rate of three percent (3%) of the increased value between the current assessed value of the real property in the development project area and the base assessed value of such real property: *Provided however,* That the special levy shall not exceed sixty percent (60%) of the actual cost of such projects and improvements, including the costs of acquiring land and such other real property in connection therewith: *Provided further,* That the Special Development Levy maximum rate of three percent (3%) can be adjusted downward if the sixty percent (60%) threshold on project cost is exceeded. The three percent (3%) maximum rate of the special levy is also without prejudice to the authority of the MFBM to impose different tax rates depending on whether the properties are more or less benefited by the projects or improvements, as provided in Section 31.

SECTION 27. *Definitions.* — When used under this Article, these terms, whether used in the singular or plural, shall mean as follows:

- (a) “*Base assessed value*” refers to the assessed value of the real property specially benefited by public works projects or improvements funded by BARMM before the start of such projects or improvements. The assessed value shall be based on the values set by LGUs in accordance with the BLGC; and
- (b) “*Current assessed value*” refers to the assessed value of the real property specially benefited by public works projects or improvements funded by BARMM upon the completion of such projects or improvements. The reassessment shall be conducted by the BRO in coordination with local assessors. Once established, the current assessed value shall also be utilized

for the purposes of collecting other regional taxes using the assessed value as base for the next taxable year.

SECTION 28. *Exemptions.* — The following are exempted from payment of the special development levy:

- (a) Lands exempt from basic RPT;
- (b) Public works involving the repair and maintenance of existing provincial or municipal roads at the time of the effective date of the BRC; and
- (c) Lands in fourth and fifth class municipalities as certified by the BLGF or in LGUs where the poverty rate is sixty-five percent (65%) or higher as certified by the Philippine Statistics Authority (PSA).

SECTION 29. *Reduction of Tax Due.* — The tax due from a real property owner shall be reduced by an amount equivalent to the real property, which the owner may have donated to the Bangsamoro Government for the construction of the public works projects or improvements covered by the special levy.

SECTION 30. *Time of Payment* - The special development levy shall be paid by the taxpayer within sixty (60) days from the date of the effectivity of the order imposing a special levy. The special development levy shall be paid by the taxpayer within the first twenty (20) days of January immediately after the effective date of the order imposing a special development levy. However, at the discretion of the taxpayer, the tax due may be paid without penalty in four equal installments: the first installment to be due and payable on or before March 31; the second installment, on or before June 30; the third installment, on or before September 30; and the last installment on or before December 31, all of the same year. The amount or amounts to be paid shall be based on the order imposing a special levy under Section 31. There shall be a discount of twenty percent (20%) of the regional tax due for taxpayers with no tax delinquency who will pay the tax imposed in this Article in full before January 20.

SECTION 31. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall be observed:

- (a) *Procedure for Collection.* - The payment of the special development levy shall follow the same procedure for the collection of the real property tax under Article 1, Chapter 2 of this Title.
- (b) *Order Imposing a Special Levy.* —The MFBM is authorized to issue an order for the imposition of a special levy, which shall be prepared in coordination with relevant offices or ministries. The order imposing a special levy shall describe with reasonable accuracy the nature, extent, and location of the public works projects or improvements to be undertaken, state the estimated cost thereof, specify the metes and bounds by monuments and lines and the number of

annual installments for the payment of the special levy which in no case shall be less than five (5) nor more than ten (10) years. The MFBM shall not be obliged, in the apportionment and computation of the special levy, to establish a uniform percentage of all lands subject to the payment of the tax for the entire district, but it may fix different rates for different parts or sections thereof, depending on whether such land is more or less benefited by the proposed work.

- (c) *Consultation with Affected Property Owners.* — Before imposing a special levy, the MFBM shall conduct a public hearing thereon, notify in writing the owners of the real property to be affected or the persons having legal interest therein as to the date and place thereof and afford the latter the opportunity to express their positions or objections to the proposed order.
- (d) *Effective Date of the Order for a Special Levy and Accrual of Special Levy.* — The special levy shall be effective fifteen (15) days from its publication in a newspaper of general circulation, and the website of the MFBM. The special levy shall accrue on the first day of the next year following the effective date of the order imposing such levy.
- (e) *Fixing the Amount of Special Levy.* — When the order issued by the MFBM under this Section has come into effect, the BRO, with the assistance of local assessors or independent external experts as may be necessary, shall determine the annual amount of special levy assessed against each parcel of land comprised within the area especially benefited and shall submit a report to the MFBM on its determinations. The BRO shall also send to each landowner a written notice of the annual amount of special levy assessed by mail, personal service, or publication in appropriate cases.
- (f) *Taxpayers' Remedies Against Special Levy.* — Any owner of real property affected by a special levy or any person having a legal interest therein may, upon receipt of the written notice of assessment of the special levy, avail of the remedies provided for in Title X of the BRC.

ARTICLE 5 — Tax on Luxury Residences

SECTION 32. *Imposition of Tax.* — There shall be levied, assessed, and collected, from the developer or owner, a tax at the rate of three percent (3%) of the construction cost of the luxury residential unit or three hundred seventy-five pesos (PhP 375.00) per square meter (sq. m.), whichever is applicable.

Notwithstanding this provision, the higher of the two tax computations shall be imposed in the case of luxury residential units which meet both the construction cost and floor area criteria in Section 33 (a).

SECTION 33. *Definitions.* — When used in this Article, these terms, whether used in the singular or plural, shall mean as follows:

- (a) *“Luxury Residential Unit”* is a residential unit or residential condominium unit with a construction cost of at least five million pesos (PhP 5,000,000.00) or with a floor area of at least 300 hundred square meters (300 sq. m.);
- (b) *“Construction Cost”* shall include the entire cost of constructing the residential or residential condominium unit, including all supervision, materials, supplies, labor, tools, equipment, transportation and/or other facilities furnished, used or consumed, without deduction on account of penalties, liquidated damages or other amounts withheld from payment to the contractor or contractors, but shall exclude land and right of way acquisition, the payments to consulting engineers, architects, project management fees, insurance, taxes, and advertising costs.

SECTION 34. *Time of Payment* - The tax on luxury residences shall be paid by the taxpayer on or before the application for building permit.

SECTION 35. *Administrative Provisions.* —In the implementation of this Article, the following provisions shall be observed:

- (a) *Enforcement of Tax.* - The tax under this Article shall be enforced by the BRO, which may deputize city or municipal treasurers, assessors, and officials involved in the issuance of building permits. Barangay treasurers may also be deputized to identify residential units which should be subject to the tax on luxury residences;
- (b) *Issuance of Building Permit.* - The tax shall be paid by the developer or owner as a prerequisite to the issuance of a building permit by the municipality or city. For clarity, if the house or unit is to be constructed by or on behalf of the owner of the house or unit itself, the tax shall be paid by the said owner. If the house or unit is to be constructed by or on behalf of a developer, which will resell the same to third parties, the developer shall pay the tax. This is without prejudice to passing the cost of the tax to the buyer as part of acquisition cost of the house or unit;
- (c) *Assessment of Accuracy of Cost Estimate.* - After the submission of the construction plans and cost estimates to the official issuing building permits, the city or municipal assessor shall assess the accuracy of the cost estimate and determine whether the residential or residential condominium unit is covered or exempt from the tax imposed in this Article;
- (d) *Endorsement of Cost Valuation or Exemption.* - If the city or municipal assessor determines that the unit is covered by the tax imposed in this Article, it shall endorse the construction cost valuation to the city or municipal treasurer for payment of the tax. Otherwise, it shall issue an exemption certificate;
- (e) *Proof of Tax Payment.* - The municipal or city official in charge of issuing building permits shall not issue such permits without proof that the tax under this Article has been paid. The building permit shall also not be issued in case any other RPT is due on the property where the luxury residential unit is constructed;

- (f) *Failure to Secure Permit and/or Misdeclaration of Cost.* - In case a luxury residential unit was constructed without securing a building permit and/or without paying the tax under this Article or in case the owner or developer misdeclared the construction cost or the area of the residential unit, the BRO or any of its deputized local assessors shall determine the construction cost based on construction costs on the year the construction of the unit was completed and shall cause the payment of any unpaid tax, surcharge, and interest;
- (g) *Installment Payment.* - The BRO may agree to an installment schedule for the payment of the tax herein with a payment period not exceeding five (5) years from the application of the building permit. No installment payment shall be allowed in the cases falling under the immediately preceding paragraph;
- (h) *Registration.* - The Register of Deeds of the province or city shall require the presentation of evidence of payment of or exemption from this tax before registering any document, instrument or deed transferring real property ownership; and
- (i) *Issuance of New Tax Declaration.* - In appropriate cases, the provincial, city or municipal assessor shall also make the same requirement before canceling an old tax declaration and issuing a new one.

CHAPTER 3 — Taxes on Businesses and Privileges

ARTICLE 1 — Tax on Banks and Other Financial Institutions

SECTION 36. *Imposition of Tax.* — There shall be levied, assessed, and collected, from banks and other financial institutions, excluding duly registered Islamic banks, doing business within the BARMM, a regional tax at the rate of one-fifth (1/5) of one percent (1%) of the gross receipts of the preceding calendar year derived from interest, commissions, and discounts from lending activities, financial leasing, dividends, rentals on property, profit from exchange or sale of property and insurance premium, in addition to business tax on banks and other financial institutions imposed by LGUs.

SECTION 37. *Time of Payment.* — This tax shall be paid within the first twenty (20) days of January or of each subsequent quarter, as the case may be.

ARTICLE 2 — Tax on Business of Printing and Publication

SECTION 38. *Imposition of Tax.* — There shall be levied, assessed, and collected, from the owner or operator, a regional tax, in addition to that which is imposed by the LGUs, at the rate of one-fifth (1/5) of one percent (1%) of the gross receipts of the preceding calendar year of the business of any person engaged in the printing and/or publication of books, cards, posters, leaflets, handbills, certificates, receipts, pamphlets, and other of similar nature published in the BARMM.

In the case of a newly started business, the tax shall not exceed the rate of one-twentieth (1/20) of one percent (1%) of the capital investment. In the succeeding calendar year, regardless of when the business started to operate, the tax shall be based on the gross receipts of the preceding calendar year, or any fraction thereof, as provided herein.

SECTION 39. *Exemption.* — The receipt from the printing and/or publishing of books or other reading materials prescribed by the Bangsamoro Ministry of Basic, Higher and Technical Education (MBHTE) and the Department of Education (DepEd) as school texts or reference shall not be included in the gross receipts subject to the tax herein imposed.

SECTION 40. *Time of Payment.* — The regional tax shall be paid by the taxpayer once within the first twenty (20) days of January or of each subsequent quarter, as the case may be. In case of newly started business, the taxpayer shall pay the corresponding tax prescribed in Section 38 hereof before the business starts to operate and if the business starts to operate after January 20, the tax shall be reckoned from the beginning of the calendar quarter when the business starts to operate.

When the business is abandoned, the tax shall not be exacted for the period longer than the end of the calendar year. If the tax has been paid for the period longer than the current quarter the business is abandoned, no refund of the tax corresponding to the unexpired quarter or quarters shall be made.

ARTICLE 3 — Tax on Franchises

SECTION 41. *Imposition of Franchise Tax.* — Notwithstanding any exemption granted by any law or other special law, there shall be levied, assessed, and collected, from the franchise holder, in addition to the tax imposed by the National Government and the LGUs, a regional franchise tax at the rate of one fifth (1/5) of one percent (1%) on businesses holding franchises based on the gross receipts of the preceding calendar year realized within the territorial jurisdiction of the BARMM.

In the case of a newly started business, the tax shall be at the rate of one-twentieth (1/20) of one percent (1%) of the capital investment. In the succeeding calendar year, regardless of when they started to operate, the tax shall be based on the gross receipts of the preceding calendar year, or any fraction thereof, as provided herein.

SECTION 42. *Time of Payment.* — The regional franchise tax shall be paid by the taxpayer to the BRO within the first twenty (20) days of January or of each subsequent quarter, as the case may be: *Provided*, That if a business subject to the regional franchise tax is closed, the franchise holder shall within twenty (20) days from such cessation of business, submit a certified statement of its gross receipts realized during the undeclared portion of the year and pay the tax due thereon.

SECTION 43. *Administrative Provisions.*—In determining the gross receipts for calculating the franchise tax under this Chapter, the BRO may review or inspect the books and other relevant records of the franchisee, including those in units outside the BARMM. The review shall be for the limited purpose of ascertaining the gross receipts generated within BARMM.

ARTICLE 4 — Amusement Tax

SECTION 44. *Imposition of Tax.* — There shall be levied, assessed, and collected, from the proprietor, lessee, or operator of theaters, cinemas, concert halls, circuses, boxing stadia, and other places of amusement, a regional amusement tax at the rate of five percent (5%) the gross receipts from admission fees.

SECTION 45. *Exemption* — The tax herein imposed shall not apply where the admission fees are collected for the holding of operas, concerts, dramas, recitals, painting and art exhibitions, flower shows, musical programs, literary and oratorical presentations, except pop, rock, or similar concerts.

SECTION 46. *Time of Payment.* — The regional amusement tax shall be paid by the taxpayer within the first ten (10) days of the succeeding month after the month in which the admission fees were collected. In the case of an itinerant operator or organizer, the tax must be paid before it moves out of its temporary premises.

In the case of theaters, or cinemas, the tax herein prescribed shall first be deducted and withheld by the proprietors, lessee, or operators of the theaters, cinemas, and remitted to the BRO or the duly authorized deputy before the gross receipts are divided between the proprietors, leases or operators of the theaters or cinemas and the distributor of the cinematographic films.

SECTION 47. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall be observed:

- (a) *Ticket Issuance.* - Every proprietor, lessee, or operator liable to the amusement tax shall provide tickets which shall be serially numbered, indicating therein the name of the amusement place and the charge for admission. The proprietors, lessees, or operators of amusement places shall register their admission tickets with the BRO or its deputized officers before selling the same to the public. The proprietors, lessees, or operators of the place of amusement shall keep a true and correct record of stock tickets, indicating the total number of registered tickets and the serial number of tickets sold from day to day. It shall be unlawful for any proprietor, lessee, or operator of an amusement place to keep any unregistered ticket in an amusement place. In cases of premier exhibition of films, road shows, benefit shows, or similar shows, where admission price is increased, separate sets of tickets shall be registered and used. Separate sets of tickets without the amusement tax printed with the price shall also be registered in the case of tax-exempted shows;

The use of slugs and others for admission tickets shall be authorized. Tickets presented at the gate entrance shall be cut into halves, the first half to be returned to the customer, and the second half to be retained by the management for accounting purposes. The use of a digital ticketing system is also allowed, if it can accurately generate the needed data and reports for determining the tax due;

- (b) *Submission of Return.* - Upon payment of the tax due, the proprietor, lessee, or operator shall submit a return containing the abstract of the number of tickets sold and unsold or distributed or undistributed, and the kinds of tickets, their quantity and serial numbers, and their corresponding admission prices;
- (c) *Posting of Notice.* - Operators of places issuing admission tickets shall keep a notice to that effect, which shall be immediately sent to the BRO, or its authorized deputy and a notice shall be continuously posted in the place of business for the information of the public; and
- (d) *Assignment of Duly Authorized Representatives.* - The BRO shall, whenever deemed necessary for the collection of the amusement tax, post a duly authorized representative at the gates of amusement places for the purpose of verifying all tickets sold therein.

ARTICLE 5— Contractors Tax

SECTION 48. *Imposition of Tax.* — There shall be levied, assessed, and collected, from every contractor, as defined under the BLGC, a regional tax at the rate of one percent (1%) of the contract price, for every contract with the Bangsamoro Government and LGUs as defined in the BRC.

SECTION 49. *Time of Payment* — The regional contractor's tax shall be withheld by the contracting agencies or LGUs and shall be remitted to the BRO not later than the 10th day of the succeeding month. The regional tax shall be withheld from every payment made to the contractor, including any retention once it is released to the contractor.

SECTION 50. *Administrative Provisions.* — In the implementation of this Article, a copy of the contract entered into by the Bangsamoro Government and LGUs shall be furnished to the BRO.

ARTICLE 6 — Tax on Delivery Vans and Trucks

SECTION 51. *Imposition of Tax.* — There shall be levied, assessed, and collected, from taxpayer, an annual regional tax at the rate of fifteen percent (15%) of the amount imposed by the LGUs on every truck, van or any vehicle used by manufacturers, producers, wholesalers, dealers or retailers in the delivery or distribution of distilled spirits, fermented liquors, soft drinks, cigars and cigarettes, and other products as may be determined by the respective local sanggunian, to sales outlets, consumers, whether directly or indirectly, within the BARMM.

SECTION 52. *Time of Payment* - The tax on delivery vans and trucks shall be paid by the taxpayer within the first twenty (20) days of January of each year.

SECTION 53. *Administrative Provisions.* — In the implementation of this Article, the BRO may utilize radio frequency identification or other technologies to identify trucks and delivery vans which have paid the tax under this Article.

CHAPTER 4— Taxes on Exploitation, Development and Utilization of Natural Resources

ARTICLE 1 — Sand and Gravel Tax

SECTION 54. *Imposition of Tax.* — There shall be levied, assessed and collected, from taxpayer, a regional tax at the rate of ten percent (10%) of the FMV per cubic meter of ordinary stones, sand, gravel, earth, pebbles, boulders, and other materials extracted from public or from beds of seas, lakes, rivers, streams, creeks, and other public waters, if such materials were extracted, removed and disposed from areas covering more than five (5) hectares (has) but not to exceed twenty (20) hectares (has) within the jurisdiction of the BARMM.

The imposition and collection of sand and gravel tax for areas with less than five (5) hectares (has) shall be governed by the BLGC.

SECTION 55. *Exemption.* — Any government agency and its instrumentalities undertaking construction of government infrastructure which was issued a government gratuitous permit shall be exempt from the payment of the regional sand and gravel tax imposed under this Article, without prejudice to the payment of application fees, if any.

SECTION 56. *Time of Payment* - The sand and gravel tax shall be paid by the taxpayer upon the issuance by the Ministry of Environment, Natural Resources, and Energy (MENRE) of the permit to extract sand and gravel and other quarry resources, and before these materials are taken or removed.

SECTION 57. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall be observed:

- (a) *Procedure for Collection.* — The regional sand and gravel tax shall be collected by the MENRE on behalf of the Bangsamoro Government, and shall be paid simultaneously with the payment of the amount due to it.

All payments due to the BTO shall be deposited by the MENRE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All collecting officers (COs) of the MENRE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the authorized government depositary bank (AGDB) daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Filing of permits.* — A copy of the permit issued by the MENRE to extract sand and gravel and other quarry resources within the Bangsamoro Region shall be furnished to the Bangsamoro Treasurer within ten (10) calendar days after the end of each calendar month; and
- (c) *Reports.* — All permit holders covered under this Article shall submit a copy of the detailed production report and annual financial and/or integrated report to the Bangsamoro Treasurer at the same time that such reports are submitted to MENRE, in accordance with R.A. No. 7942, as amended, also known as, the “*Mining Act of 1995*” and its IRRs.

ARTICLE 2 — Tax on Fishery and Aquatic Resources

SECTION 58. *Imposition of Tax.* — There shall be levied, assessed, and collected, from taxpayer, a regional tax at the rate of one-fourth (1/4) of one percent (1%) of the declared value of the fishery and aquatic resources.

SECTION 59. *Definitions.* — When used in this Article, these terms, whether used in the singular or plural, shall mean as follows:

- (a) “*Fishery and Aquatic Resources*” includes *bangus* fry, *lapu-lapu* fry, fish, seaweeds, prawns, shrimps, oysters, crabs, corals, pearls, and other aquatic resources caught/cultivated/cultured within the territorial jurisdiction of the BARMM, except if such resources are caught/cultivated/cultured by marginal fisherfolk; and
- (b) “*Marginal Fisherfolk*” refers to an individual engaged in subsistence farming or fishing which shall be limited to the sale, barter, or exchange of agricultural or marine products produced by himself/herself and his/her immediate family.

SECTION 60. *Time of Payment* - The tax on fishery and aquatic resources shall be paid by the taxpayer within the period stated in the succeeding section.

SECTION 61. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall be observed:

- (a) *Procedure for Collection.* - The tax herein provided shall be collected by the Ministry of Agriculture, Fisheries and Agrarian Reform (MAFAR) on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to such collecting agency upon application for a transport permit in accordance with R.A. No. 8550, as amended, also known as, the “*Philippine Fisheries Code of 1998*”, and its IRRs.

All payments due to the BTO shall be deposited by the MAFAR to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MAFAR shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Prohibition.* - It shall be unlawful for any person, cooperative, partnership, association or corporation to take or catch fish or other aquatic products for commercial purposes in the regional waters of the BARMM without the necessary permit or license issued by the MAFAR, including the payment of all applicable fees payable to the Bangsamoro Government.

ARTICLE 3 — Tax on Agricultural Products

SECTION 62. *Imposition of Tax.* — There shall be levied, assessed, and collected, from taxpayer, a regional tax at the rate of one-fourth (1/4) of one percent (1%) of the declared value of the agricultural products, except if such products are caught/cultivated/cultured by marginal farmers.

SECTION 63. *Definitions.* — When used in this Article, these terms, whether used in the singular or plural, shall mean as follows:

- (a) “*Agricultural Product*” includes the yield of the soil, such as corn, rice, cassava wheat, rye, hay, coconut, rubber, palm oil, sugarcane, tobacco, root crops, vegetables, fruits such as coffee, marang, banana, mango, *lanzones*, and other fruits, flowers and their by-products, ordinary salt, poultry, livestock and animal products, whether in their original form or not

The phrase “*whether in their original form or not*” refers to the transformation of said products by the farmer through the application of processes to preserve or otherwise to prepare the agricultural product for the market, such as freezing, drying, salting, smoking, or stripping for purposes of preserving or otherwise preparing the agricultural product for the market;

- (b) “*Buyer*” or “*Purchaser*” refers to any person, natural or juridical, who buys or purchases agricultural products in the community; and
- (c) “*Marginal farmer*” refers to an individual engaged in subsistence farming or fishing which shall be limited to the sale, barter, or exchange of agricultural or marine products produced by himself/herself and his/her immediate family.

SECTION 64. *Time of Payment* - The tax on agricultural products shall be paid by the taxpayer upon the issuance by the MAFAR of the permit to take or cultivate agricultural products, and before these resources are taken or removed.

SECTION 65. *Administrative Provisions*. — The tax herein provided shall be collected by the MAFAR on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to such collecting agency.

All payments due to the BTO shall be deposited by the MAFAR to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MAFAR shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 4 — Regional Natural Wealth Utilization and Development Tax

SECTION 66. *Imposition of Tax*. — There shall be levied, assessed and collected, from taxpayer, a regional tax at the rate of one-half (1/2) of one percent (1%) of the gross sales or receipts derived from the utilization of the regional wealth from the operator shall be imposed.

SECTION 67. *Definitions*. — When used in this Article, these terms, whether used in the singular or plural, shall mean as follows:

- (a) *“Regional Wealth”* means all natural resources situated within the territorial jurisdiction of the BARMM, including, but not limited to, lands of public domain, waters, mines, minerals, coal, petroleum, mineral oils, potential energy forces, gas and oil deposits, forest, forest products, wildlife, flora and fauna, fishery and aquatic resources and all quarry products;
- (b) *“Utilization”* means the use of the regional wealth of the BARMM for productive purposes for industries, trade and commerce. It shall also apply to exploration, exploitation, excavation, extraction and development; and
- (c) *“Operator”* includes the owner, manager, administrator or any other person who operates or is responsible for the operation of a business establishment or undertaking that is involved in the utilization of the regional wealth of the BARMM.

SECTION 68. *Time of Payment* - The regional natural wealth utilization and development tax shall be paid by the taxpayer upon extraction, and before the shipment of the resources.

SECTION 69. *Administrative Provisions*. — The regional natural wealth utilization and development tax shall be collected by the MENRE on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to such collecting agency.

All payments due to the BTO shall be deposited by the MENRE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MENRE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

CHAPTER 5 — Excise and Miscellaneous Taxes on Certain Establishments and Articles

ARTICLE 1 — Social Amelioration Tax

SECTION 70. *Imposition of Tax*. — There shall be levied, assessed, and collected, from taxpayer, a social amelioration tax of thirty pesos (PhP 30.00) per individual admitted to the following establishments:

- (a) All gambling establishments including but not limited to casinos, cockpits, mahjong, bingo halls, e-game establishments, and racetracks;
- (b) Night clubs or day clubs;
- (c) Motels and hotels classified as drive-in and short-time hotels or motels;
- (d) Massage clinics, steam baths, and sauna baths;
- (e) Beerhouses, cocktail lounges, and bars;
- (f) Videoke, karaoke and other sing-along joints; and
- (g) Disco, cabarets, and dance halls.

Provided, That on the third year of implementation and every three (3) years thereafter, the tax rate shall be adjusted based on the consumer price index (CPI) certified by the Philippine Statistics Authority (PSA).

SECTION 71. *Definitions.* — When used in this Article, these terms, whether used in the singular or plural, shall mean as follows:

- (a) *“Live cultural performances”* performances commonly regarded as part of the fine arts, such as live theater, music, opera, drama, concerts, comedy, ballet, modern or traditional dance, and book or poetry readings.
- (b) *“Proprietors”* are the owners or operators of any establishment covered by the tax imposed under this Article.

SECTION 72. *Exemptions.* — The following shall not be subjected to the tax imposed under this Article:

- (a) Dance halls on occasions when they are exclusively used for Live Cultural Performances as defined; and
- (b) Performance halls inside or attached to casinos on occasions when they are exclusively used for Live Cultural Performances.

SECTION 73. *Time of Payment.* — The tax shall be paid and incorporated in the ticket price, rental fee, or charge for admission.

SECTION 74. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall be observed:

- (a) *Enforcement of Tax.* - The tax under this Article shall be enforced by the BRO, which may deputize city or municipal treasurers, as applicable. Barangay treasurers may also be deputized to identify establishments, which should be subject to the social amelioration tax.
- (b) *Ticketing or other Monitoring System.* - The proprietors shall implement a ticketing or any other monitoring system that can accurately monitor the total number of admissions to the establishment. *Provided,* That the BRO may impose a ticketing or monitoring system on the establishment when it or its deputies find the establishment has failed to establish its own system or has implemented a system that is ineffective in accurately monitoring the total number of admissions. *Provided further,* That any such monitoring system shall comply with Data Privacy Regulations.
- (c) *Remittance of Tax* - The proprietors shall remit the taxes collected to the city or municipal treasurer within the first ten (10) days of the month succeeding the month in which the taxes were collected. All collections shall be deposited by the deputized treasurers to the proper BTO account immediately upon remittance if it is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the collecting agency.
- (d) *Assessment of Unpaid Tax.* - In cases where the proprietor has failed to implement a ticketing or monitoring system or has implemented a system that

is ineffective in accurately monitoring the total number of admissions, the BRO shall make an assessment for the unpaid taxes under this article by profiling the establishments, determining its average number of clients, and estimating the total number of admissions during the taxable period.

ARTICLE 2 — Excise Tax on Plastic Bags

SECTION 75. *Imposition of Tax.* — There shall be levied, assessed, and collected, from the consumer, an excise tax of one peso (PhP 1.00) for each piece of plastic bag, provided to a consumer by an establishment at the point of sale: *Provided*, That multiple plastic bags sold in containers or packages, unless otherwise exempted in the next section, shall also be covered by the excise tax on a per piece basis: *Provided further*, That on the third year of implementation and every three (3) years thereafter, the tax rate shall be adjusted based on the CPI as certified by the PSA.

The imposition of this tax is without prejudice to any ban on plastic bags, which the Bangsamoro Government or any LGU may have imposed or will impose in the future.

SECTION 76. *Definitions.* — When used in this Article, these terms, whether used in the singular or plural, shall mean as follows:

- (a) “*Biodegradable plastics*” refers to polymeric materials that are capable of undergoing decomposition into carbon dioxide, methane, water, inorganic compounds, or biomass in which the predominant mechanism is the enzymatic action of microorganisms, that can be measured by standardized tests, in a specified period, reflecting available disposal condition. These may be bio-based (produced from natural origins such as plants, animals or microorganisms) or petroleum-based plastics (produced by synthesis from monomers derived from petrochemical refining);
- (b) “*Establishment*” includes supermarkets, grocery stores, convenience stores, *sari-sari* stores, drugstores, restaurants, food joints, and similar establishments, individual sellers in permanent or temporary locations (e.g., fairs, flea markets, bazaars), and other establishments like laundromat/laundry shops and other service providers, including those that conduct their businesses through digital channels; and
- (c) “*Plastic bag*” refers to a disposable or reusable plastic bag, including those made from biodegradable and similar plastics, or recycled plastics, that an establishment provides to a customer, whether it charges a fee for the plastic bag or not.

SECTION 77. *Exemptions.* — The following shall be exempt from the excise tax imposed under this Article:

- (a) Bags made up of paper and other biodegradable material, excluding biodegradable plastics;
- (b) Thin plastic bags on a continuous, perforated roll that are used to contain meat, seafood, produce or other unwrapped food items;
- (c) Multiple plastic bags sold in containers or packages for garbage, pet waste, or other forms of waste;
- (d) Multiple bags sold in containers or packages bought by establishments, which are intended to be provided to consumers. For clarity, the plastic bags once provided to customers shall be subject to the excise tax as provided in Section 75. To qualify for the exemption, the establishment-buyer must show a copy of its valid and up-to-date business permit when procuring the plastics; and
- (e) Multiple bags sold in containers or packages bought by government, non-profit or civic organizations for use in aid distribution. To qualify for this exemption, the buyer must show a copy of its certificate of incorporation as a civic or non-profit corporation issued by the Securities and Exchange Commission (SEC). To qualify for the exemption, government buyers must show their official government identification and a certification or official letter from the relevant government agency regarding the use of the plastic bags.

SECTION 78. *Time of Payment.* — The excise tax on plastic bags shall be paid by the taxpayer, and shall be collected by the establishment, at the point of sale.

SECTION 79. *Administrative Provisions.* —In the implementation of this Article, the following provisions shall apply:

- (a) *Enforcement of Tax.* - The excise tax under this Article shall be enforced by the BRO, which may deputize city or municipal treasurers, as applicable;
- (b) *Information Indicated in Receipts/Invoices.* - The establishments which collect the excise tax shall indicate the number of plastic bags provided to their customers and the total amount of the excise tax charged on any transaction receipt or invoice. It shall also indicate in the receipt or invoice, if an exemption was applied;
- (c) *Printing and Posting of Graphical Information.* - The establishments shall print and post graphical information on the excise tax provided in this Article, which shall be distributed by the BRO. The graphical information shall be posted prominently on every checkout counter;
- (d) *Remittance of Tax.* - The establishments shall remit the taxes collected within a quarter to the city or municipal treasurer within the first ten (10) days of the month succeeding the month in which the taxes were collected; and

- (e) *Assessment of Unpaid Taxes.* - In cases where an establishment fails to charge or underreports the number of plastic bags it provides to customers, the BRO and its deputies shall make an assessment for the unpaid taxes during the taxable period.
- (f) *Earmarking of Excise Tax Revenues.* —A reasonable portion to be recommended by the MFBM and approved by Parliament of the excise taxes collected under this Article, if any, shall be utilized in the next fiscal year for the implementation of programs on environmental cleanup, pollution and litter mitigation, education on environmental waste reduction, and nutrition to address stunting and malnutrition among children.

ARTICLE 3 — Visual Obstruction and Detraction Tax

SECTION 80. *Imposition of Tax.* — Unless otherwise exempt under Section 82, there shall be levied, assessed, and collected, from outdoor advertising sign owner or operator, an excise tax of ten pesos (PhP 10.00) per square foot or a fraction of a square foot on any outdoor advertising sign: *Provided*, That the outdoor advertising sign can be posted for a maximum of thirty (30) days from the date of the payment of the excise tax, after which the excise tax shall be due again: *Provided further*, That the taxpayer may opt to pay the excise tax for a period longer than thirty (30) days, in which case it shall be liable for an additional excise tax at the rate of ten pesos (PhP 10.00) per square foot or a fraction of a square foot on any outdoor advertising sign, for every thirty (30) days of additional posting period or a fraction thereof: *Provided finally*, That on the third year of implementation and every three (3) years thereafter, the tax rate shall be adjusted based on the CPI, as certified by the PSA.

SECTION 81. *Definitions.* — When used in this Article, these terms, whether used in the singular or plural, shall mean as follows:

- (a) *“Accessory Sign”* is a sign that directs attention to information, identification, or advertisements strictly incidental to the lawful use of the premises on which it is located. This includes signs or devices indicating the business transacted, services rendered, goods sold, or produced on the premises; and name or logo of a person, firm, institution, organization, or activity occupying the premises;
- (b) *“Commercial Sign”* is a sign containing copy that relates primarily to the economic interests of the publisher or its audience or directs attention to a business, industry, profession, commodity, service, activity, institution, product, or entertainment offered for sale or lease;
- (c) *“Government Entities”* include the National Government, Bangsamoro Government and LGUs, foreign embassies in the Philippines or the governments that they represent, and recognized international government or inter-government bodies such as the United Nations, Asian Development Bank, World Bank, including their agencies and offices;

- (d) *“Non-Accessory Sign”* is a sign, including the material affixed to or displayed thereon, that directs attention to a person, business, industry, profession, commodity, service organization, activity, institution, business, product, or entertainment neither sold, located, offered upon or related to the property where the sign is situated. The non-accessory sign may either be commercial sign or non-commercial sign;
- (e) *“Non-Commercial Sign”* is a sign containing copy that does *not* relate primarily to the economic interests of the publisher or its audience nor directs attention to a business, industry, profession, commodity, service, activity, institution, product or entertainment offered for sale or lease;
- (f) *“Non-Stock, Non-Profit Corporation”* is a domestic or foreign corporation or entity organized and operated exclusively for scientific, research, educational, character-building and youth and sports development, health, social welfare, cultural or charitable purposes, or a combination thereof, no part of the net income of which inures to the benefit of any private individual;
- (g) *“Outdoor Advertising Sign”* is a non-accessory sign viewable in the open air or outdoors, including but not limited to posters, light-emitting diode (LED), static or other billboards;
- (h) *“Outdoor Advertising Sign Operator”* is the person or entity who owns or operates the building, lot, structure, or any outdoor advertising space used to display an outdoor advertising sign;
- (i) *“Outdoor Advertising Sign Owner”* is the person or entity who owns or intends to put up an outdoor advertising sign; and
- (j) *“Outdoor Art”* is an artwork such as a painting or mural that will last the life of the building, is original, and created by an artist specifically for the site, with public access; and is not primarily intended to advertise or promote a commercial good or service.

SECTION 82. *Exemptions.* — The following outdoor advertising signs shall not be subjected to the excise tax imposed under this Article:

- (a) Accessory Signs;
- (b) Outdoor Art;
- (c) Advertisements or announcements for programs, projects, or activities of Government Entities;
- (d) Advertisements or announcement of activities, events, or statements of purely religious nature, whether within or outside the premises of the mosques, churches, or other religious institution, posted by these religious institutions;
- (e) Funeral and related announcements;
- (f) Advertisements or announcement of purely non-profit activities of a non-stock, non-profit corporation;

- (g) The display of informational signs required by law or ordinance to be placed on structures, such as required government warnings or disclosures;
- (h) The posting of signs on a construction site noting the contractors of the project; and
- (i) Announcements purely for family events, greetings and personal messages for family members: *Provided*, That these are posted within the family residence.

SECTION 83. *Time of Payment.* —The excise tax on any outdoor advertising sign shall be paid by the taxpayer before the outdoor advertising sign is displayed within the BARMM territory. For clarity, the excise tax shall be due for every thirty (30) days or any fraction thereof, counted from the lapse of the original period covered by the excise tax payment.

SECTION 84. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall be observed:

- (a) *Issuance of QR Code* - The BRO or its deputies shall issue a quick response (QR) code or similar digital identification mark to the outdoor advertising sign owner upon the payment of the tax. It shall maintain a system for the issuance of the QR code or digital identification mark, which shall also collect information, including but not limited to the name and contact details of the outdoor advertising sign owner, description of the advertisement and a copy of the advertisement, the size of the advertisement, the location where the outdoor advertising sign will be posted, and the posting period covered by the excise tax payment. When the BRO is able, the issuance of the QR Code and payment of the tax shall be done through an online system to be part of its tax collection system;
- (b) *QR Code on Outdoor Advertising Signs* - The QR code or digital identification mark issued in the preceding paragraph shall be incorporated into the outdoor advertising sign;
- (c) *Prerequisite for Display of Outdoor Advertising Signs* - No outdoor advertising sign operator shall allow any outdoor advertising sign to be displayed on its advertising space unless an official receipt (OR) is presented showing that the excise tax has been paid;
- (d) *Removal or Failure to Remove Outdoor Advertising Signs.* - It shall be the responsibility of the outdoor advertising sign operator or outdoor advertising sign owner to remove any outdoor advertising sign from display after the period under Section 80 has lapsed. Failure to remove the sign after the lapse of the period shall result in the imposition of the excise taxes under the said Section.
- (e) *Authority of BRO to Remove Outdoor Advertising Signs* - The BRO or its deputies have the authority to remove from display any outdoor advertising sign for

which excise tax has not been paid, without prejudice to the collection of the tax delinquency under the preceding paragraph.

- (f) *Earmarking of Revenues.* —A reasonable portion of the excise taxes collected under this Article shall be utilized in the next fiscal year for implementation of programs on environmental cleanup, pollution and litter mitigation, education on environmental waste reduction, and nutrition to address stunting and malnutrition among children.

TITLE III — REGIONAL FEES AND CHARGES

CHAPTER 1 - Fees and Charges on Use of Natural Resources

ARTICLE 1 — Fees and Charges on the Exploration, Development and Utilization of Natural Resources

SECTION 85. *Imposition of Fee.* — There shall be levied, assessed, and collected, from the applicants of any permit, license, franchise, or any similar agreement, a reasonable permit fee at the rate of ten percent (10%) of the fee payable to the collecting agency, in addition to that imposed by the various agencies/ministries or constituent LGUs of the Bangsamoro Government that are involved in the regulation of the mining, forestry, fisheries and environmental sectors.

The permits covered under this Article shall include, but not be limited to, the following:

- (a) Mining Exploration Permit;
- (b) Mineral Agreement, such as mineral production-sharing agreement, co-production agreement, or joint-venture agreement;
- (c) Special Mines Permit;
- (d) An application for a Financial and Technical Assistance Agreement (FTAA);
- (e) Permit to Extract Sand, Gravel and Other Quarry Resources, such as Quarry Permit, Industrial Sand and Gravel Permit, Commercial Sand and Gravel Permit, Exclusive Sand and Gravel Permit, Special Mines Extraction Permit, and Commercial Guano Permit, whether issued by a constituent local government unit or the MENRE;
- (f) Small-Scale Mining Permit;
- (g) Mineral Processing License;
- (h) Fishpond Lease Agreement;
- (i) Pearl Farm Lease Agreement;

- (j) Aquatic Wildlife Permits, such as Aquatic Wildlife Collector's Permit, Aquatic Wildlife Farm Permit, Aquatic Wildlife Special Use Permit, Certificate of Wildlife Registration, Clearance to Operate of zoological and ocean parks and aquaria;
- (k) Forest Tenurial Instruments, such as Community-Based Forest Restoration Management Agreement (CBFRMA), Community-Based Forest Management Agreement (CBFMA), Integrated Forest Management Agreement (IFMA), Socialized Industrial Forest Management Agreement (SIFMA), Foreshore Lease Agreement (FLA), Forest Land Grazing Management Agreement, Forest Land Use Agreement (FLAg), Forest Land Use Agreement for Tourism Purposes (FLAgT), Miscellaneous Lease Agreement, Special Use Agreement in Protected Areas, and Special Land Use Permit (SLUP);
- (l) Permit to Operate Air Pollution Source/Control Installations;
- (m) Wastewater Discharge Permit;
- (n) Hazardous Waste Generator Registration Certificate;
- (o) Environmental Clearance Certificate or Certificate of Non-Coverage; and
- (p) Such other permits for the utilization of the regional wealth of the Bangsamoro Region.

SECTION 86. *Time of Payment.* — The permit fee under this Article shall be paid by the applicant and shall be collected by the collecting agency indicated in the succeeding section, at the point of application for permit, license, franchise, or any similar agreement.

SECTION 87. *Administrative Provisions.* — In the implementation of this Section, the following provisions shall be observed:

- (a) *Procedure for Collection.* - The permit fee shall be collected by the proper collecting ministry and shall be paid simultaneously with the payment of the amount due to such collecting ministry for the application of such permit, license, franchise, or any similar agreement. The collecting ministries shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the collecting ministry to the proper account of the latter immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the collecting ministries shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs

shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

The fees under this Section shall be collected by the following ministries:

- (1) With respect to mining permits, the MENRE-Mines and Geosciences Sciences;
- (2) With respect to aquatic, agriculture and agrarian reform services-related permits, the relevant service unit of the MAFAR;
- (3) With respect to forestry-related permits, the MENRE-Forest Management System; and
- (4) With respect to other environment-related permits, the MENRE-Environment Management Services.

- (b) *Submission of Permit Copy.* - All responsible agencies/ministries and/or LGUs that have issued any of the permits covered under this Article shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 2 — Environmental Enhancement Fee

SECTION 88. *Imposition of Fee.* — There shall be levied, assessed, and collected, from every applicant who intends to undertake any project, activity, or enterprise in the BARMM, a reasonable environmental enhancement fee of three thousand pesos (PhP 3,000.00) for every year that the permit, license, franchise or similar agreement is valid for environmental-critical projects or projects located in environmentally-critical sites as defined under appropriate regulations.

For all other projects, a one-time fee of five hundred pesos (PhP 500.00) shall be imposed.

SECTION 89. *Time of Payment.* — The environmental enhancement fee shall be paid by the applicant and shall be collected by the collecting ministry indicated in the succeeding section, at the point of application for permit, license, franchise, or any similar agreement.

SECTION 90. *Administrative Provisions.* — In the implementation of this Section, the following provisions shall be observed:

- (a) *Procedure for Collection.* - The environmental enhancement fee shall be collected by the MENRE or other proper ministry of the Bangsamoro Government that requires an Environmental Clearance Certificate prior to the issuance of any permit, license, franchise or other similar agreement, or the MENRE-Environmental Management Service (EMS) for all other projects. The fee shall be paid simultaneously with the payment of the amount due to such collecting agency for the application of such permit, license, franchise or any

similar agreement. The collecting ministry shall have the authority to promulgate rules for the effective implementation of this Article

All payments due to the BTO shall be deposited by the collecting ministry to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day if physical payment from collection is made directly to the latter.

All COs of the collecting ministry shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

(b) *Earmarking of Proceeds.* — A reasonable portion of the proceeds of the environmental enhancement fee shall be earmarked to fund various environmental programs/projects/activities geared towards the enhancement, protection and/or rehabilitation of the environment and natural resources of the BARMM.

ARTICLE 3 - Regional Sand and Gravel Permit Regulatory Fees

SECTION 91. *Regional Sand and Gravel Permit.* — There shall be levied, assessed, and collected, from every applicant, a reasonable fee for the extraction, removal and disposal of quarry resources covering an area of more than five (5) hectares but not more than twenty (20) hectares within the territorial jurisdiction of the BARMM, which shall be issued by MENRE, based on the schedule below:

	Fee (PhP)
Industrial Sand and Gravel Permit	70,000.00 per application
Registration Fee	10,000.00 per permit
Evaluation of Comprehensive and Strategic Plans Related to the Environment and Development of Communities (Environmental Protection and Enhancement Program) (EPEP) and Social Development and Management Program (SDMP)	40,00.00 per evaluation
Clearance Fee	10,000.00 per application
Transfer Fee	35,000.00 per transfer
Certificate of Environmental Management and Community Relations Record (CEMCRR)	14,000.00 per certificate

SECTION 92. *Time of Payment.* — The permit fee under this Article shall be paid by the applicant and shall be collected at the point of application for permit.

SECTION 93. *Administrative Provisions.* —The regional sand and gravel permit fee shall be collected by the MENRE on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit. The MENRE shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MENRE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MENRE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 4 — Mining Rights Regulatory Fee

SECTION 94. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving the regulation of mining rights, based on the schedule below:

- (a) *Application or Renewal Fee.* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for application or renewal of mining rights, based on the schedule below:

Permit	Fee (PhP)
Exploration Permit (EP)	450.00/hectare but not less than 350,000.00 per application
Temporary Exploration Permit (TEP)	150.00/hectare or a fraction thereof, but not less than 350,000.00/ application
Special Exploration Permit (SEP)	150.00/hectare but not less than 350,000.00/application
Mineral Agreement (MA)	450.00/hectare but not less than 500,000.00 per application
Special Mines Permit (SMP)	150.00/hectare but not less than 350,000.00/application
Financial or Technical Assistance Agreement (FTAA)	450.00/hectare but not less than 800,000.00 per application

Notwithstanding the provision above, the Bangsamoro Government may endorse an application for a Financial or Technical Assistance Agreement (FTAA) to the President pursuant to Section 14, Article XIII of the BOL;

- (b) *Clearance Fee.* - There shall be levied, assessed, and collected, from every applicant, a reasonable clearance fee of thirty-five thousand pesos (PhP 35,000.00) per application;
- (c) *Registration Fee.* - There shall be levied, assessed, and collected, from all registrants, a reasonable fee for registration of mining rights based on the schedule below:

Permit	Fee (PhP)
Exploration Permit (EP)	10,000.00 per contract
Temporary Exploration Permit (TEP)	10,000.00 per contract
Special Exploration Permit (SEP)	10,000.00 per contract
Mineral Agreement (MA)	40,000.00 per contract
Special Mines Permit (SMP)	10,000.00 per contract
Financial or Technical Assistance Agreement (FTAA)	100,000.00 per contract

- (d) *Conversion Fee.* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for conversion of mining rights, based on the schedule below:

Type of Conversion	Fee (PhP)
Approved Mining Contract (from MA to FTAA or vice-versa; EP to MA/FTAA)	750.00/hectare or a fraction thereof, but not less than 350,000.00 per conversion
Mining Application (e.g., application for EP to MA)	35,000.00 per conversion

- (e) *Transfer/Assignment Fee.* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for transfer or assignment of mining rights, based on the schedule below:

Type	Fee (PhP)
Approved Mining Contract (EP, TEP, SEP, MA, SMP)	150.00/hectare or a fraction thereof, but not less than 350,000.00 per transfer
Approved FTAA	150.00/hectare or a fraction thereof, but not less than 800,000.00 per transfer
Application for EP, SEP, MA, FTAA	75.00/hectare or a fraction thereof, but not less than 175,000.00 per transfer

- (f) *Amendment Fee.* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for amendment of mining rights application, based on the schedule below:

Type	Fee (PhP)
Application for/Approved EP or MA (except reduction in applied area)	150.00/hectare or a fraction thereof, but not less than 175,000.00 per transfer
Application for/Approved FTAA (except reduction in applied area)	150.00/hectare or a fraction thereof, but not less than 400,000.00 per transfer

- (g) *Issuance of CEMCRR* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for the issuance of CEMCRR of fourteen-thousand pesos (PhP 14,000.00);
- (h) *Evaluation of Comprehensive and Strategic Plans Related to the Environment and Development of Communities* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for evaluation of comprehensive and strategic plans related to the environment and development of communities such as Final Mine Rehabilitation and Decommissioning Program (FMR/DP) Environmental Protection and Enhancement Program (EPEP), and Social Development and Management Program (SDMP) of two-hundred thousand pesos (PhP 200,000.00);
- (i) *Filing, Renewal, or Transfer of Mineral Processing Permit.* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for filing, renewal, or transfer of mineral processing permit, based on the schedule below:

Amount of Investment	Fee (PhP)
With investments PhP 250 million and below	10,000.00
With investments between PhP 250 million to PhP 500 million	20,000.00
With investments greater than PhP 500 million	50,000.00

- (j) *Application for Ore Transport Permit.* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for application for ore transport permit, based on the schedule below:

Type	Fee (PhP)
Application Fee Non-Metallic	8,000.00
Metallic	16,000.00
Certification Fee (for ores/ minerals/ mineral products less than 2 metric tons)	1,000.00 per certification

- (k) *Application for Accreditation by Traders, Dealers/Retailers of Mineral Products/By-Products.* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for application for accreditation by traders, dealers/retailers of mineral products/by-products, based on the schedule below:

Type	Fee (PhP)
Filing Fee	35,000.00 per application
Renewal Fee	17,500.00 per application

- (l) *Mineral Ore Export Permit (MOEP)*. - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for MOEP, based on the schedule below:

Type	Fee (PhP)
Evaluation/ Verification	60,000.00 per evaluation/ verification
Registration	20,000.00
Filing	30,000.00

- (m) *Miscellaneous Fees*. — In addition to the fees prescribed under national laws and as otherwise provided under this Article, there shall be levied, assessed, and collected, from every applicant or holder, a reasonable fee for Social Impact Review (SIA), Community Development, and Financial Audit, based on the schedule below:

Type	Fee (PhP)
SIA	70,000.00
Community Development	100,000.00
Financial Audit	300,000.00

SECTION 95. *Definitions*. - When used in this Article, these terms, whether used in the singular or plural, shall mean as follows:

- (a) *“Social Impact Assessment”* means a systematic appraisal and detailed statement on:
- (1) The direct and indirect social impacts of the proposed action, project or undertaking, including potential contribution to violent conflicts in each stage of the mining process, risks to health and well-being of workers and communities, and human rights issues, among others;
 - (2) The stakeholders, communities, and other social groups to be affected both in the short-run and in the long-run, including those in the wider reach of the mining site;
 - (3) Any adverse social effect which cannot be avoided should the proposal be implemented, including strategies for impact mitigation; and
 - (4) Alternative/s to the proposed action, which shall be submitted to the MENRE for proper evaluation and review, the results of which shall be included as additional conditions to the Environmental Clearance Certificate (ECC);
- (b) *“Financial Audit Fee”* means the fee for the examination of the financial records of a contractor/permit holder/operator of mining rights to ensure compliance with its undertakings in accordance with its contract with the

government and with the requirements of the “*Philippine Mining Act of 1995*” and its IRRs. The fees collected shall be used to support MENRE’s independent audit of the following:

- (1) Disbursements of the firm for activities contained in its SDMP and EPEP, including validation of submitted supporting reports or documents and comparing them against commitments, and
 - (2) Other audits necessary to monitor the financial integrity of the firm, such as, but not limited to, their investment commitments, and compliance to rules on the payment of excise tax, royalties, and other payments to the government; and
- (c) “*Community Development Fee*” means the fee paid for the conduct of relevant training and capacity building on mine monitoring for civil society stakeholders and other stakeholders.

SECTION 96. *Time of Payment.* —Unless otherwise stated, the fees imposed under this Article shall be paid by the applicant and shall be collected by the MENRE at the point of application for permit, license, franchise, or any similar agreement.

- (a) The SIA review fee shall be paid upon submission of the Social Impact Report to the MENRE, but shall in no case be later than the submission of the SDMP;
- (b) The financial audit fee shall be paid simultaneously with the payment of the application and other fees as provided under the IRRs of the “*Philippine Mining Act of 1995*”, and every five (5) years thereafter, until the expiration of the term of the permit; and
- (c) The community development fee and financial audit fee shall be paid simultaneously with the payment of the application and other fees as provided under the IRRs of the “*Philippine Mining Act of 1995*”.

SECTION 97. *Administrative Provisions.* — In the implementation of this Section, the following provisions shall be observed:

- (a) *Procedure for Collection.* - The fees under this Article shall be collected by the MENRE on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or any similar agreement. The MENRE shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MENRE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MENRE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Observance of Extractive Industries Transparency Initiative Principles and Objectives.* — In order to improve transparency, accountability, and governance in the extractive sector, all persons granted a permit, license, or similar authority to extract mines, minerals, and other similar resources in the Region shall abide by the principles and objectives of the Extractive Industries Transparency Initiative (EITI) pursuant to Executive Order No. (E.O. No.) 79, s. 2012 in relation to E.O. No. No. 147, s. 2013, and other related issuances.

In the examination of all applications relating to mining rights in the Region, the MENRE shall, in addition to determining the financial capacity of the applicant, also ensure that the applicant adopts an open and accountable management system of natural resources by committing to timely and full disclosure of beneficial ownership, full independence of the members of the multipartite monitoring teams (MMTs), preferential hiring of workers from the host and neighboring communities in accordance with law, and full and timely disclosure of financial data critical to ensuring compliance to laws on mandatory expenditures, among others.

ARTICLE 5 — Geological/Mining Investigation and Verification and Other Related Fees

SECTION 98. *Imposition of Fees.* — There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving, but not limited to, geological or mining investigation, verification of surveys, application for license or permit for explosives, rentals of equipment or accessories from MENRE, and other related services provided by MENRE, based on the following schedule:

- (a) *Geological and Mining Services.* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee for geological or mining services provided by MENRE, based on the schedule below:

Type of Service	Fee (PhP)
Geological, geochemical, or geophysical assessment/ investigation	10,000.00/man/day; Minimum of 30,000.00
Verification/evaluation of applied or mining contract/permit area	10,000.00/man/day; Minimum of 30,000.00
Verification/field investigation of mining conflicts or other boundary survey	10,000.00/man/day; Minimum of 30,000.00
Evaluation/verification of ore stockpile, umpiring of ore shipment or mineral/ore reserves	10,000.00/man/day; Minimum of 30,000.00
Verification/ Field investigation of mineral processing plant	10,000.00/man/day; Minimum of 30,000.00
Field assessment/ verification for proposed treasure hunting or shipwreck/sunken vessel recovery activities	10,000.00/man/day; Minimum of 30,000.00
Verification/Audit of explosives magazines and blasting schemes	10,000.00/man/day; Minimum of 30,000.00
Inspection of mechanical/ electrical installation	10,000.00/man/day; Minimum of 30,000.00
Conduct/Field validation of Geological Site Scoping (GSS)/ Geological Verification (BV)/ Geohazard Identification Survey (GIS)	10,000.00/man/day; Minimum of 30,000.00
Conduct of Engineering Geological and Geohazard Assessment (EGGAR) on coastal and land areas	10,000.00/man/day; Minimum of 50,000.00
Validation of environmental, mine safety, health and socio-economic status of affected coastal/marine areas by seabed quarry/dredging/ borrow pit and offshore mining operations	10,000.00/man/day; Minimum of 50,000.00
Evaluation of mineral/ore reserves within coastal and offshore mining claim areas or seabed quarry/borrow pit areas	10,000.00/man/day; Minimum of 50,000.00
Review of Engineering Geological and Geohazard Assessment Report (EGCAR)	
Housing Projects	30,000.00
Infrastructure Projects	45,000.00
Major Infrastructure Projects and Civil Works	75,000.00

- (b) *Verification Services and Other Surveys.* — There shall be levied, assessed, and collected, from every applicant, a reasonable fee imposed by the MENRE in appropriate regulations, for all other services of MENRE, such as survey orders, verification of survey returns, perimeter boundary survey, tie line survey, and all other types of surveys on approved or proposed mining or contract areas.
- (c) *Explosive and Other Permits; Licenses and Rentals.* — There shall be levied, assessed, and collected, from every applicant, a fee for application for license or permit for explosives, based on the schedule below:

Type	Fee (PhP)
License to Possess Explosives - Purchaser's	3,000.00 per application
Amendment to License to Possess Explosives	1,500.00 per application
Purchase/ Transfer/ Import Explosives	900.00 per application
Foreman's License	1,500.00 per application
Temporary Safety Inspector's Permit	3,000.00 per application
Temporary Safety Engineer's Permit	3,000.00 per application
Permanent Safety Inspector's Permit	4,500.00 per application or renewal
Permanent Safety Engineer's Permit	4,500.00 per application
Alien's Local Employment	10,000.00 per application
Application for Mechanical/ Electrical Permit	1,500.00 per plan

(d) *Rental of Mining and Other Related Equipment.* — There shall be levied, assessed, and collected, from all lessees of equipment or accessories from MENRE, a monthly fee not lower than the rate of 10% of the acquisition cost of the equipment or accessory.

The fees prescribed in Subsections (a) and (b) shall be exclusive of transportation and other costs, including rental of equipment and facilities. In the case of field surveys, the applicant or interested party shall shoulder the transportation of the appropriate MENRE personnel from his/her official station to the area, and other incidental expenses that may be incurred.

SECTION 99. *Time of Payment.* — The fees imposed under this Article shall be paid by the applicant and shall be collected at the point of application for permit, license, franchise, or any similar agreement.

SECTION 100. *Administrative Provisions.* — The fees under this Article shall be collected by the MENRE on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or any similar agreement. The MENRE shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MENRE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MENRE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 6 — Mine Wastes and Tailings Fee

SECTION 101. *Imposition of Fee.* — There shall be levied, assessed, and collected, from each operating contractor, lessee, or permit holder, a reasonable semi-annual mine waste and tailings (MWT) fees, of ten centavos (PhP 0.10) per metric ton of mine waste and fifteen centavos (PhP 0.15) per metric ton of tailings generated, subject to an annual increase of five centavos (PhP 0.05) per metric ton.

SECTION 102. *Time of Payment.* — The mine wastes and tailings fee imposed under this Article shall be paid by the applicant and shall be collected at the point of application for permit, license, franchise, or any similar agreement.

SECTION 103. *Administrative Provisions.* — The fees under this Article shall be collected by the MENRE on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or any similar agreement. The MENRE shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MENRE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MENRE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 7 — Energy Regulatory Fees

SECTION 104. *Imposition of Fees.* — There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving, but not limited to, processing of transactions related to energy resource development, renewable energy service contract and operating contract, electric power industry management, and all other transactions not contained in this Article but are devolved as decided by the Intergovernmental Energy Board (IEB), processing of application for certificates or license for liquid fuels and liquid petroleum gas, and for training and development, based on the schedule below:

- (a) *Energy Resource Development.* — There shall be levied, assessed, and collected from every applicant, a reasonable fee for the processing of applications relating to all rights, privileges, and concessions for power source development within the territorial jurisdiction of the BARMM, based on the schedule below:

Petroleum	Fee (PhP)
Awarding of Petroleum Service Contracts (PSCs) for areas offered through the Philippine Conventional Energy Contracting Program (PCECP)	
Application Fee for Nominated Areas or Pre-Determined Areas (PDAs)	200,000.00
Application Fee for Challengers of Nominated Areas	1,000,000.00
Processing Fee	0.48 per hectare
Issuance of Tax Exemption Certificate (TEC) under PD 87	
a) Processing Fee	750.00 per application
b) Sales of MENRE sticker for tax-exempt equipment	300.00 per sticker
Processing Fee for the Registration of Petroleum Sub-contracts	200.00
Coal	Fee (PhP)
Processing fee (Php/block applied) for Coal Operating Contracts (COC) under the Philippine Conventional Energy Contracting Program (PCECP) for Coal per DOE Circular No. DC2017-09-0010:	
Application Fee per Coal Area	200,000.00 per area
COC Application Processing fee (Php/ block applied)	30,000.00 per block applied
Processing Fee for the issuance of Small-Scale Coal Mining Permit (Independent and Supervised by COC Holder)	1,000.00
Processing Fee for the Registration/Renewal of Safety Engineer's and/or Temporary Safety Engineer's permit	550.00
Processing Fee for the Registration/Renewal of Safety Inspector's Permit	550.00
Issuance of Tax-Exemption Certificate (TEC) under PD 972	
Processing Fee	750.00 per application
Sales of MENRE sticker for tax-exempt equipment	300.00 per sticker

(b) *Renewable Energy Service Contract and Operating Contract.* — There shall be levied, assessed, and collected, from every applicant, a reasonable fee for the processing of transactions relevant to R.A. No. 9513, also known as the “Renewable Energy Act of 2008” within the territorial jurisdiction of the BARMM, based on the schedule below:

Application and Processing	Fee (PhP)
Solar, Wind, and Geothermal	11,600.00
Hydropower and Ocean	1,000.00
Biomass	12,650.00
Ocean	23,850.00
Hydroelectric	23,850
Processing Fee for the Issuance of New Certificate of Registration (Assignment/ Transfer of Contract) for Geothermal, Solar and Wind, and Hydropower and Ocean	4,350.00
Processing/ Accreditation	Fee (PhP)
Accreditation of manufacturers, fabricators and suppliers of locally produced RE equipment	
Application Fee	1,000.00
Processing Fee	9,000.00
Processing of Biofuel Accreditation	9,200.00

(c) *Electric Power Industry Management.* — There shall be levied, assessed, and collected, from every applicant or person who wishes to secure the following services, a reasonable fee for the processing of transactions relevant to electric power industry management within the territorial jurisdiction of the BARMM, based on the schedule below:

Certificate of Endorsement (CoE) and Evaluation	Fee (PhP)
CoE to Energy Regulatory Commission (ERC) issued to a generating company and/or new generating facility in compliance with Part II Rule 5 and Part V Rule 29-A of the Implementing 'Rules and Regulations of Republic Act No. 9136	
Less than 1MW	500.00
1MW to less than 10MW	1,000.00
10MW and above	10,000.00, or P100/MW, whichever is higher
CoE for Qualified Third Party to ERC's issuance of Certificate of Compliance	
Less than 1MW	500.00
1MW to less than 10MW	1,000.00
10MW and above	10,000.00, or 100/MW, whichever is higher
Evaluation of Direct Connection Application	7,800.00

(d) *All Other Fees Related to the Functions of MENRE Identified by the IEB.* – There shall be levied, assessed, and collected, from every applicant for transactions not contained in Article but are devolved as decided by IEB, a reasonable fee prescribed under *DOE Approved Schedule of Fees and Charges CY 2023* and future amendments to it, except otherwise upon the issuance of MENRE of its own schedule of fees.

- (e) *Oil Industry Standards.* — There shall be levied, assessed, and collected, from every applicant, a reasonable fee for application for certificate or license for liquid fuels and liquid petroleum gas, based on the schedule below:

Application	Fee (PhP)
Certificate of Compliance for Liquid Petroleum Products (LPP) establishments/ Renewal of Certificate of Compliance	3,100.00
Issuance of License to Operate (LTO) for LPG/ Renewal of LTO	3,500.00
Issuance of Registration Certificate	1,000.00

- (f) *Training and Development Fee.* — In addition to the fees prescribed under national laws and as otherwise provided under the preceding Section on Energy Resource Development, and Renewable Energy Service and Operating Contracts, there shall be levied assessed, and collected, from every applicant, a training and development fee equivalent to ten percent (10%) of the application fee paid within the territorial jurisdiction of the BARMM.

SECTION 105. *Time of Payment.* — The fees imposed under this Article shall be paid by the applicant and shall be collected at the point of application for permit, license, franchise, or any similar agreement.

SECTION 106. *Administrative Provisions.* — In the implementation of this Section, the following provisions shall be observed:

- (a) *Procedure for Collection.* The regional sand and gravel permit fee shall be collected by the MENRE on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or any similar agreement. The MENRE shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MENRE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MENRE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Disposition of Fees.* - The application fees contained in Section 104 (a) shall be shared equally between the Department of Energy (DOE) and MENRE in

accordance to the Intergovernmental Energy Board (IEB) Circular on the Joint Award of Petroleum Service Contracts (PSCs) and COCs in the BARMM.

- (c) *Periodic Review.* - All fees and charges prescribed in Section 104 (a) shall be subject to periodic review and updating by the Joint Review and Evaluation Committee (Joint REC) created through the IEB Circular on the Joint Award of PSCs and COCs in the Bangsamoro Region.

ARTICLE 8 — Forestry Regulatory Fees

SECTION 107. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving, but not limited to, application for permit for wood or rattan processing plant, non-timber forest products, tapping, extraction and collection of gums, resins, oil and exudates, and wood charcoal, application for certificate of tree plantation ownership, request for self-monitoring form, and all other forestry regulatory services, based on the schedule below:

- (a) *Wood/Rattan Processing Plant Permit.* — There shall be levied, assessed and collected from every applicant for a wood processing plant to set up machines for conversion of logs and other wood raw materials into lumber, veneer, plywood, block board, pulp and paper, or other semi-finished wood products, a reasonable fee based on the schedule below:

- (c) *Tapping, Extraction, Collection Permit of Gums, Resins, Oils and Exudates.* — There shall be levied, assessed and collected from every applicant of a permit for tapping, extraction and collection of gums, resins, oil and exudates, a reasonable application fee of three thousand pesos (PhP 3,000.00).
- (d) *Wood Charcoal-Related Permits.* — There shall be levied, assessed and collected from every dealer of charcoal, a reasonable fee, based on the schedule below:

Permit	Fee (PhP)
Production Permit Application Fee	500.00
Wood Charcoal Transport Permit	50.00

- (e) *Certificate of Tree Plantation Ownership.* — There shall be levied, assessed and collected from every applicant who intends to register newly established, already established or mature private plantations and obtain a Certificate of Tree Plantation Ownership, a reasonable certificate fee of seven hundred sixty pesos (PhP 760.00).
- (f) *Request for Self-Monitoring Form.* — There shall be levied, assessed and collected from every applicant who intends to transport harvested timber from tree plantations with Certificate of Tree Plantation Ownership, a reasonable fee, based on the schedule below:

Permit	Fee (PhP)
Request for Self-Monitoring Form	760.00
Certification Fees for Self Monitoring Form	110.00
Certification of Verification	110.00
Certification of Verification Clearance	110.00

- (g) *Certificate of Bamboo Registration.* — There shall be levied, assessed, and collected, from every applicant of a Certificate of Bamboo Plantation Registration, a reasonable registration fee of three thousand pesos (PhP 3,000.00): *Provided,* That bamboo plantations in tenured forestlands and backyard farms are exempt from the payment of such fee.
- (h) *Certificate of Land Status.* — There shall be levied, assessed, and collected, from every applicant who intends to verify the status of a land as alienable or disposable and obtain a Certificate of Land Status, a reasonable certificate fee of two hundred forty pesos (PhP 240.00).
- (i) *Grazing Lands.* — There shall be levied, assessed, and collected, from every dealer in or applicant for grazing lands, a reasonable fee, based on the schedule below:

Permit	Fee (PhP)
Application	20/ha or a fraction thereof but not less than 1,290.00
Assessment of grazing lands (if requested by the grazing land lessee/permittee)	780.00/ha. or fraction thereof
Annual User Fee for Grazing Lands	90.00
Performance Bond	1,080.00/ha or a fraction thereof
Appeal Fee	7,760.00

- (j) *Tenurial Instruments.* — There shall be levied, assessed, and collected, from every applicant of the following tenurial instruments, a reasonable permit fee, based on the schedule below:

Tenurial Instrument	Fee (PhP)
Application for Forest Land Use Agreement (FLAg)	2,090.00
Application for Special Land Use Permit (SLUP)	2,090.00
Application for Forest Land Use Agreement for Tourism (FLAgT)	2,090.00
Application for Forest Land Use Agreement (FLAg)	1,250.00/ha
Application for Special Land Use Permit (SLUP)	1,250.00/ha
Application for Forest Land Use Agreement for Tourism (FLAgT)	1,250.00/ha

- (k) *Registration as Forest Products-Related Dealers.* – There shall be levied, assessed, and collected, from every person who intends to deal as agent, contractor or dealer of poles, piles, lumber and veneer, a reasonable fee, based on the schedule below:

Permit	Fee (PhP)
Local Dealership	
a) Application Fee	2,510.00
b) Registration Fee	2,010.00
c) Annual Permit Fee	3,130.00
d) Oath Fee	250.00
Imported Wood	
a) Application Fee	3,000.00
b) Registration Fee	3,000.00
c) Cash Bond	12,000.00

- (l) *Chainsaw Registration.* – There shall be levied, assessed, and collected, from every user or possessor of chainsaws, a reasonable fee, based on the schedule below:

Permit	Fee (PhP)
Chainsaw Registration Fee	1,120.00
Permit Fee to Purchase, import, manufacture, and/or transfer ownership, sell/dispose, lease, rent, lend chainsaws	1,120.00

(m) *Forest Charges.* – There shall be levied, assessed, and collected, from every person who cut timber, a reasonable fee for every cubic meter of timber cut, based on the schedule below:

Species Group	Fee (PhP/Cubic Meter)
Timber Group A	1,425.00
Timber Group B (Yakal)	1,530.00
Timber Group C (Apitong)	1,260.00
Timber Group D (Softwood except Igem)	715.00
Timber Group E (Igem)	1,275.00
Timber Group F (Nato)	1,000.00
Timber Group G (Furniture/construction hardwood)	950.00

SECTION 108. *Time of Payment.* – The fees imposed under this Article shall be paid by the applicant and shall be collected at the point of application for permit, license, franchise, or any similar agreement.

SECTION 109. *Administrative Provisions.* - The fees under this Article shall be collected by the MENRE on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or any similar agreement. The MENRE shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MENRE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MENRE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 9 — Fisheries Regulatory Fees

SECTION 110. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee for application for licenses, permits, or certificate of clearance, registration of fishing logsheet, and all other services related to fisheries regulation, based on the schedule below:

- (a) *Commercial Fishing Gear License (CFGL).* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee relating to the application, registration and issuance of a Commercial Fishing Gear License (CFGL) to operate specific types of fishing gear for specific duration in areas beyond the municipal waters for demersal or pelagic fishery resources, a fee, based on the schedule below:

Permit	Fee (PhP)
Application Fee	220.00
Registration Fee	510.00
License Fee	
For fishing vessel 3.1 to 20.0 gross tons	430.00
For fishing vessel 20.1 to 150.0 gross tons	860.00
For fishing vessel 150.1 to 300.0 gross tons	1,290.00
For fishing vessel 300.1 to 500.0 gross tons	2,160.00
For fishing vessel 500.1 gross tons and above	5,400.00

- (b) *Commercial Fishing Vessel License (CFVL).* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee relating to the application, and issuance of a Commercial Fishing Vessel License (CFVL) to operate specific types of fishing vessel for specific duration in areas beyond the municipal waters for demersal or pelagic fishery resources, based on the schedule below:

Permit	Fee (PhP)
Application Fee	1,010.00
License Fee	
For fishing vessel 3.1 to 20.0 gross tons	510.00+P5.00/GT or a fraction thereof
For fishing vessel 20.1 to 50.0 gross tons	630.00+P5.00/GT or a fraction thereof
For fishing vessel 50.1 to 100.0 gross tons	760.00+P5.00/GT or a fraction thereof
For fishing vessel 100.1 to 125.0 gross tons	1,270.00+P8.00/GT or a fraction thereof
For fishing vessel 125.1 to 150.0 gross tons	2,540.00+P8.00/GT or a fraction thereof
For fishing vessel 150.1 to 250.0 gross tons	3,810.00+P8.00/GT or a fraction thereof
For fishing vessel 250.1 gross tons and above	6,340.00+P10.00/GT or a fraction thereof
Cash Bond	
For fishing vessel 3.1 to 20.0 gross tons	630.00
For fishing vessel 20.1 to 50.0 gross tons	890.00
For fishing vessel 50.1 to 75.0 gross tons	1,140.00
For fishing vessel 75.1 to 100.0 gross tons	1,400.00
For fishing vessel 100.1 to 150.0 gross tons	1,650.00
For fishing vessel 150.1 to 250.0 gross tons	1,900.00
For fishing vessel 250.1 to 500.0 gross tons	2,160.00
For fishing vessel 500.1 gross tons and above	2,410.00

- (c) *Clearance Fee.* – There shall be levied, assessed, and collected, from all fishing boat departing from homeport or any port of departure to the fishing ground, a reasonable fee to secure a Certificate of Clearance of one hundred seventy pesos (PhP 170.00) regardless of tonnage.
- (d) *Registration of Fishing Logsheet.* – There shall be levied, assessed, and collected, from every person who has been duly issued a CFVL and who have completed the fishing trip, a reasonable fee of eighty pesos (PhP 80.00) for the registration of the fishing logsheet, which must contain a daily record of fish catch and spoilage, landing points, and quantity and value of fish caught, and off-loaded for transshipment, sale and/or other disposal.
- (e) *Distant Water Fishing Permit.* – There shall be levied, assessed, and collected, from all fishing vessels of Philippine registry which intends to engage in distant water fishing or fishing in the high seas or in waters of other coastal states, a reasonable fee to secure a Distant Water Fishing Permit, based on the schedule below:

Permit	Fee (PhP)
Application Fee	1,660.00
Permit Fee	2,480.00

- (f) *Fish Worker or Pearl Diver Permit License.* – There shall be levied, assessed, and collected, from every person who intends to work as a fish worker in commercial fishing vessels or as a pearl diver, a reasonable permit fee of one hundred seventy pesos (PhP 170.00).
- (g) *Fisheries Local Transport Fee.* – There shall be levied, assessed, and collected, from every person who intends to transport harvested fish from the regional waters of the BARMM, a reasonable local transport fee in the amount of one hundred forty pesos (PhP 140.00).
- (h) *Transshipment Clearance Fee.* – There shall be levied, assessed, and collected, from every person who intends to transport fish from one fishing vessel to another, a reasonable fee, based on the schedule below:

Gross Tonnage	Annual Accreditation Fee (PhP)
500 GT and below	5,000.00
500.1 to 1,000 GT	10,000.00
1,000.1 to 1,500 GT	15,000.00
More than 1,500 GT	20,000.00

- (i) *Fishpond Lease Agreement (FLA) and Aquasilviculture Stewardship Contract (ASC).* – There shall be levied, assessed, and collected, from every applicant, a

reasonable fee relating to the application for a Fishpond Lease Agreement (FLA) or an Aquasilviculture Stewardship Contract (ASC), based on the schedule below:

Permit	Fee (PhP)
Application Fee	45,100.00
Cash Bond	670.00/ha or a fraction thereof
Annual Rent (Fishpond Area)	2,010.00/ha or a fraction thereof
Annual Rent (Mangroves or Silviculture Area)	670.00/ha or a fraction thereof
Application for Transfer of Leasehold Rights	420.00/ha or a fraction thereof

Provided, That without prejudice to Section 440 of this Code on periodic adjustment of fees, the foregoing fees shall also be increased based on the results of scientific studies on resource rent conducted by the MAFAR and/or the Bureau of Fisheries and Aquatic Resources (BFAR) pursuant to relevant rules and regulations.

- (j) *Pearl Farm Lease Agreement*. – There shall be levied, assessed, and collected, from every applicant, a reasonable fee relating to the application for a Pearl Farm Lease Agreement, based on the schedule below:

Permit	Fee (PhP)
Application Fee	45,100.00
Annual Rent	2,010.00/ha of a fraction thereof
Cash Bond	670.00/ha of a fraction thereof
Application for Transfer of Leasehold Rights	670.00/ha of a fraction thereof

- (k) *Fish Health Laboratories and Other Services*. – There shall be levied, assessed, and collected, from every applicant availing the services of fish health laboratories, a reasonable fee, based on the schedule below:

Service	Fee (PhP)
Administrative	
Issuance of health certificate	120.00
Laboratory Examination	
Parasite Examination	180.00
Bacterial Identification	490.00
Prawn fry quality assessment	
a) Gross/ microscopic examination	240.00
b) Bacterial count	
i. water sample (per sample)	240.00
ii. larval/post-larval prawn (10 pcs)	240.00
iii. MBV detection	310.00
Molecular diagnosis	1,420.00
Fungal isolation/identification	470.00
Histopathological examination	1,180.00
Physico-chemical analysis of water	
a) pH	70.00
b) Acidity/ alkalinity	240.00
c) Carbon dioxide	240.00
d) Dissolved oxygen	350.00
e) Ammonia	430.00
f) Nitrite/nitrate	430.00
g) Phosphate	710.00
h) Total hardness	710.00
i) Chemical oxygen demand	1,770.00
j) Biological oxygen demand	2,130.00
k) Total suspended oils	470.00
l) Salinity	70.00
Antibiotic residue analysis ELISA Chloramphenicol	2,160.00
Nitrofurans	2,160.00
Microbiological Assay	540.00

(l) *Aquatic Wildlife Permits*. – There shall be levied, assessed, and collected, from every applicant dealing in wildlife, a reasonable fee, based on the schedule below:

Application Fees	Fee (PhP)
1. Scientific Research For Filipino students (primary to tertiary) Other researchers and graduate students	None 150.00
2. Gratuitous Permit For Filipino students Other researchers	30.00 150.00
3. Bioprospecting Undertaking	740.00
4. Aquatic Wildlife Collector's Permit (AWCP)	740.00
5. Aquatic Wildlife Farm Permit (AWFP)	740.00
6. Zoological/Ocean Parks/Aquaria	740.00
7. Exhibition/Shows/Documentation for Commercial Purposes	440.00
8. Educational Purpose	70.00
9. Aquatic Wildlife Special Use Permit (AWSUP)	290.00
Inspection Fee for export and re-export	Fee (PhP)
1. Commercial	440.00
2. Non-commercial	220.00
Permit Fee	Fee (PhP)
1. Aquatic Wildlife Farm Permit Small Scale (P2M or less capital) Medium Scale (>P2M-P5M) Large Scale (>P5M)	3,690.00 5,160.00 7,370.00
2. Aquatic Wildlife Collector's Permit Economically important species Threatened species	1,470.00 7,370.00
Local Transport Permit	Fee (PhP)
1. 10 kgs below	30.00
2. 10.1 to 50 kgs	40.00
3. 50.1 to 100 kgs	70.00
4. 100 kgs above	140.00
Export Fee per Shipment of live, fresh, chilled, frozen, and processed food fish and fishery products [W x R x P (FAO No. 233-2 S. 2012)]	Fee (PhP)
Regular Export Commodity Clearance Captured Aquatic Wildlife Caught/gathered in Philippine waters Caught outside Philippine waters Imported Captive-bred Aquatic Wildlife Domesticated species and their progenies Imported broodstock and their progenies, whether exotic or endemic species Founder stocks sourced from hatchery/nursery and their progenies Stocks grown from imported seed stocks (e.g., eggs, fry, post-larvae, juvenile, etc.) Founder stocks sourced from the wild and their progenies produced in captivity Seed stocks (e.g., eggs, fry, post-larvae, juvenile, etc.) sourced from the wild and grown for commercial purposes Progenies of threatened aquatic wildlife produced by Aquatic Wildlife Farms	0.20% 0% 0% Exempted Exempted Exempted Exempted 0.15% 0.20% 2.0%

Export Fee for live/ornamental fish	Fee (PhP)
Export Fee	1.0% x Export Value
Export Fee for shellcraft/handicraft/ornamental shell, specimen shell and dried non-food fish	Fee (PhP)
Export Value	
US\$1-1000	270.00
US\$1001-2000	330.00
US\$2001-3000	400.00
US\$3001-4000	470.00
US\$4001-5000	530.00
US\$5001-6000	600.00
US\$6001-7000	670.00
US\$7001-8000	740.00
US\$8001-9000	800.00
US\$9001-10000	870.00
US\$10001-20000	1,070.00
US\$20001-40000	1,200.00
US\$40001-above	1,340.00
Export Fee for aquatic products that are used as accents/in-lays which constitute only 10% or less of the surface area of the product	Fee (PhP)
Export Fee	70.00/shipment
Importation Permit	Fee (PhP)
1. Sanitary and Phytosanitary (SPS) Clearance Fees for CITES Species	3,450.00
2. Sanitary and Phytosanitary (SPS) Clearance Fee for Economically Important Species	420.00
Non-refundable application fee	
SPS Fee	110.00
Live, low-risk (FAO No. 221 S. 2003)	560.00
Live, medium-risk (FAO No. 221 S. 2003)	1,120.00
Live, high-risk (FAO No. 221 S. 2003)	4,160.00
Non-live (FAO No. 195 S. 1999)	
Re-exportation Fee	Fee (PhP)
CITES Re-export	140.00
Re-Issuance fee for expired CITES/Non-CITES Permit	Fee (PhP)
CITES Permit	370.00
Non-CITES Permit	220.00
Charges	Fee (PhP)

1. Certificate of Wildlife Registration for the following endemic and exotic aquatic wildlife	740.00
Aquatic fauna classified as non-threatened species	
1-50 pieces	740.00
51 pieces and above	1,470.00
Aquatic mammals, aquatic snakes, molluscs, etc. classified as Non-CITES species	
1-5 pieces	4,420.00
6-10 pieces	5,900.00
11-20 pieces	7,370.00
21-30 pieces	8,840.00
31 pieces and above	10,320.00 base fee plus 1,470.00 for every 5 pieces in excess of 35
Other marine fauna and flora classified as threatened species	
1-2 pieces	1,470.00
21 and above	2,950.00 base fee plus 1,470.00 for every 5 pieces in excess of 25
2. Certificate of Aquatic Wildlife Registration for Cultivated (Domesticated) exotic species and captive-bred marine and freshwater ornamental fish	290.00
3. Collection under AWCP/AWSUP	
Aquatic mammals (per head)	740.00
All aquatic snakes (per head)	440.00
All aquatic invertebrates (per piece)	70.00
All aquatic plants (per piece)	30.00
4. Zoological/Ocean Parks and Aquaria	
Clearance to operate	7,370.00
Every expansion/additional exhibit	2,760.00

SECTION 111. *Time of Payment.* — The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration or renewal of the permit, license, franchise, or related documents.

SECTION 112. *Administrative Provisions.* — The fees imposed under this Article shall be collected by the MENRE on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or any similar agreement. The MENRE shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MENRE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MENRE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 10 — Agrarian Reform Services

SECTION 113. *Imposition of Fee.* - There shall be levied, assessed, and collected, from every applicant for a Land Use Conversion, a reasonable fee, based on the schedule below:

Permit	Fee (PhP)
Filing Fee	
a) 500 m2 home lots	Free
b) 5 has. and below	2,000.00
c) Above 5 has. but not more than to 10 has.	2,400.00
d) Above 10 has. but not more than to 20 has.	2,500.00
e) Above 20 has. but not more than to 30 has.	2,600.00
f) Above 30 has. but not more than to 40 has.	2,700.00
g) Above 40 has. but not more than to 50 has.	2,800.00
h) Above 50 has. but not more than 60 has.	2,900.00
i) Above 60 has.	Additional 500.00 for every additional 10 has. or less
Inspection Cost (for areas in Mindanao)	
a) 500 m2 home lots	Free
b) 5 has. and below	10,000.00 if the landholding is within the same island as the MAFAR Head Office 15,000.00 if the landholding is in a different island
c) Above 5 has. but not more than to 10 has.	24,000.00
d) Above 10 has. but not more than to 20 has.	24,500.00
e) Above 20 has. but not more than to 30 has.	25,000.00
f) Above 30 has. but not more than to 40 has.	25,500.00
g) Above 40 has. but not more than to 50 has.	26,000.00
h) Above 50 has. but not more than 60 has.	26,500.00
i) Above 60 has.	Additional 500.00 for every additional 10 has. or less

SECTION 114. *Time of Payment.* —The fees imposed this Article shall be paid by the applicant upon filing of the application, registration or renewal of the permit, license, franchise, or related documents.

SECTION 115. *Administrative Provisions.* —The fees imposed under this Article shall be collected by the MAFAR on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or related documents. The MAFAR shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MAFAR to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MAFAR shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 11 — Other Environmental Permits

SECTION 116. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee for environmental impact assessment, toxic substances and nuclear hazardous waste permits, discharge permits, clean water-related permits, accreditation of pollution control officer, and all other environmental services, based on the schedule below:

- (a) *Environmental Impact Assessment.* - There shall be levied, assessed, and collected, from every applicant who are covered by P.D. No. 1586 or the law Establishing an Environmental Impact Statement System, Including Other Environmental Management Related Measures and for Other Purposes, a reasonable fee, based on the schedule below:

Service	Fee (PhP)
Application for Environmental Clearance Certificate (ECC) requiring:	
a) Programmatic Environmental Impact Statement (EIS)	30,000.00
b) EIS	20,000.00
c) Programmatic Environmental Performance Report & Management Plan (PEPRMP)	20,000.00
d) Environmental Performance Report & Management Plan (EPRMP)	10,000.00
e) Initial Environmental Examination (IEE) Checklist	10,000.00
Application for Certificate of Non-Coverage	
a) Category C	17,000.00
b) Category D	20,500.00
Post-ECC processing service	
a) Major amendment	4,000.00
b) Minor Amendment	2,140.00
c) Relief of ECC commitments	2,140.00
Other Services	
a) Request for Miscellaneous Certification	240.00
b) Request for Certified True Copy	240.00

- (b) *Toxic Substances and Nuclear Hazardous Waste Permits.* - There shall be levied, assessed, and collected, from every applicant dealing with toxic substances and nuclear hazardous waste, a reasonable fee, based on the following schedule:

Service	Fee (PhP)
Registration of Hazardous Waste Generator	1,190.00
Annual registration of transporters	1,190.00
Permit to Transport	1,190.00
Amendment of Hazardous Waste Generator	1,190.00
Amendment of Transporter Registration Certificate	1,190.00/vehicle 610.00/waste
Request for Miscellaneous Certifications	600.00
Request for Certified True Copy	600.00

(c) *Environmental User's Fees/Emissions/Discharge Permits.* – There shall be levied, assessed, and collected, from every applicant, a reasonable fee, based on the schedule below:

Permit	Fee (PhP)
Filing Fee	720.00
Permit to Operate for the following: Steam Boilers and Oil Heaters	
HP below 100	330.00
HP 200	450.00
HP 300	670.00
HP 400	900.00
HP 500	1,120.00
HP over 500	1,350.00
Other fuel-burning installations	
Rate surface area, sq. m up to 0.9	330.00
1.8	450.00
2.7	670.00
3.5	900.00
4.6	1,120.00
over 4.6	1,350.00
Electric furnaces and ovens	
per kilowatt up to 75	330.00
125	450.00
175	670.00
225	900.00
325	1,120.00
over 325	1,350.00
Waste destruction facilities	
grate surface area sq.m - up to 1.0	330.00
1.75	450.00
2.75	670.00
3.5	900.00
4.5	1,120.00
over 4.5	1,350.00
Pollution control installations	
capacity, cu.m./min up to 100	330.00
101 to 500	450.00
501 to 1000	670.00
1001 to 3000	900.00
3001 to 4500	1,120.00
over 4500	1,350.00
Process Equipment	
For other materials: rated capacity, MT/hr/equipment up to 1	450.00
5	670.00
10	900.00
over 10	1,350.00
For odorous raw materials	
rated capacity, kg/hr up to 100	480.00
500	720.00
1000	900.00
over 1000	1,430.00
Other sources of air pollution which do not fall under any of the above schedule	600.00

(d) *Clean Water-Related Permits.* – There shall be levied, assessed, and collected, from every applicant, a reasonable fee for clean water-related permits, based on the schedule below:

Water Discharge Permit	Annual Fee Per Volumetric Rate (PhP)
For zero discharge	2,390.00
Below 10 cu.m./day: without heavy metals	2,390.00
Below 10 cu.m./day: with heavy metals	3,110.00
>10 cu.m./day - 100 cu.m./day : without heavy metals	2,630.00
>10 cu.m./day - 100 cu.m./day : with heavy metals	3,350.00
>30 cu.m./day - 100 cu.m./day : without heavy metals	2,990.00
>30 cu.m./day - 100 cu.m./day : with heavy metals	3,700.00
>100 cu.m./day - 150 cu.m./day : without heavy metals	3,230.00
>100 cu.m./day - 150 cu.m./day : with heavy metals	3,940.00
>150 cu.m./day : with/without heavy metals	3,940.00
Wastewater Discharge Fee	4,660.00

(e) *Pollution Control Officer.* — There shall be levied, assessed, and collected, from every applicant to be an accredited Pollution Control Officer, a reasonable fee, based on the schedule below:

Permit	Fee (PhP)
Processing Fee	620.00
Renewal Fee	620.00

SECTION 117. *Time of Payment.* — The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration or renewal of the permit, license, franchise, or any similar agreement.

SECTION 118. *Administrative Provisions.* —The fees imposed under this Article shall be collected by the MENRE on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or any similar agreement. The MENRE shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MENRE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MENRE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

CHAPTER 2 – Fees and Charges on Transportation and Communication

ARTICLE 1 — Fees for the Operation of Public Land Transportation Services

SECTION 119. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving the operation of public land transportation within the jurisdiction of BARMM, based on the schedule below:

- (a) *Filing Fees.* - There shall be levied, assessed, and collected from all public land transport operators, a reasonable filing fee, to defray administrative expenses on, but not limited to, franchise application and franchise changes, based on the schedule below:

Transaction	Fee (PhP)
A. Application	
New Certificate of Public Convenience (CPC)	First two units: 510.00 Every additional unit: 70.00/unit
Extension of Validity of CPC	First two units: 510.00 Every additional unit: 70.00/unit
Sale and Transfer of Franchise	First two units: 510.00 Every additional unit: 70.00/unit
Amendment of Line	First two units: 510.00 Every additional unit: 70.00/unit
Increase of Unit/Additional Unit	First two units: 510.00 Every additional unit: 70.00/unit
Upgrading of units/services	First two units: 510.00 Every additional unit: 70.00/unit
Change base of operation	

	First two units:	510.00
	Every additional unit:	70.00/unit
Provisional Authority		250.00
Adoption of Color Scheme		510.00/operator
B. Franchise Changes		
Dropping of Unit	First two units:	250.00
	Every additional unit:	70.00/unit
Dropping and Substitution of Unit	First two units:	250.00
	Every additional unit:	70.00/unit
Cancellation of Franchise		250.00/franchise
Special Permit for out-of-line	First two units:	250.00
	Every additional unit:	70.00/unit
Correction of Entry		250.00
Change of Chassis	First two units:	250.00
	Every additional unit:	70.00/unit
Adoption of Trade Name		250.00/operator
Upgrading of Unit	First two units:	510.00
	Every additional unit:	70.00/unit
Extension of Time to Register	First two units:	250.00
	Every additional unit:	70.00/unit
Re-registration of Unit	First two units:	250.00
	Every additional unit:	70.00/unit
Downgrading of Unit	First two units:	250.00
	Every additional unit:	70.00/unit
Motion for Reconsideration		250.00
Withdrawal of Application		250.00

Notwithstanding the provision above, no applications for new CPC, and sale and transfer of franchise shall be processed without a hearing duly conducted by the Ministry of Transportation and Communications (MOTC)-Bureau of Land Transportation Franchise Regulatory Board (BLTFRB).

- (b) *Supervision and Regulation Enforcement Fees.* - There shall be levied, assessed, and collected from all public land transport operators, a reasonable fee, to defray administrative expenses for the supervision and regulation of public land transport operations within the territorial jurisdiction of the BARMM, based on the schedule below:

Description	Fee (PhP)
For each Automobile	
Less than 2 tons gross capacity	70.00
More than 2 tons gross capacity and less than 3 tons	140.00
For 3 tons gross capacity or more but less than 4 tons	210.00
For 4 tons gross capacity and above	290.00
Non-filing of Annual Report	500.00
Confirmation of Units for Registration	40.00

Each public land transport operator shall pay the supervision and regulation fees to the MOTC-BLTFRB on or before 30 September of every year, and shall submit to the MOTC-BLTFRB a list of Authorized unit/s registered for the current year for which they said fees are paid: *Provided however*, That, each public land transport operator shall submit to the BLTFRB on or before 15 May of every year an Annual Report in the form prescribed by the BLTFRB. They shall also submit with the Annual report a certification from the Social Security System (SSS) that all contributions for employees have been paid: *Provided further*, That, each public land transport operator engaged in one or more than one class/denomination of public service shall file a separate Annual Report for each.

SECTION 120. *Time of Payment.* —The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration or renewal of the permit, license, franchise, or related documents.

SECTION 121. *Administrative Provisions.* – The fees imposed under this Article shall be collected by the MOTC-BLTFRB on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or related documents. The MOTC-BLTFRB shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MOTC-BLTFRB to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MOTC-BLTFRB shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 2 — Fees for License and Registration of Land Transportation Vehicles

SECTION 122. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving the licensing and registration of land transportation vehicles within the jurisdiction of BARMM, based on the schedule below:

(a) *Processing Fee.* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee, to defray administrative expenses involving, but not limited to, application, computer, license, replacement, renewal, and revision of records for a license, or permit or any similar agreement relating to the use of land transportation vehicles within the territorial jurisdiction of the BARMM, based on the schedule below:

Application	Student	Professional	Non-Professional	Conductor	OFW
	Fees (PhP)				
Application for New Student Permit	317.63	n/a	n/a	n/a	n/a
Application for New License	n/a	820.26	820.26	820.26	n/a
Application for Renewal of License	n/a	652.63	652.63	652.63	585.00
Application for Duplicate Valid Driver's License/Student Permit	217.63	472.63	472.63	472.63	n/a
With revision of records	100.00	100.00	100.00	100.00	
Driver's License Certification	n/a	100.00	100.00	n/a	n/a
Certification of License Transaction History (per transaction)	n/a	100.00	100.00	n/a	n/a
Application for Additional Restriction Code	n/a			n/a	n/a
Valid (one restriction code)		560.26	560.26		
Due for Renewal (one restriction code)		617.63	617.63		
For every additional restriction code		100.00	100.00		
Application for Revision of Records	n/a	472.63	472.63	472.63	n/a
Request for System Update (RSU) for Double License Fees for Motor Vehicle Inspection Fee was removed as said that fee is not currently charged by MOTC-Bangsamoro Land Transportation Office (BLTO). Outsourced service.	n/a				n/a
Same name, birthday and customer details but with two different license numbers		2,500	2,500	2,500.00	
One and the same licensee but with two different customer details and license number		None	None	None	

RSU for License and Customer Details/Misrepresentation of Age/Identity	n/a				n/a
Misrepresentation of age		5,000 or 1 year suspension (at the option of applicant)	5,000 or 1 year suspension (at the option of applicant)	5,000 or 1 year suspension (at the option of applicant)	
Updating of customer details (height, weight, gender, nationality, misspelled address/name, license details (number restriction code, type)		None	None	None	

There shall also be levied, assessed, and collected, from every applicant, a reasonable fee, to defray administrative expenses involving, but not limited to, change of classification and conversion, and revision of records for such license, based on the schedule below:

Change of Classification	Fee (PhP)
License Change Classification	
Valid Non-Professional - Professional	560.26
Valid Professional - Non Professional	560.26
Expired Professional - Non-professional driver's license (practical driving exam only)	617.63 + penalty
Expired Non Professional - Professional driver's license (with written and practical exam)	617.63 + penalty
Delinquent licenses Nonprofessional - Professional or Professional - Nonprofessional (with written and practical exam)	617.63 + penalty
Conversion of Foreign License to Philippine License	
Non-professional (Valid foreign license, no examination)	852.63
Non-professional (expired foreign license, with written practical exam)	920.26
Professional (Valid/expired foreign license, with written and practical exam)	920.26
With Philippines Driver's License	852.63
With revision of records	100.00

(b) *Motor Vehicle (MV) Registration Fee.* - Except as otherwise specifically provided in the BRC, there shall be levied, assessed, and collected, from every registrant, a reasonable fee based on the vehicle's gross weight and year model, to defray administrative expenses, involving, but not limited to, registration of MV, based on the schedule below:

Classification of Vehicle	Fee (PhP)
Private and Government	

1. Passenger Cars	
1.1 Light (up to 1,600kg)	
1.1.1 1994 and below	1,579.06
1.1.2 1995 - 2000	2,179.06
1.1.3 2001 - onwards	1,779.06
1.2 Medium (1,601 - 2,300kg)	
1.2.1 1994 and below	2,579.06
1.2.2 1995 - 1996	4,979.06
1.2.3 1997 - 2000	6,179.06
1.2.4 2001 - onwards	3,779.06
1.3 Heavy (2,301kg and up)	
1.3.1 1994 and below	5,779.06
1.3.2 1995 - 2000	12,179.06
1.3.3 2001 - onwards	8,179.06
2. MC	
2.1 MC without sidecar	419.06
2.2 MC with sidecar (including three-wheeled vehicle cargo-type)	479.06
3. UV and Sports Utility Vehicle (SUV) Models 1990 & Earlier	2,179.06 + 0.40/kg in excess of 2, 700 kgs.
4. SUV Models 1991 onwards	2,479.06 + 0.46/kg in excess of 2, 700 kgs.
5. Trucks/Buses	1,979.06 + 0.24/kg in excess of 2, 700 kgs.
6. Trailers	179.06 + 0.24/kg
Vehicles for Hire	
1. Passenger Cars	
1.1 Light (up to 1,600kg)	1,079.06
1.2 Medium (1,601 - 2,300kg)	1,979.06
1.3 Heavy (2,301kg and up)	5,179.06
2. UV	179.06 + 0.30/kg (Max. 4,500 kgs)
3. SUV	2,479.06 + 0.46/kg in excess of 2, 700 kgs.
4. MC/Mopeds/Tricycles	
4.1 Motorcycle without sidecar	419.06
4.2 Motorcycle with sidecar (including three-wheeled vehicle Cargo-type which covers Bajaj, Piaggio, E-trike, Motorella)	479.06
5. Trucks	1,979.06 + 0.30/kg in excess of 2, 700 kgs.
6. Truckbuses	179.06

	+ 0.30/kg
7. Trailers	179.06 + 0.24/kg

Should the vehicle be a cross over, which is defined as those having an engine of a light car and a body of UV or sports vehicle, the following rules shall apply: if the gross vehicle weight is below 1,600 kgs, the MV registration fee shall be equivalent to that of a Light Passenger Car. If the gross vehicle weight is in excess of 1,600 kgs, the MV registration fee shall be equivalent to that of a UV.

- (c) *Miscellaneous Fees.* - There shall be levied, assessed and collected, from every applicant, a reasonable fee to defray administrative expenses involving, but not limited to, transfer of ownership, annotation and cancellation of mortgage, change classification, application for change body, etc. in the regulation of land transportation vehicles within the BARMM, based on the schedule below:

Transaction	Fee (PhP)
Transfer of Ownership	50.00
Late Application (Deed of sale exceeds 30 days)	150.00
Duplicate CR	30.00
Duplicate OR	30.00
Duplicate Plate	
MV	450.00
Trailer	225.00
MC	120.00
Clearance fee, applicable to all type/verification/document request	30.00
Cost of Stickers	
MV	50.00
Trailer	12.50
Clearance fee, applicable to all type/verification/document request	30.00
Replacement	
Validation Stickers	200.00
Plate Year Tags	100.00
Annotation/Cancellation of Mortgage	100.00
Change Motor/Chassis/Color	30.00
Revision of Gross Weight	30.00
Change in Body Design	100.00
Change Classification	30.00
Storage of Plates	45.00
Top Box/Saddle Bag/Top Load	100.00
Top Load for Truck Bus	150.00
Request for MV Verification	
Government Agency	None
Private/Individual Entity	209.06

SECTION 123. *Time of Payment.* — The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration or renewal of the permit, license, franchise, or related documents.

SECTION 124. *Administrative Provisions.* - The fees imposed under this Article shall be collected by the MOTC-BLTO on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or related documents. The MOTC-BLTO shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MOTC-BLTO to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MOTC-BLTO shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 3 — Fees for the Regulation of Air Commerce

SECTION 125. *Imposition of Fees.* - There shall be levied, assessed, and collected, from every applicant, a reasonable fee, to defray administrative expenses involving, but not limited to, any application, certification, and supervision of the approved application for the conduct of air commerce, based on the schedule below:

Type of Application	Fee (PhP)
New application	
Airfreight Forwarders	4,944.00
Ticketing Sales Agents	1,250.00
Renewal	
Airfreight Forwarders	4,944.00
Ticketing Sales Agents	1,250.00
Supervision and Verification	
Ticketing Sales Agents (per ticket sold)	40.00

SECTION 126. *Time of Payment.* — The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration or renewal of the permit, license, franchise, or related documents.

SECTION 127. *Administrative Provisions.* - The fees imposed under this Article shall be collected by the MOTC- Civil Aeronautics Board of the Bangsamoro (CABB) on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or related documents. The MOTC-CABB shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MOTC-CABB to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MOTC-CABB shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 4 — Fees for Landside Operations of Airports

SECTION 128. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving the landside operation of airports within the jurisdiction of BARMM, based on the schedule below:

(a) *Domestic Passenger Service Charge.* - There shall be levied, assessed, and collected, from each departing adult passenger, a reasonable domestic passenger service charge (DSPC) of two hundred pesos (PhP 200.00), one hundred fifty pesos (PhP 150.00), one hundred pesos (PhP 100.00), and fifty pesos (PhP 50), inclusive of 12% Value-added Tax (VAT) and subject to expanded withholding tax, depending on the airports. The following passengers are not subject to the payment of DSPC, upon presentation of the prescribed exemption document:

(1) Internationally Recognized Exempted Passengers:

- (i) Infant; and
- (ii) Flight and Extra Crew;

(2) Locally Recognized Exempted Passengers:

- (i) Students with Student Exemption Certificate; and
- (ii) Others authorized by law and the Office of the President.

(b) *Concessionaires Fees.* - There shall be levied, assessed, and collected, from every concessionaire, a reasonable fee for the use of airports and related facilities under the control and supervision of the MOTC-Bangsamoro Airport Authority (BAA):

- (1) A minimum monthly rental fee of ten pesos (PhP 10.00) per sq. m. for lease of floor space at the terminal building of airports serving international flights and/or domestic flights and a minimum monthly garbage fee of two hundred pesos (PhP 200.00) per concessionaire for the collection and disposal of waste;
- (2) Concession Privilege Fee for the privilege of conducting business or commercial activities in BARMM airports based on the nature of concession as follows:

Nature of Concession	Fee (PhP)
Passenger Service Concession	
Banks	600.00
Travel Agencies	100.00
Currency Exchange Dealers	200.00
Commercial Cable & Telegraph	200.00
Insurance Agencies	200.00
Hotel/Motel Reservations	600.00
Food Service Concession	
Restaurants	450.00
Cocktail Lounges	250.00
Kitchenette and Canteen	300.00
Coffee Shop, Snack Bar Refreshment Parlor	450.00
Food Catering	100.00
Transportation Utilities Concession	
Taxicab Services (Tender Offer) minimum per unit	150.00

Limousine Service (per unit)	150.00
Jeepney Service (per unit)	150.00
Bus Services (passenger, tourist/hotel bus) (per unit)	150.00
Car Parking	Highest bid price but not less than approved agency estimate
Gasoline/Diesel Fuel Service Station	300.00
Business Concession	
Duty Free Shop	3% of monthly gross sales highest bid price but not less than approved agency estimate
Porterage/Janitorial/Security	

Two percent (2%) interest charge of the total amount for unpaid accounts payable within 30 days from the due date.

- (c) *Parking Fees.* - There shall be levied, assessed, and collected, from every vehicle user, a reasonable vehicular parking fee of twenty pesos (PhP 20.00) per ticket for the use of designated parking spaces.
- (d) *Royalty Fees.* - There shall be levied, assessed, and collected, from every person, firm or corporation selling or delivering directly or indirectly aviation fuel, oil, grease, or lubricant to any aircraft at the airport, a reasonable royalty fee on for the use thereof, based on the schedule below:

Aviation Fuel, Oil and Lubricant Services	Fee (PhP)
Aviation Fuel	0.03/liter
Oil	0.07/liter
Grease	0.06/100 gram

- (e) *Pipeline Right-of-Way Charge.* - There shall be levied, assessed, and collected, from every pipeline user, a reasonable charge on pipeline right-of-way through the pipeline trench of two hundred (PhP 200.00) per month per pipeline at each hydrant pit in addition to the fees imposed in Sec. 128 (d). Pipeline right-of-way charges shall be incorporated in the contract for pipeline right-of-way.
- (f) *Business Advertisement Fee.* - There shall be levied, assessed, and collected, from every business advertiser, a monthly charge on indoor and outdoor business advertisements in the form of signboards, displays, billboards, posters, streamers, etc. installed within the airport premises, based on the schedule below:

Business Advertisement	Monthly Fee (PhP)
Lighted signboard or displays	P 60/sqm

Unlighted signboard or displays	P 40/sqm
Circulars and posters	P 30/sqm

(g) *Utilities and Other Service Fee.* - There shall be levied, assessed, and collected, from every concessionaire, a reasonable utilities and service charges, based on the schedule below:

Utilities and Other Service	Monthly Fee (PhP)
Electric Power	Current electric rate plus 10% maintenance & services fee
Telephone	
Commercial	225.00
Extension	75.00
Residential	100.00
Extension	50.00
Cable pairs per line	35.00
Deposit for telephone set	1,000.00
Water Charges	Current local water rate plus 10% maintenance & services fee
Air-conditioning privileges (for tenants of buildings and/or spaces with centralized air-conditioning)	Air-conditioning consumptions of the building divided by the sqm of floor area covered plus 10% service fee
Right-of-way for telephone, teletype, cable pairs, video monitors and antenna system	115.00
For installation/connection of utilities such as electrical, water & telephone per unit	
Commercial	180.00
Residential	90.00
Permit Fee for Construction, repair, renovation or improvement of building and similar structures within	
Commercial	150.00
Residential	75.00
Height Clearance Permit	75.00/application

SECTION 129. *Time of Payment.* — The fees imposed under this Article shall be paid by the user or applicant upon filing of the application, registration or renewal of the permit, license, franchise, concession or related documents.

SECTION 130. *Administrative Provisions.* - The DSPC shall be collected by the Air Carrier on behalf of the MOTC-BAA at the point of sale of Passenger Ticket and shall be deposited to the proper account of the BTO. The due date of remittance for DSPC collections from flown non-exempt passengers with departure date from the 1st to the 15th day of the month shall be no later than thirty (30) days from said period or on or before the 15th of the succeeding month. The DSPC collections from passengers with departure date 16th day to the end of the month shall be remitted no later than thirty (30) days from said period or on or before the 30th day of the succeeding month.

For all other fees under this Article, all payments due to the BTO shall be deposited by the MOTC-BAA to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MOTC-BAA shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

The MOTC-BAA shall have the authority to promulgate rules for the effective implementation of this Article.

ARTICLE 5 — Fees for Ports Establishment, Construction, Maintenance, and Operation

SECTION 131. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving the establishment, construction, maintenance, and operation of ports within the jurisdiction of BARMM, based on the schedule below:

(a) *Dockage and Usage Fees.* - There shall be levied, assessed, and collected a reasonable dockage and usage fee on every vessel duly registered with Bangsamoro Maritime Industry Authority (BMARINA) for the use of port premises belonging to the Bangsamoro Port Management Authority (BPMA), or BPMA contractors, within the territorial jurisdiction of the BARMM, based on the schedule below:

- (1) Vessels engaged in foreign trade, including those engaged in barter trade, that enter any port, whether private or government, shall be charged port dues of USD 0.081 on each call based on gross registered tonnage (GRT);
- (2) Vessels engaged in foreign trade, including those engaged in barter trade, that berth at any port of call shall also be charged dockage at berth per GRT per calendar day or fraction thereof, as follows, provided that, for purposes of computation, a maximum of 50,000 GRT shall be used:

Description	Fee (USD/GRT)
At a Government Port	0.039
At a Private Port officially registered with BPMA	0.020

- (3) Vessels engaged in foreign trade that do not berth but drop anchor at either a government or privately-owned port, whether operated exclusively or commercially, shall also be charged dockage at anchorage of one-half (1/2) of the corresponding Dockage at Berth at government port or USD 0.020 per GRT, subject to the same maximum 50,000 GRT;
- (4) Pursuant to the terms of the Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area (BIMP-EAGA) agreement, vessels carrying the flag of Indonesia, Brunei, and the Philippines which are accredited to operate under the BIMP-EAGA program shall be entitled to the following special port charges against vessels:

Description	Fee
Port Dues	USD 0.039 per GRT
Dockage	USD0.020 per GRT per day (or fraction thereof)

- (5) Vessels engaged in domestic trade that berth or drop anchor at any government port shall be charged a domestic dockage fee (usage fee), as follows:

Description	Fee (PhP)
6 to 100 GRT per calendar day or fraction thereof	82.00
Over 100 GRT per GRT per calendar day or fraction thereof	0.80

Provided, That domestic vessels calling at officially registered private ports shall be charged at one-half (1/2) of the usage fee at a government port: *Provided further*, That registered bay and river trade vessels shall also be charged one-half (1/2) of the required usage fee but in no case less than or more than the following charges for a calendar day or fraction thereof:

Description	Fee (PhP)
Not less than	82.00
Not more than	413.00

Lay-up fee for domestic vessels shall be one-half (1/2) of the applicable usage fee;

- (6) Yachts/pleasure crafts staying at a duly registered marina that comply with BPMA rules on private ports, specifically on payment of privilege fees, shall not be liable to the payment of usage fee;
- (7) Yachts/pleasure crafts from six (6) GRT up to 100 GRT calling at government ports shall be liable to the payment of usage fee at forty pesos (PhP 40.00) per calendar day or fraction thereof. Pleasure crafts of more than 100 GRT shall be charged at forty centavos (PhP 0.40) per GRT per calendar or fraction thereof;
- (8) Idle vessels occupying dockside berth at any government port despite a shifting order from the port manager or his authorized representative to give way to an incoming operating vessel, shall be assessed a charge of three hundred percent (300%) of applicable dockage fee for foreign vessels and five hundred percent (500%) of the applicable usage fee for domestic vessels: *Provided*, That the payment of such assessed fees shall be made by the owners, agents or representatives prior to actual departure from berth; and
- (9) Vessels occupying dockside berth at any government port, but are subject of a restraining order, injunction, writ of attached, and other similar orders by a competent court or authority shall be assessed a charge of six hundred percent (600%) of the applicable dockage for foreign vessels, and one thousand percent (1,000%) of the applicable usage fee for domestic vessels: *Provided*, That the payment of such assessed fees shall be made by the party granted the favorable judgment or order, and: *Provided further*, That the same is made immediately after the court or competent authority's decision.

(b) *Wharfage Fees.* - There shall be levied, assessed, and collected, from every wharf user, a wharfage fee for the use of port facilities and wharves constructed and maintained by the BPMA for loading and unloading of cargoes, as prescribed below:

- (1) All non-containerized foreign cargoes coming in (imported), going out (exported) or transshipped through a government-owned wharf shall be charged Wharfage for the use of port facilities on the basis of the total metric or revenue tonnage whichever is applicable, rounded off to the nearest ton, as follows:

If Imported	
Cargoes in Sack/Bags/Bulk/Uncrated Live Animals/Steel Products, Logs and Lumber/Heavy Lift Per Metric Ton	PhP 36.65
Others Per Revenue Ton	PhP 30.55
If Exported	

Cargoes in Sack/Bags/Bulk/Uncrated Live Animals/Steel Products, Logs and Lumber/Heavy Lift Per Metric Ton	PhP 18.35
Others Per Revenue Ton	PhP 15.25
Foreign Transshipment	
A single charge per metric or revenue ton payable by shipping agent	
Cargoes in Sack/Bags/Bulk/Uncrated Live Animals/Steel Products, Logs and Lumber/Heavy Lift Per Metric Ton	USD 0.833
Others Per Revenue Ton	USD 0.694

Notwithstanding the provision above, the minimum charge shall be ten pesos (PhP 10.00);

- (2) All containerized foreign cargoes [Full Container Load (FCL) or Less than Container Load (LCL) singles] shall be charged Wharfage per box as follows:

If Imported	Fee (PhP)
20 - ft	519.35
35 - ft	656.85
40 - ft	779.05
45 - ft	916.50
If Exported	Fee (PhP)
20 - ft	259.70
35 - ft	329.95
40 - ft	391.05
45 - ft	458.25
Foreign Transshipment	
	Fee (USD)
Per TEU	1.00

If cargoes in a box are owned by more than one (1) shipper/consignee, that is, LCL containers, the Wharfage for non-containerized cargoes shall apply: *Provided*, That no wharfage shall be charged on empty containers, i.e. without contents of any sort.

- (3) All non-containerized domestic cargoes shall be charged wharfage as they enter or leave a government-owned wharf on the basis of their total revenue or metric tonnage rounded off to the nearest ton, as follows:

Domestic Wharfage Fee	Fee (PhP)
Non-containerized Cargoes Cargoes in Sacks/Bags/Bulk/ Uncrated Live Animals/Steel Products/Logs and Lumber/ Heavy Lift Per Metric Ton	 9.00

Others	
Per Revenue Ton	7.00
Minimum Charge	15.00
10' Box or shorter	63.00
20' Box	126.00
35' Box	157.00
40' Box	189.00
45' Box	221.00

Domestic cargoes, whether containerized or not, that are loaded/discharged at anchor without using any government wharf or at officially registered private ports shall be charged one-half (1/2) of the usual domestic wharfage fee: *Provided*, That if cargoes in a box are owned by more than one shipper/consignee LCL, the Wharfage for non-containerized cargo shall apply: *Provided further*, That no wharfage shall be charged on an empty box, i.e. without contents of any sort.

The wharfage for all foreign and domestic cargoes whether containerized or not that are loaded or discharged from a vessel at anchor without using any government wharf or at an officially registered private port whether operated exclusively or commercially, shall be one-half (1/2) of the corresponding charge at a government-owned port.

- (c) *Storage Fees.* - There shall be levied, assessed, and collected, from every storage user, a storage fee for the use of port facilities belonging to the BPMA, for every container or cargo that remains in any port beyond the "free storage period". The said period is defined for all types of cargoes as follows:

Description	Fee
For Imported Cargoes	Five (5) calendar days after the day the last item of cargo is discharged from the carrying vessel
For Export Cargoes	Four (4) calendar days from the day that the cargo is received at the port
For Foreign Transshipment	A total of fifteen (15) calendar days from the day of arrival to the day of departure
For Domestic Cargoes Entering any port entry into the port	Two (2) calendar days after the date of cargo entry into the port
For Domestic Cargoes Discharged at any port	Two (2) calendar days after the day that the last item of cargo is unloaded from the carrying vessel
For Domestic Cargoes that are "Shutout" (not loaded on their scheduled vessel)	Two (2) calendar days after vessel's departure

Storage fees for non-containerized cargoes shall be determined on the basis of the number of calendar days that the cargo stays in port after the "free storage period" and the total revenue tonnage of the cargo according to the following schedule per revenue ton per day or fraction: *Provided*, That storage

fees of a container whether or not it contains cargo shall be determined on the basis of the number of calendar days the cargo stays in port after the prescribed "Free Storage Period": *Provided further*, That if the cargo is not loaded as scheduled, the resulting fee shall be paid for by whoever is at fault.

Description	Fee
Imported Cargoes	PhP 7.50
Cargoes for Export	PhP 3.75
Foreign Transshipment	USD 0.171
Domestic Cargoes	PhP 5.65

- (d) *Passenger Terminal Fees.* - There shall be levied, assessed, and collected, from every passenger, a terminal fee of PhP 20.00 to partially cover the maintenance and operating costs of the Passenger Terminal Building equipped with port security equipment (Baggage x-ray Machine and Walk-Through Detector).
- (e) *Roll-On/Roll-Off (RoRo) Terminal Fees.* - There shall be levied, assessed and collected, from every vehicle user, a RoRo Terminal Fee on self-driven equipment transported in RoRo or non-RoRo vessels for the use of the RoRo Transport System (RRTS) that provide safe and efficient transportation modes to bridge islands, reduce cost of inter-island transportation, enhance tourism and trade, and facilitate the food supply chain, as prescribed below:

Vehicle Type	Description	Terminal Fee (PhP)
Type 1	Motorcycle, Tricycle, Scooter and the like	65.00
Type 2	Car, Mini Van, SUV, AUV, Owner Jeep, PUJ for not more than 16 pax	129.00
Type 3	Light Delivery Truck, Van Pickup Truck, PUJ for more than 16 pax	258.00
Type 4	Stake Truck, Heavy Delivery Truck, Passenger/ Tourist Bus, Prime Mover, Tractor Head with or without Trailer/Chassis, 10-Wheeler	516.00

The abovementioned vehicle types refer to "self-driven" or "self-propelled" or "pure RoRo" vehicles laden with people or products. By definition, pure RoRo vehicles or RRTS vehicles are vehicles self-driven on their own power, and by their own driver, into or out of the RoRo vessel without re-handling at the pier/wharf or grounding on board the vessel. These are vehicles used to transport cargoes and/or people.

Heavy equipment such as cranes, bulldozers, graders, backhoes and the like, although self-propelled and self-driven by its own diver, are not for use in the general transport of cargoes and/or people; and thus are not considered as RoRo vehicles and be charged the regular cargo handling rate for such commodity.

(f) *Administrative Fees.* - There shall be levied, assessed and collected, from every vehicle user, an administrative fee on ports to defray the actual cost of the stickers and identification cards processing enforcement, and administration of pass control system and access regulations, based on the schedule below:

Description	Fee (PhP)
Temporary Port User's ID/Pass	6.00
Temporary Vehicle Pass	12.00
Annual Port User's ID/Pass	56.00
Annual Vehicle Sticker/Pass (Non-cargo/light vehicle)	84.00
Annual Vehicle Sticker/Pass (Cargo Vehicle/Truck)	112.00

(g) *Weighbridge Facilities Fees.* - There shall be levied, assessed and collected, from every weighbridge facility user, a reasonable fee, based on the schedule below:

- (1) All cargo handling/terminal operators using its owned weighbridge facility are required to remit to the BPMA a government share of not less than fifteen percent (15%) of their gross income derived from the weighbridge operation: *Provided*, That all cargo handling/terminal operators using the government-owned weighbridge facility are required to remit to the BPMA an additional rental fee shall be charged for the use of said facility.
- (2) All outbound containers and RoRo vehicles, both foreign and domestic, for loading onto a carrying vessel shall be subject to mandatory weighing at the port of loading to ensure its compliance with the Allowable Container Weight and Prescribed GVW. The Weighing Tickets for the said containers and vehicles shall be honored at the port of destination.

(h) *Application Fees.* - There shall be levied, assessed and collected, from every applicant, a reasonable fee, to defray administrative expenses, for services rendered by the BPMA in connection with lease and/or sales facilities applications, and construction, development, and/or operation of a private port, within the jurisdiction of the BARMM, based on the schedule below:

Description	Fee (PhP)	
Clearance for Foreshore Lease Applications (FLA), Miscellaneous Lease Application (MLA) or Miscellaneous Sales Applications (MSA)	Certification Fees:	
	For Port Related	1,000.00
	For Non - Port Related	500.00
Application for Clearance to Develop a Private Port	Filing Fee	1,000.00

Application for Permit to Construct a Private Port	Filing Fee	1,000.00												
	Change of Name Fee:	5,000.00												
	Transfer Fee	50,000.00												
	Permit to Construct Fee:													
	<table border="1"> <thead> <tr> <th>Classification</th> <th>Project Cost (PhP)</th> <th>Fee (PhP)</th> </tr> </thead> <tbody> <tr> <td rowspan="2">Private Non-Commercial Port</td> <td>Below 10 Million</td> <td>20,000.00</td> </tr> <tr> <td>10 Million and above</td> <td>30,000.00 + one-tenth (1/10) of 1% of the excess of 10 Million</td> </tr> <tr> <td rowspan="2">Private Commercial Port</td> <td>Below 10 Million</td> <td>60,000.00</td> </tr> <tr> <td>10 Million and above</td> <td>80,000.00 + one-tenth (1/10) of 1% of the excess of 10 Million</td> </tr> </tbody> </table>		Classification	Project Cost (PhP)	Fee (PhP)	Private Non-Commercial Port	Below 10 Million	20,000.00	10 Million and above	30,000.00 + one-tenth (1/10) of 1% of the excess of 10 Million	Private Commercial Port	Below 10 Million	60,000.00	10 Million and above
Classification	Project Cost (PhP)	Fee (PhP)												
Private Non-Commercial Port	Below 10 Million	20,000.00												
	10 Million and above	30,000.00 + one-tenth (1/10) of 1% of the excess of 10 Million												
Private Commercial Port	Below 10 Million	60,000.00												
	10 Million and above	80,000.00 + one-tenth (1/10) of 1% of the excess of 10 Million												
Application for CR/Permit to Operate (PTO) a Private Port	Privilege Fee: The privilege fee shall be paid to the BPMA upon the issuance of the COR/PTO and every first quarter of every year thereat during the effectivity of the COR/PTO, as specified below:													
	<table border="1"> <thead> <tr> <th>Classification</th> <th>Fee (PhP)</th> </tr> </thead> <tbody> <tr> <td>Private Non – Commercial Port</td> <td>80,000.00</td> </tr> <tr> <td>Private Commercial Port</td> <td>30,000.00</td> </tr> <tr> <td>River Port</td> <td>15,000.00</td> </tr> <tr> <td>Marina</td> <td>15,000.00</td> </tr> </tbody> </table>		Classification	Fee (PhP)	Private Non – Commercial Port	80,000.00	Private Commercial Port	30,000.00	River Port	15,000.00	Marina	15,000.00		
	Classification	Fee (PhP)												
	Private Non – Commercial Port	80,000.00												
	Private Commercial Port	30,000.00												
River Port	15,000.00													
Marina	15,000.00													

(i) *Ancillary Services Fees.* - There shall be levied, assessed and collected, from all service providers with approved applications for a permit to operate ancillary services in the port, a reasonable fee, based on the schedule below:

Description	Fee (PhP)
Permit Fee	650.00
Regulatory Fee	3,240.00

SECTION 132. *Exemptions from Charges.* - The following shall be exempt from the imposition of charges:

- (1) Notwithstanding the above provisions, cargoes of duly Bangsamoro Board of Investments (BBOI)-registered firms as well as those granted special exemptions by law enacted or decreed after 1 January 1976 shall be exempted from payment of port charges until otherwise revoked or amended. Vessels for drydocking or repair at any duly authorized drydocking shipyard facilities shall be exempted from dockage/usage fees from the time it calls at a shipyard facility up to the time the drydocking or repair is completed;

- (2) Vessels for drydocking or repair at any duly authorized drydocking shipyard facilities shall be exempted from dockage/usage fees from the time it calls at a shipyard facility up to the time the drydocking or repair is completed;
- (3) Vessels (foreign or domestic certified for shipbreaking at a duly accredited shipbreaking yard shall be exempted from all vessel charges. Scraps resulting from shipbreaking of foreign vessels which are re-exported or sold locally shall be exempted from wharfage. Scraps resulting from shipbreaking of domestic vessels shall likewise be exempted from wharfage;
- (4) Vessels in distress or those calling at any port for humanitarian reasons shall also be exempted from all vessel's charges;
- (5) Donations from international or local organizations duly authorized or registered by the national or regional ministries shall be exempted from wharfage and storage charges provided, there is evidence that the same is requested for release/delivery within seven (7) days from notice of arrival; and
- (6) Foreign naval and other state vessels not engaged in commercial shipping services shall be exempted from the payment of all vessel charges in the foreign government owning such vessel also grants reciprocal privileges to vessels owned by the Philippine government which are similarly situated.

SECTION 133. *Time of Payment.* — The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration or renewal of the permit, license, franchise, or related documents.

SECTION 134. *Administrative Provisions.* - The Passenger Terminal Fee and Roll-On/Roll-Off (RoRo) Terminal Fees shall be integrated into the cost of tickets issued by the shipping lines. The shipping lines shall remit the withheld terminal fees to the BRO within the first ten (10) days of the month succeeding the month in which the terminal fees were paid.

The fees shall be collected by the MOTC-BPMA on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application for such permit, license, franchise, or related documents.

All payments due to the BTO shall be deposited by the MOTC-BPMA to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of MOTC-BPMA shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with AGDB daily or not later than

the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand peso (PhP 10,000.00).

ARTICLE 6 — Fees for the Operation of Maritime Transportation Services

SECTION 135. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving the operation of maritime transportation within the jurisdiction of BARMM, based on the schedule below:

(a) *Application Fees.* - There shall be levied, assessed, and collected, from all maritime transport operators, a reasonable fee, to defray administrative expenses involving, but not limited to, any application, certification, and changes or amendments of records, for the operation of maritime transportation services within the BARMM, based on the schedule below:

(1) *Domestic Shipping Sector.* - The fees for domestic shipping sector shall be based on the schedule below:

Domestic Shipping Service	Fee (PhP)
1. Vessel Acquisition/Bareboat Charter (BBC)/Extension/Renewal of BBC/Importation/Exercise Option to Purchase/Lease Purchase/LIP Scheme of Vessel	
a. Vessels 10 years old and below	12,400.00/vessel
b. Vessels over 10 years old	24,700.00/vessel
c. High Speed Craft	37,400.00/vessel
d. Fishing Vessels	
● 10 years old and below	12,400.00/vessel
● Over 10 years old	24,700.00/vessel
2. Sub-Charter of BBC Vessel	24,700.00/vessel
3. Local Sale / Local Purchase	
a. Imported Vessel	24,700.00/vessel
b. Local Vessel	
● Steel-hulled/Aluminum-hulled/ Fiberglass-hulled Vessels or combination of both or any other type of hull	7,800.00/vessel
● Wooden-hulled Vessels	
○ 35 Gross Tonnage (GT) and above	3,100.00/vessel
○ below 35 GT	800.00/vessel
4. Authority to Export/Renewal of Authority to Export	4,700.00/vessel
5. Extension of Validity of BMARINA authority to acquire/export vessels Renewal of Authority to Export	2,800.00/vessel
6. Amendment of mode of acquisition of vessel	1,900.00/vessel
7. Amendment of any Provision of Charter Contract under PDs 760/866	1,900.00/application
8. Pre-Termination of BBC of Vessel	1,100.00
9. Accreditation under MARINA Memorandum Circular (MC) No. 186	
● Corporation	11,000.00
● Partnership	11,000.00
● Single Proprietorship	7,600.00
10. Issuance/Renewal of Accreditation under MC No. 2006-003	

<ul style="list-style-type: none"> ● Corporation ● Cooperative ● Partnership ● Single Proprietorship 	<p>10,300.00</p> <p>5,200.00</p> <p>6,200.00</p> <p>900.00</p>
<p>11. Surcharge for the late filing of renewal of Accreditation under MC 2006-003</p> <ul style="list-style-type: none"> ● Corporation ● Cooperative ● Partnership ● Single Proprietorship ● Motorbanca Operators <p>12. Reissuance of Certificate of Accreditation under MC No. 2006-003 and MC No. 186 due to:</p> <ul style="list-style-type: none"> ● Change of Corporate/Company Name ● Change of Business Name (for single proprietorship) 	<p>From date of Expiry:</p> <p>600/day</p> <p>200.00/day</p> <p>300.00/day</p> <p>100.00/day</p> <p>20.00/day</p> <p>2,800.00</p> <p>2,800.00</p>
<p>13. Indorsements</p> <ul style="list-style-type: none"> ● BBOI Indorsement for Company's Registration ● BBOI Indorsement for Vessel Availment of Tax- Free importation ● DFA Indorsement for Issuance of Provisional Certificate of Philippine Registry (PCPR) ● Indorsement to Ministry of Labor and Employment (MOLE) for issuance of AEP ● Other indorsement to Other Government Agencies 	<p>1,000.00</p> <p>3,700.00</p> <p>900.00</p> <p>900.00</p> <p>1,000.00</p>
<p>14. Application for Declaration as Missionary Operator under R.A. 9295</p>	<p>1,200.00/port link</p>
<p>15. Special Permit for foreign-owned/registered vessel and Philippine registered overseas vessel to temporarily operate in the domestic trade</p> <ul style="list-style-type: none"> ● Philippine-registered overseas vessel ● Foreign-registered vessel 	<p>150,000.00 per mo./vessel or 300.00/50 GT or fraction thereof whichever is higher</p> <p>300,000.00 per mo./vessel or 600.00/50 GT or fraction thereof whichever is higher</p>
<p>16. Amendment of Special Permit (SP)</p> <ul style="list-style-type: none"> ● Philippine-registered overseas vessel ● Foreign-registered vessel (MC 2011-04) 	<p>75,000.00/amendment</p> <p>150,000.00/amendment</p>
<p>17. Employment of Supernumerary</p>	<p>6,100.00/expatriate</p>
<p>18. Issuance/Renewal of Certificate Insurance or Other Financial Security in respect of Civil Liability for Oil Pollution (CLC 1992)</p>	<p>1,900.00/vessel</p>
<p>19. Issuance of Continuous Synopsis Record (CSR) under MC 200, as amended</p> <ul style="list-style-type: none"> ● Initial Issuance ● Amendment of CSR ● Re-issuance due to loss or damage ● Further requests due to loss or damage 	<p>2,000.00</p> <p>2,000.00</p> <p>2,900.00</p> <p>Double the processing fee for the last re-issuance due to loss or damage</p>
<p>20. Transfer of rights and obligations over a vessel</p> <ul style="list-style-type: none"> ● Vessels 10 years old & below ● Vessels over 10 years old ● High Speed Craft 	<p>12,400.00/vessel</p> <p>24,700.00/vessel</p> <p>37,400.00/vessel</p>
<p>21. Issuance/Renewal of Certificate of Philippine Registry (CPR)</p> <ul style="list-style-type: none"> ● 3.00 GT & below ● 3.01 GT - 14.99 GT ● 15.00 GT - 34.99 GT 	<p>400.00</p> <p>700.00 + 3.60/GT</p> <p>1,100.00 + 3.60/GT</p>

<ul style="list-style-type: none"> ● 35.00 GT - 99.99 GT ● 100.00 GT - 249.99 GT ● 250.00 GT - 499.99 GT ● 500.00 GT and above 	<p>1,400.00 + 3.60/GT 1,800.00 + 3.60/GT 2,200.00 + 3.60/GT 2,500.00 + 3.60/GT</p>
<p>22. Issuance of Certificate of Ownership (CO)</p> <ul style="list-style-type: none"> ● 3.00 GT & below ● 3.01 GT - 14.99 GT ● 15.00 GT - 34.99 GT ● 35.00 GT - 99.99 GT ● 100.00 GT - 249.99 GT ● 250.00 GT - 499.99 GT ● 500.00 GT and above 	<p>400.00 700.00 + 3.60/GT 1,100.00 + 3.60/GT 1,400.00 + 3.60/GT 1,800.00 + 3.60/GT 2,200.00 + 3.60/GT 2,500.00 + 3.60/GT</p>
<p>23. Re-issuance of CO and/or CPR due to the following instances/circumstances:</p> <ol style="list-style-type: none"> a. Change of Ownership b. Change of Vessel's Name c. Change of Homeport d. Change of Engine e. Change of Ship's Particulars f. Change of Trading Area g. Change of Type of Ship/Service h. Change of Business Name/Address i. Ship Alteration j. Corrections of erroneous entries in the CO and CPR due to omission of the applicant <p>Vessel's Gross Tonnage:</p> <ul style="list-style-type: none"> ● 3.00 GT & below ● 3.01 GT - 14.99 GT ● 15.00 GT - 34.99 GT ● 35.00 GT - 99.99 GT ● 100.00 GT - 249.99 GT ● 250.00 GT - 499.99 GT ● 500.00 GT and above 	<p>Per Certificate: 400.00 700.00 + 3.60/GT 1,100.00 + 3.60/GT 1,400.00 + 3.60/GT 1,800.00 + 3.60/GT 2,200.00 + 3.60/GT 2,500.00 + 3.60/GT</p>
<p>24. Re-issuance of CO and/or CPR due to the following instances/circumstances:</p> <ol style="list-style-type: none"> a. Lost or damaged certificates b. No more space for annotation/cancellation of mortgage c. Corrections of erroneous entries in the CO and CPR of the applicant d. Other circumstances such as to indicate Call Sign, IMO No., etc. 	<p>400.00/per certificate</p>
<p>25. Records of Changes (For registered Ships)</p> <ol style="list-style-type: none"> a. Change of ownership <ul style="list-style-type: none"> ● Ships below 35.00 GT ● Ships 35.00 GT and above b. Change of Vessel Name <ul style="list-style-type: none"> Steel-hulled Ships <ul style="list-style-type: none"> ● Ships below 35.00 GT ● Ships 35.00 GT and above Steel/Aluminum/Fiberglass hulled or combination of both or any other type of hull <ul style="list-style-type: none"> ● Ships below 35.00 GT ● Ships 35.00 GT and above Wooden-hulled Ships <ul style="list-style-type: none"> ● Ships below 35.00 GT ● Ships 35.00 GT and above 	<p>800.00 1,600.00 1,600.00 3,100.00 1,600.00 3,100.00 300.00 800.00</p>

<ul style="list-style-type: none"> ● c. Change of Homeport <ul style="list-style-type: none"> ● Ships below 35.00 GT ● Ships 35.00 GT and above d. Change of Ship's Particulars <ul style="list-style-type: none"> ● Ships below 35.00 GT ● Ships 35.00 GT and above e. Change of Engine f. Change of Trading Area Trading Status g. Change of Type of Ship/Service h. Change of Owner's/Company Name i. Change of Business Address 	800.00 1,600.00 800.00 300.00 400.00/engine 400.00 400.00 600.00 600.00
26. Issuance/Renewal of Coastwise License (CWL) <ul style="list-style-type: none"> ● Power Driven Ships ● Non-Power Driven Ships 	22.00/NT or a min. of 500.00/ship 20.00/NT or a min. of 500.00/ship
27. Issuance/Renewal of Bay and River License (BRL) <ul style="list-style-type: none"> ● Power Driven Ships ● Non-Power Driven Ships 	20.00/NT or a min. of 300.00/ship 16.00/NT or a min. of 300.00/ship
28. Issuance/Renewal of Pleasure Yacht license (PYL)	400.00/ship
29. Pleasure Yacht Registration <ul style="list-style-type: none"> a. Powered <ul style="list-style-type: none"> ● Below 15.00 GT ● 15.00 GT to 49.99 GT ● 50.00 GT to 99.99 GT ● 100.00 GT and above b. Without Power <ul style="list-style-type: none"> ● Below 15.00 GT ● 15.00 GT to 49.99 GT ● 50.00 GT to 99.99 GT ● 100.00 GT and above c. With Sail and Emergency Power <ul style="list-style-type: none"> ● Below 15.00 GT ● 15.00 GT to 49.99 GT ● 50.00 GT to 99.99 GT ● 100.00 GT and above 	4,700.00 6,200.00 7,800.00 9,400.00 200.00 300.00 500.00 600.00 2,300.00 3,900.00 5,500.00 7,000.00
30. Energy Tax shall be imposed on all motorized speedboats, yachts, launches and other watercraft designed and/or used for pleasure and recreation whether operated for profit or not, and shall be paid upon issuance/renewal of Pleasure Yacht License (PYL) pursuant to Proclamation Order (PO) No. 845 and MC No. 102 <ul style="list-style-type: none"> ● 5.00 meters and below ● More than 5 meters but not more than 15 meters ● More than 15 meters but not more than 25 meters ● More than 25 meters but not more than 35 meters ● More than 35 meters but not more than 45 meters ● More than 45 meters but not more than 55 meters ● More than 55 Meters but not more than 65 meters ● More than 65 Meters but not more than 75 meters ● More than 75 Meters but not more than 85 meters 	1,200.00 3,000.00 4,800.00 6,600.00 8,400.00 10,200.00 12,000.00 13,800.00 15,600.00

<ul style="list-style-type: none"> ● More than 85 Meters but not more than 95 meters ● More than 95 meters 	<p>17,400.00</p> <p>19,200.00</p>
<p>31. Issuance of Certificate of Deletion from Philippine Registry</p> <ul style="list-style-type: none"> ● 3.00 GT & below ● 3.01 GT - 14.99 GT ● 15.00 GT - 34.99 GT ● 35.00 GT - 99.99 GT ● 100.00 GT - 249.99 GT ● 250.00 GT - 499.99 GT ● 5000.00 GT and above 	<p>Per certificate:</p> <p>200.00</p> <p>200.00</p> <p>400.00</p> <p>500.00</p> <p>700.00</p> <p>900.00</p> <p>1,900.00</p>
<p>32. Registration of Deck and Engine Logbook/Roll Book and Other Books</p>	<p>400.00/logbook</p>
<p>33. Registration/Annotation of Ship Mortgage</p> <ul style="list-style-type: none"> ● Below PhP 5,000.00 ● PhP 5,000.00 to PhP 25,000.00 ● Over PhP 25,000.00 	<p>3,000.00</p> <p>3,000.00+ 30.00/ PhP 1,000.00 in excess of PhP 5,000.00</p> <p>3,600.00+ 30.00/ PhP 1,000.00 in excess of PhP 25,000.00</p>
<p>34. Registration of Cautionary Notice of Mortgages</p>	<p>23,900.00</p>
<p>35. Cancellation of Registered Ship Mortgages & Liens</p>	<p>1,900.00</p>
<p>36. Issuance of Certification</p>	<p>400.00</p>
<p>37. Surcharge for late renewal of certificate/license</p>	<p>50% of total fees + fines and penalties</p>
Enforcement Service	
Fee (PhP)	
<p>1. Filing fee for adoption of deregulated passenger rates for Reclining Seats Accommodation</p>	<p>5,200.00/ship</p>
<p>2. Issuance/Re-issuance of Certificate of Competency (COC) under MC No. 65/65A</p>	<p>400.00</p>
<p>3. Inspection Fees (under MC 65/65A)</p> <ul style="list-style-type: none"> ● 35 to 100 GRT ● Above 100 to 250 GRT ● Above 250 to 350 GRT ● Above 350 to 500 GRT ● Above 500 to 1000 GRT ● Above 1000 te 5000 GRT ● Above 5000 GRT 	<p>3,100.00</p> <p>5,600.00</p> <p>7,500.00</p> <p>9,400.00</p> <p>13,100.00</p> <p>15,000.00</p> <p>18,700.00</p>
<p>4. Filing of Marine Protest Incident Report</p>	<p>500.00</p>
Franchising Service	
Fee (PhP)	
<p>1. Issuance/Renewal of CPC</p> <p>A. Issuance</p> <p>a. Liner: Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT 	<p>2,300.00</p> <p>4,700.00</p> <p>16.00/GT or min. 7,000.00</p> <p>16.00/GT or min. 9,400.00</p> <p>1,000.00</p> <p>1,600.00</p>

<ul style="list-style-type: none"> ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT <p>b. Tramp: Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500 GT <p>B. Extension/Renewal</p> <p>a. Liner: Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT <p>b. Tramp: Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	<p>1,900.00</p> <p>7.80/GT or min. 3,700.00</p> <p>9.60/GT or min. 5,600.00</p> <p>2,800.00</p> <p>5,600.00</p> <p>18.00/GT or min. 8,400.00</p> <p>18.00/GT or min. 11,232.00</p> <p>1,000.00</p> <p>1,600.00</p> <p>1,900.00</p> <p>7.80/GT or min. 3,700.00</p> <p>9.60/GT or min. 5,600.00</p> <p>2,100.00</p> <p>4,200.00</p> <p>16.00/GT or min. 6,300.00</p> <p>16.00/GT or min. 8,400.00</p> <p>1,000.00</p> <p>1,600.00</p> <p>1,900.00</p> <p>7.80/GT or min. 3,700.00</p> <p>9.60/GT or min. 5,600.00</p> <p>2,600.00</p> <p>5,200.00</p> <p>16.50/GT or min. 7,700.00</p> <p>16.50/GT or min. 11,200.00</p> <p>1,000.00</p> <p>1,600.00</p> <p>1,900.00</p> <p>7.80/GT or min. 3,700.00</p> <p>9.60/GT or min. 5,600.00</p>
<p>2. Amendment of CPC</p> <p>A. Change in Sailing Frequencies/Schedule of Trips</p>	

Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood	
Steel Hull	
● 100 GT and below	1,400.00
● 101 GT to 250 GT	2,800.00
● 251 GT to 500 GT	4,200.00
● Above 500 GT	5,600.00
Wooden Hull	
● Below 35 GT	1,000.00
● 35 GT to 100 GT	1,600.00
● 101 GT to 250	1,900.00
● 251 GT to 500 GT	3,700.00
● Above 500GT	5,600.00
B. Permanent Addition or Deletion of a Route/Port/Link	
Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood	
Steel Hull	
● 100 GT and below	Per Route/Port/Link: 1,400.00
● 101 GT to 250 GT	2,800.00
● 251 GT to 500 GT	4,200.00
● Above 500 GT	5,600.00
Wooden Hull	
● Below 35 GT	1,000.00
● 35 GT to 100 GT	1,600.00
● 101 GT to 250	1,900.00
● 251 GT to 500 GT	3,700.00
● Above 500GT	5,600.00
C. Permanent Addition/Reduction of Dropping/Replacement of Ship/Fleet	
Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood	
Steel Hull	
● 100 GT and below	1,400.00
● 101 GT to 250 GT	2,800.00
● 251 GT to 500 GT	4,200.00
● Above 500 GT	5,600.00
Wooden Hull	
● 35GT or less	1,000.00
● 35 GT to 100 GT	1,600.00
● 101 GT to 250	1,900.00
● 251 GT to 500 GT	3,700.00
● Above 500GT	5,600.00
D. Change in Ship's Name	
Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood	
Steel Hull	

<ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT 	1,400.00
<ul style="list-style-type: none"> ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT 	2,800.00
<ul style="list-style-type: none"> ● 251 GT to 500 GT ● Above 500 GT 	4,200.00
<ul style="list-style-type: none"> ● Above 500 GT 	4,200.00
Wooden Hull	5,600.00
<ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	1,000.00
<ul style="list-style-type: none"> ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	1,600.00
<ul style="list-style-type: none"> ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	1,900.00
<ul style="list-style-type: none"> ● 251 GT to 500 GT ● Above 500GT 	3,700.00
<ul style="list-style-type: none"> ● Above 500GT 	3,700.00
	5,600.00
E. Change in the Type of Cargo to be Carried	
Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood	
Steel Hull	
<ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT 	1,400.00
<ul style="list-style-type: none"> ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT 	2,800.00
<ul style="list-style-type: none"> ● 251 GT to 500 GT ● Above 500 GT 	4,200.00
<ul style="list-style-type: none"> ● Above 500 GT 	4,200.00
Wooden Hull	5,600.00
<ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	1,000.00
<ul style="list-style-type: none"> ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	1,600.00
<ul style="list-style-type: none"> ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	1,900.00
<ul style="list-style-type: none"> ● 251 GT to 500 GT ● Above 500GT 	3,700.00
<ul style="list-style-type: none"> ● Above 500GT 	3,700.00
	5,600.00
F. Change in the Hull of the Ship and Other Ship Particulars	
Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood	
Steel Hull	
<ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT 	1,400.00
<ul style="list-style-type: none"> ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT 	2,800.00
<ul style="list-style-type: none"> ● 251 GT to 500 GT ● Above 500 GT 	4,200.00
<ul style="list-style-type: none"> ● Above 500 GT 	4,200.00
Wooden Hull	5,600.00
<ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	1,000.00
<ul style="list-style-type: none"> ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	1,600.00
<ul style="list-style-type: none"> ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	1,900.00
<ul style="list-style-type: none"> ● 251 GT to 500 GT ● Above 500GT 	3,700.00
<ul style="list-style-type: none"> ● Above 500GT 	3,700.00
	5,600.00
G. Change in the Contract Period of Bareboat Chartered Ships	
Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood	
Steel Hull	
<ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT 	1,400.00
<ul style="list-style-type: none"> ● 101 GT to 250 GT ● 251 GT to 500 GT 	2,800.00
<ul style="list-style-type: none"> ● 251 GT to 500 GT 	2,800.00

<ul style="list-style-type: none"> ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT <p>H. Other Type of Amendment</p> <p>Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	<p>4,200.00</p> <p>5,600.00</p> <p>1,000.00</p> <p>1,600.00</p> <p>1,900.00</p> <p>3,700.00</p> <p>5,600.00</p> <p>1,400.00</p> <p>2,800.00</p> <p>4,200.00</p> <p>5,600.00</p> <p>1,000.00</p> <p>1,600.00</p> <p>1,900.00</p> <p>3,700.00</p> <p>5,600.00</p>
<p>3. Re-issuance/Revalidation of CPC (Only within the period of the Transitory Period of the 2014 Amendments to the Revised Rules and Regulations Implementing RA No. 9295)</p> <ul style="list-style-type: none"> ● Big Company with 5 ships and above with or without Amendment in CPC ● Big Company with less than 5 ships with or without Amendment in CPC ● Application accompanied with Amendment to CPC ● Small Operator of Wooden Hulled with or without Amendment 	<p>5,600.00</p> <p>2,300.00</p> <p>5,600.00/amendment</p> <p>500.00</p>
<p>4. Special Permit</p> <p>A. Issuance of Special Permit</p> <p>Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT <p>B. Extension of Special Permit</p>	<p>900.00</p> <p>1,800.00</p> <p>2,700.00</p> <p>4,700.00</p> <p>800.00</p> <p>1,600.00</p> <p>2,300.00</p> <p>3,100.00</p> <p>3,600.00</p>

<p>Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT <p>C. Expedite Processing of SP (Half of the SPT)</p>	<p>1,100.00</p> <p>2,400.00</p> <p>3,300.00</p> <p>5,200.00</p> <p>800.00</p> <p>1,600.00</p> <p>2,200.00</p> <p>3,200.00</p> <p>4,400.00</p> <p>Double of Normal Application Fee</p>
5. Provisional Authority	3,600.00
6. Filing of Formal Complaints Regarding Any Matter Involving Violations of the Provisions of RA 9295 or its IRR (to qualify)	3,700.0
7. Motions for Resolution/Decision/Ruling	1,200.00
8. Filing of Administrative Appeal on Order/Decision/Ruling Relative to CPC Application and Complaint Case	1,200.00
9. Certification of All Types of Documents	300.00/certificate
10. Opposition	900.00
<p>11. Petitions</p> <p>A. Sale & Transfer (only applicable to CPC holders)</p> <p>Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT <p>B. Exemption from CPC Personal/Company Use</p> <p>Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT 	<p>1,900.00</p> <p>3,700.00</p> <p>5,600.00</p> <p>7,500.00</p> <p>800.00</p> <p>900.00</p> <p>1,900.00</p> <p>3,700.00</p> <p>5,600.00</p> <p>2,200.00</p> <p>4,300.00</p> <p>6,500.00</p>

<ul style="list-style-type: none"> ● 251 GT to 500 GT ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT <p>Ships expressly exempted under Section 7.14.1 to 7.14.11 of the 2014 Amendments</p>	<p>29/GT or min of 8,600.00</p> <p>1,000.00</p> <p>1,400.00</p> <p>2,800.00</p> <p>4,200.00</p> <p>12/GT or min of 5,600.00</p> <p>2,000.00/ship</p>
<p>12. For reopening/reconsideration of Disapproved Petitions or Applications</p> <p>Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	<p>2,000.00</p> <p>2,800.00</p> <p>4,200.00</p> <p>5,600.00</p> <p>800.00</p> <p>1,600.00</p> <p>2,300.00</p> <p>3,100.00</p> <p>4,700.00</p>
<p>13. Authorization for Temporary Stoppage</p> <p>Steel Hull, Aluminum Hull, Fiber Glass Hull or combination of both or any other type of hull material except wood</p> <p>Steel Hull</p> <ul style="list-style-type: none"> ● 100 GT and below ● 101 GT to 250 GT ● 251 GT to 500 GT ● Above 500 GT <p>Wooden Hull</p> <ul style="list-style-type: none"> ● Below 35 GT ● 35 GT to 100 GT ● 101 GT to 250 ● 251 GT to 500 GT ● Above 500GT 	<p>2,000.00</p> <p>2,800.00</p> <p>4,200.00</p> <p>5,600.00</p> <p>800.00</p> <p>1,600.00</p> <p>2,300.00</p> <p>3,100.00</p> <p>4,700.00</p>
<p>14. Other Motions (e.g., Motion for Extension of Time to File Answer, Cancellation of CPC, Amendment of Sailing Schedule/Frequency, Dismissal of Application, Suspension of Operation)</p>	<p>900.00</p>

(2) *Overseas Shipping Sector.* - The fees for overseas shipping sector shall be based on the schedule below:

Overseas Shipping Service	Fee (PhP)
1. Ship Charter/Extension of Charter Period/Novation on Bareboat Charter Contract	24,800.00 for the first three (3) years and additional 5,300.00 for every year thereafter
2. Amendment of MARINA approval due to change in any provision of charter contract under Presidential Decree (PD) 760/866/1711 and Executive Order No. 438	2,000/ship
3. Extension of validity period of BMARINA approval on importation/bareboat chartering projects	2,900.00/month
4. Change of original registry of bareboat chartered ships	29,800.00/ship
5. Issuance of CPR/CO	3,200.00 + P1.50/GT in excess of 500 GT
6. Extension of ship's CPR for less than one (1) year	29,800.00/vessel per application
7. Re-issuance/Amendment of CPR/Full term CPR	2,000.00
8. Manning Certificate <ul style="list-style-type: none"> ● Initial issuance/re-issuance upon request of company for Special Permit in the overseas trade ● Full Term ● Re-issuance for compliance of new International Maritime Organization (IMO) regulations 	2,000.00 9,700.00 700.00
9. Employment of Expatriate Officer under PD 760, as amended/ Supernumerary	5,300.00/supernumerary
10. Amendment of Supernumerary permit due to change in period and/or route	5,300.00/application
11. Special Permit for temporary utilization of domestic ships in overseas trade operation (maximum of three months per issuance) <ul style="list-style-type: none"> ● Tramping Operation ● Liner Operation ● Amendment of Special Permit (domestic to overseas) 	8,100.00 39,700.00 600.00/application
12. Amendment of Special Permit	600.00/application
13. Accreditation of Overseas Shipping Companies under MC No. 181	12,400.00
14. Re-issuance of Certificate of Accreditation of Company due to amendment during the validity of Certificate	2,800.00
15. Accreditation under MC No. 186 based on the following categories: <ul style="list-style-type: none"> ● Single proprietorship ● Partnership/Corporation ● Cooperatives 	7,600.00 11,100.00 11,100.00
16. Change of Ship's Name	700.00
17. Importation/Purchase of Ship for Overseas Use	9,700.00/ship
18. Authority to export/sell ships from Filipinos to foreign nationals	4,900.00
19. Deletion from Philippine Registry	2,000.00
20. Amendment of application for deletion of ship from the Philippine Registry	2,000.00
21. Indorsement to authorized agent banks (AAB)'s of the Monetary Authority for foreign exchange requirements of shipping companies (Sec. 6.01(a) Rules and Regulations of RA No. 7471)	1,000.00
22. Indorsement to the Secretary of Finance for exemption from import duties and taxes (Sec. 6.02(c) R & R of RA 7471) <ul style="list-style-type: none"> ● Ship Importation ● Spare Parts 	3,800.00 1,000.00
23. Construction of Ships for Overseas Use	8,100.00/ship
24. Indorsement to BOI Registration	1,000.00

25. Indorsement to the Secretary of Finance for availment of supplier's tax credit (Sec. 6.02(d) Rules and Regulations of RA 7471)	1,000.00
26. Registration of Logbook <ul style="list-style-type: none"> ● Deck and Engine ● Other Books 	400.00/quarter 400.00/book
27. Letter to Class	2,000.00/ship
28. Annotation of Ship Mortgage (owned ship) and Transfer of Rights and other Encumbrances of Ships <ul style="list-style-type: none"> ● PhP 5,000.00 - PhP 25,000.00 ● Over PhP 25,000.00 	600.00 + 0.60/PhP 1,000.00 in excess of PhP 5,000.00 1,700.00 + 0.40/PhP 1,000.00 in excess of PhP 25,000.00
29. Cancellation of Mortgage	500.00
30. Letter authorization to recognize organizations for statutory/International Safety Management (ISM) certification	2,000.00
31. Reservation of Ship's name	300.00/ship/month
32. Registration/Recording of Cautionary Notice of Mortgages (for bareboat chartered ships)	23,900.00
33. Change of officers and stockholders of accredited overseas shipping companies	1,000.00
34. Permanent conversion of ships trading status from domestic to overseas	9,700.00
35. Application for the Issuance of Civil Liability Convention (CLC) Certificate	2,000.00/vessel
36. Issuance of Continuous Synopsis Record (CSR) under MC 200, as amended <ul style="list-style-type: none"> ● Initial issuance ● Amendment of CSR ● Re-issuance due to loss/damage ● Further requests due to loss/damage 	2,000.00 2,000.00 2,900.00 Double the processing fee for the last re- issuance due to loss/damage
37. Issuance of original CSR of private shipping company abroad	5,000.00/CSR
38. Letter approval for the Termination of Assignment of Bank Deposit/ Withdrawal of Surety Bond	400.00/ship
39. Letter of consent for the registration of ship under Philippine Flag	2,000.00
40. Other Certification	300.00/certification
41. Expedite Processing of Applications	Additional 100% of existing fees (all Project Applications)

(3) *Shipbuilding and Ship Repair Sector.* - The fees for shipbuilding and ship repair sector shall be based on the schedule below:

Shipyard Regulations Service (SRS)	Fee (PhP)
1. Licensing of Shipbuilders, Shiprepairers, Afloat Repairer, Boat Builders and Shipbreakers <ul style="list-style-type: none"> a. License Fees/Renewal <ul style="list-style-type: none"> ● Shipbreaker ● Shipbuilding and Ship Repair (SBSR) A ● SBSR B 	37,900.00 46,800.00 35,100.00

<ul style="list-style-type: none"> ● SBSR C ● Afloat ship repairer (AF)/Ship repairer (SR) C ● Boatbuilder A ● Boatbuilder B 	23,500.00	
	12,000.00	
	21,300.00	
	3,900.00	
b. Annual Shipyard Inspection/Endorsement		
<ul style="list-style-type: none"> ● Shipbreaker ● SBSR A ● SBSR B ● SBSR C ● AF/SR C ● Boatbuilder A ● Boatbuilder B 	13,500.00	
	12,400.00	
	9,300.00	
	6,900.00	
	5,400.00	
	5,700.00	
	2,900.00	
2. Application for Indorsement to BBOI		
a. For Registration	500.00	
b. For Availment of Incentives	1,900.00	
3. Filing fee for processing of application for Exemption under PD No. 1221	5,600.00	
4. Issuance of Authority to Acquire Vessels for Scrapping Purposes		
a. Below 1000 GT		
<ul style="list-style-type: none"> ● Less than 10 years old ● 11-14 years old ● 15-20 years old ● Above 20 years old 	9,400.00	
	14,000.00	
	18,700.00	
	26,200.00	
b. 1000 GT and above		
<ul style="list-style-type: none"> ● Less than 10 years old ● 11-14 years old ● 15-20 years old ● Above 20 years old 	13,100.00	
	19,600.00	
	26,200.00	
	32,800.00	
5. Authority to acquire ship thru Local Construction	12,400.00	
6. Tonnage Measurement Certificate		
a. Issuance of Domestic Tonnage Measurement Certificate		
<ul style="list-style-type: none"> ● 3.00 GT & below ● 3.01 GT - 14.99 GT ● 15.00 GT - 34.99 GT ● 35 GT - 99.99 GT ● 100 GT - 249.99 GT ● 250 GT - 499.99 GT ● 500 GT & above 	700.00	
	800.00	
	1,100.00	
	2,100.00	
	7,300.00	
	9,800.00	
	9,800.00 plus 6.00/GT In excess of 500 GT	
<ul style="list-style-type: none"> ● Re-issuance of Domestic Tonnage Measurement 	700.00	
b. Issuance of International Tonnage Measurement Certificate (ITC)		
<ul style="list-style-type: none"> ● Below 50.00 GT ● 50 GT to 99.99 GT ● 100 GT - 249.99 GT ● 250 GT - 499.99 GT ● 500 GT - 999.99 GT ● 1,000 GT - 1,499.99 GT ● 1,500 GT & above 	700.00	
	1,400.00	
	2,800.00	
	4,200.00	
	5,600.00	
	7,200.00	
	7,200.00 plus 9.60/GT in excess of 1,500GT	
<ul style="list-style-type: none"> ● Re-issuance of International Tonnage Measurement 	6,600.00	
7. Approval of Vessel Plans	200.00/section	
8. Domestic Load Line Certificate		
a. Issuance of Domestic Load Line Certificate	Non-Propelled	Self-Propelled

<ul style="list-style-type: none"> ● Under 200 GT (with at least 24 meters in length) ● 200 GT and under 400 GT ● 400 GT and under 700 GT ● 700 GT and under 1000 GT ● 1,000 GT and under 1,500 GT ● 1,500 GT and under 2,500 GT ● 2,500 GT and under 3,500 GT ● 3,500 GT and under 5,000 GT ● 5,000 GT and under 6,500 GT ● 6,500 GT and under 8,000 GT ● 8,000 GT and under 10,000GT ● 10,000 GT and under 12,000 GT ● 12,000 GT and under 15,000 GT ● 15,000 GT and over 	4,800.00	6,000.00
	6,000.00	7,200.00
	7,200.00	8,400.00
	7,800.00	10,200.00
	9,000.00	12,000.00
	10,800.00	13,200.00
	12,000.00	14,400.00
	12,600.00	15,600.00
	14,000.00	16,800.00
	15,600.00	17,800.00
	16,800.00	18,700.00
	18,000.00	21,600.00
	21,600.00	27,600.00
	24,000.00	30,000.00
b. Annual Endorsement of Domestic Load Line Certificate regardless of Tonnage	3,600.00	4,800.00
c. Re-issuance of Domestic Loan Line Certificate regardless of Tonnage	400.00	400.00
9. International Load Line Certificate		
a. Issuance of International Load Line Certificate	30% more of the Domestic Load Line Rates	
b. Issuance of Extension and Provisional International Load Line Certificate for a period, which shall not exceed five (5) months	50% of current basic fee or a minimum fee of 4,000.00	
c. Annual Endorsement of International Load Line Certificate (regardless of Tonnage)	Non-Propelled 3,600.00	Self-Propelled 4,800.00
d. Re-issuance of International Load Line Certificate (due to change of vessel name, MARINA Official No.)	400.00	
10. In case where the Accredited LoadLine Assignor will perform the survey, assignment and marking under supervision of MARINA Technical Personnel		
a. 35.00 GT - 99.99 GT	700.00 + 1.00/GT in excess of 35 GT	
b. 100.00 GT to 249.99 GT	1,200.00 + 1.00/GT in excess of 200 GT	
c. 250.00 GT - 499.99 GT	1,600.00 + 1.00/GT in excess of 250 GT	
d. 500.00 GT - 999.99 GT	2,300.00 + 1.00/GT in excess of 500 GT	
e. 1,000.00 GT - 1,499.99 GT	3,100.00 + 1.00/GT in excess of 1000 GT	
f. 1,500.00 GT - 1,999.99 GT	3,900.00 + 1.00/GT in excess of 1500 GT	
g. 2,000.00 GT - 2,999.99 GT	4,700.00 + 1.00/GT in excess of 2000 GT	

h. 3,000.00 GT - 4,999.99 GT	6,200.00 + 1.00/GT in excess of 3000 GT	
i. 5,000.00 GT and above	7,800.00 + 1.00 GT in excess of 5000 GT	
11. Conduct of Inclining Test/Lightweight Survey by the BMARINA (inclusive of related evaluations and calculations)	Non-Propelled	Self-Propelled
a. Under 35 GT	4,200.00	5,000.00
b. 35 GT and under 200 GT	12,000.00	15,000.00
c. 200 GT and under 400 GT	18,000.00	20,000.00
d. 400 GT and under 700 GT	24,000.00	30,000.00
e. 700 GT and under 1,000 GT	30,000.00	35,000.00
f. 1,000 GT and under 1,500 GT	36,000.00	45,000.00
g. 1,500 GT and under 2,500 GT	48,000.00	60,000.00
h. 2,500 GT and under 3,500 GT	54,000.00	70,000.00
i. 3,500 GT and under 5,000 GT	60,000.00	80,000.00
j. 5,000 GT and under 6,500 GT	66,000.00	95,000.00
k. 6,500 GT and under 8,000 GT	72,000.00	100,000.00
l. 8,000 GT and under 10,000 GT	78,000.00	120,000.00
m. 10,000 GT and under 12,000 GT	84,000.00	130,000.00
n. 12,000 GT and under 15,000 GT	90,000.00	110,000.00
o. 15,000 GT and over	96,000.00	150,000.00
12. Supervision of Inclining Test/Experiment		
a. 50 GT to 500 GT	600.00	
b. Above 500 GT - 1,500 GT	600.00 + 1.60/GT in excess of 50 GT	
c. Above 1,500 GT	1,500.00 + 1.60/GT in excess of 500 GT	
13. Approval of Stability Calculation		
a. 50 GT or less	600.00	
b. Over 50 GT to 500 GT	600.00 + 1.60/GT in excess of 50 GT	
c. Above 500 GT - 1,500 GT	1,500.00 + 1.60/GT in excess of 500 GT	
d. Above 1,500 GT	5,200.00 + 1.50 GT in excess of 1,500 GT	
14. Issuance of Stability/Indorsement without Lightweight Survey	400.00	
15. Issuance of Exemption Certificate	400.00	
16. Accreditation of Load Line Assigning Authority	9,400.00/3 years	
17. Examination for Load Line Assignor	9,400.00/3 years	
18. Accreditation of Load Line Assignor	18,700.00	
19. Accreditation for Authority to Conduct Inclining Experiment & Preparation of Stability Calculation		
a. Issuance	9,400.00/year	
b. Renewal	9,400.00/year	

20. Inspection in compliance with PD 1059	1,400.00/inspection
a. Issuance of Construction Certificate under PD 1059	400.00/ship

(4) *Maritime Safety Sector.* - The fees for maritime safety sector shall be based on the schedule below:

Maritime Safety Service (MSS)	Fee (PhP)
1. Ship Survey/Inspection Fee (Domestic & International)	
a. If survey/inspection conducted within the MARINA Central Office (MCO)/Maritime Regional Office (MRO) work station/location	
Hull/Structural, Life Saving appliance (LSA)/Firefighting (FF) Equip., & Navigational/Comm. Sections System	
● 3.00 GT and below	200.00
● 3.01 GT -14.99 GT	300.00 + 1.00 GT in excess of 3 GT
● 15.00 GT - 34.99 GT	500.00 + 1.00 GT in excess of 15 GT
● 35.00 GT - 99.99 GT	600.00 + 1.00 GT in excess of 35 GT
● 100.00 GT- 249.99 GT	1,200.00 + 1.00 GT in excess of 100 GT
● 250.00 GT- 499.99 GT	1,600.00 + 1.00 GT in excess of 250 GT
● 500.00 GT - 999.99 GT	2,300.00 + 1.00 GT in excess of 500 GT
● 1,000.00 GT - 1,499.99 GT	3,100.00 + 1.00 GT in excess of 1,000 GT
● 1,500.00 GT - 1,999.99 GT	3,900.00 + 1.00 GT in excess of 1,500 GT
● 2,000.00 GT - 2,999.99 GT	4,700.00 + 1.00 GT in excess of 2,000 GT
● 3,000.00 GT - 4,999.99 GT	6,200 + 1.00 GT in excess of 3,000 GT
● 5,000.00 GT and above	8,600.00 + 1.00 GT in excess of 5,000 GT
For Liquid Cargo	1.5 times the rate of the above fees
Machinery and Electrical System	

<ul style="list-style-type: none"> ● 15 KW and below ● Over 15 KW ● 100 KW and below ● Over 100 KW <p>Boilers including Donkey Boilers</p> <ul style="list-style-type: none"> ● 3,000 sq. ft. of heating surface and below ● Over 3,000 sq. ft. of heating surface <p>Air Compressor</p> <p>Refrigeration or Machinery & Chambers</p> <p>b. Additional charges for ship survey/inspection conducted outside work station of the surveyor/inspector</p> <p>c. Additional charges for Survey/Inspection within jurisdiction of the Central Office or MRO's (per inspector per inspection)</p> <ul style="list-style-type: none"> ● Within 25 km radius from work station ● Beyond 25km 	<p>100.00</p> <p>100.00 + 4.00/KW in excess of 15 KW</p> <p>200.00</p> <p>200.00 + 3.00 KW in excess of 100 KW</p> <p>100.00</p> <p>1,300.00 + 5.00/sq. ft. in excess of 3,000 sq. ft.</p> <p>100.00</p> <p>100.00</p> <p>1,600.00/day + amount of air fare ticket (economy class) Per surveyor/inspector</p> <p>600.00</p> <p>600.00 + 50/km in excess of 10 km</p>
2. Supervision Fee for Underwater Inspection (UWI)	
<ul style="list-style-type: none"> a. Within working station b. Outside territorial jurisdiction 	<p>6,000.00</p> <p>12,000.00</p>
3. Lay-up Vessels (MC 156)	
<ul style="list-style-type: none"> a. 50,000 DWT and below b. Above 50,000 DWT to 150,000 DWT c. Above 150,000 DWT 	<p>In peso equivalent of USD 110.00/day</p> <p>In peso equivalent of USD 125.00/day</p> <p>In peso equivalent of USD 140.00/day</p>
4. Special Permit to Navigate (SPN) for Drydocking/Conduction Purposes & Sea Trial	700.00
5. Dispensation Permit for Seafarers on board vessels operating in the domestic trade (MC 138)	
<ul style="list-style-type: none"> a. New issuance b. First Renewal c. Second Renewal 	<p>9,400.00</p> <p>15,000.00</p> <p>18,700.00</p>
6. Ship Safety Certificates	(rates for ship safety certificates shall be added to the corresponding inspection fee)
<ul style="list-style-type: none"> a. Passenger Ship Safety Certificate 	400.00

b. Cargo Ship Safety Certificates	400.00
c. Cargo Ship Safety Construction Certificate	400.00
d. Cargo Ship Safety Equipment Certificate	400.00
e. High Speed Craft Safety Certificate	400.00
f. Exemption Certificate (Passenger/Cargo)	400.00
g. Fishing Vessel Safety Certificate	400.00
h. Certificate of Fitness	400.00
i. Re-issuance of Certificates	400.00
7. Special Permit to Load Dangerous Cargoes	300.00/cu. meter
8. Surcharge for the late renewal of expired certificates	
a. Safety Certificate	50% of the Total Fees
b. Short International Voyage	50% of the Total Fees
c. Manning Certificate	50% of the Total Fees
d. Exemption Certificate	50% of the Total Fees
e. Dispensation Permit	50% of the Total Fees
9. Implementation of ISM Code in the Domestic Shipping (MC 143)	
a. Full-Term Document of Compliance (DOC) issued by the BMARINA/Interim DOC issued by BMARINA	7,500.00/document
b. Full-Term Safety Management Certificate (SMC)/ Interim Safety Management Certificate (SMC) issued by BMARINA	7,500/certificate
c. Audit (conducted by BMARINA)	
Company	
● Category I - Small (with 20 employees and below)	30,000.00 per Complete Audit
● Category II - Medium (between 21 and 50 employees)	44,900.00 per Complete Audit
● Category III - Large (more than 50 employees)	45,000.00 per Complete Audit
Ship	
● Category I	
○ Oil tankers, gas carriers, bulk carriers, and other cargo ships of 500 GT and above; and	30,000.00 per Complete Audit
○ Passenger ships and high-speed craft carrying less than 300 passengers	30,000.00 per Complete Audit
● Category II	
○ Passenger ships and high-speed craft carrying 300 up to 1,499 passengers; and	30,000.00 per Complete Audit
○ Chemical tankers	30,000.00 per Complete Audit
● Category III	
○ Passenger ships carrying 1,500 passengers and above	34,600.00 per Complete Audit
d. Additional charges for audit conducted outside workstation of the Auditor(s)	4,700.00/day + amount of fare ticket (economy class) per Auditor
e. Document Review	4,700.00

10. Adoption of National Safety Management (NSM) Code in the Domestic Shipping	
a. NSM Manual	1,900.00
b. Certificates	
● Interim NSM DOC	1,900.00
● Short-term NSM DOC	1,900.00
● Full-term NSM DOC	5,600.00
● Short-term NSM SMC	1,900.00
● Interim NSM SMC	1,900.00
● Full-term NSM SMC	5,600.00
c. Certificate Process	
● For companies operating ships 250 GT and above	
Document Review	
○ Within Working Station	5,600.00
Initial Visit (for new company)	
○ Within Working Station	1,900.00
○ Outside Working Station	65,500.00
○ Central Office/Maritime Regional Office	56,200.00
Company Audit	
○ Within Working Station	18,700.00
○ Outside Working Station	93,600.00
○ Central Office/Maritime Regional Office	84,200.00
Ship Audit	
○ Within Working Station	15,000.00
○ Outside Working Station	84,200.00
○ Central Office/Maritime Regional Office	74,900.00
● For companies operating ships 150 GT to 249.99 GT	
Document Review	
○ Within Working Station	4,200.00
Initial Visit (for new company)	
○ Within Working Station	1,400.00
○ Outside Working Station	49,100.00
○ Central Office/Maritime Regional Office	42,100.00
Company Audit	
○ Within Working Station	14,000.00
○ Outside Working Station	70,200.00
○ Central Office/Maritime Regional Office	63,200.00
Ship Audit	
○ Within Working Station	11,200.00
○ Outside Working Station	63,200.00
○ Central Office/Maritime Regional Office	56,200.00
● For companies operating ships 50 GT to 149.99 GT	
Document Review	
○ Within Working Station	2,800.00
Initial Visit (for new company)	
○ Within Working Station	900.00
○ Outside Working Station	32,800.00
○ Central Office/Maritime Regional Office	28,100.00
Company Audit	

○ Within Working Station	
○ Outside Working Station	9,400.00
○ Central Office/Maritime Regional Office	46,800.00
Ship Audit	41,200.00
○ Within Working Station	
○ Outside Working Station	7,500.00
○ Central Office/Maritime Regional Office	42,100.00
	37,400.00
● For companies operating ships 15 GT to 49.99 GT	
Document Review	
○ Within Working Station	
Initial Visit (for new company)	1,700.00
○ Within Working Station	
○ Outside Working Station	600.00
Company Audit	19,700.00
○ Within Working Station	
○ Outside Working Station	16,900.00
○ Central Office/Maritime Regional Office	29,000.00
Ship Audit	25,300.00
○ Within Working Station	
○ Outside Working Station	4,500.00
	25,300.00
● For companies operating ships less than 15 GT	
Document Review	
○ Within Working Station	500.00
Initial Visit (for new company)	
○ Within Working Station	500.00
○ Outside Working Station	500.00
○ Central Office/Maritime Regional Office	500.00
Company Audit	
○ Within Working Station	1,600.00
○ Outside Working Station	7,800.00
○ Central Office/Maritime Regional Office	7,000.00
Ship Audit	
○ Within Working Station	1,300.00
○ Outside Working Station	7,000.00
○ Central Office/Maritime Regional Office	6,200.00

11. Issuance of Certificate of Accreditation to Classification Societies and Entities for the purpose of Classification of ships in the domestic trade (MC 165)	46,800.00 valid for 3 years
12. Minimum Safe Manning Certificate (MC 2012-01)	
a. Issuance /Renewal of Minimum Safe Manning Certificate	
● Over 1,600 GT	2,300.00/ship
● Over 1,000 GT to 1,600 GT	2,000.00/ship
● Over 500 GT to 1,000 GT	1,600.00/ship
● Over 250 GT to 500 GT	1,200.00/ship
● Over 100 GT to 250 GT	800.00/ship
● Over 35 GT to 100 GT	300.00/ship
● 35 GT and below	100.00/ship
b. Re-issuance of Minimum Safe Manning Certificate	300.00/ship
13. Expedite Processing of Applications	Additional 100% of existing fees
14. Affidavit of loss of BMARINA issued Certificates/Licenses/Permits	700.00
15. Exemption Certificate for Conduction Purposes	2,000.00
16. Cargo Securing Manual (CSM)	
a. Review and Evaluation of CSM	
● 5,000 GT and above	7,800.00
● 1,000 GT to below 5,000 GT	6,000.00
● 250 GT to below 1,000 GT	4,100.00
● 150 GT to below 250 GT	3,000.00
● 50 GT to below 150 GT	2,400.00
● 15 GT to below 50 GT	1,100.00
● Less than 15 GT	400.00
b. Issuance of CSM Compliance Certificate	2,300.00
c. Annual endorsement of CSM Compliance Certificate	400.00
17. Accreditation of Manufacturers/Suppliers/Servicing Entities of Life-Saving and Other Safety Related Appliances/Equipment (MC 2006-01)	
a. Processing Fee	
● Manufacturer	2,400.00
● Suppliers	1,800.00
● Servicing Entity	2,400.00
● Combination of Manufacturer/Supplier/Servicing Entity	3,000.00
b. Accreditation Certificate	
● Manufacturer	12,000.00
● Suppliers	6,000.00
● Servicing Entity	12,000.00
● Combination of Manufacturer/Supplier/Servicing Entity	18,000.00
c. Type Approval (inclusive of design approval & prototype testing)	12,000.00
d. Quality Systems Approval	12,000.00
e. Inspection Fee	6,000.00

(5) *Manpower Development Sector.* - The fees for manpower development sector shall be based on the schedule below:

Manpower Development Service	Fee (PhP)
1. Issuance of Seafarer's Identification and Record Book (SIRB)	
c. New /Replacement	
● Regular	800.00

<ul style="list-style-type: none"> ● Expedite 	1,500.00
d. Replacement of Lost SIRB <ul style="list-style-type: none"> ● 1st Time 	1,500.00
e. Onboard	1,500.00
f. On-site	1,500.00
2. Issuance of Seafarer's Identification Book (SIB)	350.00
3. Application for Harbor Pilot Examination and issuance of license <ul style="list-style-type: none"> ● Examination Fee ● Special Examination Fee ● Harbor Pilot License ● Replacement of Lost/Damaged License 	4,700.00 7,200.00 15,600.00 7,800.00
4. Issuance of Domestic Certificate of Competency (D-COC) <ul style="list-style-type: none"> ● Issuance/Renewal ● Replacement of Lost/Damaged D-COC ● On-site Application/Expedite Processing 	Per Certificate: 800.00 1,000.00 1,500.00
5. Application for Examination and Issuance of License to Major/Minor Patrons, Boat Captains and Marine Diesel Mechanics, Motorman <ul style="list-style-type: none"> a. Examination Fee <ul style="list-style-type: none"> ● Written (except Boat Captain 1) ● Oral b. Issuance of Certificate of Marine Profession (CMP), excluding Documentary Stamp Tax (DST) <ul style="list-style-type: none"> ● New Passers ● For holders of licenses issued under MC 170 ● Replacement of Lost ● Replacement of Damaged c. Issuance of License/Identification (ID) <ul style="list-style-type: none"> ● New/Renewal ● Replacement of Lost ● Replacement of Damaged 	300.00 500.00 1,000.00 160.00 1,500.00 750.00 350.00 700.00 500.00
6. Training fee for the Recurrency Training on Safe Navigation (SAFENAV) and Collision Regulation (COLREG) for Masters and Chief Mates of navigating ships for domestic voyages	4,200.00
7. Accreditation of Maritime Training Centers in the conduct of Training Programs for Domestic Seafarers <ul style="list-style-type: none"> ● Filing Fee ● Inspection Fee ● Re-inspection Fee ● Accreditation Fee 	300.00 700.00 800.00 23,400.00
8. Registration of Trainees Logbook	130.00/logbook
9. Certification attesting to validity/genuineness of certificate	300.00
10. Authentication of Training Certificates issued by BMARINA-accredited training organizations/centers (Flag Administration Advisory No. 30)	80.00
11. Spoiled SIRB	350.00
12. Spoiled Sticker	50.00

(6) *Administrative and General Sector.* - The fees for administrative and general sector shall be based on the schedule below:

Legal Service	Fee (PhP)
1. Indorsement for Incorporation of Maritime Enterprises <ul style="list-style-type: none"> ● SEC ● POEA/DOLE ● DOF ● DTI ● CDA ● Other governmental agencies 	950.00
2. Certification	300.00
3. Legal Clearance of Companies	300.00
Management, Financial, and Administrative Service	Fee (PhP)
Certification of all types of documents	300.00/document
Management Information Service	Fee (PhP)
1. Generation of CD copy of vessel inventory	160.00/CD
2. Posting in the BMARINA Website	1,000.00/page
3. Printing of Statistical Information processed by the BMARINA <ul style="list-style-type: none"> ● Black and white ● Colored 	10.00 50.00
4. Generation of specialized output/data requirements	200.00/topic

SECTION 136. *Time of Payment.* — The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration or renewal of the permit, license, franchise, or related documents.

SECTION 137. *Administrative Provisions.* - The fees shall be collected by the MOTC-BMARINA on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due it for the application of such permit, license, franchise, or related documents.

All payments shall be deposited by the MOTC-BMARINA to the proper account of the BTO immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the MOTC-BMARINA.

All COs of BMARINA shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

ARTICLE 7 — Fees for the Operation of Public Service Communications

SECTION 138. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving the operation of public service communications within the jurisdiction of BARMM, based on the schedule below:

- (a) *Administrative Fees.* - There shall be levied, assessed, and collected, from every applicant, a reasonable administrative fee for the installation, operation, and maintenance of communication utilities and services, radio communication systems, wire or wireless telephone or telegraph systems, radio and television broadcasting systems, and other similar public utilities whose frequencies are confined to or whose main offices are located within the Bangsamoro Autonomous Region. These include, but not limited to, filing fee, construction permit fee, license fee, and inspection fee, based on the schedule below:

Particular	Fee (PhP)
I. Broadcast Services	
1. Amplitude Modulation (AM) /Broadcast (BC) Commercial	
a. One kilowatt (kw) or less	4,520.00
b. per kw or fraction thereof in excess of the first kw.	955.00
2. AM/BC Non-commercial	
a. 1 kw or less	2,600.00
b. per kw or fraction thereof in excess of the first kw.	520.00
3. Frequency Modulation (FM)/BC Commercial	
a. 5 kw or less	3,320.00
b. per kw or fraction thereof in excess of the first 5 kw.	500.00
4. FM/BC Non-commercial	
a. 5 kw or less	2,240.00
b. per kw or fraction thereof in excess of the first 5 kw	500.00
5. Television (TV) /BC Commercial	
a. First 35 kw or less	6,160.00
b. per 5 kw or fraction thereof in excess of the first 35 kw	1,520.00
6. TV/BC Non-commercial	
a. 10 kw or less	3,560.00
b. Per 5 kw of fraction thereof in excess of the first 10 kw.	520.00
7. High Frequency (Hf)/Broadcast Non-Commercial	
a. 50 kw or less	3,560.00
b. Per 25 kw or fraction thereof in excess of the first 50 kw.	680.00
8. Cable TV (CATV)	
	5,860.00
9. TV Translator Commercial	
	4,400.00
10. TV Translator Non-Commercial	
	4,120.00
11. Multi Channel Pay TV/Subscription	
a. Multichannel Multipoint Distribution Service (MMDS)	
First eight (8) channels succeeding the first 8 channels	7,120.00
For every channel succeeding the first 8 channels	250.00
b. Local Multipoint Distribution Service (LMDS)	
First forty (40) channels	20720.00
For every channel succeeding the first 40 Channels	250.00
c. Direct-to-Home (DTH)	
First forty (40) channels	20,720.00
For every channel succeeding the first 40 Channels	250.00
12. Auxiliary Broadcast Transmission Services:	
	Same as the Fixed and Mobile Service
13. Sub-carrier (SCA) operation	
a. Radio/Channel	
Commercial	2,50.00
Non-Commercial	1,150.00
b. TV/Channel	
Commercial	5,400.00
Non-Commercial	2,700.00

14. Television Receive Only (TVRO) Registration	9,100.00
15. Petition	200.00
16. Extension of Public Address (PA)	200.00
II. Fixed Service	
1. Public	
a. Transoceanic	
High Powered	4,380.00
Medium Powered	4,380.00
Low Powered	4,380.00
b. Domestic	
High Powered	3,180.00
Medium Powered	2,724.00
Low Powered	2,080.00
c. Multi-Channel Stations Open for Public Correspondence	1,500.00
d. Fixed Link Stations	900.00
e. Commercial	1,620.00
2. Non-carrier Services	
a. Single Channel	
High Powered	1,500.00
Medium Powered	1,380.00
Low Powered	1,260.00
b. Multi Channel Station	
Open For Private Correspondence	1,500.00
3. Repeater Stations	
a. Commercial	2,820.00
b. Private	2,580.00
III. Land Base & Mobile Services - Non-Carrier Services	
1. Base Station	
High Powered	1,620.00
Medium Powered	1,500.00
Low Powered	1,380.00
2. Land Mobile Station	
High Powered	1,140.00
Medium Powered	1,020.00
Low Powered	900.00
3. Portable Station	
High Powered	900.00
Medium Powered	780.00
Low Powered	660.00
IV. Maritime Mobile Service	
1. Coast Station	
A. Public correspondence	
a. Radio telegraphy	
High Powered	4,380.00
Medium Powered	3,540.00
Low Powered	2,700.00

b. Radio Telephony (Single Side Band or SSB)	
High Powered	2,940.00
Medium Powered	2,460.00
Low Powered	1,860.00
c. Radio telephony (Very High Frequency or VHF)	2,340.00
B. Private Correspondence (Non Carrier Service)	
a. Radio telegraphy	
High Powered	3,660.00
Medium Powered	3,060.00
Low Powered	2,580.00
b. Radio Telephone	
SSB	2,100.00
VHF	1,620.00
2. Commercial Receiving Station	1,620.00
3. Ship Station (Non-Carrier Service)	
a. Domestic Voyage	
High Powered	2,460.00
Medium Powered	2,220.00
Low Powered	1,980.00
b. International Voyage	4,080.00
4. On-Board Commercial Station	660.00
5. Ship Earth Station	4,020.00
Recognition/Accreditation Certificates	
1. Recognition Certificate for Classification Society	1,680.00
2. Recognition for Accounting Authority	1,680.00
3 Accreditation of Shore-based Maintenance Company	1,980.00
4. Authorization for Point of Service Activation (PSA)	680.00
Certificates/ Permit For Maritime Service	
1. Ship Station Ferrying Permit	680.00
2. Ship Safety Radio Certificate	1,620.00
3. Deletion Certificate	380.00
4. Exemption Certificate	900.00
5. Temporary Permit to Operate Ship Station	
Non-Compliance with All Licensing Requirements	420.00
Newly acquired Vessels not touching Philippine Port	660.00
V. Aeronautical Mobile Service (Non-Carrier Service)	
Aircraft Station	
High Powered	3,060.00
Medium Powered	2,700.00
Low Powered	2,340.00
VI. Aeronautical Fixed Service (Non-Carrier Service)	
Aeronautical Fixed Station	
High Powered	3,060.00
Medium Powered	2,700.00
Low Powered	2,340.00

VII. Radio Navigation/Location Service (Non-Carrier Service)	
Radio Navigation/Location Station	
High Powered	3,060.00
Medium Powered	2,700.00
Low Powered	2,340.00
VIII. Radio Amateur Service	
Class A	180.00
Class B	192.00
Class C	204.00
Class D	204.00
Amateur Club Station (Simplex)	1,480.00
Amateur Club Station (Repeater)	2,100.00
IX. Satellite Service	
1. Public correspondence	
a. Domestic Fixed Satellite	1,380.00
b. International Fixed Satellite	2,940.00
c. International Mobile/Portable satellite	1,740.00
2. Private Fixed/Mobile Satellite Service (NCS)	
a. Fixed	4,580.00
b. Mobile	4,020.00
c. Portable	2,820.00
3. Broadcast Fixed Satellite Service (Per Channel)	
A. Communications	
a. Fixed earth Stations per channel	1,380.00
b. Transportable Earth Station per channel	1,440.00
B. TV Satellite Up-link	
a. Fixed Earth Stations per channel	7,020.00
b. Transportable Earth Station per channel	8,220.00
X. Special Services	
1. Radio Paging Station (Base Station)	
a. Public	
High Powered	4,260.00
Medium Powered	3,780.00
Low Powered	2,100.00
b. Private (Non-Carrier Service)	
Low Powered	2,100.00
2. Radio Training Station for General Radio Communications Operator Course	1,740.00
3. Radio Training Station for Global Maritime Distress and Safety System (GMDSS)	2,700.00
4. Industrial, Scientific and Medical	420.00
5. Remote Control of Objects/Devices	980.00
XI. Suppliers, Dealers and Manufactures	
1. Communication Crystal Dealer Permit	900.00
2. Communication Crystal Manufacture Permit	1,020.00
3. Radio Manufacturer's Permit	2,660.00

4. Radio Dealer's Permit	2,100.00
5. Customer Premise Equipment (CPE) Suppliers Accreditation Certificate	2,100.00
6. Radio Service Center's Permit	1,620.00
XII. Applications Requiring Issuance of Construction Permit	
1. Change of transmitter/transceiver	
High Powered	660.00
Medium Powered	540.00
Low Powered	420.00
2. Additional transmitter/transceiver	420.00
3. Transfer of location	180.00
XIII. Equipment Certification	
Type Approval/Type Acceptance Certificate	1,580.00
Equipment Laboratory Testing	
VHF/Ultra High Frequency (UHF) transmitter	3,180.00
VHF/UHF receiver	3,180.00
VHF/UHF transceiver	6,180.00
High Frequency (HF) transmitter	4,980.00
HF receiver	4,980.00
HF transceiver	9,780.00
XIV. VARIOUS PERMITS	
Authority/permit to import telecommunication broadcast, customer provided (CPE) equipments, spare parts and accessories	240.00/invoice
Authority to release telecommunications equipment form the Bureau of Customs not covered by approved permit to purchase, or authority/permit to import	85.00/unit
Permit to purchase/sell or transfer ownership Transmitter/Transceiver	
a. Broadcast Service	
High Powered	360.00
Medium Powered	240.00
Low Powered	120.00
b. International Fixed/Mobile/Portable Satellite	360.00
c. Communication transmitter/transceiver, other than those under a and b	
High Powered	240.00
Medium Powered	120.00
Low Powered	96.00
d. Amateur Radio Service	50.00
4. Permit to possess/own Transmitter/Transceiver	
a. Broadcast Service	240.00
High Powered	240.00
Medium Powered	120.00
Low Powered	84.00
b. International Fixed/Mobile Portable Satellite	360.00
c. Communication Transmitter/Transceiver, other than those under a and b	

High Powered	120.00
Medium Powered	96.00
Low Powered	60.00
d. Amateur radio service	50.00
5. Permit to Possess & Operate Transceiver with Power Output of 100 Megawatt (MW) or Less Per Unit	108.00
6. Permit to Construct Radio Transmitter/Transceiver	
a. Broadcast Service	
High Powered	600.00
Medium Powered	480.00
Low Powered	360.00
b. Communication Transmitter/Transceiver, Other than those Under Broadcast Service	
High Powered	360.00
Medium Powered	240.00
Low Powered	120.00
7. Permit to Purchase Crystal (Per Unit)	85.00
8. Permit to Sell/Grind Crystal (Per Unit)	85.00
9. Permit to Transport transmitter/transceiver (Per Unit)	85.00
10. Permit to Demonstrate/Propagate (Per Station) Communications Facilities	85.00
11. Permit to conduct Test broadcast	240.00
12. Special Permit for Satellite (SMC)	240,000.00
13. Duplicate of Lost/Mutilated License, Permit or 120 Certificate	120.00
14. Duplicate copy of Radio Operator's Examination Certificate of Rating	50.00
15. Modification of permits or certificates	120.00
16. Modification of radio station license	180.00
17. Modification of Radio Station License of Radio Amateur	50.00
18. Radio Operators	
a. Examination Fee (All Classes)	50.00
b. Annual Certificate Fee	
General Operator's Certificate (GOC)	180.00
First Class Radiotelegraph	180.00
Second Class Radiotelegraph	120.00
Third Class Radiotelegraph	60.00
First Class Radiotelephone	120.00
Second Class Radiotelephone	100.00
Third Class Radiotelephone	60.00
Radioteletype Operator (RTTY)	60.00
Radiotelephone Operator's Certificate (ROC)	180.00
Restricted Ship Low Power Radiotelephone 100 (RMAP)	100.00
Restricted Land Mobile Radiotelephone 60 (RLM)	60.00
Restricted Ship Low Power Radiotelephone	60.00
Radio Amateur	60.00
Special Radio Operator	

For Fishing Vessels	60.00
For Government Employee (GROC)	60.00
Citizens Band	60.00
Radio Electronics Certificate (REC)	180.00
19. Certificate of recognition for Radio Training Schools	120.00
20. Permit to Teach	120.00
21. Certificate of Registration Value Added Service (Annual)	6,000.00
22. Certificate of Registration for Paging Service (Annual)	6,000.00
23. Certificate of Registration for Trunk radio service/unit Mobile/ Portable	120.00
24. Fixed (FX)	360.00
25. Authentication	
a. Radio Operator's Certificate	
First Copy	6.00
Succeeding copies	2.50
b. Permits/Licenses/others	
First copy	24.00
Succeeding copies	6.00
26. Certification	120.00
27. Copy of Bangsamoro Telecommunications Commission (BTC) issuances and other documents	2.00/page

(b) *Spectrum User Fee*. - There shall be levied, assessed, and collected, from every spectrum user, a reasonable spectrum user fee (SUF) on or before 31 January of each year, for the use of radio frequency spectrum within the BARMM, based on the schedule below:

SUF RATE SUF = (Rate) x (Bandwidth in KHz) x (No. of channel)	Fee (PhP)	
	Highly Urbanized Cities	All Other Areas
Cellular Mobile Telephone Service (CMTS) 800 Megahertz (MHz) and 900 MHz bands If the number of channels required for a specific number of subscribers using traffic per subscriber of 20 milli-erlang and quality of service of 0.03 are used is exceeded, the SUF for the excess channels shall be reduced by 75%. The table representing the number of channels and the corresponding number of subscribers shall be released not later than 30 days from the effectivity of this circular.	5.00	2.50
Private Mobile and Radio Service - Non-Repeatered System	FB: ML or P 10.00: 1.00/Kilohertz (KHz)/station	FB: ML or P 5.00: .50/KHz/station
Private Mobile and Radio Service - Repeatered System	FB: ML or P 25.00:	FB: ML or P 12.50:

	1.00/KHz/station	0.50/KHz/station
Public Radio Paging Service	2.50	1.25
In-House Radio Paging System	10.00/KHz/station	5.00/KHz/station
Public Trunked Radio Service	2.50	1.25
<i>Note: The rate of the SUF for TRS operators using 12.5 KHz or less per voice channel shall be reduced by 50%.</i>		
Private Trunked Radio Service	10.00/KHz/station	5.00/KHz/station
<i>Point To Point Radio Station, FX – Microwave (MW)</i>		
Lower than 1 Gigahertz (GHz)	2.50/KHz/station	
1GHz to lower than 10 GHz	2.00/KHz/station	
10GHz to lower than 20 GHz	1.50/KHz/station	
20GHz and above	1.25/KHz/station	
Point To Multipoint Radio Stations	5.00	
<i>Note 1: If used to provide basic telephone service the SUF shall be based on wireless local loop (WLL) rates.</i>		
<i>Note 2: If used to provide broadband services the SUF shall be based on broadband wireless access (BWA) rates.</i>		
Satellite Service (Except Receive Only)	2.50	1.75
WLL	0.50	0.25
<i>Note: (per 5 KHz per station)</i>		
<i>Broadband Services, Land Base (FB) – BWA</i>		
Lower than 1GHz	5.00	4.00
1GHz to lower than 10GHz	4.00	3.00
10GHz to lower than 20GHz	3.00	2.00
20GHz and above	2.00	1.25

For new radio stations, the SUF shall be paid upon the issuance of the permit to purchase. If the permit to purchase is issued after 30 June of a year, the amount of SUF shall be fifty percent (50%) of the SUF due for that particular year. The full amount of the SUF shall be paid for the succeeding years.

- (c) *Value-Added Service (VAS) Registration Fee* - There shall be levied, assessed, and collected, from every VAS provider within the jurisdiction of the BARMM, a reasonable filing fee of three hundred pesos (PhP 300.00), and annual registration fee of six thousand pesos (PhP 6,000.00) for the first five (5) services. An additional annual registration fee of one thousand pesos (PhP 1,000.00) shall be imposed for every VAS in excess of the first five (5) services.

SECTION 139. *Time of Payment.* — The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration or renewal of the permit, license, franchise, or related documents.

SECTION 140. *Administrative Provisions.* - The fees shall be collected by the MOTC-BTC on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to it for the application of such permit, license, franchise, or related documents.

All payments shall be deposited by the MOTC-BTC to the proper account of the BTO immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the MOTC-BTC.

All COs of MOTC-BTC shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

CHAPTER 3 — Other Fees and Charges

ARTICLE 1 — Fees and Charges on Cooperatives

SECTION 141. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee to defray administrative expenses, involving, but not limited to, applications for registration and amendments, certifications, petitions and complaints imposed by the Cooperatives and Social Enterprise Authority (CSEA) in the exercise and discharge of its regulatory functions, based on the schedule below:

- (a) *Application and Certification Fees.* - There shall be levied, assessed, and collected, from every association of persons that wish to organize and register as a cooperative, regardless of purpose, within BARMM, a reasonable fee based on the schedule below:

Transaction	Fee (PhP)
Registration	
Name Reservation (Pre-registration)	
30 days	120.00
60 days	240.00
90 days	360.00
Initial	The initial registration fee to be imposed shall be 1/10 of 1% of the authorized share capital or the basic fee below whichever is higher.
Primary Cooperatives (Regular Lane)	500.00
Primary Cooperatives (Express Lane)	1,000.00
Secondary Cooperatives	2,400.00
Tertiary Cooperatives	3,600.00
Laboratory Cooperatives	50.00
Amendments	
On Specific Provisions	360.00
By Substitution	360.00
On the Increase of Capital	1/10 of 1% of the increased authorized share capital plus 300.00 basic fee
Merger	480.00, if there is increase in capital, apply "Initial" above
Consolidation	Apply "Initial" above
Division	Apply "Initial" above
Forms/Listings	
Articles of Cooperation and By-Laws, Economic Survey (USB copying only)	50.00
List of Cooperatives	500.00
Miscellaneous	
Certification	100.00
Certified True Copy	10.00 / page
Certified Xerox Copy	5.00 / page
Transcript of Stenographic Notes	6.00 / page

(b) *Legal and Research Fee.* – There shall be levied, assessed, and collected, from every applicant, an additional legal and research fee in an amount equivalent to one percent (1%) of the fee imposed but in no case lower than ten pesos (PhP 10.00) on every fee for all applications for registration and amendment, petitions and complaints imposed by the Cooperatives and Social Enterprise Authority (CSEA) in the exercise and discharge of its regulatory functions.

SECTION 142. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of the registration or amendments, or upon requesting certificates or other documents.

SECTION 143. *Administrative Provisions*. In the implementation of this Article, the following provisions shall be observed:

- (a) *Procedure for Collection*. – The fees under this Article shall be collected by the CSEA on behalf of the Bangsamoro Government. The CSEA shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the CSEA to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of CSEA shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Submission of Permit Copy*. - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 2 - Fees and Charges on Education-Related Services

SECTION 144. *Imposition of Fees*. – There shall be levied, assessed, and collected, a reasonable fee to defray administrative expenses, involving, but not limited to, accreditation, certification and permit applications, and other services related to education, based on the schedule below:

- (a) *Technical Education and Technical Development Related Services*. - There shall be levied, assessed, and collected fees from every applicant within BARMM whose course offerings involve technical education and/or skills development, payable to the collecting agency, based on the schedule below:

Transaction	Fee (PhP)
Unified TVET Program Registration and Accreditation System (UTPRAS) Registration	2,000.00
Accreditation of Assessment Center	1,000.00
Accreditation of Assessors	500.00
Certification, Authentication, and Verification of Document (CAV)	50.00
Certification Fee	50.00
Training and Assessment	500.00

(b) *Higher Education Related Services.* - There shall be levied, assessed, and collected, from any educational institution operating within BARMM that offers tertiary and/or post-graduate courses, a reasonable fee payable to the collecting agency, based on the schedule below:

Certificate/Permit/Service	Fee (PhP)
Certificate to Operate as Higher Learning Institution (HEI)	8,000.00
Temporary Permit	8,000.00
Renewal of Temporary Permit	8,000.00
Government Recognition	8,000.00
Permit for Program Offerings (for 1 year only)	8,000.00 per program (subject offered)
Government Permit	8,000.00 per program, subject for renewal after 1 or 2 years, as the case may be
Master Program	8,000.00
Doctorate Program	10,000.00
Certificate of Compliance to offer HE Programs	8,000.00
Application for Accreditation	
University Status	150,000.00
Autonomous Status	100,000.00
Deregulated Status	50,000.00
Application for ETEEAP Deputization	15,000.00
Additional ATEEAP Program	15,000.00
Certificate for NGO as National Service Training	15,000.00
Auxiliary Services	
Certification, Authentication, and Verification of School Document (CAV)	80.00 per applicant
Correction of Name	60.00
Certification of Document	30.00
SEC Endorsement	1,000.00

(c) *Other-Education Related Services*- There shall be levied, assessed, and collected, from every covered individual and educational institution operating within BARMM, a reasonable fee, based on the schedule below:

Permit/Transaction	Fee (PhP)
Temporary Permit to Operate of Private Schools offering Basic Education	2,000.00
Government Permit to Operate	2,000.00
Certification, Authentication, and Verification of School Document (CAV)	30.00
Special Philippine Educational Placement Test	200.00

SECTION 145. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of application, or upon requesting for other services.

SECTION 146. *Administrative Provisions*. - In the implementation of this Article, the following provisions shall be observed:

(a) *Procedure for Collection*. – The fees under this Article shall be collected by the MBHTE on behalf of the Bangsamoro Government. The MBHTE shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MBHTE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of MBHTE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

(b) *Submission of Permit Copy*. - All responsible agencies or ministries or LGUs that have issued any of the permits covered under this Article shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 3 - Fees and Charges on Public Works-Related Services

SECTION 147. *Imposition of Fees.* – There shall be levied, assessed, and collected, a reasonable fee to defray administrative expenses, involving, but not limited to, accreditation, certification and permit applications, laboratory testing of construction materials, and other services related to public works, based on the schedule below:

- (a) *Excavation Permit on Roads Constructed and/or Maintained by the Bangsamoro Government.* – There shall be levied, assessed, and collected, a reasonable supervision fee (SF) from every applicant of excavation permit whose excavation or digging works meet all the following conditions: (a) within the Right-Of-Way of roads constructed and/or maintained by the Bangsamoro Government, (b) outside the carriageway, (c) have a total restoration cost of P500,000.00 and below, and (d) compliant with all the existing rules and regulations, and other provisions of DPWH Department Order No. 26, s. 2011, Department Order No. 124, s. 2014, and Department Order No. 83, s. 2018, and relevant issuance of Ministry of Public Works (MPW), based on the following schedule:

Description	Fee (PhP)
Restoration cost is below P50,000.00,	Restoration Cost x 3%
Restoration cost is equal to or greater than P50,000.00	Restoration Cost x 1.50%

- (b) *Accreditation of Private Asphalt and Portland Cement Concrete Batching Plant.* – There shall be levied, assessed, and collected, from every applicant, a reasonable fee for any batching plants applying for accreditation to enable it to supply asphalt and portland concrete cement for government infrastructure projects, based on the following schedule:

Description	Fee (PhP)
Small (Below 50 Tons/ Hr)	3,000.00
Medium (50 to Below 100 Tons/Hr)	4,000.00
Medium (50 to Below 100 Tons/Hr)	4,000.00

- (c) *Accreditation of Private Testing Laboratory.* – There shall be levied, assessed, and collected, from all private testing laboratories applying for accreditation, a reasonable fee of one thousand pesos (PhP 1,000.00) to enable it to perform the required tests for government infrastructure projects.
- (d) *Laboratory Testing of Construction Materials.* – In addition to the fees prescribed under national laws and as otherwise provided under this Article, there shall also be levied, assessed, and collected, from every applicant, a reasonable fee for laboratory testing of construction materials, based on the following schedule:

Kind of Test	Fee (PhP)
I. Soils	
Grading	350.00
Combined Sieve and Hydrometer	870.00
Materials Finer than the No. 200 Sieve by Washing (Wash Loss)	210.00
Liquid Limit	290.00
Plastic Limit	210.00
Shrinkage Limit	270.00
Moisture Content	110.00
Compaction (Proctor)	990.00
Compaction (Modified)	1,120.00
Field Density Test (FDT)	580.00
California Searing Ratio (CSR)	2,010.00
Penetration (CSR), per molded specimen	170.00
Swell (CSR), per molded specimen	170.00
Organic Content	910.00
Abrasion	720.00
Specific Gravity	280.00
Unit Weight (Disturbed/Undisturbed Samples)	210.00
Consolidation	2,280.00
Consolidation of Wet and Dry Specimen under a 10 psi Unit Load (Correction Factor for "k" Value-)	2,700.00
Direct Shear	3,590.00
Direct Shear, one loading	2,220.00
Triaxial Compression	5,400.00
Triaxial Compression, one loading	4,320.00
Unconfined Compression, per test	630.00
Compression, including molding (Soil-Stabilization), per molded specimen	350.00
Absorption (Soil-Stabilization)	350.00
Organic Matter on Soils	910.00
II. Aggregates (Concrete and Composite Aggregates)	
Grading	350.00
Materials Finer than the No. 200 Sieve	290.00
Crushing	350.00
Unit Weight, loose and rodded	260.00

Flat and Elongated Particles in Coarse Aggregates (ASTM D4791)	210.00
Specific Gravity and Absorption	350.00
Absorption	210.00
Specific Gravity	240.00
Moisture Content	170.00
Abrasion	720.00
Stripping	600.00
%o Fractured Face	210.00
Soundness	600.00
Organic Impurities	420.00
Mortar Strength, 7 days	350.00
Mortar Strength, 28 days	350.00
Particles with Specific Gravity Less than 2.00	290.00
Clay Lumps in Aggregate	180.00
Potential Alkali Reactivity of Cement Aggregate Combinations:	
a. Chemical Method	19,210.00
b. Mortar Bar Method	19,210.00
I. Hydraulic Cement	
A. Portland Cement	
Fineness by 0.075 mm (No. 200) Sieve	170.00
Fineness by Air Permeability	170.00
Fineness by Turbidimeter	170.00
Density/Specific Gravity	240.00
Normal Consistency	170.00
Time of Setting by Vicat Needles	150.00
Time of Setting by Gillmore Needles (Optional Requirement)	150.00
Soundness by Pat Test	150.00
Autoclave Expansion	500.00
Compressive Strength	
a. 1 day	240.00
b. 3 days	240.00
c. 7 days	240.00
d. 28 days	240.00
Air Content	240.00
Heat of Hydration (Optional Requirement)	
a. 3 days	2,290.00
b. 7 days	2,290.00
False Set, Final Penetration (Optional Requirement)	900.00

Sulfate Resistance (Optional Requirement), 14 days	16,570.00
Chemical Tests:	
a. Loss on Ignition	270.00
b. Insoluble Residue	280.00
c. Sulfur Trioxide (SO ₃)	280.00
d. Magnesium Oxide (MgO)	280.00
e. Silicon Dioxide (SiO ₂)	280.00
f. Aluminum Oxide (Al ₂ O ₃)	350.00
g. Ferric Oxide (Fe ₂ O ₃)	350.00
h. Calcium Oxide (CaO)	350.00
i. Equivalent Alkalis :	280.00
j. Potassium Oxide (K ₂ O)	280.00
k. Sodium Oxide (Na ₂ O)	280.00
B. Blended Hydraulic Cement	
Density/Specific Gravity	240.00
Normal Consistency	170.00
Time of Setting by Vicat Needles	150.00
Autoclave Expansion/Contraction	500.00
Air Content of Mortar	240.00
Compressive Strength:	
a. 3 days	240.00
b. 7 days	240.00
c. 28 days	240.00
Heat of Hydration (Optional Requirement)	
a. 3 days	2,290.00
b. 7 days	2,290.00
Water Requirement	240.00
Sulfate Resistance, % Expansion at 180 days, 1 year	16,570.00
Chemical Tests:	
a. Loss on Ignition	270.00
b. Insoluble Residue	280.00
c. Sulfur Trioxide (SO ₃)	280.00
d. Magnesium Oxide (MgO)	280.00
e. Sulfide Sulfur	280.00
f. Water-soluble Alkali	280.00
g. Silica Fume	280.00
h. Metakaolin	280.00
i. Limestone	280.00
j. All Other Constituents (per element)	280.00
C. Masonry Cement	
Fineness by 0.045 mm (No. 325) sieve	170.00
Density	240.00
Normal Consistency	170.00
Autoclave Expansion	500.00

Time of Setting by Gillmore Needles	150.00
Compressive Strength:	
7 days	240.00
28 days	240.00
Air Content of Mortar (Air Entrainment)	240.00
Water Retention Value	240.00
Staining Test (Water-soluble Alkali-sodium Oxide)	280.00
D. Fly Ash or Natural Pozzolan	
Density	240.00
Fineness by 0.045 mm (No. 325) Sieve	170.00
Increase of Drying Shrinkage of Mortar Bars	
Soundness (Autoclave)	500.00
Air-Entrainment of Mortar	240.00
Strength Activity Index with Portland Cement	
7 days	400.00
Water Requirement	240.00
Moisture Content	170.00
Chemical Tests:	
a. Loss on Ignition	270.00
b. Sulfur Trioxide (SO ₃)	280.00
c. Silicon Dioxide (SiO ₂)	280.00
d. Aluminum Oxide (Al ₂ O ₃)	350.00
e. Ferric Oxide (Fe ₂ O ₃)	350.00
f. Available Alkalis (Sodium Oxide)	280.00
I. Concrete and Cement Products	
Molded Concrete Samples:	
1. Compressive Strength of Concrete Cubes	
a. 6" X 6"	180.00
2. Compressive Strength of Concrete Cylinders	
a. 6" X 12"	180.00
b. 8" X 16"	210.00
3. Compressive Strength of Drilled Core	
a. 4" diameter	180.00
b. 6" diameter	180.00
4. Flexural Strength of Concrete Beams	
a. 6" x 6" in Cross-section	210.00
Length/Thickness Measurement of Drilled Core	240.00
Slump Test	290.00
Air Content	290.00
Unit Weight	290.00
Trial Mix (Concrete Design) at Given Cement Factor	1,920.00
Trial Mix (Concrete Design) at Given Strength:	
First trial	1,840.00
For each extra trial	1,420.00

V. Pre-Cast Concrete Units	
A. Culvert Pipe, Sewer Pipe and Drain Tile	
Water Absorption	270.00
Water Absorption with Coefficient of Saturation	350.00
Reinforcement Measurement	170.00
Dimension Measurement	170.00
Strength	
1. Non-reinforced:	
a. 10" Nominal Size and Under	620.00
b. Over 10" to 18" Nominal Size	800.00
2. Reinforced:	
a. 24" Nominal Size and Under	900.00
b. Over 24" to 30" Nominal Size	1,140.00
c. Over 30" to 42" Nominal Size	1,500.00
d. Over 42" to 60" Nominal Size	2,460.00
B. Masonry Building Units (Concrete Hollow Blocks/Bricks) and Paving Blocks	
Compressive Strength	210.00
Dimension Measurement	170.00
Moisture Content	270.00
Water Absorption	270.00
Flexural Strength	270.00
Water Absorption and Coefficient of Saturation	350.00
C. Flooring Materials	
Flexural Strength:	
a. Cement Tiles, 2 cm x 20 cm x 20 cm nominal size and under per 5-unit sample	420.00
b. Slabs, 4 cm x 50 cm x 50 cm maximum nominal size per unit	270.00
D. Asbestos Cement Sheets	
Flexural Strength:	
a. Flat Sheets, per 3 standard test specimens or less	400.00
b. For each additional standard test specimen	
c. Corrugated Sheets, per 3 standard test specimens or less	170.00
d. For each additional standard test specimen	500.00
	170.00
Water Absorption:	
1. For 3 Standard Test Specimens	500.00
2. For each additional standard test specimen	170.00
E. Asbestos Cement Pipes	
Crushing Strength:	
a. 10" Nominal Size and Under	350.00
b. Over 10" to 18" Nominal Size	500.00

c.	C. Over 18" to 30" Nominal Size	690.00
	Flexural Strength for Pipes - 8" Nominal Size and Under	350.00
I. Bituminous Materials		
A.	Asphalt Cement (Penetration and Viscosity Grade)	
	Density	170.00
	Ductility (Original Sample and Residue)	990.00
	Penetration (Original Sample and Residue)	480.00
	Loss on Heating/Thin-Film Oven Test	270.00
	Solubility	350.00
	Flash Point (Cleveland Open Cup)	270.00
	Spot Test	360.00
	Viscosity at 135°C (Kinematic)	350.00
	Absolute Viscosity at 60°C (Vacuum Capillary Viscometer)	600.00
B.	Cutback Asphalt (Rapid, Medium and Slow Curing)	
	Density	170.00
	Viscosity (Kinematic)	350.00
	Flash Point (Taq Open-Cup)	270.00
	Water	470.00
	Distillation	800.00
	Absolute Viscosity (Residue) (Vacuum Capillary Viscometer)	600.00
	Penetration (Residue)	240.00
	Ductility (Residue)	500.00
	Solubility (Residue)	350.00
	Spot Test (Residue)	360.00
C.	Emulsified Asphalt (Anionic and Cationic)	
	Density/Weight per Gallon	170.00
	Sieve Test	270.00
	Cement Mixing (Slow Settino)	270.00
	Viscosity (Savbolt-Furol)	350.00
	Viscosity (Rotational Viscometer)	350.00
	Storage Stability	270.00
	Settlement Test	350.00
	Demulsibility	500.00
	Coating Ability and Water Resistance	170.00
	Ash Content (Mineral Matter)	350.00
	Particle Charge (Cationic)	390.00
	Miscibility with Water	500.00
	Distillation by Evaporation	660.00

Distillation/Oil Distillate	800.00
Penetration (Residue)	240.00
Ductility (Residue)	500.00
Ash Content (Residue)	350.00
Float Test (Residue)	350.00
D. Polymer Modified Bitumen/PMB (Performance Grade)	
Softening Point	580.00
Rolling Thin-Film Oven Test (RTFOTI)	270.00
Viscosity (Rotational Viscometer)	350.00
Dynamic Shear (DSR) Before and After RTFOT and After PAV	1,000.00
Creep Stiffness	600.00
Penetration	240.00
Elastic Recovery	500.00
Solubility	350.00
Flash and Fire Points (Cleveland Open Cup)	270.00
Dynamic Viscosity at 135°C	840.00
Dynamic Viscosity at 170°C	840.00
Storage Stability at 180°C, 72 hours	270.00
Difference in Softening Point	580.00
E. Concrete Joint Sealer Hot-Poured Elastic Type	
Pour Point Temperature	350.00
Safe Heating Temperature	350.00
Penetration (Cone)	260.00
Flow Test	500.00
Bond Test	1,000.00
F. Pre-molded Expansion Joint Filler (Corkfill and Spange Rubber)	
Density	260.00
Thickness	210.00
Water Absorption	510.00
Compression and Recovery	500.00
Brittleness	540.00
Solubility	350.00
Accelerated Weathering Test	2,100.00
G. Elastomeric Modified Bitumen Binder (Thormajoint)	
Softening Point	580.00
Flow Resistance	500.00
Penetration (Cone)	260.00
Pour Point Temperature	350.00

Safe Heating Temperature	350.00
Gradian (Stone)	350.00
VII. Bituminous Mixtures	
Bitumen Content (Extraction)	470.00
Grading	350.00
Bulk Specific Gravity/Density	260.00
Stability (Immersion-Compression)	470.00
Stability (Marshall)/Flow	470.00
Maximum Specific Gravity	260.00
% Voids	260.00
Trial Mix (Job-Mix) with Asphalt (Marshall), Complete with Laboratory Compacted Density, Absorption, Swell and Stability Characteristics:	
a. First Trial	2,720.00
b. Each Extra Trial	1,720.00
VIII. Ferrous and Non-Ferrous Metal and Allied Products	
A. Steel Bars (for Complete Reinforcement)	
Tensile Properties	290.00
Bending Properties	180.00
Deformation Measurement	180.00
Variation in Weight	170.00
Chemical Analysis: Phosphorus Content	500.00
Sulfur Content	650.00
All Other Constituent	650.00
B. Cast Iron Pipes and Centrifugally Cast Pipes	
Hydraulic Test on Cast Iron Soil Pipes	690.00
Hydraulic Test, with test pressure over 50 psi up to 1,000 psi for pipes 10" nominal size and under	990.00
Flexural Strength - standard test bars A, B, C	500.00
Tensile Properties - prepared standard test specimen	500.00
Dimension Measurement	170.00
Chemical Analysis:	
a. Phosphorus Content	500.00
b. Sulfur Content	690.00
c. All other Constituents	650.00
C. Steel Pipes	
Hydrostatic Test, with test pressure over 50 psi up to 1,000 psi for pipes 10" nominal size and under	990.00
Dimension Measurement	120.00
Weight Determination	170.00
Weight of Coating	990.00

Thickness or Uniformly of Coating by Preece Test Method	690.00
D. High Tensile Wire/Wire Mesh/Wire Rope/Gabion/Mattress/Tie Wire/Steel Plate	
Tensile Properties of Wire, from gage 10 up	350.00
Ductility of Wire	350.00
Adherence of Coating	350.00
Uniformly of Coating by Preece Test Method	350.00
Weight of Coating	500.00
Breaking Strength of Wire Ropes	
a. ½" nominal size and under	690.00
b. Over ½" to 1" nominal size	990.00
Dimension Measurement	170.00
E. Standard Test Specimens and Miscellaneous Metal Products	
Tensile Properties, prepared test specimen	720.00
Hardness Test (Brinell or Rockwell):	
a. For the first specimen	350.00
b. For each additional specimen	170.00
Impact Test, Charpy, Izod or Tensile, prepared test specimen	
a. For the first specimen	350.00
b. For each additional specimen	170.00
Wheelbarrow Check Test	1,000.00
Cast Iron Manhole Frame and Cover Check Test	1,000.00
Load Test, hydraulic jacks, not over 50 tons capacity	4,830.00
Chemical Analysis per Element Sulfur	500.00
Flexural Strength (Reflective Pavement Studs)	720.00
F. Reinforcing Steel Bar - Spectrometric (Spark AES/OES, XRF, ICP, AAS)	
Phosphorus (P)	1,160.00
Sulfur (S)	650.00
Antimony (Sb)	680.00
Arsenic (As)	650.00
Boron (B)	650.00
Calcium (Ca)	650.00
Carbon (C)	650.00
Chromium (Cr)	670.00
Copper (Cu)	670.00
Manganese (Mn)	670.00
Molybdenum (Mo)	1,530.00

Nickel (Ni)	670.00
Niobium (Nb)	650.00
Nitrogen (N)	3,550.00
Silicon (Si)	1,130.00
Tin (Sn)	670.00
Titanium (Ti)	730.00
Vanadium (V)	730.00
Zirconium (Zr)	650.00
I. Miscellaneous Materials	
G. Curing Compound	
Water Retention	1,740.00
Drying Time	160.00
Nonvolatile Content	600.00
General Characteristics	600.00
H. Reflective Sheeting	
Shrinkage	360.00
Flexibility	360.00
Adhesion	360.00
Impact Resistance	1,500.00
Night-time Color	1,000.00
Day-time Color	1,000.00
Colorfastness	760.00
Coefficient of Retroreflection	1,000.00
I. Galvanized Iron (Plain/Corrugated) and Steel Sheets	
Weight of Coating	350.00
Base Metal Thickness	170.00
Bend and Flaking Test	170.00
J. Quicklime, Hydrated Lime and Limestone	
Apparent Loose Density	240.00
Apparent Packed Density	240.00
Relative Density (Specific Gravity)	240.00
Residue and Sieve Analysis (Wet Sieve Analysis)	350.00
Sieve Analysis (Dry Sieve Analysis)	350.00
Fineness by Air Permeability (Pulverized)	350.00
Particle Size of Pulverized Limestone	350.00
Dry Screening by Jet Sieving	350.00
Wet Sieve Analysis of Agricultural Liming Materials	350.00
Dry Brightness of Pulverized Limestone	1,000.00

Pooling and Pitting of Hydrated Lime	1,000.00
Autoclave Expansion of Hydrated and Hydraulic Lime	500.00
Air Entrainment	240.00
Water Retention of Hydrated Lime	350.00
Plasticity of Lime Putty	380.00
Standard Consistency of Lime Putty	170.00
Free Moisture in Hydrated Lime/Limestone	270.00
pH Determination	350.00
Insoluble Matter	350.00
Loss on Ignition	290.00
Magnesium Oxide (MgO)	350.00
Manganese (Mn)	350.00
Aluminum Oxide (Al ₂ O ₃)	350.00
Phosphorus (P)	350.00
Silicon Dioxide (SiO ₂)	350.00
Strontium Oxide (SrO)	350.00
Sulfur Trioxide (SO ₃)	350.00
Total Carbon	350.00
Total Iron	350.00
Total Sulfur	350.00
Available Lime Index	350.00
Calcium Oxide (CaO)	350.00
Carbon Dioxide (CO ₂)	350.00
Ferrous Iron	350.00
Free Calcium Oxide	350.00
Free Silica	350.00
Calcium Carbonate Equivalent	350.00
K. Mineral Filler	
Plasticity Index	380.00
Grading	350.00
Loss on Ignition	270.00
L. Water for Concreting	
Time of Setting by Vicat Needles	150.00
Autoclave Expansion	500.00
Total Solids and Inorganic Matter	400.00
pH Test (Acidity and Alkalinity)	400.00
Compressive Strength	240.00
Sulfate Ion	400.00

Chloride Ion	400.00
M. Pre-painted Roofing/Metal Sheet	
Total Coated Thickness	350.00
Galvanized Iron/Metal Sheets Used Prior to Painting:	
a. Weight of Coating	350.00
b. Base Metal Thickness	170.00
c. Bend and Flaking Tests	170.00
N. Paint and Varnish - Flat Latex Paint, Alkyd-based Metal Primer, Semi-gloss Enamel Paint, Enamel Paint, Flatwall Enamel Paint, Gloss Latex Paint, Semi-gloss Latex Paint, Water Based Gloss Roof Paint, Epoxy Metal Primer, Elastomeric Wall Coating Epoxy Enamel	
Density/Specific Gravity	410.00
Wet Edge Time	160.00
Drying Time (Set to Touch, Recoat Time, Dry Hard)	160.00
Levelling	520.00
Total Solids (by weight)	400.00
Storage Stability - accelerated at 50 ± 1°C, 1 month	900.00
Viscosity (Ford Viscosity Cup), Krebs Unit (KU)	500.00
Fineness of Grind (North Standard-NS)	380.00
Degree of Settling, 6 months storage	1,200.00
Wet Abrasion, cycles	1,500.00
Adhesion, by Tape Test 75 um on CRS	380.00
Spot Test (Alkali Resistance)	400.00
Spot Test (Immersion Test)	1,050.00
Pencil Hardness	380.00
Specular Gloss	600.00
Accelerated Weathering, (Xenon Arc or QUV) - Colorfastness to Weathering	2,100.00
Accelerated Weathering, (Xenon Arc or QUV) - Colorfastness to Light	2,100.00
Corrosion Resistance (Salt Spray, 24 hrs)	2,410.00
Impact Resistance	1,500.00
Volatile Organic Compound Content (Gas- Chromatography)	2,400.00
Lead Content (ICP-AES, FAAS, GFAAS)	1,920.00
Paint Composition on Ready-mix Paint	1,650.00
Pigment Composition - each constituent	500.00
Analysis of Varnish	2 430.00
Analysis of Linseed Oil	2,550.00
Tensile Strength and Elongation	840.00
O. Pre-mixed Reflectorized Traffic Paint Type I and Type II	

(White and Yellow)	
Density/Specific Gravity	410.00
Drying Time (No Pick-up)	160.00
Total Dry Solids	1,650.00
Non-volatile Content	500.00
Glass Beads Content	810.00
Consistency (Kreb Units)	350.00
Grading of Glass Beads	180.00
Roundness of Glass Beads	180.00
Pigment Analysis:	
a. Titanium Dioxide (TiO ₂) of White Paints	500.00
b. Lead Chromate (PbCrO ₄) of Yellow Paints	500.00
Analysis of Reflectorized Traffic Paints:	
1. Type I:	
a. White	4,830.00
b. Yellow	5,330.00
2. Type II:	
a. White	3,880.00
b. Yellow	4,350.00
P. Thermoplastic Traffic Paint - Solid Form (White and Yellow)	
Density/Specific Gravity	410.00
Softening Point	510.00
Drying Time (No Pick-Up)	160.00
Cracking Resistance at Low Temperature	1,310.00
Impact Resistance	650.00
Flowability	870.00
Flowability - extended heating	870.00
Bond Strength to Portland Cement	1,000.00
Yellowness Index	870.00
Storage Life, 1 year	870.00
Ash/Binder Content	2,330.00
Glass Beads Content	810.00
Grading of Glass Beads	180.00
Spheres, %	180.00
Refractive Index of Glass Beads	400.00
Daylight Reflectance	1,000.00
Pigment Analysis:	
a. Titanium Dioxide (TiO ₂) of White Paints	500.00
b. Lead Chromate (PbCrO ₄) of Yellow Paints	500.00
Extenders and Inert Fillers (Calcium Carbonates)	500.00
Q. Red Lead/Red Oxide Primer and Aluminum Paint	

Density/Specific Gravity	410.00
Drying Time	160.00
Total Solids	500.00
Non-volatile Vehicle	500.00
Coarse Particles	350.00
Pigment Content	500.00
Pigment Analysis:	
a. Iron Oxide (Fe ₂ O ₃)	500.00
b. Red Lead (Pb ₃ O ₄)	500.00
Analysis of Red Lead and Red Oxide Primer	2,600.00
Analysis of Aluminum Pigment	1,650.00
R. Chemical Admixture	
Water Content	240.00
Time of Setting - deviation from control	290.00
Slump Test	240.00
Air Content	240.00
Compressive Strength, % Control - 1 day, 3 days , 7 days, 28 days, 6 months, 1 year	240.00
Flexural Strength, % Control - 3 days, 7 days, 28 days	240.00
Length Change, Max Shrinkage, % Control and Increase over Control (Alternative Requirement)	1,000.00
Resistance to Freezing and Thawing	2,410.00
Uniformity and Equivalence Tests (Liquid/Non-Liquid Admixtures):	
a. Residue by Oven Drying	600.00
b. Specific Gravity	660.00
c. Infrared Analysis (Obtain Infrared Absorption Spectra using Spectrophotometer)	620.00
S. Fiber Rope	
Tensile Strength:	
a. For ropes 1" in nominal size and under	500.00
b. Over 1" up to 2" in nominal size	690.00
c. Over 2" up to 3" in nominal size	990.00
T. PVC Material	
Tensile Strength	1,440.00
Flexural Strength	1,440.00
Notched Izod Impact	940.00
Heat Deflection Temperature	1,440.00
U. Textile	
Grab Tensile Length	1,120.00
Elongation	180.00

Puncture Strength	3,140.00
Apparent Opening Size	3,580.00
Permittivity	800.00
Ultraviolet Degradation	2,100.00
Melting Point	500.00
V. Carbon Fiber Sheet/ Plate	
Tensile Strength (Single Strand)	1,590.00
Density	520.00
W. Coconet	
Dimension Measurement	170.00
Tensile Strength	1,550.00
Elongation	180.00
Water Absorption	270.00
X. Seven (7) Wire Strand	
Tensile Properties	350.00
Ductility of wire	350.00
Breaking Strength	690.00
Dimension Measurement	170.00
Y. Active and Passive Protection Systems for Unstable Slope	
Accelerated Weathering (Salt Spray) Test, 24 hours	2,400.00
Accelerated Weathering (Salt Spray) Test, 3,500 hours (includes Tensile Strength Test after Accelerated Weathering)	150,000.00
Accelerated Weathering (Salt Spray) Test, 1,000 hours (includes Tensile Strength Test after Accelerated Weathering)	50,000.00
X. Miscellaneous Services	
Plate Bearing Test and/or Subgrade Modulus Determination (k-value Uncorrected), fixed charge up to 100 tons	7,710.00
Load Test on Piles, fixed charge up to 100 tons	13,470.00
Resistivity Test: Rental of Equipment, per day or fraction thereof	1,650.00
Concrete Core Drilling:	
a. Rental of Equipment, per day or fraction thereof	890.00
b. Per core drilled	1,650.00
XI. Subsurface Exploration	
Mobilization	10,860.00
Demobilization	13,740.00
Drilling Through:	
a. Ordinary Soil, per Linear Meter	1,840.00
b. Gravel/Rocks, using Diamond/Tungsten Bit, per Linear Meter	3,630.00

c. C. Standard Penetration Test (SPT), per SPT	100.00
Hole to Hole Transfer, per move	3,630.00
Core Box, per box	1,730.00
Miscellaneous Expenses, during operation:	
a. Diesel Oil for Drilling Machine/Water Pump, per day	800.00
b. Diesel/Gasoline for Service Vehicle, per. day	400.00
c. Water Supply Source, per day	290.00
d. Plastic Bags, Pentel Pen, and Other Miscellaneous Expenses	1,730.00

SECTION 148. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of the application, or upon requesting for laboratory testing, certificates, or other services.

SECTION 149. *Administrative Provisions*. —In the implementation of this Article, the following provisions shall be observed:

(a) *Procedure for Collection*. — The fees under this Article shall be collected by the MPW on behalf of the Bangsamoro Government. The MPW shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MPW to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MPW shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

(b) *Submission of Permit Copy*. - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 4 - Fees and Charges on Economic Zone-Related Services

SECTION 150. *Imposition of Fees.* - There shall be levied, assessed, and collected, from every applicant, reasonable fees and charges for services rendered in connection with the processing and issuance of all the permits required and the performance of other regulatory functions. The Bangsamoro Economic Zone Authority (BEZA) shall collect the fees and shall remit the same to the BTO, based on the following schedule:

Permit/Transaction	Fee (PhP)
Registration of Private ECOZONE	
Application for New Ecozone	30,000.00
Application for Any Amendments to Registration	3,000.00
Registration Fee	
Small (25-75 hectares)	30,000.00
Medium (76-200 hectares)	60,000.00
Large (over 200 hectares)	90,000.00
Expansion of new ecozone	Difference between the original fee and the fee in the next appropriate category
Developmental Permit (per application)	6,000 per ha
License to Sell (per application)	3.00 per sq.m.
Alteration of Development Plan (per application)	2,500.00
Change of ECOZONE Owner (per application)	2,500.00
Change of ECOZONE Name (per application)	2,500.00
Replacement of Damaged or Lost Development Permit (per application)	2,500.00
Annual Administrative Fee	
Those with one locator or sole-locator ECOZONES	250,000.00
More than one locator	60,000.00 per locator in excess of 1
Registration of an ECOZONE Enterprise	
ECOZONE Facilities Enterprise	
Application Fee	7,500.00
Registration Fee	15,000.00
Franchise Fee	30,000.00
ECOZONE Service Enterprise	
Application Fee	7,500.00
Registration Fee	15,000.00
ECOZONE Domestic Market Enterprise	
Application Fee	7,500.00
Registration Fee	15,000.00
ECOZONE Utilities Enterprise	
Application Fee	7,500.00
Registration Fee	15,000.00
ECOZONE Tourism Enterprise	
Application Fee	7,500.00
Registration Fee	15,000.00
ECOZONE Free Trade Enterprise	
Application Fee	7,500.00
Registration Fee	15,000.00

SECTION 151. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration, or upon requesting for permits or other documents.

SECTION 152. *Administrative Provisions*. —In the implementation of this Article, the following provisions shall be observed:

- (a) *Procedure for Collection*. — Fees under this Article shall be collected by the BEZA on behalf of the Bangsamoro Government. The BEZA shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MTIT, to which BEZA is attached, to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the BEZA shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Submission of Permit Copy*. - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 5 - Fees and Charges on Polloc Freeport and Ecozone

SECTION 153. *Imposition of Fees*. - In the implementation of this Article, the following provisions shall be observed:

- (a) *Port Charges on Vessel*. - There shall be levied, assessed, and collected Port Charges on any vessel in Polloc Freeport.

- (1) Vessels engaged in foreign trade, including those engaged in barter trade, that enter the port shall be charged with Port Dues on each call base on gross register tonnage (GRT) at US\$ 0.081;
- (2) Vessels engaged in foreign trade, including those engaged in barter trade, that berth at the port shall be charged Dockage Fee at Berth per GRT per calendar

day or a fraction thereof computed at US\$ 0.039 x. GRT x no. of day, provided that, for purposes of computation, a maximum of 50,000 GRT shall be used;

- (3) Charges on vessels engaged in foreign trade that do not berth but drop anchor at the port shall also be charged Dockage Fee at Anchorage of one-half (1/2) of the corresponding dockage at berth, subject to the same 50,000 GRT, computed at US\$ 0.020 x. GRT x no. of day;
- (4) Vessels carrying the flag of Brunei, Indonesia, Malaysia, and the Philippines which are accredited to operate under the BIMP-EAGA program shall be entitled to the following special port charges against vessels:

- (i) Port Dues – US\$ 0.040 x GR

- (ii) Dockage Fees - US\$ 0.020 x GRT x day or fraction thereof

- (5) Vessel engaged in domestic trade that berth or drop anchor at the port shall be charged a domestic Dockage Fee, as follows:

- (i) 6 to 100 GRT per calendar day or fraction thereof – eighty-two pesos (PhP 82.00)

- (ii) Over 100 GRT per calendar day or a fraction thereof – eighty centavos (PhP 0.80)

- (6) Registered bay and river trade vessel shall also be charged one-half (1/2) of the required domestic dockage fee, but in no case less than eighty-two pesos (PhP 82.00) or more than four hundred thirteen pesos (PhP 413.00) for a calendar day or a fraction thereof;

(b) *Port Charges on Cargoes.* - There shall be levied, assessed, and collected, port charges on all cargoes coming in, going out, and being transshipped in Polloc Freeport, payable to the collecting agency.

- (1) All non-containerized foreign cargoes coming in (imported), going out (exported) or transshipped shall be charged wharfage due for the use of port facilities on the basis of the total metric or revenue tonnage whichever is applicable, rounded off to the nearest ton, based on the following schedule:

Description	Fee (PhP)
If imported: Cargoes in sacks / bags / bulk / uncrated live animal / steel products / logs and lumber / heavy lift: Per metric ton Per revenue ton	36.65 15.25
If exported: Cargoes in sacks / bags / bulk / uncrated live animal / steel products / logs and lumber / heavy lift: Per metric ton Per revenue ton	18.35 15.25
Description	Fee (USD)
If foreign transshipment, a single charge per metric or revenue ton payable by shipping agent for cargoes in sacks / bags / bulk / uncrated live animal / steel products / logs and lumber / heavy lift: Per metric ton Per revenue ton	0.833 0.694

- (2) All containerized foreign cargoes coming in (imported), going out (exported) or transshipped, whether full container loads (FCL) or less than container loads (LCL), shall be charged wharfage due based on the following rates, provided that for LCL container, the wharfage for non-containerized cargoes shall apply, provided further that no wharfage shall be charged on empty containers, based on the following schedule:

Description	Fee (PhP)
If imported: 20 footer 30 footer 40 footer 45 footer	519.35 656.85 779.05 916.50
If exported: 20 footer 30 footer 40 footer 45 footer	259.70 329.00 391.00 458.25
Description	Fee (USD)
If foreign transshipment: Per TEU	1.00

- (3) All domestic cargoes shall be charged wharfage due as they enter or leave the port on the basis of their total metric or revenue tonnage whichever is applicable, rounded off to the nearest ton, based on the following schedule:

Description	Fee (PhP)
Non-containerized cargoes in sacks / bags / bulk / uncrated live animal / steel products / logs and lumber/ heavy lift	
Per metric ton	9.00
Per revenue ton	7.00
Containerized cargoes:	
10 footer	3.00
20 footer	126.00
35 footer	157.00
40 footer	189.00
45 footer	221.00

(4) Domestic cargoes, whether containerized or not, which are loaded, discharged, or anchored without using the port shall be charged one-half (1/2) of the domestic wharfage dues. *Provided* That, for LCL containers, the wharfage dues for non-containerized cargoes shall apply. *Provided, further,* That no wharfage shall be charged on an empty box.

(c) *Storage Fee.* - There shall be levied, assessed, and collected storage fee on cargoes that remain in Polloc Freeport beyond the "free storage period" defined below: *Provided,* That if the cargo is not loaded as scheduled, the resulting fee shall be paid by whoever is at fault:

Type of Cargo	Free Storage Period
Imported Cargoes	Five (5) calendar days after the day that the last item of cargo is discharged from the carrying vessel
Export Cargoes	Four (4) calendar days from the day that the cargo is received at the port
Foreign Transshipment	A total of fifteen (15) calendar days from the day of arrival to the day of departure
Domestic Cargoes Entering Port	Two (2) calendar days after the date of cargo entry into the port
Domestic Cargoes Discharged at Port	Two (2) calendar days after the day that the last item of cargo is unloaded from the carrying vessel
For Domestic Cargoes that are "Shutout" (not loaded on their scheduled vessel)	Two (2) calendar days after vessel's departure

(1) Storage for non-containerized cargoes shall be determined on the basis of the number of calendar days that the cargo stays in port after the "free storage period" and the total revenue tonnage of the cargo according to the following schedule per revenue ton per day or fraction, as follows:

Type of Cargo	Fee
Imported Cargoes	P7.50
Cargoes for Export	P3.75
Foreign Transshipment	US\$ 0.171
Domestic Cargoes	P5.65

- (2) The Storage of a container whether or not it contains cargo shall be determined on the basis of the number of calendar days the cargo stays in port after the prescribed "Free Storage Period" as follows:

Description	Fee		
	Foreign Imported Box	Foreign Exported Box	Foreign Transshipment Box
20 footer	P240.65	P60.15	US\$ 5.47
35 footer	P421.10	P105.30	P9.57
40 footer	P481.38	P120.30	P10.94
45 footer	P541.45	P134.40	P12.22

Description	Domestic Box (PhP)
10 footer	63.45
20 footer	180.50
35 footer	314.90
40 footer	360.95

SECTION 154. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration or renewal of the permit, license, franchise, or related documents.

SECTION 155. *Administrative Provisions*. —In the implementation of this Article, the following provisions shall be observed:

- (a) *Procedure for Collection*. — Fees under this Article shall be collected by the Polloc Freeport and Economic Zone (PFEZ) on behalf of the Bangsamoro Government. The PFEZ shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the PFEZ to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of PFEZ shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Submission of Permit Copy*. - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article

shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 6 - Fees and Charges on Business Registration and Promotions

SECTION 156. *Imposition of Fees.* – There shall be levied, assessed, and collected, a reasonable fee to defray administrative expenses, involving, but not limited to, application for business or business name registration, certification for business name registration, application for changes in business information, application to conduct promotional campaigns, and other related services, based on the schedule below:

- (a) *Registration of Business Name.* – There shall be levied, assessed, and collected, upon registration, from every person who is authorized to do business in the Philippines and who uses a name other than his/her real name to conduct business within BARMM, a reasonable business name registration fee, based on the schedule below:

Scope	Fee (PhP)
Barangay	200.00
City/Municipality	500.00
Region	1,000.00

A certification for business name registration may be provided upon payment of a fee amounting to fifty pesos (PhP 50.00).

The business name registration shall be renewable every five (5) years. An additional fifty percent (50%) shall be paid for the late registration of a business name.

- (b) *Changes in Business Information.* – There shall be levied, assessed, and collected from every person who intends to change the territorial scope of his/her registered business name, a reasonable fee depending on the jurisdiction covered or affected by such change, based on the following schedule:

Scope	Fee (PhP)
Barangay	200.00
City/Municipality	500.00
Region	1,000.00

Any other updates in the information of the registered business would require payment of a fee amounting to fifty pesos (PhP 50.00).

- (c) *Promotional Activities.* – There shall be levied, assessed, and collected, from every person, not otherwise exempted by law, who intends to conduct any form or scheme for a promotion campaign of a consumer product, service, credit, or organization, a reasonable fee to secure the necessary Sales Promo

Permit, at least thirty (30) days before the commencement of the promotion activity, based on the following schedule:

I. Type of Promotion	Fee (PhP)
A. Raffle Promo	
Amount of Prizes	
Up to P 50,000.00	250.00
P 50,001.00 - P 150,000.00	500.00
P150,001.00 - P300,000.00	1,000.00
P300,001.00 - P500,000.00	2,000.00
P500,001.00 - P1,000,000.00	3,000.00
Above P1,000,000.00	5,000.00
B. Discount Promo and Premium Promo	
Single province/city/municipality within BARMM	250.00
Several provinces/cities/municipalities within BARMM	500.00
C. Other fees and charges	
Modeling and other related competitions	5,000.00
Minor changes of date or venue of draw	100.00
Extensions and other major changes requiring re-evaluation	300.00

SECTION 157. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of registration or upon requesting for changes or extensions.

In the case of promotion, the permit shall be secured, and the fee imposed shall be paid at least seven (7) working days prior to the conduct of the promotion.

SECTION 158. *Administrative Provisions*. —In the implementation of this Article, the following provisions shall be observed:

(a) *Procedure for Collection*. — The fees under this Article shall be collected by the MTIT on behalf of the Bangsamoro Government. The MTIT shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MTIT to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MTIT shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

(b) *Submission of Permit Copy*. - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article

shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 7 - Fees and Charges on Labor and Employment

SECTION 159. *Imposition of Fees.* – There shall be levied, assessed, and collected, a reasonable fee, to defray administrative expenses, involving, but not limited to, registration of worker’s association, service providers, and business establishments, application for permit to operate mechanical equipment and electrical facility, application for alien employment permit, including certificate of exemption and/or exclusion, accreditation to operate recruitment and placement agency, and other labor and employment related services, based on the schedule below:

- (a) *Registration of Worker’s Association.* – There shall be levied, assessed, and collected, from every applicant for the registration of a worker’s association operating within BARMM, a reasonable registration fee of one-hundred pesos (PhP 100.00).
- (b) *Registration of Service Providers.* – There shall be levied, assessed, and collected, from every registrant for a legitimate contracting or subcontracting arrangement within BARMM, a reasonable registration fee of one hundred thousand pesos (PhP 100,000.00), upon approval of the registration by the Ministry of Labor and Employment (MOLE).
- (c) *Registration of Business Establishment.* – In compliance with Occupational Health and Safety Standards, there shall be levied, assessed, and collected, from every person who intends to operate a business establishment within BARMM, regardless of the size of economic activity, whether small, medium, or large scale in one single location, a reasonable registration fee, upon registering the business establishment or where the business is operating. The amount of registration fees will depend on the tests to be conducted to declare that the workplace is safe, and the work environment is healthy for the workforce.
- (d) *Businesses with Mechanical Equipment and Electrical Facility* – In compliance with Occupational Health and Safety Standards, there shall be levied, assessed, and collected, from every person who intends to operate a business with mechanical equipment installed or an electrical facility within BARMM, a reasonable fee, upon securing a Permit to Operate, based on the following schedule:

Service/Permit	Fee (Php)
Inspection Fee	500.00
Permit to Operate	2,000.00
Annual Renewal	2,000.00

(e) *Issuance of Alien Employment Permit* - There shall be levied, assessed, and collected, from every foreign national who intends to work with a BARMM-based employer for more than six (6) months, a reasonable fee to secure an Alien Employment Permit (AEP), based on the following schedule:

Transaction	Fee (PhP)
AEP with One (1) Year Validity	10,000.00
Every Additional Year of Validity or a Fraction Thereof	5,000.00
Renewal of Permit	4,000.00
AEP Card Replacement	3,000.00

(f) *Issuance of Certificate of Exclusion or Exemption*. - There shall be levied, assessed, and collected, from every foreign national who intends to work with a BARMM-based employer but is excluded or exempted by law from securing an AEP, a reasonable fee to secure a Certificate of Exclusion or Exemption, based on the following schedule:

Type	Fee (PhP)
Certificate of Exclusion	2,000.00
Certificate of Exemption	2,000.00

(g) *Recruitment and Placement Activities*. - There shall be levied, assessed, and collected, from every person who intends to operate a recruitment and placement agency within BARMM, a reasonable fee to register for accreditation with the MOLE, based on the following schedule:

Transaction	Fee (PhP)
Filing Fee	5,000.00
Accreditation Fee	
Local	10,000.00
Foreign	25,000.00
Special Recruitment Activity (for every recruitment activity outside BARMM)	100.00

SECTION 160. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of registration, application, or upon requesting for certificates and other documents. In the case of renewal, permits shall be renewed, and the fees imposed shall be paid at least thirty (30) days before their expiration.

SECTION 161. *Administrative Provisions*. —In the implementation of this Article, the following provisions shall be observed:

(a) *Procedure for Collection*. — Fees under this Article shall be collected by the MOLE on behalf of the Bangsamoro Government. The MOLE shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MOLE to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MOLE shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten-thousand pesos (PhP 10,000.00).

(b) *Submission of Permit Copy.* - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 8. – Fees and Charges on Housing and Land Regulation

SECTION 162. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee to defray administrative expenses, involving, but not limited to, application for zoning and locational clearance, approval, alteration, or certification of subdivision or condominium plan, application to construct memorial parks or cemetery projects, formation of homeowners association, and other housing and land regulation related services, based on the schedule below:

(a) *Zoning or Locational Clearance.* - There shall be levied, assessed, and collected, from every applicant for a building permit, who shall first secure a zoning or locational clearance, a reasonable fee, based on the following schedule:

Description	Fee (PhP)
A. Single residential structure attached or detached	
1. P100,000 and below	288.00
2. Over P100,000 to P200,000	576.00
3. Over P200,000	720.00 + (1/10 of 1% in excess of P 200,000)
B. Apartments/Townhouses	
1. P500,000 and below	1,440.00
2. Over P500,000 to P2,000,000	2,160.00
3. Over P2,000,000	3,600.00 + (1/10 of 1% of cost in excess of 2,000,000 regardless of the number of floors)
C. Dormitories	
1. P2,000,000 and below	3,600.00
2. Over P2,000,000	3,600.00 + (1/10 of 1% of cost in excess of 2,000,000 regardless of the number of floors)
D. Institutional	
Project cost of which is:	
1. Below P2,000,000	2,880.00

2. Over P 2,000,000	2,880.00 + (1/10 of 1% of cost in excess of P2,000,000.00)
E. Commercial, Industrial and Agro-Industrial Project	
1. Below P100,000	P1,440.00
2. Over P100,000 to P500,000	P2,160.00
3. Over P500,000 to P1,000,000	P2,880.00
4. Over P1,000,000 to P2,000,000	P4,320.00
5. Over P2,000,000	7,200.00 + (1/10 of 1% of cost in excess of P2,000,000.00)
F. Special Uses/ Special Projects	
(Gasoline Station, cell sites, slaughterhouse, treatment plant etc.)	
1. Below P2,000,000	7,200.00
2. Over P2,000,000	7,200.00 + (1/10 of 1% of cost in excess of P2,000,000.00)
G. Alteration Expansion	
Alteration Expansion (affected areas/cost only)	Same as original application

(b) *Subdivision and Condominium Projects.* – There shall be levied, assessed, and collected, from every person who intends to undertake or cause the construction of a subdivision or a condominium project within BARMM, a reasonable fee, based on the following schedule:

Transaction	Fee (PhP)
Subdivision and Condominium Projects (Under P.D. 957)	
A. Approval of Subdivision Plan (including Town Houses)	
1. Preliminary Approval and Locational Clearance (PALC) Preliminary Subdivision Development Plan (PSDP) • Additional Fee	360.00/ha. or fraction thereof 1,500.00/ha. regardless of density
2. Final Approval & Development Permit • Additional Fee on Floor Area of houses and building sold with lot	2,880.00/ha. regardless of density P3.00/sq. m.
3. Inspection Fee (Not applicable for projects already inspected for PALC application)	1,500.00/ha. regardless of density
4. Alteration of Plan (affected areas only)	Same as Final Approval & Dev't Permit
5. Certificate of Registration Processing Fee	2,880.00
6. License to Sell (per saleable lot) • Additional Fee on Floor Area of houses and building sold with lot • Inspection Fee Note: Application for CR/LS with DP issued by LGUs shall be charged inspection fee	216.00 12.00/sq. m. 1,500.00/ha. regardless of density
7. Certificate of Completion • Certificate Fee • Processing Fee	216.00 2,880.00/ha. regardless of density
8. Extension of Time to Develop	504.00
9. Inspection Fee (affected/unfinished area only)	1,500.00/ha. regardless of density

B. Approval of Condominium Project Final Approval and Development Permit	
1. Processing Fee	720.00
a. Land Area	720.00/sq. m.
b. No. of Floors	288.00/floor
c. Building Areas	4.80/sq. m.
2. Inspection Fee	23.05/sq. m. of GFA
3. Alteration of Plan (affected areas only)	Same as Final Approval & Dev't Plan
4. Conversion (affected areas only)	Same as Final Approval & Dev't Plan
5. Certificate of Registration	
• Processing Fee	2,880.00
6. License to Sell	
a. Residential (saleable areas)	17.30/sq. m.
b. Commercial/Office (saleable areas)	36.00/sq. m.
7. Extension of Time Develop	
• Processing Fee	504.00
• Inspection Fee (affected/unfinished areas only)	17.30/sq. m. of GFA
8. Certificate of Completion	
• Certificate Fee	216.00
• Processing Fee	17.30/sq. m. of GFA
Projects under BP 220	
<i>A. Subdivision</i>	
1. Preliminary Approval and Locational Clearance	
a. Socialized Housing	90.00/ha.
b. Economic Housing	216.00/ha.
• Inspection Fee	
a. Socialized Housing	200.00/ha.
b. Economic Housing	600.00/ha.
2. Final Approval and Development Permit	
• Processing Fee	
a. Socialized Housing	500.00/ha.
b. Economic Housing	1,500.00/ha.
• Inspection Fee	
a. Socialized Housing	200.00/ha.
b. Economic Housing	600.00/ha.
Note: Projects already inspected for PALC application may not be charged inspection fee	
3. Alteration of Plan (affected areas only)	Same as Final Approval & Dev't Permit
4. Building Permit (Floor area of housing unit)	6.00/sq. m.
5. Certificate of Registration	
• Application Fee	
a. Socialized Housing	350.00
b. Economic Housing	600.00

6. Licenses to sell (per saleable lot)	
a. Socialized Housing	20.00/lot
b. Economic Housing	60.00/lot
• Additional Fee on floor area of houses/building sold with lot	3.00/sq. m.
• Inspection Fee	
a. Socialized Housing	200.00/ha.
b. Economic Housing	600.00/ha.
7. Extension of Time to Develop	
• Filing Fee	
a. Socialized Housing	350.00
b. Economic Housing	504.00
• Inspection Fee (affected/unfinished area)	
a. Socialized Housing	200.00/ha.
b. Economic Housing	600.00/ha.
8. Certificate of Completion	
• Certificate Fee	
a. Socialized Housing	150.00
b. Economic Housing	216.00
• Processing Fee	
a. Socialized Housing	200.00/ha.
b. Economic Housing	600.00/ha.
9. Occupancy Permit	3.00/sq.m.
• Inspection Fee (saleable floor area of the housing unit)	
a. Socialized Housing	
b. Economic Housing	5.00/sq.m.
	6.00/sq.m.
<i>H. Condominium</i>	
1. Preliminary Approval and Locational Clearance	P600.00
2. Final Approval and Development Permit	
a. Total Land Area	6.00/sq. m.
b. Number of Floor	120.00/floor
c. Building Area	3.00/sq. m. of GFA
• Inspection Fee	3.00/sq. m. of GFA
3. Alteration of Plan (affected areas only)	Same as Final Approval & Dev't Permit
4. Certificate of Registration	600.00
5. License to sell	6.00/sq. m.
6. Extension of Time to Develop	504.00
• Inspection Fee (FA x P2 x % of remaining dev't. cost)	3.00/sq. m. of saleable unit
7. Certificate of Completion	
• Certificate Fee	216.00
8. Processing Fee	3.60/sq. m. of GFA

(c) *Subdivision of Industrial/Commercial Lots.* – There shall be levied, assessed, and collected, from every person who intends to undertake or cause the subdivision of industrial or commercial lots within BARMM, a reasonable fee, based on the following schedule:

Transaction	Fee (PhP)
A. Approval of Industrial/Commercial Subdivision	
1. Preliminary Approval and Locational Clearance <ul style="list-style-type: none"> Processing Fee Inspection Fee 	432.00/ha 1,500.00/ha
2. Final Approval and Development Permit <ul style="list-style-type: none"> Processing Fee Inspection Fee Note: Projects already inspected for PALC application may not be charged inspection fee	720.00/ha 1,500.00/ha
3. Alteration of Plan (affected areas only)	Same as Final Approval & Dev't Permit
4. Certificate of Registration	2,880.00
5. License to sell <ul style="list-style-type: none"> Processing Fee Inspection Fee 	3.00/sq. m. of the land area 1,500.00/ha.
6. Extension of Time to Develop <ul style="list-style-type: none"> Processing Fee Additional Fee (unfinished area for development) Inspection Fee (affected/unfinished areas only) 	504.00 14.40 sq.m. 1,500.00/ha.
7. Certificate of Completion <ul style="list-style-type: none"> Certificate Fee Processing Fee <ul style="list-style-type: none"> a. Industrial b. Commercial Inspection Fee 	216.00 504.00 P720.00 1,500.00/ha

(d) *Subdivision of Farm Lots.* – There shall be levied, assessed, and collected, from every person who intends to undertake or cause the subdivision of farm lots within BARMM, a reasonable fee, based on the following schedule:

Transaction	Fee (PhP)
A. Approval of Farm Lot Subdivision	
1. Preliminary Approval and Locational Clearance <ul style="list-style-type: none"> Processing Fee Inspection Fee 	288.00/ha. 1,500.00/ha.
2. Final Approval and Development Permit <ul style="list-style-type: none"> Processing Fee Inspection Fee Note: Projects already inspected for PALC application may not be charged inspection fee	1,440.00/ha. 1,500.00/ha.
3. Alteration of Plan (affected areas only)	Same as Final Approval and Development Permit
4. Certificate of Registration	2,880.00

5. License to sell <ul style="list-style-type: none"> • Processing Fee • Inspection Fee 	720.00/lot 1,500.00/ha.
6. Extension of Time to Develop <ul style="list-style-type: none"> • Processing Fee • Additional Fee on the Floor Area of housing component and other development 	504.00 14.40 sq. m.
7. Inspection Fee (affected/unfinished areas)	1,500.00/ha.
8. Certificate of Completion <ul style="list-style-type: none"> • Certificate Fee • Inspection Fee 	216.00/ha. 1,500.00/ha.

(e) *Memorial Park or Cemetery Project or Columbarium.* – There shall be levied, assessed, and collected, from every person who intends to undertake or cause construction of a memorial park or cemetery project or columbarium within BARMM, a reasonable fee, based on the following schedule:

Transaction	Fee (PhP)
A. Preliminary Approval and Locational Clearance <ul style="list-style-type: none"> a. Memorial Projects b. Cemeteries c. Columbarium • Inspection Fee <ul style="list-style-type: none"> a. Memorial Projects b. Cemeteries c. Columbarium 	720.00/ha. 288.00/ha. 3,600.00/ha. 1,500.00/ha. 1,500.00/ha 1,500.00/ha
B. Final Approval and Development Permit <ul style="list-style-type: none"> a. Memorial Projects b. Cemeteries c. Columbarium • Inspection Fee Note: Projects already inspected for PALC application may not be charged inspection fee <ul style="list-style-type: none"> a. Memorial Projects b. Cemeteries c. Columbarium 	3.00/sq. m. 1.50/sq. m. 3.00/floor 1,500.00/ha. 1,500.00/ha. 1.00/ha.
C. Alteration Fee	Same as Final Approval/Dev't Permit
D. Certificate of Registration	2,880.00

E. Licenses to Sell a. Memorial Projects i. Apartment Type b. Cemeteries c. Columbarium <ul style="list-style-type: none"> • Inspection Fee <ul style="list-style-type: none"> a. Memorial Projects b. Cemeteries c. Columbarium 	72.00/2.5 sq. m. 28.80/per unit 28.80/tomb 72.00/vault 1,500.00/ha 1,500.00/ha 1,500.00/ha
F. Extension of Time to Develop <ul style="list-style-type: none"> • Processing Fee Additional Fee (Unfinished area for development) <ul style="list-style-type: none"> a. Memorial Projects b. Cemeteries c. Columbarium • Inspection Fee <ul style="list-style-type: none"> a. Memorial Projects b. Cemeteries c. Columbarium 	504.00 1,440.00/ha 720.00/ha 5.80/sq. m. of the remaining GFA 1,500.00/ha 1,500.00/ha 1,500.00/floor
G. Certificate of Completion <ul style="list-style-type: none"> • Certificate Fee • Processing Fee <ul style="list-style-type: none"> a. Memorial Projects b. Cemeteries c. Columbarium • Inspection Fee <ul style="list-style-type: none"> a. Memorial Projects b. Cemeteries c. Columbarium 	216.00 1,440.00 720.00/ha 5.80 sq. m. of GFA 1,500.00/ha 1,500.00/ha 1,500.00/ floor

(f) *Other Transactions or Certifications.* – There shall be levied, assessed, and collected, from every applicant, a reasonable fee for each requested service or document, based on the following schedule:

Transaction	Fee (PhP)
A. Application/Request	
1. Advertisement Approval	720.00
2. Cancellation/Reduction of Performance Bond	2880.00
3. Lifting of Suspended Licenses to Sell	2,880.00
4. Exemption from Cease-and-Desist Order	216.00
5. Clearance to Mortgage	1,440.00
6. Lifting from Cease-and-Desist Order	2,880.00
7. Change of Name/ Ownership/ Amendments	1,440.00
8. Voluntary Cancellation of CR/LS	1,440.00
9. Revalidation/Renewal of Permit (Condominium)	60 % of assessed current processing fees
B. Other Certifications	
1. Zoning Certifications	720.00/ha
2. Certification of Town Plan/Zoning Ordinance Approval	216.00

3. Certification of New Rights/Sales	216.00
4. Certification of Registration (form)	216.00
5. Licenses to Sell (form)	216.00
6. Certificate of Creditable Withholding Tax (Maximum of 5 lots per certificate)	216.00/lot or unit
7. Others, to include:	
a. Availability to records/public request	288.00
b. Certificate of no records on file	288.00
c. Certification of with or without CR/LS	288.00
d. Certified Xerox copy of documents (report size)	
• Document of five (5) pages or less	43.20
• Every additional page	4.40
e. Photocopy of documents	3.00

(g) *Homeowners Association.* – There shall be levied, assessed, and collected, from every person who intends to form a homeowners’ association within BARMM, a reasonable fee, based on the following schedule:

Transaction	Fee (PhP)
1. Registration of HOA Examination/Registration	Regular HOAS
• Articles of Incorporation	940.00
2. By-Laws	940.00
3. Stamping of Books	50.00/book
4. Amendments	
• Articles of Incorporation	720.00
• By-Laws	720.00
5. Dissolution of Homeowners Associations	720.00
6. Certification of the new set of officers	504.00
7. Other Certifications	216.00
• Inspection Fee	1,500.00/ha.
8. Research Fee	50.00/docket

SECTION 163. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of the application, registration, or amendments, or upon requesting for certificates or other documents.

SECTION 164. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall be observed:

(a) *Procedure for Collection.* — The fees under this Article shall be collected by the Ministry of Human Settlements and Development (MHSD) on behalf of the

Bangsamoro Government. The MHSD shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MHSD to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MHSD shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

(b) *Submission of Permit Copy.* - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 9. - Fees and Charges on Investment Incentives

SECTION 165. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee to defray administrative expenses, involving, but not limited to, registration with Bangsamoro Board of Investments (BBOI), application for certificate of authority to avail of zero percent (0%) duty free importation, and other investment incentives related services, based on the schedule below:

(a) *Registration Under Omnibus Investment Code of 1987.* - There shall be levied, assessed, and collected fees, from every person who intends to avail themselves of investment incentives provided under the Omnibus Investment Code of 1987 who shall be required to register with the BBOI, based on the following schedule:

Transaction	Fee (PhP)
Filing Fee (based on project cost)	
Micro (not exceeding P3,000,000.00)	1,500.00
P4,000,000.00 and below	11,000.00
Exceeding P4,000,000.00 but not over P20,000,000.00	20,000.00
Exceeding P20,000,000.00 but not over P50,000,000.00	30,000.00
Exceeding P50,000,000.00 but not over P1,000,000,000.00	45,000.00
Registration Fee	1/10 of 1% of the project cost, but not less than 20,000.00 and not to exceed 100,000.00

BBOI-registered companies may be issued Certificate of Entitlement to Tax Incentives upon payment of a fee of one thousand five-hundred pesos (PhP 1,500.00).

- (b) *Importation of Capital Equipment and Spare Parts.* - There shall be levied, assessed, and collected, from every BBOI-registered person who intends to avail themselves of the zero percent (0%) duty free importation of capital equipment, spare parts, accessories, and who must secure a Certificate of Authority with the BBOI, a reasonable application fee of one thousand five-hundred pesos (PhP 1,500.00).

SECTION 166. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of the registration or application, or upon requesting for certificates or other documents.

SECTION 167. *Administrative Provisions.* —In the implementation of this Article, the following provisions shall be observed:

- (a) *Procedure for Collection.* — The fees under this Article shall be collected by the Office of the Chief Minister (OCM) on behalf of the Bangsamoro Government. The OCM shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the OCM to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the OCM shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Submission of Permit Copy.* - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article xx shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 10. – Fees and Charges on Social Services and Development

SECTION 168. *Imposition of Fees.* – There shall be levied, assessed, and collected, a reasonable fee to defray administrative expenses, involving, but not limited to, application for travel clearance certificate for minors, application for permit to conduct solicitations or donation drives, application for permit to engage in social welfare and development (SWD) activities, and other social welfare and development related services, based on the schedule below:

(a) *Issuance of Travel Clearance Certificate for Minors.* – There shall be levied, assessed, and collected, from every person who intends to travel with a minor who is not his/her child or every parent who intends for his/her minor child to travel alone and who shall apply for a Travel Clearance Certificate for Minors for each travel with the Ministry of Social Services and Development (MSSD), a reasonable fee, based on the following schedule:

Description	Fee (PhP)
Travel Clearance Certificate for Minors with a one-year validity	300.00
Travel Clearance Certificate for Minors with a two-year validity	600.00

(b) *Solicitations, or Donation/Fund Drives.* – There shall be levied, assessed, and collected, from every person within BARMM who intends to conduct solicitations, or donation/fund drives, a reasonable fee, unless otherwise exempted by the Department of Social Welfare and Development, upon applying for a Solicitation Permit for each fund-raising activity with the MSSD, based on the following schedule:

Scope	Fee (PhP)
Regional	500.00
National	1,000.00

(c) *Registration and Licensing of Social Welfare and Development Agencies (SWDA).* – There shall be levied, assessed, and collected from every private SWDA that intends to engage in SWD activities, a reasonable fee of one thousand pesos (PhP 1,000.00) within six (6) months from registration with the SEC that gives juridical personality to an agency to operate in the Philippines, upon applying for a registration and license to operate with the MSSD.

Those already engaged in the implementation of SWD programs and services must simultaneously apply for registration and license to operate.

SECTION 169. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of the application or upon requesting for permits or other documents.

In the case of fund drives, the permit shall be secured, and the fee imposed shall be paid at least seven (7) working days prior to the conduct of the fund drive.

SECTION 170. *Administrative Provisions.* —In the implementation of this Article, the following provisions shall be observed:

- (a) *Procedure for Collection.* — The fees under this Article shall be collected by the MSSD on behalf of the Bangsamoro Government. The MSSD shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MSSD to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MSSD shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Submission of Permit Copy.* - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 11 - Fees and Charges on Health Facilities

SECTION 171. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee to defray administrative expenses, involving, but not limited to, applications, registrations, permits, and renewals thereof, based on the schedule below:

- (a) *Certificate of Need.* – There shall be levied, assessed, and collected, every person who shall establish a new government general hospital regardless of bed capacity, or a private hospital for less than 100 beds, or convert Special to General Hospital, or convert or upgrade a birthing home or infirmary into a General Hospital, a reasonable fee of two thousand pesos (PhP 2,000.00) for the issuance of certificate of need.
- (b) *Permit to Construct.* – There shall be levied, assessed, and collected, from every person who shall establish and operate a hospital or other health facilities, a reasonable fee for the issuance of a Permit to Construct (PTC) as required prior to the actual construction of the said health facility, based on the schedule below:

Facility	Application/ Registration/ Permit Fee (PhP)
----------	---

I. Ambulatory Surgical Clinic – <i>add-on service to Level 1 Hospital</i>	1,400.00
II. Birthing Home	1,400.00
III. Cancer Treatment Facility	
a. Cancer Specialty Hospital	3,000.00
b. Cancer Specialty Center in a General Hospital	3,000.00
c. Cancer Treatment Satellite	1,500.00
d. Cancer Treatment Clinic	1,500.00
IV. Clinical Laboratory	1,000.00
V. Dialysis Clinic – <i>add-on service to Level 1 Hospital</i>	1,400.00
VI. Drug Abuse Treatment and Rehabilitation Center (For HFEP Facility Only)	1,000.00
VII. Drug Testing Laboratory (FS)	1,400.00
VIII. Hospital	
a. Level 1	2,000.00
b. Level 2 For HFEP Facility Only)	2,500.00
c. Level 3 For HFEP Facility Only)	3,000.00
IX. Infirmary	1,500.00
X. Medical Facility for Overseas Workers and Seafarers	1,500.00
XI. Primary Care Facility	1,000.00
XII. Psychiatric Care Facility	
i. Acute – Chronic	1,500.00
ii. Custodial	1,500.00

A PTC is a prerequisite for the issuance of a License to Operate (LTO).

In case of substantial alteration, expansion, renovation, increase in the number of beds, transfer of site or increase of services offered beyond the initial service capability, a PTC shall also be secured.

(c) *Operation of Health Facilities.* – There shall be levied, assessed, and collected, from every person who shall engage in the operation of health facilities in the BARM, a reasonable fee for the issuance of a license to operate, certificate of accreditation, authority to operate, and certificate of registration for a special clinical laboratory, based on the schedule below:

Transaction	Application/Registration /Permit Fee (PhP)	Renewal Fee (PhP)
License to Operate/Certificate of Accreditation/Authority to Operate/Certificate of Registration for a Special Clinical Laboratory		
I. Ambulatory Surgical Clinic	4,000.00	4,000.00
II. Ambulance Service Provider	5,000.00 plus 1,000 per ambulance unit	5,000.00 plus 1,000.00 per ambulance unit
III. Birthing Home	4,500.00	3,000.00
IV. Blood Bank	5,000.00	No fee
V. Blood Bank with additional function	5,000.00	No fee
VI. Blood Station	1,400.00	No fee
VII. Cancer Treatment Facility		
a. Cancer Specialty Hospital	12,600.00	12,600.00
b. Cancer Specialty Center in a General Hospital	12,600.00	12,600.00
c. Cancer Treatment Unit	12,600.00	12,600.00

d. Cancer Treatment Satellite	38,000.00	38,000.00
e. Cancer Treatment Clinic	38,000.00	38,000.00
VIII. Clinical Laboratory		
a. Primary	7,500.00	6,000.00
b. Secondary	9,000.00	7,500.00
c. Tertiary	10,500.00	9,000.00
d. Limited-Service Capability	7,500.00	7,500.00
IX. One Stop-Shop Government Hospital		
a. Non-DOH Retained Clinical Laboratory (CL)		
1. Level 1 Hospital	2,500.00	2,000.00
2. Level 2 Hospital	2,500.00	2,500.00
3. Level 3 Hospital	3,000.00	2,500.00
b. Non-Hospital Based Non-OSS Health Facilities and Services CL		
1. Primary	2,500.00	2,000.00
2. Secondary	3,000.00	2,500.00
3. Tertiary	3,500.00	3,000.00
X. One Stop-Shop (OSS) Non-Hospital Based Dialysis	9,500.00	9,500.00
XI. One Stop-Shop Government Hospital (Non-DOH Retained) Dialysis	3,000.00	3,000.00
XII. Free Standing	9,500.00	9,500.00
XIII. Drug Abuse Treatment and Rehabilitation Center		
a. Residential	14,000.00	14,000.00
b. Non-residential	6,000.00	6,000.00
c. Residential with outpatient	15,000.00	15,000.00
d. Cash Bond	30,000.00	30,000.00
XIV. Drug Testing Laboratory		
a. Screening	5,000.00	5,000.00
b. Confirmatory	10,000.00	10,000.00
c. Cash Bond	20,000.00	20,000.00
XV. Human Stem Cell and Cell-based or Cellular Therapy	38,000.00	38,000.00
XVI. Kidney Transplant Facility	38,000.00	38,000.00
XVII. Laboratory for Drinking Water Analysis	5,000.00	5,000.00
XVIII. Infirmary	6,000.00	6,000.00
XIX. Medical Facility for Overseas Workers and Seafarers (MFOWS) - Cash Bond	13,500.00	13,500.00
XX. Newborn Screening Center		
XXI. Psychiatric Care Facility		
a. Acute-Chronic	100,000.00	100,000.00
b. Custodial	8,500.00	8,500.00
XXII. Certification as Registered Hospital (renewal shall be every three years)	7,500.00	5,500.00
XXIII. Private Hospital	6,000.00	4,000.00
a. Private Hospital Basic Fee (initial)	50.00	50.00
1. Level 1		
2. Level 2		
3. Level 3	6,500.00	6,000.00
b. One Stop-Shop Private Hospital Medical Facility MFOWS Fee	8,500.00	8,500.00
	10,500.00	10,500.00

XXIV. LWDA Fee	13,500.00	13,500.00
	5,000.00	5,000.00

Any person who shall engage in the operation of health facilities in the BARMM shall be regulated by the MOH and shall secure the necessary permits.

As used in this Section, these terms, whether used in the singular or plural, shall mean as follows:

- (1) *Health Facility* - a Health Facility refers to a public or private institution with health care as core service. It includes hospitals, clinics, outpatient care centers, and specialized care centers, such as birthing centers and psychiatric care centers, and other similar institutions.
- (2) *License to Operate (LTO)* - A License to Operate (LTO) is a formal authority issued to any person to operate a hospital or other health facility. It is a prerequisite for the accreditation of a health facility.

No person shall be allowed to engage in the operation of any health facility in the BARMM unless it is duly licensed by the Ministry of Health (MOH). The issuance of an LTO necessarily requires the submission of an approved Certificate of Need and Permit to Construct.

- (3) *Certificate of Accreditation* - A Certificate of Accreditation is a formal authorization issued to any person to operate a medical facility for overseas workers and seafarers. A COA shall have a validity of three (3) years. Thereafter, it may be renewed subject to the payment of a renewal fee.
 - (4) *Authority to Operate* - An Authority to Operate (ATO) is a formal permit issued to any person for the operation of a Blood Collection Unit (BCU) or a Blood Station (BS).
 - (5) *Certificate of Registration for a Special Clinical Laboratory* - A Certificate of Registration for a Special Clinical Laboratory (CRSCL) is issued to any clinical laboratory that offers highly specialized laboratory services that are usually not provided by a general clinical laboratory.
- (d) *Remote Collection Permit for Clinical Laboratories.* - There shall be levied, assessed, and collected, from all licensed clinical laboratories which apply for the issuance of a Remote Collection Permit for Clinical Laboratories (RCP-CL), a reasonable fee of five hundred pesos (PhP 500.00) for each site: *Provided*, That a licensed clinical laboratory with RCP-CL shall be allowed to operate a remote collection facility within one hundred (100) km radius from the clinical laboratory.

- (e) *Certificate of Registration of Licensed Embalmers and Licensed Massage Therapists.*
– There shall be levied, assessed, and collected, from all licensed embalmers and massage therapists within BARMM, a reasonable fee of two hundred fifty pesos (PhP 250.00). All licensed embalmers and licensed massage therapists within BARMM shall be required to renew their Certificate of Registration annually subject to penalties as provided under Section 380 (h) of this Code.

SECTION 172. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon filing of the registration or application, or upon requesting for certificates or other documents.

In the case of renewal, the permits shall be renewed, and the fee imposed shall be paid at least thirty (30) days before their expiration.

In the case of renewal of registration of licensed embalmers and licensed massage therapists, the certificate of registration shall be renewed, and the fee imposed shall be paid within the first twenty (20) days of January of each year.

In the case of RCP-CL, the permit shall be secured, and the fee imposed shall be paid at least seven (7) working days prior to the collection.

SECTION 173. *Administrative Provisions.* — In the implementation of this Article, the following provisions shall be observed:

- (a) *Procedure for Collection.* – The fees under this Article shall be collected by the MOH on behalf of the Bangsamoro Government. The MOH shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MOH to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of MOH shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Submission of Permit Copy.* - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

ARTICLE 12 - Fees and Charges on Other Laboratory Testing

SECTION 174. *Imposition of Fees.* - There shall be levied, assessed, and collected, a reasonable fee to defray administrative expenses, involving, but not limited to, physico-chemistry laboratory testing, and microbiology laboratory testing, based on the schedule below:

- (a) *Physico-Chemistry Laboratory.* - There shall be levied, assessed, and collected, from every person within and outside the BARMM who avail of physico-chemistry test services, a reasonable fee for chemical testing of feed and food sample product, based on the following schedule:

Test Name	Fee (PhP)
Moisture Content	450.00
Ash Analysis	550.00
Crude Protein	1,100.00
Crude Fat	960.00
Nutrition Facts	1,500.00

- (b) *Microbiology Laboratory.* - There shall be levied, assessed, and collected, from every person within and outside the BARMM who avail of microbiology test services, a reasonable fee for microbiology testing of water/wastewater sample and food sample, based on the following schedule:

Test Name	Fee (PhP)
Water and Wastewater	
a. Heterotrophic Plate Count	550.00
b. Total Coliform Count	550.00
c. Thermotolerant/Fecal Coliform	550.00
d. Total Coliform Count Rapid Testing	550.00
e. E. Coli Rapid Testing	1,000.00
Food	
a. Aerobic Plate Count	550.00
b. Total Coliform	550.00
c. Thermotolerant/Fecal Colifor	550.00
d. Yeast and Molds Count	550.00

- (c) *Halal Verification Laboratory.* - There shall be levied, assessed, and collected, from every person within and outside the BARMM who avail of All Porcine DNA test, a reasonable fee of six thousand pesos (PhP 6,000.00) for DNA testing of meat and meat-based products.

SECTION 175. *Time of Payment* - The fees imposed under this Article shall be paid by the applicant upon requesting for laboratory testing or other services.

SECTION 176. *Administrative Provisions.* — In the implementation of this Section, the following provisions shall be observed:

- (a) *Procedure for Collection.* – The fees under this Article shall be collected by the Ministry of Science and Technology (MOST) on behalf of the Bangsamoro Government. The MOST shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the MOST to the proper account of the former immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the MOST shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with the AGDB daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

- (b) *Submission of Permit Copy.* - All responsible agencies/ministries and/or local governments that have issued any of the permits covered under this Article shall submit a copy of such permits within ten (10) calendar days after the end of each calendar month to the Bangsamoro Treasurer.

CHAPTER 4 - Fees for the Use of Regional Facilities and Related Regulatory Fees

ARTICLE 1 — Barter Trade-Related Fees

SECTION 177. *Imposition of Fees.* — There shall be levied, assessed, and collected, from every applicant, a reasonable accreditation or clearance fees for barter trading, subject to the rules promulgated by the Bangsamoro Barter Trade Council.

SECTION 178. *Definitions.* — When used in this Article, these terms, whether used in the singular or plural, shall mean as follows:

(a) “*Barter trade*” means the exchange of goods between residents of the autonomous region and other countries in the BIMP-EAGA through Barter Ports established for the purpose;

(b) “*Barter trader*” means an individual or entity qualified to engage in barter trade as accredited by the Bangsamoro Barter Trade Council (BBTC); and

(c) “*Barter Ports*” refer to the ports established in Siasi and Jolo in Sulu, and Bongao in Tawi-Tawi pursuant to Section 4 of E.O. No. 64, s. 2018, and such other ports as established and accredited by the BBTC.

ARTICLE 2 — Use of Government Facilities

SECTION 179. *Imposition of Fee.* - There shall be levied, assessed, and collected, a rental fee, for the use of the Shariff Kabunsuan Cultural Complex comprising of the museum, mini theaters, auditorium, mini library, and archive located in the Bangsamoro Government Center, as well as other regional government-owned facilities which can be leased for the conduct of trainings, seminars, meetings and the like and other income-generating purposes, based on the schedule below:

Duration	Fee (PhP)
Base Fee	3,000
Every exceeding hour	1,000 on top of the base fee
Half Day (four hours)	7,000
Whole Day	11,000

SECTION 180. *Time of Payment.* – The fees imposed under this Article shall be paid upon filing of the application or upon requesting for services.

SECTION 181. *Administrative Provisions.* - The fees under this Article shall be collected by the OCM on behalf of the Bangsamoro Government and shall be paid simultaneously with the payment of the amount due to such collecting agency. The OCM shall have the authority to promulgate rules for the effective implementation of this Article.

All payments due to the BTO shall be deposited by the OCM to the proper account of the latter immediately upon payment if the payment is made through a bank, or within the day or the next banking day from collection if physical payment is made directly to the latter.

All COs of the OCM shall deposit intact all their collections, as well as collections turned over to them by sub-collectors/tellers, with authorized government depository bank (AGDB) daily or not later than the next banking day. Where collections are minimal and daily deposit thereof becomes costly and impractical, the COs shall deposit their collections at least once a week, or as soon as the collections reach ten thousand pesos (PhP 10,000.00).

TITLE IV — TREATMENT OF NATIONAL TAXES WITH SITUS IN THE BARMM

CHAPTER 1 — National Taxes with All Taxable Elements within the BARMM

ARTICLE 1— General Provisions

SECTION 182. *Imposition of Taxes.* — Where all taxable elements are within the BARMM territorial jurisdiction, the following taxes shall be assessed and collected by the BRO to the exclusion of the Bureau of Internal Revenue (BIR) of the National Government:

- (a) Capital Gains Tax (CGT);
- (b) Documentary Stamp Tax (DST);
- (c) Donor's Tax; and
- (d) Estate Tax.

SECTION 183. *Bases and Rates of Taxes.* The tax rates and bases of the four taxes shall be determined pursuant to the NIRC of 1997, as amended.

SECTION 184. *Changes in the National Internal Revenue Code.* In case the provisions of the NIRC, which are relevant to this Chapter are amended after the effective date of the BRC, the IFPB shall promulgate new implementing rules on the taxable elements of the four national taxes as provided under Section 9, Article XII, of the BOL.

ARTICLE 2— Capital Gains Tax

SECTION 185. *Taxable Elements.* — In relation to sale, exchange, or other disposition of real property classified as a capital asset, including *pacto de retro* sales and other forms of conditional sale, the location of the property shall be the sole element to be considered in relation to the CGT.

SECTION 186. *Definition.* — Tax imposed on the gains presumed to have been realized by the seller from the sale, exchange, or other disposition of real properties, classified as capital assets, including *pacto de retro* sales and other forms of conditional sale.

SECTION 187. *Capital Gains from Sale of Real Property by Individuals.* — In the implementation of this Article, the following provisions shall apply:

- (a) *In General.* — A final tax of six percent (6%) based on the gross selling price or current FMV as determined in accordance with Section 6(E) of the NIRC, as amended, whichever is higher, is hereby imposed upon capital gains presumed to have been realized from the sale, exchange, or other disposition of real property located in the BARMM, classified as capital assets, including

pacto de retro sales and other forms of conditional sales, by individuals as provided under Sections 24(D) of the NIRC, as amended, including estates and trusts; *Provided*, That the tax imposed under this Subsection is imposed notwithstanding the provisions of Section 39(B) of the NIRC, as amended; *Provided further*, That the tax liability, if any, on gains from sales or other dispositions of real property to the government or any of its political subdivisions or agencies or to GOCCs shall be determined either under Section 24(A) of the NIRC, as amended, or under this Subsection, at the option of the taxpayer; and

- (b) *Exception.* — The provisions of paragraph (a) of this Subsection to the contrary notwithstanding, capital gains presumed to have been realized from the sale or disposition of their principal residence by natural persons, the proceeds of which is fully utilized in acquiring or constructing a new principal residence within eighteen (18) calendar months from the date of sale or disposition, shall be exempt from the CGT imposed under this Subsection: *Provided*, That the historical cost or adjusted basis of the real property sold or disposed shall be carried over to the new principal residence built or acquired: *Provided further*, That the BRO Director shall have been duly notified by the taxpayer within thirty (30) days from the date of sale or disposition through a prescribed return of his intention to avail of the tax exemption herein mentioned: *Provided still further*, That the said tax exemption can only be availed of once every ten (10) years: *Provided finally*, That if there is no full utilization of the proceeds of sale or disposition, the portion of the gain presumed to have been realized from the sale or disposition shall be subject to CGT. For this purpose, the gross selling price or FMV at the time of sale, whichever is higher, shall be multiplied by a fraction which the unutilized amount bears to the gross selling price in order to determine the taxable portion and the tax prescribed under paragraph (a) of this Subsection shall be imposed thereon.

SECTION 188. *Capital Gains Realized from the Sale, Exchange, or Disposition of Lands and/or Buildings by Corporations.* — A final tax of six percent (6%) is hereby imposed on the gain presumed to have been realized on the sale, exchange or disposition of lands and/or buildings which are not actually used in the business of a domestic corporation as provided under Section 27(D)(5) of the NIRC, as amended, and are treated as capital assets, based on the gross selling price or FMV as determined in accordance with Section 6(E) of the NIRC, as amended, whichever is higher, of such lands and/or buildings.

SECTION 189. *Installment Basis.* — Payment of CGT on installment basis shall be subject to the following:

- (a) *Sales of Real Property Considered as Capital Asset by Individuals.* — An individual who sells or disposes of real property, considered as capital asset, and is otherwise qualified to report the gain therefrom under Section xx may pay the capital gains tax in installments under rules and regulations to be promulgated by the Minister, upon recommendation of the BRO Director; and

- (b) *Change from Accrual to Installment Basis.* — If a taxpayer entitled to the benefits of Subsection (a) elects for any taxable year to report his taxable income on the installment basis, then in computing his income for the year of change or any subsequent year, amounts actually received during any such year on account of sales or other dispositions of property made in any prior year shall not be excluded.

SECTION 190. *Payment and Assessment of Capital Gains Tax.* — The total amount of tax imposed and prescribed under Sections 187 and 188 shall be paid on the date the return prescribed therefor is filed by the person liable thereto: *Provided*, That the return shall be filed within thirty (30) days following each sale or other disposition: *Provided further*, That if the seller submits proof of his intention to avail himself of the benefit of exemption of capital gains under existing special laws, no such payments shall be required: *Provided further*, That in case of failure to qualify for exemption under such special laws and implementing rules and regulations, the tax due on the gains realized from the original transaction shall immediately become due and payable, and subject to the penalties prescribed under applicable provisions of the BRC: *Provided finally*, That if the seller, having paid the tax, submits such proof of intent within six (6) months from the registration of the document transferring the real property, he shall be entitled to a refund of such tax upon verification of his compliance with the requirements for such exemption.

In case the taxpayer elects and is qualified to report the gain by installments under Section 189 (b) of the BRC, the tax due from each installment payment shall be paid within thirty (30) days from the receipt of such payments.

No registration of any document transferring real property shall be effected by the Register of Deeds unless the BRO Director or his duly authorized representative has certified that such transfer has been reported, and the tax herein imposed, if any, has been paid.

SECTION 191. *Application on Shari'ah-compliant Transactions.* —The imposition of the tax in this Article on transactions, which are *Shari'ah-compliant*, shall be in accordance with the relevant provisions of Title V on Islamic Finance.

ARTICLE 3 —Documentary Stamp Tax

SECTION 192. *Taxable Documents and Papers.* — The BRO shall assess and collect the DST as follows:

- (a) *Original issue of shares of stock* – if the principal place of business of the issuing corporation is in the BARMM;
- (b) *Sales, agreements to sell, memoranda of sales, deliveries of transfer of shares or certificates of stock* – If the seller or transferor is in the BARMM;
- (c) *Transfer of bonds, debentures, certificates of stocks or indebtedness issued in foreign countries* – if the transfer documents are executed in the BARMM;

- (d) *Certificates of profits or interest in property or accumulations* – if the property is located in the BARMM;
- (e) *Bank checks, drafts, certificates of deposit not bearing interest and other instruments* – if the principal place of business of the drawee bank is in the BARMM;
- (f) *Debt instruments* – if the debt instrument is issued or executed in the BARMM; or if executed abroad, if the object of the contract is located or used in the BARMM;
- (g) *Bills of exchange or drafts* – if the bill is issued in the BARMM;
- (h) *Acceptance of bills of exchange and others* – if the bill is accepted in the BARMM;
- (i) *Foreign bills of exchange and letters of credit* – if the bill is drawn in the BARMM;
- (j) *Life insurance policies* – if issued by a domestic corporation which principal place of business is located in the BARMM;
- (k) *Policies of insurance upon property* – if issued by a domestic corporation which principal place of business is located in the BARMM;
- (l) *Fidelity bonds and other insurance policies* – if issued by a domestic corporation which principal place of business is located in the BARMM;
- (m) *Policies of annuities and pre-need plans* – if issued by a domestic corporation which principal place of business is located in the BARMM;
- (n) *Indemnity bonds* – if issued by a domestic corporation which principal place of business is located in the BARMM;
- (o) *Certificates* – if executed or issued in the BARMM;
- (p) *Warehouse receipts* – if the warehouse receipt is issued in the BARMM;
- (q) *Jai-alai and horse race tickets, lotto or other authorized numbers games* – if the ticket is issued in the BARMM;
- (r) *Bills of lading or receipts* – if the bill of lading is executed in the BARMM;
- (s) *Proxies* – if the proxy document is executed in the BARMM;
- (t) *Powers of attorney* – if the document is executed in the BARMM;
- (u) *Leases and other hiring agreements* – if the principal place of business of the lessor is located in the BARMM;
- (v) *Mortgages, pledges, and deeds of trust* – if the mortgage, pledge, or deed is executed in the BARMM;
- (w) *Deeds of sale, conveyances, and donation of real property* – if the property is located in the BARMM; and

(x) *Charter parties and similar instruments* – if the instrument is executed in the BARMM.

SECTION 193. *Definition.* — This is a tax on documents, instruments, loan agreements, and papers evidencing the acceptance, assignment, sale, or transfer of the obligation, right or property incident thereto.

Upon documents, instruments, loan agreements and papers, and upon acceptances, assignments, sales and transfers of the obligation, right or property incident thereto, there shall be levied, collected and paid for, and in respect of the transaction so had or accomplished, the corresponding documentary stamp taxes prescribed in the following Sections of this Title, by the person making, signing, issuing, accepting, or transferring the same wherever the document is made, signed, issued, accepted or transferred when the obligation or right arises from BARMM sources or the property is situated in the BARMM, and at the same time such act is done or transaction had: *Provided*, That whenever one party to the taxable document enjoys exemption from the tax herein imposed, the other party thereto who is not exempt shall be the one directly liable for the tax.

SECTION 194. *Documentary Stamp Tax on Original Issue of Shares of Stock.* — On every original issue, whether on organization, reorganization or for any lawful purpose, of shares of stock by any association, company or corporation, there shall be collected a DST of two pesos (PhP 2.00) on each two hundred pesos (PHP 200.00), or fractional part thereof, of the par value, of such shares of stock: *Provided*, That in the case of the original issue of shares of stock without par value, the amount of the DST herein prescribed shall be based upon the actual consideration for the issuance of such shares of stock: *Provided further*, That in the case of stock dividends, on the actual value represented by each share.

SECTION 195. *Documentary Stamp Tax on Sales, Agreements to Sell, Memoranda of Sales, Deliveries or Transfer of Shares or Certificates of Stock.* — On all sales, or agreements to sell, or memoranda of sales, or deliveries, or transfer of shares or certificates of stock in any association, company, or corporation, or transfer of such securities by assignment in blank, or by delivery, or by any paper or agreement, or memorandum or other evidences of transfer or sale whether entitling the holder in any manner to the benefit of such stock, or to secure the future payment of money, or for the future transfer of any stock, there shall be collected a documentary stamp tax of one peso and fifty centavos (PhP 1.50) on each two hundred pesos (PhP 200.00), or fractional part thereof, of the par value of such stock: *Provided*, That only one tax shall be collected on each sale or transfer of stock from one person to another, regardless of whether or not a certificate of stock is issued, indorsed, or delivered in pursuance of such sale or transfer: and *Provided further*, That in the case of stock without par value the amount of the DST herein prescribed shall be equivalent to fifty percent (50%) of the DST paid upon the original issue of said stock.

SECTION 196. *Documentary Stamp Tax on Bonds, Debentures, Certificates of Stock or Indebtedness Issued in Foreign Countries.* — On all bonds, debentures, certificates of stock, or certificates of indebtedness issued in any foreign country, there shall be collected from the person selling or transferring the same in the BARMM, such tax as is required by law on similar instruments when issued, sold or transferred in BARMM.

SECTION 197. *Documentary Stamp Tax on Certificates of Profits or Interest in Property or Accumulations.* — On all certificates of profits, or any certificate or memorandum showing interest in the property or accumulations of any association, company or corporation, and on all transfers of such certificates or memoranda, there shall be collected a DST of one peso (PhP 1.00) on each two hundred pesos (PhP 200.00), or fractional part thereof, of the face value of such certificates or memorandum.

SECTION 198. *Documentary Stamp Tax on Bank Checks, Drafts, Certificates of Deposit not Bearing Interest, and Other Instruments.* — On each bank check, draft, or certificate of deposit not drawing interest, or order for the payment of any sum of money drawn upon or issued by any bank, trust company, or any person or persons, companies or corporations, at sight or on demand, there shall be collected a DST of three pesos (PhP 3.00).

SECTION 199. *Documentary Stamp Tax on All Debt Instruments.* — On every original issue of debt instruments, there shall be collected a DST of one peso and fifty centavos (PhP 1.50) on each two hundred pesos (PhP 200.00), or fractional part thereof, of the issue price of any such debt instruments: *Provided*, That for such debt instruments with terms of less than one (1) year, the DST to be collected shall be of a proportional amount in accordance with the ratio of its term in number of days to three hundred sixty-five (365) days:

Provided further, That only one documentary stamp tax shall be imposed on either loan agreement, or promissory notes issued to secure such loan.

For purposes of this section, the term debt instrument shall mean instruments representing borrowing and lending transactions including but not limited to debentures, certificates of indebtedness, due bills, bonds, loan agreements, including those signed abroad wherein the object of contract is located or used in the BARMM, instruments and securities issued by the government of any of its instrumentalities, deposit substitute debt instruments, certificates or other evidences of deposits that are either drawing interest significantly higher than the regular savings deposit taking into consideration the size of the deposit and the risks involved or drawing interest and having a specific maturity date, orders for payment of any sum of money otherwise than at sight or on demand, promissory notes, whether negotiable or non-negotiable, except bank notes issued for circulation.

SECTION 200. *Documentary Stamp Tax on all Bills of Exchange or Drafts.* — On all bills of exchange (between points within the BARMM) or drafts, there shall be collected a DST of sixty centavos (PhP 0.60) on each two hundred pesos (PhP 200.00), or fractional part thereof, of the face value of any such bill of exchange or draft.

SECTION 201. *Documentary Stamp Tax Upon Acceptance of Bills of Exchange and Others.*

- Upon any acceptance or payment of any bill of exchange or order for the payment of money purporting to be drawn in a foreign country but payable in the BARMM, there shall be collected a DST of sixty centavos (PhP 0.60) on each two hundred pesos (PhP 200), or fractional part thereof, of the face value of any such bill of exchange, or order, or the Philippine equivalent of such value, if expressed in foreign currency.

SECTION 202. *Documentary Stamp Tax on Foreign Bills of Exchange and Letters of Credit.*

- On all foreign bills of exchange and letters of credit (including orders, by telegraph or otherwise, for the payment of money issued by express or steamship companies or by any person or persons) drawn in but payable out of the BARMM in a set of three (3) or more according to the custom of merchants and bankers, there shall be collected a DST of sixty centavos (PhP 0.60) on each two hundred pesos (PhP 200.00), or fractional part thereof, of the face value of any such bill of exchange or letter of credit, or the Philippine equivalent of such face value, if expressed in foreign currency.

SECTION 203. *Documentary Stamp Tax on Life Insurance Policies.* — On all policies of insurance or other instruments by whatever name the same may be called, whereby any insurance shall be made or renewed upon any life or lives, there shall be collected a one-time documentary stamp tax at the following rates:

Description	Fee (PhP)
If the amount of insurance does not exceed PhP 100,000.00	Exempt
If the amount of insurance exceeds PhP 100,000.00 but does not exceed PhP 300,000.00	20.00
If the amount of insurance exceeds PhP 300,000.00 but does not exceed PhP 500,000.00	50.00
If the amount of insurance exceeds PhP 500,000.00 but does not exceed PhP 750,000.00	100.00
If the amount of insurance exceeds PhP 750,000.00 but does not exceed PhP 1,000,000.00	150.00
If the amount of insurance exceeds PhP 1,000,000.00	200.00

SECTION 204. *Documentary Stamp Tax on Policies of Insurance Upon Property.* — On all policies of insurance or other instruments by whatever name the same may be called, by which insurance shall be made or renewed upon property of any description, including rents or profits, against peril by sea or on inland waters, or by fire or lightning, there shall be collected a DST of fifty centavos (PhP 0.50) on each four pesos (PhP 4.00), or fractional part thereof, of the amount of premium charged: *Provided however,* That no DST shall be collected on reinsurance contracts or on any instrument by which cession or acceptance of insurance risks under any reinsurance agreement is effected or recorded.

SECTION 205. *Documentary Stamp Tax on Fidelity Bonds and Other Insurance Policies.* — On all policies of insurance or bonds or obligations of the nature of indemnity for loss, damage or liability made or renewed by any person, association, company or corporation transacting the business of accident, fidelity, employer's liability, plate, glass, steam boiler, burglar, elevator, automatic sprinkler, or other branch of insurance (except life, marine, inland, and fire insurance), and all bonds, undertakings, or recognizances, conditioned for the performance of the duties of any office or position, for the doing or not doing of anything therein specified, and on all obligations guaranteeing the validity or legality of any bond or other obligations issued by any province, city, municipality, or other public body or organization, and on all obligations guaranteeing the title to any real estate, or guaranteeing any mercantile credits, which may be made or renewed by any such person, company or corporation, there shall be collected a DST of fifty centavos (PhP 0.50) on each four pesos (PhP 4.00), or fractional part thereof, of the premium charged.

SECTION 206. *Documentary Stamp Tax on Policies of Annuities and Pre-Need Plans.* — On all policies of annuities, or other instruments by whatever name the same may be called, whereby an annuity may be made, transferred or redeemed, there shall be collected a DST of one peso (PhP 1.00) on each two hundred pesos (PhP 200.00), or fractional part thereof, of the premium or installment payment on contract price collected. On pre-need plans, the DST shall be forty centavos (PhP 0.40) on each two hundred pesos (PhP 200.00), or fractional part thereof, of the premium or contribution collected.

SECTION 207. *Documentary Stamp Tax on Indemnity Bonds.* — On all bonds for indemnifying any person, firm or corporation who shall become bound or engaged as surety for the payment of any sum of money or for the due execution or performance of the duties of any office or position or to account for money received by virtue thereof, and on all other bonds of any description, except such as may be required in legal proceedings, or are otherwise provided for herein, there shall be collected a DST of thirty centavos (PhP 0.30) on each four pesos (PhP 4.00), or fractional part thereof, of the premium charged.

SECTION 208. *Documentary Stamp Tax on Certificates.* — On each certificate of damage or otherwise, and on every other certificate or document issued by any customs officer, marine surveyor, or other person acting as such, and on each certificate issued by a notary public, and on each certificate of any description required by law or by rules or regulations of a public office, or which is issued for the purpose of giving information, or establishing proof of a fact, and not otherwise specified herein, there shall be collected a DST of thirty pesos (PhP 30.00).

SECTION 209. *Documentary Stamp Tax on Warehouse Receipts.* — On each warehouse receipt for property held in storage in a public or private warehouse or yard for any person other than the proprietor of such warehouse or yard, there shall be collected a DST of thirty pesos (PhP 30.00): *Provided*, That no tax shall be collected on each warehouse receipt issued to any one person in any one calendar month covering property the value of which does not exceed two hundred pesos (PhP 200.00).

SECTION 210. *Documentary Stamp Tax on Jai-alai, Horse Race Tickets, Lotto or Other Authorized Numbers Games.* — On each jai-alai, horse race ticket, lotto, or other authorized numbers games, there shall be collected a DST of twenty centavos (PhP 0.20): *Provided*, That if the cost of the ticket exceeds one peso (PhP 1.00), an additional tax of twenty centavos (PhP 0.20) on every one peso (PhP 1.00), or fractional part thereof, shall be collected.

SECTION 211. *Documentary Stamp Tax on Bills of Lading or Receipts.* — On each set of bills of lading or receipts (except charter party) for any goods, merchandise or effects shipped from one port or place in the BARMM (except on ferries across rivers), or to any foreign port, there shall be collected a DST of two pesos (PhP 2.00), if the value of such goods exceeds one hundred pesos (PhP 100.00) and does not exceed one thousand pesos (PhP 1,000.00); twenty pesos (PhP 20.00), if the value exceeds one thousand pesos (PhP 1,000.00): *Provided however*, That freight tickets covering goods, merchandise or effects carried as accompanied baggage of passengers on land and water carriers primarily engaged in the transportation of passengers are hereby exempt.

SECTION 212. *Documentary Stamp Tax on Proxies.* — On each proxy for voting at any election for officers of any company or association, or for any other purpose, except proxies issued affecting the affairs of associations or corporations organized for religious, charitable or literary purposes, there shall be collected a DST of thirty pesos (PhP 30.00).

SECTION 213. *Documentary Stamp Tax on Powers of Attorney.* — On each power of attorney to perform any act whatsoever, except acts connected with the collection of claims due from or accruing to the Government of the Republic of the Philippines, the Bangsamoro Government, or the government of any province, city or municipality, there shall be collected a DST of ten pesos (PhP 10.00).

SECTION 214. *Documentary Stamp Tax on Leases and Other Hiring Agreements.* — On each lease, agreement, memorandum, or contract for hire, use or rent of any lands or tenements, or portions thereof, there shall be collected a DST of six pesos (PhP 6.00) for the first two thousand pesos (PhP 2,000.00), or fractional part thereof, and an additional two pesos (PhP 2.00) for every one thousand pesos (PhP 1,000.00) or fractional part thereof, in excess of the first two thousand pesos (PhP 2,000.00) for each year of the term of said contract or agreement.

SECTION 215. *Documentary Stamp Tax on Mortgages, Pledges and Deeds of Trust.* — On every mortgage or pledge of lands, estate, or property, real or personal, heritable or movable, whatsoever, where the same shall be made as a security for the payment of any definite and certain sum of money lent at the time or previously due and owing or forborne to be paid, being payable, and on any conveyance of land, estate, or property whatsoever, in trust or to be sold, or otherwise converted into money which shall be and intended only as security, either by express stipulation or otherwise, there shall be collected a DST at the following rates:

- (a) When the amount secured does not exceed five thousand pesos (PhP 5,000.00), forty pesos (PhP 40.00);

- (b) On each five thousand pesos (PhP 5,000.00), or fractional part thereof in excess of five thousand pesos (PhP 5,000.00), an additional tax of twenty pesos (PhP 20.00);

On any mortgage, pledge, or deed of trust, where the same shall be made as a security for the payment of a fluctuating account or future advances without fixed limit, the DST on such mortgage, pledge or deed of trust shall be computed on the amount actually loaned or given at the time of the execution of the mortgage, pledge or deed of trust. However, if subsequent advances are made on such mortgage, pledge or deed of trust, additional DST shall be paid which shall be computed on the basis of the amount advanced or loaned at the rates specified above: *Provided however*, That if the full amount of the loan or credit, granted under the mortgage, pledge or deed of trust is specified in such mortgage, pledge or deed of trust, the documentary stamp tax prescribed in this Section shall be paid and computed on the full amount of the loan or credit granted.

SECTION 216. *Documentary Stamp Tax on Deeds of Sale, Conveyances and Donation of Real Property.* — On all conveyances, donations, deeds, instruments, or writings, other than grants, patents or original certificates of adjudication issued by the Government, whereby any land, tenement or other realty sold shall be granted, assigned, transferred, donated or otherwise conveyed to the purchaser, or purchasers, or to any other person or persons designated by such purchaser or purchasers, or donee, there shall be collected a DST, at the rates herein below prescribed, based on the consideration contracted to be paid for such realty or on its fair market value determined in accordance with Section 6(E) of the NIRC, as amended, whichever is higher: *Provided*, That when one of the contracting parties is the National Government or the Bangsamoro Government, the tax herein imposed shall be based on the actual consideration:

- (a) When the consideration, or value received or contracted to be paid for such realty, after making proper allowance of any encumbrance, does not exceed one thousand pesos (PhP 1,000.00), fifteen pesos (PhP 15.00);
- (b) For each additional one thousand pesos (PhP 1,000.00), or fractional part thereof in excess of one thousand pesos (PhP 1,000.00) of such consideration or value, fifteen pesos (PhP 15.00).

Transfers exempt from donor's tax under Section 220 of the BRC shall be exempt from the tax imposed under this Section.

When it appears that the amount of the DST payable hereunder has been reduced by an incorrect statement of the consideration in any conveyance, deed, instrument or writing subject to such tax the BRO Director, provincial or city Treasurer, or other revenue officer shall, from the assessment rolls or other reliable source of information, assess the property of its true market value and collect the proper tax thereon.

SECTION 217. *Documentary Stamp Tax on Charter Parties and Similar Instruments.* — On every charter party, contract or agreement for the charter of any ship, vessel or steamer, or any letter or memorandum or other writing between the captain, master or owner, or other person acting as agent of any ship, vessel or steamer, and any other person or persons for or relating to the charter of any such ship, vessel or steamer, and on any renewal or transfer of such charter, contract, agreement, letter or memorandum, there shall be collected a documentary stamp tax at the following rates:

- (a) If the registered gross tonnage of the ship, vessel or steamer does not exceed one thousand (1,000) tons, and the duration of the charter or contract does not exceed six (6) months, one thousand pesos (PhP 1,000.00); and for each month or fraction of a month in excess of six (6) months, an additional tax of one hundred pesos (PhP 100.00) shall be paid.
- (b) If the registered gross tonnage exceeds one thousand (1,000) tons and does not exceed ten thousand (10,000) tons, and the duration of the charter or contract does not exceed six (6) months, two thousand pesos (PhP 2,000.00); and for each month or fraction of a month in excess of six (6) months, an additional tax of Two hundred pesos (PhP 200.00) shall be paid.
- (c) If the registered gross tonnage exceeds ten thousand (10,000) tons and the duration of the charter or contract does not exceed six (6) months, three thousand pesos (PhP 3,000.00); and for each month or fraction of a month in excess of six (6) months, an additional tax of three hundred pesos (PhP 300.00) shall be paid.

SECTION 218. *Documentary Stamp Tax on Assignments and Renewals of Certain Instruments.* — Upon each and every assignment or transfer of any mortgage, lease or policy of insurance, or the renewal or continuance of any agreement, contract, charter, or any evidence of obligation or indebtedness by altering or otherwise, there shall be levied, collected and paid a DST, at the same rate as that imposed on the original instrument.

SECTION 219. *Application on Shari'ah-compliant transactions.* —The imposition of the tax in this Article on transactions, which are *Shari'ah*-compliant, shall be in accordance with the relevant provisions of Title V on Islamic Finance.

SECTION 220. *Documents and Papers Not Subject to Stamp Tax.* — The provisions of Section 193 to the contrary notwithstanding, the following instruments, documents and papers shall be exempt from the DST:

- (a) Policies of insurance or annuities made or granted by a fraternal or beneficiary society, order, association or cooperative company, operated on the lodge system or local cooperation plan and organized and conducted solely by the members thereof for the exclusive benefit of each member and not for profit;
- (b) Certificates of oaths administered to any government official in his official capacity or of acknowledgment by any government official in the performance of his official duties, written appearance in any court by any government official, in his official capacity; certificates of the administration of oaths to any person as to the authenticity of any paper required to be filed in court by any person or party

thereto, whether the proceedings be civil or criminal; papers and documents filed in courts by or for the national, provincial, city or municipal governments; affidavits of poor persons for the purpose of proving poverty; statements and other compulsory information required of persons or corporations by the rules and regulations of the national, provincial, city or municipal governments exclusively for statistical purposes and which are wholly for the use of the bureau or office in which they are filed, and not at the instance or for the use or benefit of the person filing them; certified copies and other certificates placed upon documents, instruments and papers for the national, provincial, city or municipal governments, made at the instance and for the sole use of some other branch of the national, provincial, city or municipal governments; and certificates of the assessed value of lands, not exceeding two hundred pesos (PhP 200.00) in value assessed, furnished by the provincial, city or municipal Treasurer to applicants for registration of title to land;

- (c) Borrowing and lending of securities executed under the Securities Borrowing and Lending Program of a registered exchange, or in accordance with regulations prescribed by the appropriate regulatory authority: *Provided however*, That any borrowing or lending of securities agreement as contemplated hereof shall be duly covered by a master securities borrowing and lending agreement acceptable to the appropriate regulatory authority, and which agreement is duly registered and approved by the BRO;
- (d) Loan agreements or promissory notes, the aggregate of which does not exceed two hundred fifty thousand pesos (PhP 250,000.00), or any such amount as may be determined by the Minister, executed by an individual for his purchase on installment for his personal use or that of his family and not for business or resale, barter or hire of a house, lot, motor vehicle, appliance or furniture: *Provided however*, That the amount to be set by the Minister shall be in accordance with a relevant price index but not to exceed ten percent (10%) of the current amount and shall remain in force at least for three (3) years;
- (e) Sale, barter or exchange of shares of stock listed and traded through the local stock exchange;
- (f) Assignment or transfer of any mortgage, lease or policy of insurance, or the renewal or continuance of any agreement, contract, charter, or any evidence of obligation or indebtedness, if there is no change in the maturity date or remaining period of coverage from that of the original instrument;
- (g) Fixed income and other securities traded in the secondary market or through an exchange;
- (h) Derivatives: *Provided*, That for purposes of this exemption, repurchase agreements and reverse repurchase agreements shall be treated similarly as derivatives;
- (i) Interbranch or interdepartmental advances within the same legal entity.
- (j) All forbearances arising from sales or service contracts including credit card and trade receivables: *Provided*, That the exemption be limited to those executed by the seller or service provider itself;
- (k) Bank deposit accounts without a fixed term or maturity;

- (l) All contracts, deeds, documents and transactions related to the conduct of business of the BSP;
- (m) Transfer of property pursuant to Section 40(c)(2) of the NIRC, as amended; and
- (n) Interbank call loans with maturity of not more than seven (7) days to cover deficiency in reserves against deposit liabilities, including those between or among banks and quasi-banks.

SECTION 221. *Payment of Documentary Stamp Tax.* — In the implementation of this Article, the following provisions on payment of DST shall apply:

- (a) *In General.* — The provisions of P.D. No. 1045 notwithstanding, any person liable to pay DST upon any document subject to tax under Title IV of this Code shall file a tax return and pay the tax in accordance with the rules and regulations to be prescribed by the Minister, upon recommendation of the BRO Director.
- (b) *Time for Filing and Payment of the Tax.* — Except as provided by rules and regulations promulgated by the Minister, upon recommendation of the BRO Commissioner, the tax return prescribed in this Section shall be filed within ten (10) days after the close of the month when the taxable document was made, signed, issued, accepted, or transferred, and the tax thereon shall be paid at the same time the aforesaid return is filed.
- (c) *Where to File.* — Except in cases where the BRO Director otherwise permits, the aforesaid tax return shall be filed with and the tax due shall be paid through the authorized agent bank within the territorial jurisdiction of the RDO which has jurisdiction over the residence or principal place of business of the taxpayer. In places where there is no authorized agent bank, the return shall be filed with the BRDO collection agent, or duly authorized Treasurer of the city or municipality in which the taxpayer has his legal residence or principal place of business.
- (d) *Exception.* — In lieu of the foregoing provisions of this Section, the tax may be paid either through purchase and actual affixture; or by imprinting the stamps through a documentary stamp metering machine, on the taxable document, in the manner as may be prescribed by rules and regulations to be promulgated by the Minister, upon recommendation of the BRO Director.

SECTION 222. *Effect of Failure to Stamp Taxable Document.* — An instrument, document or paper which is required by law to be stamped and which has been signed, issued, accepted or transferred without being duly stamped, shall not be recorded, nor shall it or any copy thereof or any record of transfer of the same be admitted or used in evidence in any court until the requisite stamp or stamps shall have been affixed thereto and cancelled.

No notary public or other officer authorized to administer oaths shall add his jurat or acknowledgment to any document subject to documentary stamp tax unless the proper documentary stamps are affixed thereto and cancelled.

ARTICLE 4— Estate Tax

SECTION 223. *Taxable Element.* — The residence of the decedent at the time of death is the sole taxable element in determining whether the estate is taxable within the BARMM territorial jurisdiction. The BRO shall assess and collect the estate tax when the decedent is a resident of the BARMM at the time of death. The gross estate of a decedent shall be comprised of all properties, real or personal, tangible or intangible, wherever situated.

SECTION 224. *Definition.* — Tax on the right of the deceased person to transmit to the lawful heirs and beneficiaries of the deceased person at the time of death and on certain transfer, which are made by law as equivalent to testamentary disposition.

SECTION 225. *Rates of Estate Tax.* — There shall be levied, assessed, collected, and paid upon the transfer of the net estate as determined in accordance with Sections 226 and 227 of every decedent, a tax at a rate of six percent (6%) based on the value of such net estate.

SECTION 226. *Gross Estate.* — The value of the gross estate of the decedent covered by Section xx shall be determined by including the value at the time of his death of all property, real or personal, tangible or intangible, wherever situated:

- (a) *Decedent's Interest.* — To the extent of the interest therein of the decedent at the time of his death;
- (b) *Transfer in Contemplation of Death.* — To the extent of any interest therein of which the decedent has at any time made a transfer, by trust or otherwise, in contemplation of or intended to take effect in possession or enjoyment at or after death, or of which he has at any time made a transfer, by trust or otherwise, under which he has retained for his life or for any period which does not in fact end before his death (1) the possession or enjoyment of, or the right to the income from the property, or (2) the right, either alone or in conjunction with any person, to designate the person who shall possess or enjoy the property or the income therefrom; except in case of a *bona fide* sale for an adequate and full consideration in money or money's worth;
- (c) *Revocable Transfer.* — For revocable transfers, the following provisions shall apply:
 - (1) To the extent of any interest therein, of which the decedent has at any time made a transfer (except in case of *bona fide* sale for an adequate and full consideration in money or money's worth) by trust or otherwise, where the enjoyment thereof was subject at the date of his death to any change through the exercise of a power (in whatever

capacity exercisable) by the decedent alone or by the decedent in conjunction with any other person (without regard to when or from what source the decedent acquired such power), to alter, amend, revoke or terminate, or where any such power is relinquished in contemplation of the decedent's death;

(2) For the purpose of this Subsection, the power to alter, amend or revoke shall be considered to exist on the date of the decedent's death even though the exercise of the power is subject to a precedent giving of notice or even though the alteration, amendment or revocation takes effect only on the expiration of a stated period after the exercise of the power, whether or not on or before the date of the decedent's death notice has been given or the power has been exercised. In such cases, proper adjustment shall be made representing the interests which would have been excluded from the power if the decedent had lived, and for such purpose if the notice has not been given or the power has not been exercised on or before the date of his death, such notice shall be considered to have been given, or the power exercised, on the date of his death;

- (d) *Property Passing Under General Power of Appointment.* — To the extent of any property passing under a general power of appointment exercised by the decedent: (1) by will, or (2) by deed executed in contemplation of, or intended to take effect in possession or enjoyment at, or after his death, or (3) by deed under which he has retained for his life or any period not ascertainable without reference to his death or for any period which does not in fact end before his death (a) the possession or enjoyment of, or the right to the income from, the property, or (b) the right, either alone or in conjunction with any person, to designate the persons who shall possess or enjoy the property or the income therefrom; except in case of a *bona fide* sale for an adequate and full consideration in money or money's worth;
- (e) *Proceeds of Life Insurance.* — To the extent of the amount receivable by the estate of the deceased, his executor, or administrator, as insurance under policies taken out by the decedent upon his own life, irrespective of whether or not the insured retained the power of revocation, or to the extent of the amount receivable by any beneficiary designated in the policy of insurance, except when it is expressly stipulated that the designation of the beneficiary is irrevocable;
- (f) *Prior Interests.* — Except as otherwise specifically provided therein, Subsections (b), (c) and (e) of this Section shall apply to the transfers, trusts, estates, interests, rights, powers and relinquishment of powers, as severally enumerated and described therein, whether made, created, arising, existing, exercised or relinquished before or after the effectivity of the BRC;
- (g) *Transfers for Insufficient Consideration.* — If any one of the transfers, trusts, interests, rights or powers enumerated and described in Subsections (b), (c) and (d) of this Section is made, created, exercised or relinquished for a consideration in money or money's worth, but is not a *bona fide* sale for an adequate and full consideration in money or money's worth, there shall be included in the gross estate only the excess of the FMV, at the time of death,

of the property otherwise to be included on account of such transaction, over the value of the consideration received therefor by the decedent.

- (h) *Capital of the Surviving Spouses.* — The capital of the surviving spouses of a decedent shall not, for the purpose of this Chapter, be deemed a part of his or her gross estate.

SECTION 227. *Computation of Net Estate.* — For the purpose of the tax imposed in this Chapter, the value of the net estate shall be determined:

- (a) *Deductions Allowed to the Estate of a Citizen or a Resident.* — In the case of a citizen or resident of the Philippines, by deducting from the value of the gross estate:

- (1) *Standard Deduction.* — An amount equivalent to five million pesos (PhP 5,000,000.00);
- (2) For claims against the estate: *Provided,* That at the time the indebtedness was incurred the debt instrument was duly notarized and, if the loan was contracted within three (3) years before the death of the decedent, the administrator or executor shall submit a statement showing the disposition of the proceeds of the loan;
- (3) For claims of the deceased against insolvent persons where the value of decedent's interest therein is included in the value of the gross estate;
- (4) For unpaid mortgages upon, or any indebtedness in respect to, property where the value of decedent's interest therein, undiminished by such mortgage or indebtedness, is included in the value of the gross estate, but not including any income tax upon income received after the death of the decedent, or property taxes not accrued before his death, or any estate tax. The deduction herein allowed in the case of claims against the estate, unpaid mortgages or any indebtedness shall, when founded upon a promise or agreement, be limited to the extent that they were contracted *bona fide* and for an adequate and full consideration in money or money's worth. There shall also be deducted losses incurred during the settlement of the estate arising from fires, storms, shipwreck, or other casualties, or from robbery, theft or embezzlement, when such losses are not compensated for by insurance or otherwise, and if at the time of the filing of the return such losses have not been claimed as a deduction for the income tax purposes in an income tax return, and provided that such losses were incurred not later than the last day for the payment of the estate tax as prescribed in Subsection (a) of Section 231;
- (5) *Property Previously Taxed.* — An amount equal to the value specified below of any property forming a part of the gross estate situated in the Philippines of any person who died within five (5) years prior to the death of the decedent, or transferred to the decedent by gift within five (5) years prior to his death, where such property can be identified as

having been received by the decedent from the donor by gift, or from such prior decedent by gift, bequest, devise or inheritance, or which can be identified as having been acquired in exchange for property so received:

One hundred percent (100%) of the value, if the prior decedent died within one (1) year prior to the death of the decedent, or if the property was transferred to him by gift within the same period prior to his death;

Eighty percent (80%) of the value, if the prior decedent died more than one (1) year but not more than two (2) years prior to the death of the decedent, or if the property was transferred to him by gift within the same period prior to his death;

Sixty percent (60%) of the value, if the prior decedent died more than two (2) years but not more than three (3) years prior to the death of the decedent, or if the property was transferred to him by gift within the same period prior to his death;

Forty percent (40%) of the value, if the prior decedent died more than three (3) years but not more than four (4) years prior to the death of the decedent, or if the property was transferred to him by gift within the same period prior to his death;

Twenty percent (20%) of the value, if the prior decedent died more than four (4) years but not more than five (5) years prior to the death of the decedent, or if the property was transferred to him by gift within the same period prior to his death;

These deductions shall be allowed only where a donor's tax or estate tax imposed under this Title was finally determined and paid by or on behalf of such donor, or the estate of such prior decedent, as the case may be, and only in the amount finally determined as the value of such property in determining the value of the gift, or the gross estate of such prior decedent, and only to the extent that the value of such property is included in the decedent's gross estate, and only if in determining the value of the estate of the prior decedent, no deduction was allowable under paragraph (2) in respect of the property or properties given in exchange therefor. Where a deduction was allowed of any mortgage or other lien in determining the donor's tax, or the estate tax of the prior decedent, which was paid in whole or in part prior to the decedent's death, then the deduction allowable under said Subsection shall be reduced by the amount so paid. Such deduction allowable shall be reduced by an amount which bears the same ratio to the amounts allowed as deductions under paragraphs (1) and (3) of this Subsection as the amount otherwise deductible under said paragraph (2) bears to the value of the decedent's estate. Where the property referred to consists of two or more items, the aggregate value of such items shall be used for the purpose of computing the deduction;

- (6) *Transfers for Public Use.* — The amount of all bequests, legacies, devises or transfers to or for the use of the Government of the Republic of the Philippines, or any political subdivision thereof, for exclusively public purposes;
- (7) *The Family Home.* — An amount equivalent to the current FMV of the decedent's family home: *Provided however,* That if the said current fair market value exceeds ten million pesos (PhP 10,000,000.00), the excess shall be subject to estate tax. As a *sine qua non* condition for the exemption or deduction, said family home must have been the decedent's family home as certified by the barangay captain of the locality; and
- (8) *Amount Received by Heirs Under R.A. No. 4917.* — Any amount received by the heirs from the decedent's employer as a consequence of the death of the decedent-employee in accordance with R.A. No. 4917: *Provided,* That such amount is included in the gross estate of the decedent;
- (b) *Share in the Conjugal Property.* — The net share of the surviving spouses in the conjugal partnership property as diminished by the obligations properly chargeable to such property shall, for the purpose of this Section, be deducted from the net estate of the decedent;
- (c) *Miscellaneous Provisions.* — No deduction shall be allowed in the case of a nonresident not a citizen of the Philippines, unless the executor, administrator, or anyone of the heirs, as the case may be, includes in the return required to be filed under Section 232 the value at the time of his death of that part of the gross estate of the nonresident not situated in the Philippines; and
- (d) *Tax Credit for Estate Taxes Paid to a Foreign Country.* —
- (1) *In General.* — The tax imposed by this Title shall be credited with the amounts of any estate tax imposed by the authority of a foreign country; and
- (2) *Limitations on Credit.* — The amount of the credit taken under this Section shall be subject to each of the following limitations:
- (i) The amount of the credit in respect to the tax paid to any country shall not exceed the same proportion of the tax against which such credit is taken, which the decedent's net estate situated within such country taxable under this Title bears to his entire net estate; and
- (ii) The total amount of the credit shall not exceed the same proportion of the tax against which such credit is taken, which the decedent's net estate situated outside the Philippines taxable under this Title bears to his entire net estate.

SECTION 228. *Exemption of Certain Acquisitions and Transmissions.* — The following shall not be taxed:

- (a) The merger of usufruct in the owner of the naked title;
- (b) The transmission or delivery of the inheritance or legacy by the fiduciary heir or legatee to the fideicommissary;
- (c) The transmission from the first heir, legatee or donee in favor of another beneficiary, in accordance with the desire of the predecessor; and
- (d) All bequests, devises, legacies or transfers to social welfare, cultural and charitable institutions, no part of the net income of which inures to the benefit of any individual: *Provided however*, That not more than thirty percent (30%) of the said bequests, devises, legacies or transfers shall be used by such institutions for administration purposes.

SECTION 229. *Determination of the Value of the Estate.* — In the implementation of this Article, the following provisions shall apply:

- (a) *Usufruct.* — To determine the value of the right of usufruct, use or habitation, as well as that of annuity, there shall be taken into account the probable life of the beneficiary in accordance with the latest Basic Standard Mortality Table, to be approved by the Secretary of Finance, upon recommendation of the Insurance Commissioner.
- (b) *Properties.* — The estate shall be appraised at its fair market value as of the time of death. However, the appraised value of real property as of the time of death shall be, whichever is the higher of:
 - (1) The fair market value as determined under Section 6(E) of the NIRC, as amended; or
 - (2) The fair market value as shown in the schedule of values fixed by the Provincial and City Assessors.

SECTION 230. *Application of Islamic Law on Succession.* — The imposition of the estate tax in this Article on the transmission of rights of a Muslim decedent to his lawful heirs and beneficiaries shall be in accordance with the relevant provisions of the Code of Muslim Personal Laws. Notwithstanding any law, rules, or regulations to the contrary, the following provisions shall apply in the imposition of the estate tax in this Article, without prejudice to the continued application of the rules of construction specified under the Code of Muslim Personal Laws:

- (a) *Share of Surviving Spouse or Spouses.* — In determining the excluded share of the surviving spouse or spouses from the estate of a Muslim decedent, the property relations between spouses under the Code of Muslim Personal Laws shall apply;

- (b) *Family Home*. — If the Muslim decedent had more than one surviving spouse but not more than four at the time of his death in accordance with the Code of Muslim Personal Laws, and duly constituted more than one family home during his lifetime, then the threshold specified in the NIRC shall apply to all family homes cumulatively, and the excess of the current fair market value above the threshold for all family home/s shall be subject to estate tax: *Provided*, That the deduction for the family home or homes so constituted is only to the extent owned by the Muslim decedent: *Provided further*, That the recognition of multiple family homes under this Section shall be for the sole purpose of determining the allowable deductions from the estate of the Muslim decedent;
- (c) *Testamentary Waqf*. — In addition to the allowable deductions specified under the NIRC, there shall be a deduction in the amount of the endowment for Islamic purposes to take effect after the death of the donor (*waqf-bil-wasiya*); *Provided*, That the deduction shall only be to the extent that the endowment was made [to the Bangsamoro Government] exclusively for public charitable purposes and not for the direct or indirect benefit of any specific natural person or any of the classes of persons who are entitled to inherit by legal succession from the Muslim decedent pursuant to the Code of Muslim Personal Laws; and
- (d) *Estate Tax Return and Requirements*. — The MFBM shall issue rules and regulations, prescribing the form or forms for filing the estate tax returns and the requirements for the processing and issuance of the certificate authorizing registration for the estate of a Muslim decedent.

SECTION 231. *Estate Tax Returns*. — In the implementation of this Article, the following provisions shall apply:

- (a) *Requirements*. — In all cases of transfers subject to the tax imposed herein, or regardless of the gross value of the estate, where the said estate consists of registered or registrable property such as real property, motor vehicle, shares of stock or other similar property for which a clearance from the BRO or the BIR is required as a condition precedent for the transfer of ownership thereof in the name of the transferee, the executor, or the administrator, or any of the legal heirs, as the case may be, shall file a return under oath in duplicate, setting forth:
 - (1) The value of the gross estate of the decedent at the time of his death, or in case of a nonresident, not a citizen of the Philippines, of that part of his gross estate situated in the Philippines;
 - (2) The deductions allowed from gross estate in determining the estate as defined in Section 227; and
 - (3) Such part of such information as may at the time be ascertainable and such supplemental data as may be necessary to establish the correct taxes.

Provided however, That estate tax returns showing a gross value exceeding five million pesos (PhP 5,000,000.00) shall be supported

with a statement duly certified to by a Certified Public Accountant containing the following:

- (i) Itemized assets of the decedent with their corresponding gross value at the time of his death, or in the case of a nonresident, not a citizen of the Philippines, of that part of his gross estate situated in the Philippines;
 - (ii) Itemized deductions from gross estate allowed in Section 227; and
 - (iii) The amount of tax due whether paid or still due and outstanding.
- (b) *Time for Filing.* — For the purpose of determining the estate tax provided for in Section 225 of this Code, the estate tax return required under the preceding Subsection (a) shall be filed within one (1) year from the decedent's death.

A certified copy of the schedule of partition and the order of the court approving the same shall be furnished the BRO Director within thirty (30) days after the promulgation of such order.

- (c) *Extension of Time.* — The BRO Director shall have authority to grant, in meritorious cases, a reasonable extension not exceeding thirty (30) days for filing the return.
- (d) *Place of Filing.* — Except in cases where the BRO Director otherwise permits, the return required under Subsection (a) shall be filed with an authorized agent bank, or BRDO, Collection Officer, or duly authorized Treasurer of the city or municipality in which the decedent was domiciled at the time of his death.

SECTION 232. *Payment of Tax.* — In the implementation of this Article, the following provisions shall apply:

- (a) *Time of Payment.* — The estate tax imposed by Section 225 shall be paid at the time the return is filed by the executor, administrator or the heirs;
- (b) *Extension of Time.* — When the BRO Director finds that the payment on the due date of the estate tax or of any part thereof would impose undue hardship upon the estate or any of the heirs, he may extend the time for payment of such tax or any part thereof not to exceed five (5) years, in case the estate is settled through the courts, or two (2) years in case the estate is settled extrajudicially. In such case, the amount in respect of which the extension is granted shall be paid on or before the date of the expiration of the period of the extension, and the running of the Statute of Limitations for assessment as provided in Section 428 of this Code shall be suspended for the period of any such extension.

Where the taxes are assessed by reason of negligence, intentional disregard of rules and regulations, or fraud on the part of the taxpayer, no extension will be granted by the BRO Director.

If an extension is granted, the BRO Director may require the executor, or administrator, or beneficiary, as the case may be, to furnish a bond in such amount, not exceeding double the amount of the tax and with such sureties as the BRO Director deems necessary, conditioned upon the payment of the said tax in accordance with the terms of the extension;

- (c) *Payment by Installment.* — In case the available cash of the estate is insufficient to pay the total estate tax due, payment by installment shall be allowed within two (2) years from the statutory date for its payment without civil penalty and interest; and
- (d) *Liability for Payment.* — The estate tax imposed by Section 225 shall be paid by the executor or administrator before delivery to any beneficiary of his distributive share of the estate. Such beneficiary shall, to the extent of his distributive share of the estate, be subsidiarily liable for the payment of such portion of the estate tax as his distributive share bears to the value of the total net estate.

For the purpose of this Chapter, the term '*executor*' or '*administrator*' means the executor or administrator of the decedent, or if there is no executor or administrator appointed, qualified, and acting within the Philippines, then any person in actual or constructive possession of any property of the decedent.

SECTION 233. *Discharge of Executor or Administrator from Personal Liability.* — If the executor or administrator makes a written application to the BRO Director for determination of the amount of the estate tax and discharge from personal liability therefor, the BRO Director (as soon as possible, and in any event within one (1) year after the making of such application, or if the application is made before the return is filed, then within one (1) year after the return is filed, but not after the expiration of the period prescribed for the assessment of the tax in Section 428 shall notify the executor or administrator of the amount of the tax. The executor or administrator, upon payment of the amount of which he is notified, shall be discharged from personal liability for any deficiency in the tax thereafter found to be due and shall be entitled to a receipt or writing showing such discharge.

SECTION 234. *Definition of Deficiency.* — As used in this Chapter, the term '*deficiency*' means:

- (a) The amount by which the tax imposed by this Chapter exceeds the amount shown as the tax by the executor, administrator or any of the heirs upon his return; but the amount so shown on the return shall first be increased by the amounts previously assessed (or collected without assessment) as a deficiency and decreased by the amounts previously abated, refunded or otherwise repaid in respect of such tax; or

- (b) If no amount is shown as the tax by the executor, administrator or any of the heirs upon his return, or if no return is made by the executor, administrator, or any heir, then the amount by which the tax exceeds the amounts previously assessed (or collected without assessment) as a deficiency; but such amounts previously assessed or collected without assessment shall first be decreased by the amounts previously abated, refunded or otherwise repaid in respect of such tax.

SECTION 235. *Payment Before Delivery by Executor or Administrator.* — No judge shall authorize the executor or judicial administrator to deliver a distributive share to any party interested in the estate unless a certification from the Commissioner that the estate tax has been paid is shown.

SECTION 236. *Duties of Certain Officers and Debtors.* — Registers of Deeds shall not register in the Registry of Property any document transferring real property or real rights therein or any chattel mortgage, by way of gifts *inter vivos* or *mortis causa*, legacy or inheritance, unless a certification from the BRO Director that the tax had been paid is shown, and they shall immediately notify the BRO Director, Revenue Officer or Treasurer of the city or municipality where their offices are located, of the nonpayment of the tax discovered by them. Any lawyer, notary public, or any government officer who, by reason of his official duties, intervenes in the preparation or acknowledgment of documents regarding partition or disposal of donation *inter vivos* or *mortis causa*, legacy or inheritance, shall have the duty of furnishing the BRO Director, Revenue Officer of the place where he may have his principal office, with copies of such documents and any information whatsoever which may facilitate the collection of the aforementioned tax. Neither shall a debtor of the deceased pay his debts to the heirs, legatee, executor or administrator of his creditor, unless the certification of the BRO Director that the tax fixed had been paid is shown; but he may pay the executor or judicial administrator without said certification if the credit is included in the inventory of the estate of the deceased.

SECTION 237. *Restitution of Tax Upon Satisfaction of Outstanding Obligations.* — If, after the payment of the estate tax, new obligations of the decedent shall appear, and the persons interested shall have satisfied them by order of the court, they shall have a right to the restitution of the proportional part of the tax paid.

SECTION 238. *Payment of Tax Antecedent to the Transfer of Shares, Bonds or Rights.* — There shall not be transferred to any new owner in the books of any corporation, *sociedad anonima*, partnership, business, or industry organized or established in the Philippines any share, obligation, bond or right by way of gift *inter vivos* or *mortis causa*, legacy or inheritance, unless a certification from the BRO Director that the taxes fixed in this Title and due thereon have been paid is shown.

If a bank has knowledge of the death of a person, who maintained a bank deposit account alone, or jointly with another, it shall allow any withdrawal from the said deposit account, subject to a final withholding tax of six percent (6%). For this purpose, all withdrawal slips shall contain a statement to the effect that all of the joint depositors are still

living at the time of withdrawal by any one of the joint depositors and such statement shall be under oath by the said depositors.

ARTICLE 5 — Donor's Tax

SECTION 239. *Taxable Element.* —The residence of the donor is the sole taxable element in determining whether the donation is taxable within the BARMM territorial jurisdiction, regardless of where the property transferred is situated. The BRO shall assess and collect the donor's tax when the donor is a resident of the BARMM.

SECTION 240. *Definition.* — Tax on a donation or gift that is imposed on the gratuitous transfer of property between two (2) or more persons who are living at the time of the transfer. It shall apply whether the transfer is in trust or otherwise, whether the gift is direct or indirect, and whether the property is real or personal, tangible or intangible.

SECTION 241. *Imposition of Tax.* —There shall be levied, assessed, collected and paid upon the transfer by any resident of the property by gift, a tax, computed as provided in Section 242: *Provided,* That the tax shall apply whether the transfer is in trust or otherwise, whether the gift is direct or indirect, and whether the property is real or personal, tangible or intangible.

SECTION 242. *Rates of Tax Payable by Donor.* —In the implementation of this Article, the following provisions shall apply:

- (a) *In General.* — The tax for each calendar year shall be six percent (6%) computed on the basis of the total gifts in excess of Two hundred fifty thousand pesos (PhP 250,000.00) exempt gift made during the calendar year; and
- (b) Any contribution in cash or in kind to any candidate, political party or coalition of parties for campaign purposes shall be governed by the Election Code, as amended.

SECTION 243. *Transfer for Less Than Adequate and Full Consideration.* — Where property, other than real property referred to in Section 187, is transferred for less than an adequate and full consideration in money or money's worth, then the amount by which the fair market value of the property exceeded the value of the consideration shall, for the purpose of the tax imposed by this Article, be deemed a gift, and shall be included in computing the amount of gifts made during the calendar year: *Provided however,* That a sale, exchange, or other transfer of property made in the ordinary course of business (a transaction which is a bona fide, at arm's length, and free from any donative intent), will be considered as made for an adequate and full consideration in money or money's worth.

SECTION 244. *Exemption of Certain Gifts.* — The following gifts or donations shall be exempt from the tax provided for in this Chapter:

(a) *In the Case of Gifts Made by a Resident:*

- (1) Gifts made to or for the use of the Bangsamoro Government, National Government or any entity created by any of its agencies which is not conducted for profit, or to any political subdivision of the said Governments; and
- (2) Gifts in favor of an educational and/or charitable, religious, cultural or social welfare corporation, institution, accredited nongovernment organization, trust or philanthropic organization or research institution or organization: *Provided however,* That not more than thirty percent (30%) of said gifts shall be used by such donee for administration purposes. For the purpose of this exemption, a '*non-profit educational and/or charitable corporation, institution, accredited nongovernment organization, trust or philanthropic organization and/or research institution or organization*' is a school, college or university and/or charitable corporation, accredited nongovernment organization, trust or philanthropic organization and/or research institution or organization, incorporated as a nonstock entity, paying no dividends, governed by trustees who receive no compensation, and devoting all its income, whether students' fees or gifts, donations, subsidies or other forms of philanthropy, to the accomplishment and promotion of the purposes enumerated in its Articles of Incorporation.

(b) *Tax Credit for Donor's Taxes Paid to a Foreign Country:*

- (1) *In General.* — The tax imposed by this Title upon a donor who was a citizen or a resident at the time of donation shall be credited with the amount of any donor's tax of any character and description imposed by the authority of a foreign country.
- (2) *Limitations on Credit.* — The amount of the credit taken under this Section shall be subject to each of the following limitations:
 - (i) The amount of the credit in respect to the tax paid to any country shall not exceed the same proportion of the tax against which such credit is taken, which the net gifts situated within such country taxable under this Title bears to his entire net gifts; and
 - (ii) The total amount of the credit shall not exceed the same proportion of the tax against which such credit is taken, which the donor's net gifts situated outside the Philippines taxable under this Title bears to his entire net gifts.

SECTION 245. *Valuation of Gifts Made in Property.* — If the gift is made in property, the fair market value thereof at the time of the gift shall be considered the amount of the gift. In case of real property, the provisions of Section 229 shall apply to the valuation thereof.

SECTION 246. *Filing of Return and Payment of Tax.* — In the implementation of this Article, the following provisions shall apply:

(a) *Requirements.* — Any individual who makes any transfer by gift (except those which, under Section 244, are exempt from the tax provided for in this Chapter) shall, for the purpose of the said tax, make a return under oath in duplicate. The return shall set forth:

- (1) Each gift made during the calendar year which is to be included in computing net gifts;
- (2) The deductions claimed and allowable;
- (3) Any previous net gifts made during the same calendar year;
- (4) The name of the donee; and
- (5) Such further information as may be required by rules and regulations made pursuant to law.

(b) *Time and Place of Filing and Payment.* — The return of the donor required in this Section shall be filed within thirty (30) days after the date the gift is made and the tax due thereon shall be paid at the time of filing. Except in cases where the BRO Director otherwise permits, the return shall be filed and the tax paid to an authorized agent bank, the Bangsamoro Revenue Officer or duly authorized Treasurer of the city or municipality where the donor was domiciled at the time of the transfer.

SECTION 247. *Definitions.* — For purposes of this Title, the terms '*gross estate*' and '*gifts*' include real and personal property, whether tangible or intangible, or mixed, wherever situated: *Provided*, That franchise which must be exercised in the Philippines; shares, obligations or bonds issued by any corporation or sociedad anonima organized or constituted in the Philippines in accordance with its laws; shares, obligations or bonds by any foreign corporation eighty-five percent (85%) of the business of which is located in the Philippines, shares, obligations or bonds issued by any foreign corporation if such shares, obligations or bonds have acquired a business situs in the Philippines; shares or rights in any partnership, business or industry established in the Philippines, shall be considered as situated in the Philippines.

The term '*deficiency*' means: (a) the amount by which the tax imposed by this Chapter exceeds the amount shown as the tax by the donor upon his return; but the amount so shown on the return shall first be increased by the amount previously assessed (or collected without assessment) as a deficiency, and decreased by the amounts previously abated, refunded or otherwise repaid in respect of such tax, or (b) if no amount is shown as the tax by the donor, then the amount by which the tax exceeds the amounts previously assessed (or collected without assessment) as a deficiency, but such amount previously

assessed, or collected without assessment, shall first be decreased by the amount previously abated, refunded or otherwise repaid in respect of such tax.

ARTICLE 6 — Corporate Income Tax on all Corporations, Partnerships, and other Business Entities Engaged in Business in the BARMM

SECTION 248. *Collection of Corporate Income Tax.* — The BRO shall collect the corporate income taxes of Covered Entities in accordance with IRRs of Section 12, Article XII, of the BOL.

SECTION 249. *Definitions.* — When used in this Chapter, these terms, whether used in the singular or plural, shall mean as follows:

- (a) “*Corporations, partnerships or firms*” as defined under Section 22 (b) of the NIRC includes one person corporations; partnerships, no matter how created or organized, joint-stock companies, joint accounts (*cuentas en participacion*), associations, or insurance companies, but does not include general professional partnerships and a joint venture or consortium formed for the purpose of undertaking construction projects or engaging in petroleum, coal, geothermal, and other energy operations pursuant to an operating consortium agreement under a service contract with the Government. ‘*General professional partnerships*’ are partnerships formed by persons for the sole purpose of exercising their common profession, no part of the income of which is derived from engaging in any trade or business.

A corporation, partnership, or firm may be domestic or foreign as defined under Sections 22 (C) and 22 (D) of the NIRC, as amended;

- (b) “*Covered Entities*” refers to the corporations, partnerships, and firms, which are directly engaged in business in the BARMM and corporations, partnerships, and firms with central, main or head office located outside the BARMM but doing business in the BARMM as defined in the IRRs of Section 12 , Article XII of the BOL; and
- (c) “*IRRs of Section 12, Article XII of the BOL*” refers to the IFPB-approved *Implementing Rules on Payment on Taxes by Corporations, Partnerships or Firms pursuant to Sections 12 and 37 (F), Article XII of the BOL.*

SECTION 250. *Tax Collection and Administration.* — The rules on allocation of corporate income, filing of returns, assessment, collection, and payment of the corporate income tax, protests, refunds, and other tax administration matters in the IRRs of Section 12, Article XII of the BOL shall be observed.

SECTION 251. *Sharing of the Corporate Income Taxes.* — The shares of the Bangsamoro Government and National Government in the corporate income taxes collected from the Covered Entities shall be determined and remitted in accordance with the IRRs of Section 12, Article XII of the BOL.

TITLE V — ISLAMIC FINANCE

CHAPTER 1 - General Provisions

ARTICLE 1 — Policy and Scope

SECTION 252. *Policy.* – Pursuant to Section 14 of the Islamic Banking Act and Section 32 of the BOL, the Bangsamoro Government hereby establishes a tax regime to implement the policy to promote the growth of Islamic banking and finance system and enhance the market competitiveness of Islamic finance products and services within the BARMM by endeavoring to achieve neutral tax treatment between Islamic finance transactions and their equivalent conventional financing transactions.

SECTION 253. *Coverage and Exclusions.* – This Title shall govern the application of principles of tax neutrality to Islamic finance transactions and arrangements in relation to their equivalent conventional financing transactions, entered into or facilitated by Islamic Finance Institutions (IFIs) and other Covered Persons as defined under this Title in the determination of the applicable taxes, fees, and charges levied, assessed, and collected under this Code: *Provided*, That the Islamic finance transactions and arrangements covered by this Title are certified as such by the *Shari'ah* Supervisory Board in the BARMM or by the *Shari'ah* Advisory Council of the concerned Islamic Finance Institution (IFI).

This Title excludes the application of tax neutrality principles as between Islamic banking transactions and equivalent conventional banking transactions for taxes covered under the NIRC and other national taxes, which is the responsibility of the National Government.

ARTICLE 2 — Definitions, Rules of Construction, and Principles

SECTION 254. *Definitions.* — When used in this Code, these terms, whether used in the singular or plural, shall mean as follows:

- (a) “*Gains or profits*” refers to any amount received in relation to an Islamic finance transaction or arrangement undertaken by IFIs and Other Covered Persons, which includes but is not limited to:

- (1) the mark-up imposed on the purchase and sale of goods or

- commodities;
- (2) rental of property, including (i) the earned portion of rental collected in advance from lessees of safe deposit boxes; and (ii) the rental earned and actually collected from lessees on bank premises and equipment;
 - (3) income earned and actually collected from acquired assets;
 - (4) income from sale or exchange of assets and property;
 - (5) cash dividends earned and received on equity investments.
 - (6) income component of rentals from financial leasing; and
 - (7) any form of *Shari'ah*-compliant compensation for all financial and non-financial services, or combination thereof, provided by IFIs and other Covered Persons;
- (b) "*Islamic finance transaction or arrangement*" refers to all financial arrangements, including transactions, instruments, products or related activities that are structured in accordance with *Shari'ah* principles and carried out by IFIs and Other Covered Persons;
- (c) "*Islamic Finance Institutions*" (IFIs) refer to the following:
- (1) Islamic Banks (IBs) and Islamic Banking Units (IBUs) as defined under the Islamic Banking Act; and
 - (2) Microfinance Non-Governmental Organizations (NGOs) as defined under R.A. No. 10693 (Microfinance NGOs Act), which undertake Islamic finance transactions or arrangements;
- (d) "*Other Covered Persons*" refers to any juridical or natural person, including but not limited to all the various units of the Bangsamoro Government, such as ministries, offices, instrumentalities, or Bangsamoro GOCCs, engaged in various Islamic finance transactions or within the jurisdiction of the Bangsamoro Autonomous Region;
- (e) "*Riba*" has the meaning assigned to it by Islamic law and jurisprudence as expounded by authoritative sources; in the context of banking business, the term refers to the receipt and payment of interest, including in the various types of lending and borrowing and in the exchange of currencies on forward basis;
- (f) "*Shari'ah*" refers to the practical divine law deduced from its legitimate sources: the Qur'an, Sunnah, consensus of Muslim scholars, analogical deduction and other approved sources of Islamic law;
- (g) "*Shari'ah Advisory Council*" (SAC) refers to the council required to be established by IBs and IBUs to comply with *Shari'ah* principles as provided under Section 5 of the Islamic Banking Act; the requirement also applies to Microfinance NGOs in relation to Islamic finance transactions or arrangements they enter into for the purpose of implementing the tax neutrality principles under the BRC; and

- (h) “*Shari’ah Supervisory Board*” (SSB) in the BARMM refers to the body created under the Joint Circular No. 01, series of 2022 dated 26 April 2022, issued by the Bangsamoro Government, Bangko Sentral ng Pilipinas (BSP), Department of Finance (DOF), and National Commission on Muslim Filipinos (NCMF), pursuant to Section 32, Article XIII of the BOL.

SECTION. 255. *Construction and Interpretation.* — The construction and interpretation of the provisions under this Title shall take into consideration the primary sources of the *Shari’ah* and give persuasive weight on standard treatises and works on Islamic commercial law (*Fiqh Muamalat*).

SECTION. 256. *Power to Interpret, Certify Economic Equivalence, Certify Shari’ah Compliance, and Audit and Make Assessments.* — To facilitate the achievement of tax neutrality in Islamic finance transactions or arrangements, this section grants the following specific powers and authorities, in addition to their existing mandates:

- (a) *Authority to further define and clarify terms and certify economic equivalence.* — The BRO, in consultation with the SSB, shall have the authority to further define or clarify the terms used in this Title or commonly used in Islamic finance transactions or arrangements. On the request of an IFI or a person seeking *Shari’ah*-compliant financing, the Minister shall have the authority to issue rulings, certifying the economic equivalence of proposed Islamic finance transactions with conventional finance transactions and providing guidelines on their neutral tax treatment consistent with the declared policy and taking into consideration the peculiar characteristics of Islamic Finance;
- (b) *Authority to issue opinions and certify Shari’ah compliance.* — The opinion or certification of the SSB in the BARMM and the SAC of the concerned IFI that a proposed Islamic finance transaction or arrangement is *Shari’ah-complaint* will be recognized, without prejudice to the succeeding subsection;
- (c) *Authority to Review and Make Assessments.* — Subject to rules and regulations to be prescribed by the Minister, taxpayers who have availed of the benefits of tax neutrality under this Title may be subject to a review by the BRO, in consultation with the SSB in the BARMM, to verify compliance with the *Shari’ah* and, if it should be found that the transaction did not in fact comply with the requirements of the *Shari’ah*, to collect the correct amount of tax, or to assess any deficiency tax that should be due on the transaction were it not for its *Shari’ah*-compliance certification; and
- (d) *Accounting and Reportorial Requirements.* — IFIs and Other Covered Persons shall ensure that financial statements are prepared in accordance with the Philippine Financial Reporting Standards (PFRS) taking into account the differences between Islamic and conventional banking transactions and in the case of IBs/IBUs, in compliance with guidelines issued by the Bangko Sentral ng Pilipinas (BSP) for reporting Islamic banking finance transactions or arrangements. The Minister, in consultation with the Philippine Institute of Certified Public Accountants and taking into account the BSP guidelines and issued standards of reputable international standard-setting bodies for

Islamic finance, shall have the authority to prescribe additional regulations that define or clarify the accounting and reportorial requirements, in order to facilitate the neutral tax treatment of Islamic finance transactions or arrangements covered under this Title.

SECTION 257. *Principles and Rules of Tax Neutrality.* —To implement tax neutrality within the BARMM, the following principles and rules shall be applied:

(a) *General Principles.* —Islamic finance transactions or arrangements shall be subject to taxes imposed or collected under the BRC based on the following general principles:

- (1) The tax treatment under the BRC of Islamic finance transactions or arrangements shall be based on their economic substance rather than their form;
- (2) Where an Islamic finance transaction or arrangement is economically equivalent to a conventional transaction or arrangement, the tax treatment of the two under the BRC shall be the same;
- (3) In general, the tax treatment to achieve neutrality prescribed under this Title shall apply to common Islamic financing/investment transactions that are structured under any of the nominate Islamic finance contracts detailed under Chapter II of this Title. However, where a particular Islamic finance transaction or arrangement involves a combination of different types of nominate Islamic finance contracts or their use in substantively different ways consistent with the *Shari'ah* principles, the relevant provisions of the BRC that most appropriately reflects the policy and principles of tax neutrality outlined under this Title shall be applied, considering the nature and economic substance of the transaction or arrangement;

(b) *Taxation of Islamic Finance Transactions and Arrangements.* — In accordance with the principles of tax neutrality, the following rules shall govern the taxation of Islamic finance transactions and arrangements under the BRC:

- (1) Any reference to interest, commissions, and discounts from lending and selling activities and income from financial leasing for the purpose of identifying gross receipts subject to the Tax on Banks and Other Financial Institutions under Title II of the BRC shall apply to gains or profits earned and actually collected in Islamic deposits, placements, and other similar Islamic finance transactions or arrangements, in lieu of interest income under the conventional finance transactions or arrangements: *Provided*, That the special characteristics of the relevant Islamic finance transaction or arrangement shall be considered in the determination of the corresponding economic benefit for tax purposes;
- (2) With regard to the Tax on Transfer of Real Property under Title II of the BRC and of the Capital Gains Tax under Title IV of the BRC, any reference to a disposal or lease of an asset shall not apply to any

disposal or lease of an asset by or to a person that is carried out in accordance with Islamic finance transactions or arrangements, where such disposal or lease is strictly required for the purpose of compliance with *Shari'ah* principles but which will not be required in any other conventional finance transactions or arrangement: *Provided*, That the resulting tax effect under the BRC on the Islamic finance transaction or arrangement will approximate or be similar to that applicable to the corresponding conventional finance transaction or arrangement;

- (3) With regard to the Documentary Stamp Tax under Title IV of the BRC, any reference to an instrument that is carried out in accordance with Islamic finance transactions or arrangements, which produces an additional instrument required for the purpose of compliance with *Shari'ah* principles but which will not be required in any other conventional finance transaction or arrangement, shall be deemed excluded for purposes of taxation under the BRC: *Provided*, That the resulting tax effect under the BRC on the Islamic finance transaction or arrangement will approximate or be similar to that applicable to the corresponding conventional finance transaction or arrangement; and
- (4) All other regional taxes imposed under the BRC shall apply to Islamic finance transactions or arrangements: *Provided*, That the resulting tax effect will approximate or be similar to that applicable to the corresponding conventional finance transaction or arrangement.

CHAPTER 2 – Application of Tax Neutrality Principles

ARTICLE 1 – Murabahah (Profit-Disclosed Sale)

SECTION 258. *Variants of Murabahah*. — Murabahah is a sale-based Islamic finance contract that is used to structure a financing instrument for the acquisition of assets or goods, or as a cash-generating facility for customers, or a liquidity instrument for an IFI. Variants of the Murabahah contract include the following:

- (a) *Murabahah*. – A Murabahah is a contract where an IFI or Other Covered Person acquires a specified asset and sells that asset to a person at a disclosed cost plus an agreed profit margin, which may be a percentage of the selling price or a lump sum price. This transaction may be concluded either without a prior promise to buy by the person interested in acquiring the asset (Ordinary Murabaha), or with a prior promise to buy integrated into the structure (Murabahah to the Purchase Orderer) to mitigate the risks related to the asset which is the subject of the Murabahah contract;
- (b) *Tawarruq (Commodity Murabahah)*. — Tawarruq refers to a cash-generating facility that allows a customer to obtain immediate cash for repayment in the future in installments, involving: (i) the purchase by the IFI of a commodity from a third party seller at spot; (ii) the purchase by the customer from the IFI of the same commodity already owned by the IFI at a deferred price

determined through mark-up sale; and (iii) the sale of the same commodity already owned by the customer to a third party buyer at spot and at a lower price: *Provided*, That there is an auditable ownership transfer of the commodity; there is a clear separation of the purchase and sale arrangements and are not conditioned or dependent on each other; the third party seller and the third party buyer are not the same person; the seller himself or his agent, other than the IFI, sells the commodity to a third party buyer; and such other conditions that may be prescribed by the SSB in the BARMM; and

- (c) *Reverse Tawarruq*. — Reverse Tawarruq refers to a transaction that allows the IFI to manage its short-term cash shortage or surplus as an alternative to the conventional interbank liquidity market, involving: (i) the appointment by a customer of the IFI as his agent to buy a commodity from a third party seller at spot; (ii) the purchase by the IFI of the same commodity already owned by the customer at a deferred price determined through mark-up sale; and (iii) the sale by the bank of the same commodity it already owns to a third party buyer at spot: *Provided*, That the transaction was resorted to only when the IFI is facing a danger of a liquidity shortage that could interrupt its operations and cause losses for its customers; there is an auditable ownership transfer of the commodity; there is a clear separation of the purchase and sale arrangements and are not conditioned or dependent on each other; the third party seller and the third party buyer are not the same person; and the seller himself or his agent, other than the IFI, sells the commodity to a third party buyer; and such other conditions that may be prescribed by the SSB in the BARMM.

SECTION 259. *Neutral Tax Treatment of Murabahah Transactions*. — The economic substance of a Murabahah financing is equivalent to a conventional mortgage loan. The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to a Murabahah transaction as follows:

- (a) *Murabahah Instrument*. — The Murabahah instrument executed by the parties to the transaction or arrangement shall be subject to DST imposed on mortgages, pledges, and deeds of trust under Title IV of the BRC;
- (b) *Gain or Profit Received*. — The gain or profit derived by the IFI or Other Covered Person from the Murabahah financing transaction or arrangement, equivalent to the difference between the cost price paid (plus any acquisition costs) and the resale price to the customer at a profit margin, shall be included in the gross receipts subject to the Tax on Banks and Financial Institutions imposed under Title II of the BRC;
- (c) *Acquisition of Asset by Financier under Murabahah Financing*. — The transfer of real property from the seller to the IFI or Other Covered Person shall be subject to the Tax on Transfer of Real Property imposed under Title II of the BRC. It shall also be subject to CGT imposed under Title IV of this Code if the land was held as a capital asset. Additionally, the instrument conveying such real property from the seller to the IFI shall be subject to DST imposed on deeds of sale, conveyances, and donation of real property under Title IV of the BRC;
- (d) *Transfer of Asset from the IFI to the Customer under Murabahah Financing*. — The

transfer of real property from the IFI or Other Covered Person to the party receiving Murabahah financing shall be exempt from the Tax on Transfer of Real Property imposed under Title II of the BRC, and from the CGT and DST imposed under Title IV of the BRC and

- (e) *Supply of Commodity under the Tawarruq or Reverse Tawarruq Financing.* — The supply of commodity under a *Tawarruq* or *Reverse Tawarruq* financing is ignored for tax purposes under this Code.

ARTICLE 2 -Ijarah (Lease)

SECTION 260. *Variants of Ijarah.* —Ijarah is an Islamic finance contract that is used to structure a financing instrument for the acquisition of ownership or possession of an asset. It is a lease-based contract that may be combined with either a sale or gift contract to facilitate the eventual transfer of ownership of the asset to the IFI's or Other Covered Person's client. Variants of the Ijarah contract include the following:

- (a) *Ijarah Structured as an Operating Lease.* — This refers to a binding contract of lease where the possession of an asset owned by the lessor (i.e., the IFI or Other Covered Person) is sold to the lessee against payment of a specified amount of rent for a specified period (i.e., *ijarah* term). The amount of rent shall be agreed upon in advance and clearly stipulated in the contract; and
- (b) *Ijarah Structured as a Finance Lease (Ijarah Muntahia Bittamleek).* — This is a form of a lease contract where the lessee (i.e., client) may be able to own the asset subject of the lease at the end of the lease period either through a separate: (1) sale contract for the purchase of the asset for a token consideration or payment of the market value; or (2) gift contract: *Provided*, That there is a clear separation of the lease agreement and of the sale arrangement or gift contract, and are not conditioned or dependent on each other.

SECTION 261. *Neutral Tax Treatment of Ijarah Structures.* — The economic substance of Ijarah is equivalent to a conventional operating lease or a conventional finance lease, as applicable, as defined under R.A. No. 5980 (Financing Company Act of 1998) as amended by R.A. No. 8556 (Financing Company Act). The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to the Ijarah transaction as follows:

- (a) *Ijarah Instrument.* — The Ijarah instrument executed by the parties to the transaction or arrangement shall be subject to DST imposed under Title IV of the BRC on leases and other hiring agreements in case of an operating lease, or on debt instruments in case of a finance lease;
- (b) *Gain or Profit Received.* — The gain or profit received by the IFI or Other Covered Person from an Ijarah transaction is: (1) the rental earned and actually collected in case of an operating lease; or (2) the difference between the purchase price of the asset by the lessor and the total periodic rentals plus the additional amount fixed in the contract or the additional amount to purchase the property at market value at the end of the lease in case of a finance lease:

- (1) *Ijarah Structured as an Operating Lease.* — In an Ijarah transaction structured as an operating lease, the lease payments received by the lessor shall be recognized as rental income and shall be subject to and included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC; and
- (2) *Ijarah Structured as a Finance Lease.* — This type of Ijarah contract is akin to a conventional finance lease, which transfers substantially all the risks and rewards incidental to the ownership of the underlying asset. The earned income from the financial leasing shall be subject to and included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC;
- (c) *Acquisition of Asset by Lessor under Ijarah Structure or Financing.* — The acquisition of real property by the lessor (i.e., the IFI) shall be subject to the Tax on Transfer of Real Property imposed under Title II of the BRC. It shall also be subject to CGT imposed under Title IV of the BRC if the real property was held as a capital asset. Additionally, the instrument conveying such real property from the seller to the IFI or Other Covered Person shall be subject to DST imposed under Title IV of the BRC; and
- (d) *Transfer of Asset from Lessor to Lessee.* — In an Ijarah structured as a finance lease, the transfer of real property from the IFI or Other Covered Person to the lessee shall be exempt from the CGT and DST imposed under Title IV of the BRC.

ARTICLE 3 – Salam (Short-Term Production Finance)

SECTION 262. *Salam Structures.* — Salam is a sale-based Islamic finance contract that is used to structure a financing instrument for the acquisition of a specified quality and quantity of a fungible commodity:

- (a) *Simple Salam (Sale with deferred delivery and spot payment).* — Salam is a sale contract involving the immediate payment of an agreed sale price and the deferred delivery of a specified quality and quantity of a fungible commodity; and
- (b) *Parallel Salam (Separate and independent Salam contract).* — This refers to the separate and independent (i.e., second) Salam contract entered into by the IFI, as seller, with a third-party buyer for the simultaneous/subsequent sale of a specified quality and quantity of commodity corresponding to that specified in the first Salam contract to mitigate its risks related to the commodity, which is the subject of the first Salam contract.

SECTION 263. *Neutral Tax Treatment of Salam Transactions.* — The economic substance of a Salam transaction is equivalent to a conventional loan. The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to the Salam transaction as follows:

- (a) *Salam Contract.* — The Salam contract executed between the buyer (i.e., IFI) and trader or seller (i.e., client) for the sale of a commodity shall be subject to DST imposed on debt instruments under Title IV of the BRC; and
- (b) *Gain or Profit Received.* — The gain or profit derived by the IFI or Other Covered Person from the Parallel Salam contract, equivalent to the difference between the cost price paid (plus any acquisition costs) to the seller (i.e., client) under the first Salam contract and the resale price to the third party buyer under the Parallel Salam buyer, shall be included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC.

ARTICLE 4 – Istisna’a (Long-Term Production Finance)

SECTION 264. *Istisna’a Structures.* — Istisna’a is a sale-based Islamic finance contract that is used to structure a financing instrument for the manufacture, development, or building of an asset based on pre-defined specifications:

- (a) *Simple Istisna’a.* — A Simple Istisna’a is a contract of sale of an asset which is to be manufactured, developed or built according to a buyer’s specifications, with an obligation on the part of the manufacturer, developer or builder (i.e., contractor) to deliver the asset on a specified future date to be paid at a lump sum on spot at delivery, or deferred to the future as a lump sum at an assigned period, or in regular installments over an agreed repayment schedule, typically according to the phases or stages of work/project completion;
- (b) *Parallel Istisna’a.* — This refers to the execution of two separate and independent Istisna’a contracts as a mode of financing: (1) a first Istisna’a contract between the IFI or Other Covered Person (as seller) with the client (as buyer) for the sale of the asset to be manufactured, developed or built according to the specifications of the client, with the obligation to deliver the asset on a specified future date at a pre-determined selling price; and (2) a second Istisna’a contract between the IFI or Other Covered Person (as buyer) and the manufacturer, developer, builder, or contractor (as seller) for the sale of the asset with the exact specifications as that in the first Istisna’a, likewise with the obligation to deliver the asset on a specified future date at a pre-determined selling price: *Provided,* That the ownership over the asset must first be transferred to the IFI or Other Covered Person before it can be transferred to the client;
- (c) *Istisna’a Combined with Ijarah.* — This refers to a mode of financing where the IFI, after executing an Istisna’a contract with the manufacturer, developer or builder (i.e., contractor), enters into an Ijarah contract with the client under which the IFI or Other Covered Person receives advance payment of rent of the asset during the construction or manufacturing period before completion of the asset (*Ijarah*

Mawsoofa Bil Thimma): *Provided*, That the pre-paid rentals must be applied against the rentals due once the lessee starts to use the asset. After completion of the asset, an Ijarah contract may be executed with the client for the regular payment of rent for the use of the asset, ending in ownership of the asset after the lease period (*Ijarah Wa Iqtina*).

SECTION 265. *Neutral Tax Treatment of Istisna'a Structures*. — The economic substance of Istisna'a financing, whether structured as a Parallel Istisna'a or combined with Ijarah, is equivalent to a conventional mortgage loan between the IFI or Other Covered Person and the client. The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to the Istisna'a financing as follows:

- (a) *Istisna'a Contracts*. — The Istisna'a contract executed between the IFI or Other Covered Person (as seller) with the client (as buyer) shall be subject to DST imposed on mortgages, pledges and deeds of trust under Title IV of the BRC. The Parallel Istisna'a contract executed between the IFI or Other Covered Person (as buyer) with the manufacturer, developer, builder, or contractor (as seller) shall not be subject to the DST under Title IV of the BRC;
- (b) *Gain or Profit Received*. — The gain or profit received by the IFI or Other Covered Person under a Parallel Istisna'a financing transaction, equivalent to the difference between the selling price plus any acquisition costs under the first and second Istisna'a contracts, shall be included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC;
- (c) *Ijarah Contract in an Istisna'a Combined with Lease (Ijararah) Structure*. — The Ijarah instrument executed as part of an Istisna'a combined with Ijarah shall be exempt from DST. The gain or profit received by the IFI or Other Covered Person under an Istisna'a Combined with Lease (Ijarah) Structure is the difference between: (i) the selling price (plus any acquisition costs) in the Istisna'a contract between the IFI or Other Covered Person (as buyer) and the manufacturer, developer, builder, or contractor (as seller); and (ii) the total periodic rentals plus an additional amount fixed in the contract or an additional amount to purchase the property at market value at the end of the lease. Such gain or profit shall be included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC.

ARTICLE 5 – Musharakah (Profit/Loss Sharing)

SECTION 266. *Variants of Musharakah*. — Musharakah is an equity-based Islamic finance contract that is used to structure a financing instrument for the acquisition of an interest in an enterprise or in the ownership of an asset:

- (a) *Simple Musharakah (Profit/Loss Sharing)*. — This is a partnership contract between two parties (e.g., the IFI or Other Covered Person and the client) to contribute capital to an enterprise, whether existing or new, or to the

ownership of an asset, on either a temporary or permanent basis. Profits generated by the enterprise or the asset are shared in accordance with the terms of the Musharakah contract while losses are shared in proportion to each partner's capital contribution; and

- (b) *Diminishing Musharakah.* — This refers to a partnership contract and a mode of financing the acquisition of a specified asset where one of the partners (i.e., the client) gives a separate binding promise to buy the equity shares of the other partner(s) (i.e., the IFI) in the partnership gradually until all equity is completely transferred to him or her, at a price based on the market value or as agreed upon at the time of acquisition: *Provided*, That the sale of the shares shall be documented in a separate agreement independent of the Musharakah contract. A Diminishing Musharakah may be combined with an Ijarah contract under which the IFI or Other Covered Person leases its share of the asset to the client in exchange for periodic rental payments. In this hybrid structure, the client's periodic payment to the IFI or Other Covered Person represents both: (i) the acquisition of the IFI's or Other Covered Person's share in the property; and (ii) rental payment for renting the IFI's or Other Covered Person's share in the property. As the client's share in the property increases, the rent paid will decrease correspondingly.

SECTION 267. *Neutral Tax Treatment of Simple Musharakah Transactions.* — The economic substance of a Simple Musharakah is equivalent to a conventional joint venture in an enterprise or co-ownership of an asset. The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to Musharakah transactions as follows:

- (a) *Simple Musharakah Contract.* — A Simple Musharakah contract shall be subject to DST imposed on certificates of profits or interest in property or accumulations under Title IV of the BRC;
- (b) *Acquisition of Asset by the Partners.* — The acquisition of real property by the partners in a Musharakah contract shall be subject to the Tax on Transfer of Real Property imposed under Title II of the BRC. It shall also be subject to CGT imposed under Title IV of the BRC if the real property was held by the seller as a capital asset. Additionally, the instrument conveying such real property from the seller to the partners shall be subject to DST imposed under Title IV of the BRC; and
- (c) *Gains or Profits Received.* — The gain or profit received by the IFI or Other Covered Person in accordance with the terms of the Musharakah contract shall be included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC.

SECTION 268. *Neutral Tax Treatment of Diminishing Musharakah Transactions.* — The economic substance of a Musharakah financing is equivalent to a conventional mortgage loan. The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to the Musharakah financing transaction as follows:

- (a) *Diminishing Musharakah Contract.* — A Diminishing Musharakah contract shall be subject to DST imposed on mortgages, pledges, and deeds of trust under Title IV of the BRC;
- (b) *Acquisition of Asset by the IFI.* — The acquisition of real property by the partners under a Musharakah structure shall be subject to Tax on Transfer of Real Property imposed under Title II of the BRC. It shall also be subject to CGT imposed under Title IV of the BRC if the real property was held by the seller as a capital asset. Additionally, the instrument conveying such real property from the seller to the partners shall be subject to DST imposed on deeds of sale, conveyances, and donation of real property under Title IV of the BRC;
- (c) *Gain or Profit Received.* — The gain or profit derived by the IFI or Other Covered Person from the Diminishing Musharakah transaction is the difference between: (i) the selling price (plus any acquisition costs) paid by the IFI or Other Covered Person for the acquisition of the asset; and (ii) the total periodic rentals plus the additional amount fixed in the contract or the additional amount to purchase the property at market value at the end of the lease. Such gain or profit shall be included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC; and
- (d) *Transfer of Ownership Shares in the Asset from the IFI or Other Covered Person to the Customer under the Diminishing Musharakah Structure.* —The transfer of ownership shares in the real property from the IFI or Other Covered Person to the lessee shall be exempt from the CGT and DST imposed under Title IV of the BRC.

ARTICLE 6 – Mudarabah (Silent Partnership)

SECTION 269. *Mudarabah Investments or Deposits.* — Mudarabah is an equity-based Islamic finance contract that is used to structure an instrument for the acquisition of interest in an enterprise or as a profit-sharing investment account (PSIA).

- (a) *Simple Mudarabah (Silent Partnership).* —This is a contract between the capital provider (*Rab Al Mal*), which is the IFI or Other Covered Person in this instance, and an entrepreneur (*Mudarib*) whereby the capital provider contributes capital to an enterprise or activity to be managed by the Mudarib. Profits are shared between the partners at an agreed ratio, while losses are to be borne solely by the capital provider unless the losses are due to the Mudarib’s misconduct, negligence, or breach of contract;
- (b) *Two-Tier Mudaraba.* —This refers to a PSIA structured as a two-tiered Mudarabah involving three parties: (i) the depositors or investors as investment account holders (IAHs); (ii) the borrowers or entrepreneurs; and (iii) the IFI, which serves as the financial intermediary between the other two parties: *Provided*, That only an IFI may accept PSIAs upon prior Monetary Board approval:

- (1) In the first tier of this arrangement, the depositors or investors as a collective are the capital providers (Arbab Al Mal, plural of Rab Al Mal), while the IFI provides investment management expertise (Mudarib) by identifying the appropriate *Shari'ah*-compliant investments that provide maximum returns given the appropriate risk level. The relationship between the depositors and the IFI takes the form of either a restricted or an unrestricted investment account, where the restrictions relate to how the IFI use the funds in these accounts in the second tier of the arrangement. Profits are shared between the partners at an agreed ratio, while losses are to be borne solely by the capital provider unless the losses are due to the Mudarib's misconduct, negligence, or breach of contract. Profits earned by the partnership beyond a certain benchmark amount may be assigned to the Mudarib as an incentive or performance fee, either totally or partially through a higher profit-sharing ratio in favor of the Mudarib, than the one applied to partnership profits up to such benchmark; and
- (2) In the second tier, the IFI or Other Covered Person assumes the role of capital provider (Rab Al Mal) by pooling the funds provided by the depositors or investors and supplying such funds to ventures of entrepreneurs who are the capital users (Mudarib). The monies from the depositors or investors may be commingled with other funds deposited with the IFI's or Other Covered Person's or their own share capital funding, depending on the restrictions placed by the depositors or investors in the first tier of the arrangement; *Provided*, That the IFI or Other Covered Person may only be applied to or invested in ventures in a *Shari'ah*-compliant manner.

SECTION 270. *Neutral Tax Treatment of Simple Mudarabah Transactions.* — The economic substance of a Simple Mudarabah is equivalent to a conventional loan. The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to a Simple Mudarabah arrangement as follows:

- (a) *Simple Mudarabah Contract.* — A Simple Mudarabah contract shall be subject to DST on certificates of profits or interest in property or accumulation under Title IV of the BRC;
- (b) *Gain or Profit Received.* — The gain or profit received by either party to the Simple Mudarabah transaction is the corresponding share in the profit-sharing scheme as stipulated in the Mudarabah contract:
 - (1) *As to the Client or Entrepreneur (Mudarib).* — The gain or profit received by the Mudarib in accordance with the terms of the Musharakah contract shall be subject to tax under the NIRC; and

As to the IFI or Other Covered Person (Rab Al Mal). — The gain or profit received by the IFI or Other Covered Person in accordance with the terms of the Mudarabah contract, plus the incentive or performance fee, shall be included in the computation of the Tax on Banks and

Financial Institutions imposed under Title II of the BRC.

SECTION 271. *Neutral Tax Treatment of Two-Tier Mudarabah Transactions.* — The economic substance of a two-tier Mudarabah profit and loss-sharing mechanism of financial intermediation is equivalent to a conventional interest-based financial intermediation or a collective investment scheme such as an investment in mutual funds or a unit investment trust fund (UITF), depending on the structure. The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to the two-tier Mudarabah arrangement in the manner set forth in this Section:

- (a) *Mudarabah Contract.* — The Mudarabah contract under the first tier of the arrangement shall be subject to DST under Title IV of the BRC imposed on original issue of shares of stock if treated as an investment in mutual funds or on certificates if treated as an investment in UITF. The Mudarabah contract under the second tier shall be subject to DST under Title IV of the BRC depending on the type of investment made in the venture;
- (b) *Gain or Profit Received.* — The gain or profit received by either party to the Two-Tier Mudarabah transaction is their corresponding share in the two profit-sharing schemes as stipulated in the Mudarabah contract:

(1) First Tier

(i) *As to the IFI (Mudarib).* — The gain or profit received by the IFI is its share from the profit-sharing scheme with the depositors or investors taking into account the Profit Equalization Reserve (PER) and the Investment Risk Reserve (IRR), plus the performance fee if any. Such gain or profit shall be included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC; and

(ii) *As to the Depositors or Investors (Arbab Al Mal).* — The gain or profit received by the Arbab Al Mal, equivalent to the share from the profit-sharing scheme taking into account the PER and the IRR, shall be subject to tax under the NIRC, as amended;

(2) Second Tier

(i) *As to the IFI (Rab Al Mal).* — The gain or profit received by the IFI is the share from the profit-sharing scheme in accordance with the terms of the Mudarabah contract with entrepreneurs, which shall be included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC;

(ii) *As to the Entrepreneurs (Mudarib).* — The gain or profit received by the Mudarib in accordance with the terms of the Mudarabah contract shall be subject to tax under the NIRC.

ARTICLE 7 –Wakala (Agency)

SECTION 272. *Various Applications of Agency (Wakala) in Islamic Finance.* —Wakala is a trust-based Islamic finance contract that is used to support or facilitate an Islamic finance transaction, or to structure a form of PSIA:

- (a) *Simple Wakala.* —This refers to a contract of agency in which one person, as principal, appoints another person as his agent (Wakil) to perform a certain task on his or her behalf, usually against a certain fee, including but not limited to fund management, brokerage services in permissible activities, and serving as the agent (Wakil) on behalf of a contractor (usually an IFI) to support or facilitate an Islamic finance transaction; and
- (b) *Wakala as an Investment or Deposit.* —This refers to a PSIA structured as a two-tier Wakala whereby the depositors or investors, as IAHs (Muwakkil), appoints the IFI as the agent (Wakil) with respect to the investment of the Muwakkil's funds: *Provided,* That only an IFI may accept PSIAs upon prior Monetary Board approval. Under this structure, the IFI identifies the appropriate *Shari'ah*-compliant investments that provide maximum returns given the appropriate risk level. The relationship between the depositors and the IFI takes the form of either a restricted or an unrestricted investment account, where the restrictions relate to how the IFI use the funds in these accounts. Before entering into a transaction, the Muwakkil and the Wakil will agree on the estimated rate of profit that the Muwakkil will earn (Muwakkil Profit), which is not guaranteed or fixed, computed on the invested amount, and a Wakala Fee for the investing services of the IFI, which is a fixed amount computed on the investment to compensate for administrative expenses. On the agreed investment date, the Muwakkil provides the investment amount to the Wakil, which the latter will invest in its pool of treasury funds on behalf of the Muwakkil. At the maturity date, if the pool of treasury funds overperforms, the Wakil returns the invested amount along with the agreed profit payable to the Muwakkil and retains the excess profits over and above the agreed profit rate as an incentive or performance fee. If the treasury funds underperform and the estimated rate of profit is deemed not achievable, there is an early termination of the transaction, in which case the uninvested portion of the investment amount is returned to the Muwakkil, while the invested funds will be arranged for liquidation and returned to the Muwakkil along with any profit earned in the amount limited to the estimated rate of profit.

SECTION 273. *Tax Treatment of Wakala as a Mode of Facilitating Islamic Financing.* — A Wakala contract that is required solely for the purpose of supporting or facilitating an Islamic finance transaction or arrangement to comply with *Shari'ah* principles, but which will not be required in any other equivalent or alternative conventional finance transaction or arrangement, is ignored for tax purposes under the BRC.

SECTION 274. *Neutral Tax Treatment of Wakala Investments or Deposits.* — The economic substance of a Wakala investment or deposit is equivalent to a conventional investment deposit of funds for a specific period with an investment agent, and the agreed Muwakkil profit is equivalent to conventional interest. The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to a Wakala investment or deposit as follows:

- (a) *Wakala Contract.* — The Wakala contract under the first tier shall be subject to DST under Title IV of the BRC imposed on original issue of shares of stock if treated as an investment in mutual funds or on certificates if treated as an investment in UITF, or the DST imposed on power of attorney, depending on structure. The Wakala contract under the second tier shall be subject to DST under Title IV of the BRC depending on the type of investment made in the venture;
- (b) *Gain or Profit Received.* — The gain or profit received by the parties to Wakala Investments or Deposits are as follows:
 - (1) *As to the IFI (Wakil).* — The gain or profit received by the IFI includes the Wakala Fee and the incentive or performance fee, which shall be included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC; and
 - (2) *As to the Depositors or Investors (Muwakkil).* — The gain or profit received by the Muwakkil is the Muwakkil Profit, which shall be subject to tax under the NIRC, as amended.

ARTICLE 8 -Wadiah (Safekeeping)

SECTION 275. *Variants of Wadiah (Safekeeping).* — Wadiah is a trust-based Islamic finance contract that is used to structure a current account or a safety deposit box service. It refers to a contract between a custodian (Mustawda'), which is the IFI in this instance, and a depositor who is the owner of a valuable asset or depositor (Muwdi'), whereby the depositor entrusts the asset to the custodian for safekeeping for a specified period of time, without any right on the part of the custodian to utilize the asset, and without a guarantee of such return in case of loss of the asset, except when the loss was due to the negligence of the custodian. The custodian is not permitted to use or invest such asset or to entrust its deposit to a third party or mix it with other assets.

SECTION 276. *Neutral Tax Treatment of Wadiah Yad Al Amanah.* — The economic substance of a Wadiah Yad Al Amanah is equivalent to that of a deposit contract which is the legal basis for the conventional safety deposit box offering of a conventional bank. The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to a Wadiah Yad Al Amanah transaction as follows:

- (a) *Wadiah Contract.* — The Wadiah Yad Al Amanah contract shall be subject to DST imposed on bank checks, drafts, certificates of deposit not bearing interest, and other instruments under Title IV of the BRC; and
- (b) *Gain or Profit Received.* — The gain or profit received by the IFI from the Wadiah transaction is the maintenance fee charged thereon, which shall be

included in the computation of the Tax on Banks and Financial Institutions imposed under Title II of the BRC. The depositor is not entitled to a gain or profit under the transaction.

ARTICLE 9 – Sukuk

SECTION 277. *Sukuk*. — This refers to certificates of equal value representing undivided shares in ownership of tangible assets, usufructs and services or (in the ownership of) all assets of particular projects or special investment activity that is undertaken in accordance with *Shari'ah* principles. A Sukuk issuance is generally named after the *Shari'ah* contract by which it is structured.

SECTION 278. *Neutral Tax Treatment of Sukuk Transactions*. — A Sukuk is structured to be economically analogous to conventional bonds or a conventional securitization or similar structure allowed under existing laws. The tax neutrality principles in relation to the taxes imposed under the BRC will be applied to a Sukuk transaction as follows:

- (a) *Issuance of Sukuk Certificate to Investors; Secondary Trades and Subsequent Transfers*. — The original issuance of Sukuk certificates shall be subject to DST collected on all debt instruments under Title IV of the BRC. All secondary trades and subsequent transfers of Sukuk certificates are exempt from DST collected under the BRC;
- (b) *Gains or Profits*. — The profit or gain realized by an IFI arising from the transfer of a Sukuk certificate shall be considered in determining applicable taxes imposed or collected under the BRC. The tax treatment of the relevant *Shari'ah* contract under which the Sukuk issuance is structured shall also be applicable. The profit or gain realized by any other holder arising from the transfer of a Sukuk certificate shall be subject to tax under the NIRC;
- (c) *Acquisition of Assets*. — The sale and transfer of assets to a special purpose entity (SPE), or the transfer of any and/or all security interests to the SPE, will be exempt from DST imposed under Title IV of the BRC if made in accordance with a plan approved by relevant regulatory agencies and the BRO. For purposes of this provision, an SPE refers to either a special purpose corporation or a special purpose trust, as defined under relevant laws; and
- (d) *Re-transfer of Assets from SPE to Originator*. — The re-transfer of assets from the SPE to the originator, including interests under those assets, shall be exempt from DST imposed under the BRC if made in accordance with a plan approved by relevant regulatory agencies and the BRO.

TITLE VI — OTHER REVENUE SOURCES

CHAPTER 1 — Non-Tax and Non-Fee Revenue Sources

ARTICLE 1 — Grants and Donations

SECTION 279. *Authority to Accept Donations.* — As provided under Article XII, Section 26 of the BOL, the departments, bureaus, offices, and state universities and colleges of the Bangsamoro Government may accept donations, contributions, grants, bequests, or gifts, in cash or in kind, from domestic or foreign sources for purpose relevant to their functions.

SECTION 280. *Form of Donations.* — Donations may be real or personal property, whether tangible or intangible. Donations of technologically obsolete or end-of-life technologies shall not be accepted.

SECTION 281. *Prior Clearance of the President or the President's Authorized Representative.* — In case of grants or donations from governments of foreign countries, their agencies and instrumentalities or multilateral institutions or organizations, acceptance thereof shall be subject to the prior clearance and approval by the President of the Republic of the Philippines or the President's authorized representative. The acceptance of these grants and donations shall be guided by the IFPB's Guidelines on Foreign Grants to the BARMM, and any amendment thereof.

SECTION 282. *Alignment with the Bangsamoro Development Plan.* — Except in the case of (i) zakat, (ii) grants and donations to state universities and colleges of the Bangsamoro Government and (iii) grants and donations in response to natural and man-made disasters and emergencies and subsequent rehabilitation efforts, all grants and donations shall be for programs or projects that are in line with the Bangsamoro Development Plan or priorities of the Bangsamoro Government as determined by the Government of the Day.

SECTION 283. *In-Kind Donations.* — In-kind donations shall be received by the donee and utilized in accordance with the deed of donation or agreement, subject to relevant accounting and auditing guidelines.

SECTION 284. *Cash Receipts and Proceeds from the Sale of In-Kind Donations.* — Cash donations and proceeds from the sale of in-kind donations shall be deposited with the BTO in accordance with the acts of Parliament, and relevant accounting and auditing rules.

SECTION 285. *Accounting and Auditing Standards.* — Receipts from grants and donations, whether in cash or in kind, shall be accounted for in the books of the donee in accordance with applicable accounting and auditing rules.

SECTION 286. *Transparency.* — The donees shall submit quarterly reports of all grants and donations received, whether in cash or in kind, and their utilization or disbursement with the MFBM. The quarterly reports shall also be posted on the donees website. The MFBM shall issue regulations on the reporting format. The MFBM shall also establish an electronic platform that tracks the acceptance, receipt and utilization of the donations.

ARTICLE 2 — Official Development Assistance

SECTION 287. *Authority to Avail Official Development Assistance.* — The approval and acceptance of ODA shall be in accordance with the “*Overseas Development Act of 1996*”, as amended, and IFPB Guidelines on ODA. The Bangsamoro Government may avail of any Official Development Assistance (ODA), upon the recommendation of the Bangsamoro Economic and Development Council (BEDC). In case of ODA loans, the availment, processing and approval shall be guided by the IFPB’s Guidelines on ODA Loans to the BARMM, and any amendment thereof.

SECTION 288. *Counterpart Funds.* If any counterpart funding by the Bangsamoro Government is needed, the counterpart funds necessary to implement each ODA project must be covered in the annual or special appropriations approved by Bangsamoro Parliament. Any request for funds to cover cost overruns must also be submitted to Bangsamoro Parliament for appropriation.

ARTICLE 3 — Loans and Other Forms of Indebtedness

SECTION 289. *Definitions.* —When used in this Chapter, these terms, whether used in the singular or plural, shall mean as follows:

- (a) “*BIAB*” refers to the Bangsamoro Internal Audit Body;
- (b) “*Contingent liability*” refers to BARMM Government’s financial liabilities that may arise or come into being if one or more events occur, including but not limited to the following: (i) loans and liabilities incurred guaranteed by the BARMM Government, (ii) guaranty programs implemented by BARMM GOCCs, and (iii) other potential losses arising from indemnities, pending litigation, and other cires relating to claims and assessments due to breach of contract and damages to persons or property;
- (c) “*Controlling interest*” means that the BARMM Government has full control over a GOCC or in the case of a stock corporation, to the extent of at least a majority of its outstanding capital stock;
- (d) “*Government Financial Institution*” (GFI) refers to financial institutions or corporations in which the Bangsamoro Government directly or indirectly owns majority of the capital stock, and which are either (1) registered with or

directly supervised by the BSP; or (2) collecting or transacting funds and contributions from the public and places them in financial instruments or assets such as deposits, loans, bonds, and equity;

- (e) *“Government Instrumentalities with Corporate Powers”* (GICP) or *“Government Corporate Entities”* (GCE) refers to instrumentalities or agencies of the Bangsamoro Government, which are neither corporations nor agencies integrated within the ministries, but vested by Bangsamoro Parliament with special functions or jurisdiction, endowed with corporate powers, administering special funds and enjoying operational autonomy through a charter approved by the Bangsamoro Parliament;
- (f) *“Government-Owned and Controlled Corporation”* (GOCC) refers to any agency organized as a stock or non-stock corporation, vested with functions relating to public needs whether governmental or proprietary in nature, and owned by the Bangsamoro Government directly or through its agency either wholly or where applicable as in the case of stock corporation, to the extent of at least a majority of its outstanding capital stock. The term “GOCC” shall include GFIs and GICP/GCE as defined in this section;
- (g) *“MFBM”* refers to the Ministry of Finance, and Budget and Management; and
- (h) *“Relatives”* refers to persons related to a public official or employee within the fourth civil degree of consanguinity or affinity.

SECTION 290. *Authority to Incur Loans, Credits and Other Forms of Indebtedness.* — As provided under Section 24 (a), Article XII of the BOL, the Bangsamoro Government may contract loans, credits, and other forms of indebtedness to finance the construction, installation, improvement, expansion, operation or maintenance of public utilities, infrastructure facilities, housing projects, acquisition or real property, implementation of other capital investment projects, and for the development and welfare of the people of the Bangsamoro.

SECTION 291. *Loans by BARMM GOCCs.* — GOCCs in which BARMM has a controlling interest shall have the authority to incur loans in accordance with their charters or articles of incorporation and by-laws.

If the loan creates a liability or possible expenditure of the Bangsamoro Government, the GOCC must get clearance from the MFBM. In addition, the Bangsamoro Government shall not provide any direct guaranty on loans incurred by GOCCs without a positive recommendation from the MFBM and approval from the Chief Minister.

SECTION 292. *Loans by BARMM Local Government Units.* — LGUs shall have the authority to incur loans in accordance with the BLGC.

If the loan creates a liability or possible expenditure of the Bangsamoro Government, the LGU must get clearance from the MFBM. In addition, the Bangsamoro Government shall not provide any direct guaranty on loans incurred by LGUs without a positive recommendation from the MFBM and approval from the Chief Minister.

SECTION 293. *Authority of the Minister of Finance, and Budget and Management to Negotiate and Manage Public Debt.* — Subject to the approval processes required in this Chapter, the MFBM shall have authority to negotiate, monitor, manage and repay debt obligations incurred by the Bangsamoro Government.

SECTION 294. *Due Diligence.* — The MFBM shall ensure that due diligence, risk assessment and management analysis have been conducted before recommending the approval of loans by the Bangsamoro Parliament under Section 295 and Chief Minister under Section 297. The due diligence shall include an analysis of whether the loans are consistent with the Medium-term Debt Management Plan and Annual Debt Management Strategy and if not, provide the rationale for the deviation, which must be consistent with the standards for deviation as provided in Section 298.

SECTION 295. *Approval by Bangsamoro Parliament.* — Bangsamoro Parliament by a vote of the majority of all its members may authorize the Chief Minister to contract domestic or foreign loans.

SECTION 296. *National Government Approval for Loans Requiring Sovereign Guaranty.* — Domestic and foreign loans requiring sovereign guaranty whether explicit or implicit, shall require the approval of the National Government, which shall be secured following the procedure under Section 24 (a), Article XII, of the BOL and its IRRs.

SECTION 297. *Approval by the Chief Minister.* — Subject to the other approvals in this Chapter, the Chief Minister shall approve all loans to be incurred by the Bangsamoro Government and any direct guaranty assumed by the Bangsamoro Government.

SECTION 298. *Medium-term Debt Management Plan (MTDMP).* — The MFBM, in coordination with the Bangsamoro Planning and Development Authority, shall, as far as practicable, develop a 5-year debt and debt management plan. The Cabinet shall approve the MTDMP, which at the minimum shall contain:

- (a) Policy bases of the MTDMP and policy guides for debt management
 - (1) Macroeconomic assumptions used in developing the MTDMP;
 - (2) MTDMP's alignment with the Bangsamoro Government's medium-term budget framework or expenditure plan and revenue projections;
 - (3) Specific programs or projects to be funded by loans and other forms of indebtedness, including bonds and other notes issued under Article 4 and those covered by official development assistance under Article 2 of Title, which must be aligned with the Bangsamoro Development Plan;
 - (4) Debt portfolio targets to ensure prudent debt management, debt sustainability, and financial stability of the Bangsamoro Government,

including but not limited to: (i) debt ceiling, (ii) debt to regional gross domestic product ratio, (iii) types of debt instruments or debt papers to secured or issued; (iii) interest rate band; (iv) debt maturities; (v) currency mix; and (vi) domestic and foreign debt ratios;

- (5) Standards, conditions, and restrictions for approving loans by GOCCs and approving Bangsamoro Government guaranty over GOCCs and LGU loans, to ensure that the benefits outweigh the costs of the guaranty and the risk exposure of the Bangsamoro Government; and
- (6) Guidelines and standards that shall be applied in case debt operations needs to deviate from the MTDMP, which shall ensure that risks are managed and that there are economic, emergency, or other important justifications for such deviation;

(b) Fiscal position of the Bangsamoro Government

- (1) Current and projected debt portfolio, including those covered by bonds and other notes under Article 4 and those covered by official development assistance under Article 2 of this Title;
- (2) Current and projected revenues;
- (3) Projected Bangsamoro Government deficits or surpluses;
- (4) Bangsamoro Government's contingent liabilities;
- (5) Debt maturity and repayment schedule;
- (6) Tax expenditures under Title VII; and
- (7) Other data that will provide a holistic view of the Bangsamoro Government's fiscal position;

(c) Risk Assessment

- (1) Debt sustainability analysis; and
- (2) Risk assessment and risk management strategies.

SECTION 299. *Annual Debt Management Strategy*. — Based on the MDMP and General Appropriations Act of the Bangsamoro, and other relevant Bangsamoro development or expenditure plans, the MFBM, in coordination with the Bangsamoro Planning and Development Authority, shall, as far as practicable, prepare the ADMS before the start of every fiscal year. The Cabinet shall approve the ADMS. The MFBM shall submit the approved ADMS to Bangsamoro Parliament at least 60 days before the start of the next fiscal year.

At the minimum, the ADMS shall include:

- (a) Borrowing plan for the incoming fiscal year;
- (b) Projected fiscal position of the Bangsamoro Government for the incoming fiscal year; and

- (c) An evaluation of the next fiscal year's debt management operations conformity with the MTDMP and justifications for any variance.

SECTION 300. *Receipt and Disbursement of Loans Proceeds.* — Except for loans incurred by BARMM GOCCs and LGUs, the BTO shall receive the proceeds of the loans incurred herein and disburse the same according to the terms of the loan agreements or relevant appropriation acts.

SECTION 301. *Conflict of Interest.* — An official involved in the review and the approval of a loan incurred by the Bangsamoro Government and the official's Relatives and any business in which the official or the official's relatives have an interest shall *not* benefit from the loan or programs directly funded by the loan, except in the case of BARMM programs that provide benefits or support to the public and subject to an approval process that is not under the official's direct control. A benefit includes, but is not limited to contracts for the implementation of a project funded by the loan, even if it is awarded in accordance with government procurement rules.

SECTION 302. *Regular and Special Audits.* — The BIAB shall conduct and publish an annual audit report on the loans incurred under this Chapter. The BIAB annual audit is without prejudice to any special audit, which the BIAB may conduct on its own initiative, or upon the instruction of the Chief Minister or Bangsamoro Parliament. The Chief Minister may also approve the conduct of an external independent audit by a reputable auditing firm when necessary.

SECTION 303. *Publication and Transparency.* — The MFBM shall publish information and reports to give the public sufficient information on the state of the BARMM's indebtedness and its sustainability. These shall be published on the MFBM website or other media accessible to the public.

SECTION 304. *Implementing Guidelines.* — The MFBM may issue implementing guidelines from time to time to implement this Chapter.

ARTICLE 4 — Bonds and Other Debt Papers

SECTION 305. *Authority to Issue Sukuk, Bonds and other Debt Papers.* — As provided under Section 24 (b), Article XII of the BOL, the Bangsamoro Government shall have the authority to issue sukuk, bonds, debentures, securities, collaterals, notes, obligations, and other debt papers or documents, as well as redeem or retire the same, to finance self-liquidating and income-producing development or livelihood projects pursuant to the priorities established in its Bangsamoro Development Plan. The debt papers may be payable, both as to principal and interest, in Philippine currency, or in any readily convertible foreign currency.

SECTION 306. *Authority of the Minister of Finance, and Budget and Management to Issue Bonds and Debt Papers.* — The Minister of Finance, and Budget and Management with the approval of the Chief Minister shall issue bonds and other debt papers, when necessary to meet the public expenditures for the programs and projects listed under Section 24 (b), Article XII of the BOL. The placing, sale, servicing, and redemption of such debt papers shall be done through the BTO.

SECTION 307. *Alignment with the Medium-Term Debt Management Plan and Annual Debt Management Strategy.* — The issuance of the bonds and debt papers must be consistent with the MTDMP and ADMS under Sections 298 and 299 of this Code.

SECTION 308. *Types of debt papers.* — The debt papers to be issued may be of the following types:

(a) Treasury bills issued on a discount basis or at par and payable at maturity without interest. Treasury bills may be offered for sale either on a competitive basis or at a fixed rate of discount or at par and may be made payable at any date not later than one (1) year from the date of issue;

(b) Certificate of indebtedness having maturities not exceeding eighteen (18) months from the date of issue; and

(c) Treasury bonds, notes, securities, or other evidence of indebtedness having maturities of one year or more but not exceeding twenty-five (25) years from the date of issue.

SECTION 309. *Authority of the MFBM to Issue Rules.* — The MFBM shall issue rules and regulations, prescribing the form or forms, the interest and discount rates, the denominations, maturities, negotiability, convertibility, call and redemption features, and all other terms and conditions of the issuance, placement, sale, servicing, redemption, and payment of all debt papers issued under this Chapter.

Nothing in this section shall be interpreted to mean that the MFBM, in the redemption of securities, is prevented from applying the lottery principle by which specific securities, drawn by lot, may be redeemed before maturity either at their face value or above.

The MFBM shall prepare and issue such rules and regulations as may be necessary for the successful achievement of the purposes of this Article, including but not limited to the following requirements:

- (a) Measures necessary to protect the Bangsamoro Government and the investing public from fraud or loss;
- (b) Ensure transparency through the publication of all public offerings of and awarding of debt papers;
- (c) Incorporation of local and international best practices in the management of bonds, securities, and other debt papers;
- (d) Strategies that will deepen the domestic financial markets and allow the small retail investors, especially Overseas Filipino Workers (OFWs) and residents of BARMM to invest in the bonds and notes that may be issued;

- (e) Use digital fintech platforms and other emerging technologies to expand investment opportunities for small retail investors, which may be implemented through agreements between the Ministry and the private sector;
- (f) Over-the-counter facility for the investment of idle funds in excess of normal operating requirements of LGUs and GOCCs; and
- (g) Other placement facilities that will deepen the market for Bangsamoro bonds and other debt papers.

SECTION 310. *Payment of principal and interest.* — The principal amount of any obligations which have matured, or which have been called for redemption in accordance with terms prescribed by the MFBM shall be paid using any of the following options:

- (a) Out of the continuing appropriation under Section 312;
- (b) Out of any sinking fund created for such purpose by an act of Bangsamoro Parliament or any fund in the General Appropriations Act of the Bangsamoro specifically earmarked for such purpose;
- (c) The MFBM may, with the concurrence of the holder of the debt paper, exchange the amount due with any other direct or guaranteed obligations of the Bangsamoro Government of equivalent value:
 - (1) In the case of interest-bearing obligations, the Minister shall pay not less than their face value;
 - (2) In the case of obligations issued at a discount, the Minister shall pay the face value at maturity;
 - (3) If redeemed prior to maturity, such portion of the face value as is prescribed by the terms and conditions of the debt papers.

SECTION 311. *Cost of Issuing, Servicing, Sale, and Redemption of Debt Papers.* — The MFBM may purchase such materials and equipment and may order the printing, engraving, advertising, soliciting, shipping, or the rendering of any other service, including digital platform and related ICT services, which the MFBM considers to be necessary to the successful issuance, placement, sale, servicing, redemption, or payment of the debt papers issued under this Chapter.

SECTION 312. *Continuing Appropriation.* — Unless otherwise covered by appropriations or sinking fund created by an act of the Bangsamoro Parliament, the amounts needed to implement Sections 310 and 311 shall be paid out of a continuing appropriation out of moneys in the Bangsamoro Treasury not otherwise appropriated.

SECTION 313. *Regular and Special Audit.* — The BIAB shall conduct and publish an annual audit report of the debt papers issued under this Chapter and the projects for which they were issued. The BIAB annual audit is without prejudice to any special audit, which the BIAB may conduct on its own initiative, or upon the instruction of the Chief Minister or Bangsamoro Parliament. The Chief Minister may also approve the conduct of an external independent audit by a reputable auditing firm.

SECTION 314. *Transparency and Reporting Requirements.* — For purposes of transparency, the following provisions shall apply:

- (a) The MFBM shall submit a report to the Bangsamoro Parliament during the first month of each regular session a detailed statement of all expenditures made under Sections 310 and 311 during the preceding or current fiscal year as may be applicable.
- (b) The BTO shall maintain current and historical information on the placing, sale, servicing, and redemption of debt papers, including outstanding securities, rates, issuances, and uptake of securities per type of facility, maturities and amount due on such dates, and other information that can show the state of Bangsamoro Government's public debt, which have been incurred through debt papers.
- (c) All the reports and information required under this section and BIAB audit reports in Section 313 shall also be published on the websites of the relevant ministry and agency.

All data shall be updated at least on a quarterly basis. Nothing in this section shall prevent the MFBM or BTO from disclosing other information, which it deems necessary to provide a holistic view of the Bangsamoro Government's fiscal position and consistent with the public's right to access information.

ARTICLE 5 — Privatization of Assets

SECTION 315. *Definitions.* — When used in this Chapter, these terms, whether used in the singular or plural, shall mean as follows:

- (a) "*Agency*" refers to the various entities under the Bangsamoro Government, including but not limited to its ministries, offices, and instrumentalities;
- (b) "*Assets*" include (i) receivables and other obligations due to the Bangsamoro Government, its Agencies and GOCCs under credit, lease, indemnity and other agreements together with all collateral security and other rights (including but not limited to rights in relation to shares of stocks in corporations such as voting rights as well as rights to appoint directors of the corporation or otherwise engage in the corporation's management) granted to such institutions by contract or operation of law to secure or enforce the right of payment of such obligations; (ii) real and personal property of any kind owned or held by the Bangsamoro Government, its agencies and GOCCs, including shares of stock in corporations, (iii) shares of stock and other investment held by the Bangsamoro Government, and (iv) the GOCCs themselves;

- (c) "*BIAB*" shall refer to the Bangsamoro Internal Audit Body;
- (d) "*Committee*" shall refer to the Committee on Privatization;
- (e) "*Costs of Privatization*" shall refer to the expenses incurred by the Committee on Privatization, Agency or GOCC in the privatization process, including the fees of external financial, technical, or legal advisers, reimbursable expenses, registration fees, and other expenses involved in the transfer of Assets, and taxes;
- (f) "*Government Entity*" shall refer to an Bangsamoro Government, Agency or GOCC as defined in this section;
- (g) "*Government Financial Institution*" (GFI) refer to financial institutions or corporations in which the Bangsamoro Government directly or indirectly owns majority of the capital stock, and which are either (1) registered with or directly supervised by the BSP; or (2) collecting or transacting funds and contributions from the public and places them in financial instruments or assets such as deposits, loans, bonds and equity;
- (h) "*Government Instrumentalities with Corporate Powers*" (GICP) or "Government Corporate Entities" (GCE) refer to instrumentalities or agencies of the Bangsamoro Government, which are neither corporations nor agencies integrated within the ministries but vested by the Bangsamoro Parliament with special functions or jurisdiction, endowed with corporate powers, administering special funds and enjoying operational autonomy through a charter approved by the Bangsamoro Parliament;
- (i) "*Government-Owned and Controlled Corporation*" (GOCC) refers to any agency organized as a stock or non-stock corporation, vested with functions relating to public needs whether governmental or proprietary in nature, and owned by the Bangsamoro Government directly or through its agency either wholly or where applicable as in the case of stock corporation, to the extent of at least a majority of its outstanding capital stock. The term "GOCC" shall include GFIs and GICP/GCE as defined in this section;
- (j) "*PMO*" shall refer to the Privatization Management Office;
- (k) "*Public-private partnerships*" (PPPs) refer to the contractual arrangements allowed under R.A. No. 11966 and any amendment thereof;
- (l) "*Privatization*" is where ownership or control of the Assets of the Bangsamoro Government, its Agencies, and GOCCs are transferred to the Private Sector. Privatization can be full, partial, or gradual transfer of ownership and control to the Private Sector;

"*Privatization*" excludes the transfer of Assets in (i) transactions considered PPPs, (ii) transactions considered joint ventures under the National Economic Development guidelines implementing Section 8, Executive Order No. 423, series of 2005 (iii) grant of franchises and concessions, and (iv) disposal of unserviceable, obsolete, excess or surplus *semi-expendable* and *expendable* property as defined in COA issuances and other relevant auditing, accounting, procurement, and budgetary guidelines, (v) sale or disposal of

merchandise or inventory held for sale in the regular course of business, and (vi) disposal of assets or collaterals held by GFIs in the regular course of business;

- (m) "*Private sector*" is an entity which is not owned or controlled, directly or indirectly, by a government agency or instrumentality;
- (n) "*Relatives*" refers to persons related to a public official or employee within the fourth civil degree of consanguinity or affinity; and
- (o) "*Structure of Transaction*" refers to the terms and conditions of privatization, including but not limited to the following considerations: (i) valuation of the Asset based on best practices and appraisal standards that shall be the price floor for any sale involving the Asset, except in case of stocks that are sold in regulated and recognized stock markets (ii) whether privatization shall be done fully, partially or sequentially, (iii) what parts of the Assets shall be retained, (iv) whether debts or other liabilities related to Assets shall be retained or acquired by the Bangsamoro Government or Government Entities, subject to Section 324 and relevant provisions of Article 3 of this Title, (v) whether existing contracts or obligations related to the Assets need to be restructured, (vi) reorganization or restructuring of the Assets, including personnel and corporate restructuring (vii) whether the *Cost of Privatization* shall be borne by the Bangsamoro Government or the Government Entities or passed on to the Private Sector, and (viii) whether other steps need to be undertaken prior to privatization to improve the valuation of the Asset or ensure that the Asset value does not depreciate.

SECTION 316. *Committee on Privatization.* — There is hereby a Committee on Privatization composed of the Minister of Finance, and Budget and Management as Chairperson, and the Minister of Trade, Investment and Tourism, and the Director-General of the Bangsamoro Planning and Development Authority as members. Whenever any member of the Committee is unable to attend to the business of the Committee, the Minister shall appoint a representative who should be a Deputy Minister or Deputy Director-General. The Bangsamoro Attorney General's Office shall serve as the *ex-officio* legal adviser of the Committee.

SECTION 317. *Powers and Functions of the Committee on Privatization.* — The Committee shall have the following powers and functions:

- (a) To conduct the periodic and *ad hoc* assessments under Section 321;
- (b) To create an inventory of Assets that shall be recommended for privatization within 18 months from the effective date of this Act, without prejudice to identifying additional Assets for privatization after the submission of the inventory to the Chief Minister;
- (c) To recommend to the Chief Minister after the conduct of the assessment in Section 321, the Assets that should be subjected to privatization, or when appropriate, considered for rehabilitation, joint venture, PPP or retained and developed by an Agency;

- (d) To determine the necessity of engaging *external* financial, technical, or legal advisers in accordance with government rules on procurement and the hiring of external counsel;
- (e) Upon referral by the Chief Minister, (i) review any recommendations for privatization by the Governance Commission for GOCC as provided in the “*GOCC Governance Act of 2011*” and any amendment thereof and (ii) recommend whether such privatization should be implemented in accordance with this Chapter;
- (f) To recommend the Structure of the Transaction to the Chief Minister; and
- (g) Make such other recommendations that will facilitate or make privatization more feasible and financially viable.

SECTION 318. *Privatization Management Office.* — If deemed necessary, the Committee may recommend to the Chief Minister the formation of a PMO to be attached to the MFBM. The PMO shall support the Committee in the performance of its powers and functions under Section 317 and in implementing the procedure for privatization in Section 322. The Committee shall issue the IRRs for the implementation of this section after securing the Chief Minister’s approval of the formation of the PMO, including its staffing pattern to be determined based on the technical expertise needed to perform the said functions.

SECTION 319. *Conflict of Interest.* — The Chief Minister, any member of the Committee, or officer of the PMO, shall recuse oneself in the privatization process, if the official or the official’s relatives have any financial or business interest in the privatization. There is also a conflict of interest if any of these officers has current or past direct involvement in the management or administration of the Asset. The official immediately next in rank shall take the place of the official with conflict of interest. If at any time during the privatization, a conflict of interest arises, the officer shall declare such possible conflict of interest, including those *not* expressly stated in the preceding paragraph, and voluntary recuse from participation in the privatization or let the Committee to decide on whether recusal is necessary.

SECTION 320. *Guiding Considerations for Privatization.* — The Committee shall base its decisions on sound economic and financial analysis, including but not limited to the following considerations:

- (a) The fiscal impact of privatization, including amount of proceeds of privatization and the revenues (e.g., taxes, government fees) that can be generated post-transaction versus the cost of maintaining government control or ownership over the Assets;
- (b) Non-performing or dormant Assets, especially those requiring substantial government subsidies, shall be privatized to avoid further drain on government finances;
- (c) Assets requiring substantial subsidies do not necessarily have to be privatized, if they perform essential public services and have substantial multiplier effect or contribution to the public welfare;

- (d) Assets that are (i) no longer necessary to meet the public need or the purpose for which the Assets were created, (ii) no longer consistent with the Bangsamoro Development Plan, or (iii) performing functions that duplicate those of a Government Entity shall be privatized;
- (e) Privatization may be undertaken in areas where the Private Sector is in a better position in terms of expertise, operational and maintenance capacity, innovation, and efficiency in operating the Asset;
- (f) Privatization may be undertaken if there is a need to expand the services or functions of the Asset, but the Bangsamoro Government does not have sufficient resources to implement such expansion;
- (g) If there is a conflict between the regulatory and commercial functions of Government Entities, privatization of the commercial operations may be an appropriate step to address the conflict;
- (h) The government shall consider whether privatization of an Asset shall result in the weakening or strengthening of competition in the relevant market, especially when the Asset has a dominant position in the relevant market as defined in the Philippine Competition Act (PCA);
- (i) The presence or absence of market regulatory framework post-transaction shall be considered, especially in non-contestable markets.

SECTION 321. *Periodic and Ad hoc Assessments.* — Every three (3) years, the Committee shall assess the existing Assets and identify those that may be appropriate for privatization based on the guiding considerations under Section 320. These periodic assessments shall be without prejudice to the (i) regular assessments conducted under the “GOCC Governance Act of 2011” and any amendment thereof, (ii) any *ad hoc* assessment that the Committee may deem necessary, or (iii) any *ad hoc* assessment ordered by the Chief Minister or Bangsamoro Parliament. At any time, any relevant Agency may recommend Assets for privatization for the consideration of the Committee, which may be covered by periodic or *ad hoc* assessment as the Committee may deem proper.

SECTION 322. *Procedure for Privatization.* — In the implementation of this Article, the following provisions shall apply:

- (a) After the conduct of regular or *ad hoc* assessment in Section 321, the Committee shall identify Assets that shall be privatized;
- (b) After securing the approval from the Chief Minister to proceed with privatization, the Committee shall determine the Structure of the Transaction. The Committee or the PMO may engage external financial, technical, or legal advisers for this purpose;
- (c) Before proceeding with the privatization, the Chief Minister shall approve the Structure of the Transaction as recommended by the Committee; and
- (d) After securing the Chief Minister’s approval of the Structure of the Transaction, the Committee shall proceed with its implementation. The sale of the Asset

shall be conducted in accordance with COA guidelines on the divestment or disposal of government assets. Shares of stocks, if traded in regulated and recognized stock markets may be sold in the regular course of trading. Any preferential right to acquire the Asset under existing laws shall be respected.

The Committee may issue implementing rules and regulations of this Section and Section 321, which shall ensure that privatization is in the best interest of, and it that results in value for money for the Bangsamoro Government. The implementing rules must also comply with government auditing and accounting standards.

SECTION 323. *Non-Impairment of the Asset's Value.* — The officials involved in the management or control of the Asset approved for privatization shall not commit any act that will impair the Asset's value. Losses incurred in the regular course of the business involving the Asset shall not be considered an impairment of the Asset's Value, provided that such losses were not intentional or a result of gross negligence.

SECTION 324. *Authority to Assume Debts and Other Liabilities.* — The Committee may recommend that the Bangsamoro Government or Government Entities retain or assume debts or other liabilities related to the Assets. The Chief Minister, on behalf of the Bangsamoro Government or Government Entity, may and is hereby authorized to assume such debts or other liabilities on terms and to the extent determined by the Chief Minister, on the recommendation of the Committee. The assumption of such debt or liabilities shall be subject to the following conditions:

- (a) It is necessary to make privatization feasible or financially viable;
- (b) The Committee's recommendation to assume such debt or other liability shall be based on sound financial and economic analysis and will not negate the overall positive impact of the privatization based on the guiding principles under Section 320; and
- (c) The relevant provisions of Section 24, Article XII of the BOL are followed.

SECTION 325. *No Novation of Contracts Involving Debt and Other Obligations.* — The debts and other obligations mentioned in Section 324 may be retained or assumed by the Government Entity that is the original debtor, thus not requiring the consent of creditor and not giving rise to a novation of contract. However, nothing in this section shall impair the rights of creditors under the Civil Code of the Philippines in case changes to the obligations results in novation.

SECTION 326. *Non-Impairment of Contractual Rights.* — Nothing in this Chapter shall:

- (a) Impair the rights of creditors of any of the Government Entities involved;
- (b) Affect the rights of the National Government or Bangsamoro Government to pursue the enforcement of any claim of a government institution in respect of or in relation to any Asset;
- (c) Impair the rights of creditor in case a contract is novated; and

- (d) In relation to any share of stock or any interest therein, impair the stockholders' right of pre-emption or of first refusal as provided in law or contract: *Provided*, That the floor price for the sale of the Asset as determined in the Structure of the Transaction shall be followed.

SECTION 327. *Rights and Benefits of Employees of the Privatized GOCC or Agency.* — The relevant provisions of the Labor Code or Civil Service rules shall apply to the process of separation, benefits, and other entitlements of the employees in the privatized Government Entity.

SECTION 328. *Administration and Disposal of the Proceeds of Privatization.* — The proceeds of privatization shall be remitted to the BTO and shall be disbursed in accordance with the general or special appropriations act to be passed by Bangsamoro Parliament: *Provided*, That the Government Entities involved in the privatization may retain the following amounts, if not yet covered by existing appropriations or available funds:

- (a) Such amounts approved by the Committee on Privatization to cover the Costs of Privatization; and
- (b) Liabilities that the Bangsamoro Government or Government Entities have agreed to retain post-transaction: *Provided*, That such retention has been recommended by the Committee on Privatization and approved by the Chief Minister.

Provided further, that a GOCC may retain the proceeds of the privatization of its subsidiary or the Assets of its subsidiaries, if directed by the Chief Minister based on the recommendation of the Committee.

SECTION 329. *Audit.* — The BIAB shall audit all privatization transactions. The BIAB may engage external auditors or experts in accordance with government procurement rules. In the conduct of the audit, the following guidelines on conflict of interest shall be observed:

- (a) An officer of the BIAB shall not be involved in the audit if the officer or the officer's Relatives have any financial or business interest in the privatization;
- (b) An officer of the BIAB shall not be involved in the audit if the officer has been involved in the privatization in any capacity;
- (c) BIAB shall not engage external experts if they or the company they work for has been involved in the privatization, whether as consultant to Committee, PMO, or to any private entity involved in the privatization.
- (d) If at any time during the audit, a conflict of interest arises, the BIAB officer or external expert shall declare such possible conflict of interest, including those *not* expressly stated in the preceding paragraphs. The officer or external expert may voluntarily recuse oneself from the audit or allow the BIAB's Head of Office to make such determination.

SECTION 330. *Transparency.* — The following reports shall be published on the relevant agency’s website and submitted to the Chief Minister and Bangsamoro Parliament:

- (a) Results of periodic and *ad hoc* assessments as provided under Section xx, and the reports generated under Section 317 including the recommendation/s and the rationale behind the recommendations;
- (b) Annual or *ad hoc* reports of the Committee on the status of Asset Privatization, which report shall include a description of the individual Assets disposed, the purchasers thereof, the consideration received therefor, the agreed terms of payment, and how the proceeds of privatization were disposed;
- (c) BIAB audit reports under Section 329; and
- (d) All announcements and decisions of the Committee during the bidding or other process in the disposition of the Assets under Section 328.

Nothing in this Section shall require the Committee, the PMO or any other relevant office to disclose specific details of market research, financial studies, and proprietary information, which could adversely impact the level of competition in the privatization of Assets or put the Bangsamoro Government at a disadvantage in any bidding or negotiation for the privatization of the Assets.

ARTICLE 6 — Dividends from GOCCs

SECTION 331. *Definitions.* — When used in this Chapter, these terms, whether used in the singular or plural, shall mean as follows:

- (a) “BSP” refers to the *Bangko Sentral ng Pilipinas*;
- (b) “Dividend” refers to the distribution of profits to the stockholders of a corporation in proportion to the number of shares held by the respective owners, which may take the form of cash, stock, or property dividends;
- (c) “Dividend Year” refers to the calendar or fiscal year during which the net earnings were realized by the GOCCs;
- (d) “Government Financial Institution” (GFI) refers to financial institutions or corporations in which the Bangsamoro Government directly or indirectly owns majority of the capital stock, and which are either (1) registered with or directly supervised by the *Bangko Sentral ng Pilipinas*; or (2) collecting or transacting funds and contributions from the public and places them in financial instruments or assets such as deposits, loans, bonds and equity;
- (e) “Government Instrumentalities with Corporate Powers” (GICP) or “Government Corporate Entities” (GCE) refers to instrumentalities or agencies of the Bangsamoro Government, which are neither corporations nor agencies integrated within the ministries, but vested by the Bangsamoro Parliament with special functions or jurisdiction, endowed with corporate powers, administering special funds and enjoying operational autonomy through a charter approved by the Bangsamoro Parliament;
- (f) “Government-Owned and Controlled Corporation” (GOCC) refers to any agency organized as a stock or non-stock corporation, vested with functions relating to public needs whether governmental or proprietary in nature, and owned by the Bangsamoro Government directly or through its agency either wholly or where applicable as in the case of stock corporation, to the extent of at least a majority of its outstanding capital stock. The term “GOCC” shall include GFIs and GICP/GCE and their subsidiaries as defined in this section;
- (g) “Net earnings” refers to income derived from whatever source, whether subject or exempt from tax, net of deductions allowed under the NIRC, and income tax and other taxes paid thereon. The reserves as defined in this section shall not be considered a deduction from net earnings;
- (h) “Reserves” refers to the portion of the retained earnings of a GOCC that has been appropriated by its governing board for specific purposes, i.e., contractual obligations, requirement by law, expansion or development projects, key programs, and contingencies; and
- (i) “Subsidiary” refers to a corporation where at least a majority of the outstanding capital stock is owned or controlled, directly or indirectly, through one or more intermediaries, by the GOCC.

SECTION 332. *Dividends.* — In the implementation of this Article, the following provisions on dividends from GOCCs shall apply:

- (a) GOCCs that have been created by the Bangsamoro Parliament under Article, Section 30 of the BOL shall declare and remit at least fifty percent (50%) of their annual net earnings as cash, stock, or property dividends to the Bangsamoro Government;
- (b) Bangsamoro GOCCs and their subsidiaries, which have been created in accordance with the Revised Corporation Code of the Philippines, shall remit at least fifty percent (50%) of their declared dividends directly to the Bangsamoro Government. The declaration of dividends shall be in accordance with Section 42 of the Revised Corporation Code.
- (c) GFIs regulated by the BSP shall issue dividends after compliance with the liquidity, minimum capitalization, and other requirements in BSP's manuals of regulations and circulars.
- (d) GOCCs of the National Government including their subsidiaries, operating exclusively in the BARMM or with substantial business operations or where the BARMM has substantial interest, as provided in Article XII, Sections 31 and 32 of the Bangsamoro Organic Law shall declare and remit dividends to the Bangsamoro Government as determined by the IFPB. *Provided,* That upon the transfer of the authority and control of these GOCCs to the Bangsamoro Government, the other provisions of this Article shall apply.

SECTION 333. *Dividends other than Cash Dividends.* — In the implementation of this Article, the following provisions on dividends other than cash dividends shall apply:

- (a) As a rule, GOCCs shall declare and remit cash dividends. Any GOCC seeking to remit property or stock dividends must secure the approval of the MFBM before declaring such dividends. The request for approval must be submitted within forty-five (45) days from the end of the dividend year.
- (b) Property dividends must be in the form of (i) land and buildings that can be converted into cash within one (1) year or viable for development, whether by government or through privatization or (ii) such marketable securities to be approved by the MFBM.
- (c) Land and buildings declared as property dividends shall include assets that are owned but not used in the operation of the GOCC or its subsidiary. The assets must be free from all liens and encumbrances, and not subject to any adverse judicial process at the time of conveyance to the Bangsamoro Government. The value of the assets shall be based on the fair market value as approved by the Bangsamoro Internal Audit Body.
- (d) The value of the marketable securities shall be based on the prevailing market value in the securities markets on the date of the dividend declaration.

SECTION 334. *Exemptions.* —The following GOCCs shall be exempt from the provisions on dividends under this Article:

- (a) GOCCs organized by law to administer real or personal properties or funds held in trust for the use and the benefit of its members shall not be covered by this Chapter; and
- (b) GOCCs with net income but negative retained earnings may be exempted from the declaration and remittance of dividends upon approval of the MFBM. Requests for exemption must be submitted within forty-five (45) days from the end of the dividend year, which must be supported by audited financial statements showing negative retained earnings.

SECTION 335. *Adjustment of the Dividend Rate.* — In the interest of the BARMM economy and general welfare, the percentage of annual net earnings that shall be declared as dividends may be adjusted by the Chief Minister upon the recommendation of the MFBM. However, adjustments of dividends of national GOCCs and their subsidiaries, which operate exclusively in the BARMM or with substantial interest in the BARMM, shall be made as determined by the IFPB.

SECTION 336. *Mode of Remittance and Disposition of Dividends.* —In the implementation of this Article, the following provisions shall apply:

- (a) All dividends accruing to the Bangsamoro Government shall be received by the BTO and recorded in accordance with the rules and regulations to be issued by the MFBM in coordination with the BTO;
- (b) Dividends shall be remitted to the BTO following a schedule to be set by the MFBM in the IRRs of this Chapter: *Provided*, That an initial remittance equivalent to 50% of the dividend due to the Bangsamoro Government must be remitted within one hundred twenty (120) days from the end of the dividend year.
- (c) Property dividends and stock dividends may be disposed or developed in accordance with Article 6, Title VI of this Code.

SECTION 337. *Implementing Rules and Regulations.* — The MFBM shall issue the implementing guidelines for this article within one (1) year from the effective date of the BRC and shall exercise primary jurisdiction in the implementation of this article.

The IRR shall provide documentation requirements to ensure the accuracy dividends remitted to the Bangsamoro Government and the valuation of non-cash dividends, protect the financial interest of the Bangsamoro Government, and safeguard the economic viability of the GOCCs. The IRR shall also provide for the procedure and schedule of remittances and interest penalties for delayed remittances.

TITLE VII — TAX INCENTIVES

CHAPTER 1 — Tax Incentives

SECTION 338. *Investment Related Activities.* There shall be tax incentives to promote investment-related activities, such as transfer of technology, development of manufacturing, agriculture, services and other sectors of the economy, and business and job creation as follows:

- (a) Reserved
- (b) Reserved
- (c) Reserved
- (d) Reserved
- (e) Reserved
- (f) Reserved

SECTION 339. *Non-investment Related Activities.* There shall be tax incentives to non-investment related activities, including but not limited to charitable giving, community development, sports development, and the education of students and other citizens as follows:

- (a) Reserved
- (b) Reserved
- (c) Reserved
- (d) Reserved
- (e) Reserved
- (f) Reserved

CHAPTER 2 — Administrative Provisions

SECTION 340. *Definitions.* — When used in this Chapter, these terms, whether used in the singular or plural, shall mean as follows:

- (a) “*Investment Promotion Agencies*” (IPAs) refers to all government entities in charge of promoting investments, administering tax and non-tax incentives, and or overseeing the different economic zones or freeports that have been or shall be established within BARMM including the Bangsamoro Economic Zone Authority, Bangsamoro Board of Investments, and similar offices that may be created by law in the future.
- (b) “*Registered Business Entity*” (RBE) refers to any individual, partnership, corporation, Philippine branch of a foreign corporation, or other incorporated entity, which is registered with any of the IPAs.

- (c) “*Tax expenditures*” refers to the loss of taxes and other revenues as a result of the grant of tax incentive.
- (d) “*Tax incentives*” refers to fiscal incentives such as income tax holidays, exclusions, exemptions, tax deductions, special credit, preferential rate of tax, a deferral of tax liability or other tax benefit granted to an RBE.

SECTION 341. *Legislation on Tax Incentives.* — Any law granting tax incentives that may hereafter be approved by the Bangsamoro Parliament shall be passed as an amendment or addendum to the relevant provisions of the BRC. Unless it is more appropriate to be incorporated in other sections of the BRC, such amendment or addendum shall be included in the reserved sections under Title VII.

SECTION 342. *Alignment with the Bangsamoro Development Plan.* — The grant of tax incentives shall be consistent with the priorities and goals of the Bangsamoro Development Plan and Bangsamoro Investment Priorities Plan.

SECTION 343. *Conduct of Cost-Benefit Analysis of Tax Expenditures.* — Before any bill resulting in tax expenditures shall be passed by the Bangsamoro Parliament, the BPDA in coordination with the MFBM shall conduct a cost-benefit analysis on the proposals to determine its impact on the Bangsamoro economy and fiscal situation. Every three (3) years from the effective date of this Act, the BPDA and MFBM shall also conduct a cost-benefit analysis of existing tax expenditures and publish their reports and recommendations. This is without prejudice to the conduct of cost-benefit analyses when these agencies deem it necessary.

SECTION 344. *Submission of Tax Incentives Reports by RBEs.* — RBEs availing of incentives administered by the IPAs shall file with their respective IPAs a complete annual tax incentives report of their income-based tax incentives, VAT and duty exemptions, deductions, credits, or exclusions from the tax base as provided in the relevant laws or charters, within thirty (30) days from the statutory deadline for filing of tax returns and payment of taxes.

The IPAs shall, within sixty (60) days from the end of the statutory deadline for filing of the relevant tax returns, submit to the BRO, their respective annual tax incentives reports based on the list of the registered business entities who have filed said tax incentives reports, which shall also be shared with the BRO.

SECTION 345. *Monitoring of Investment-Related Tax Incentives.* — The BRO shall prepare a report on the: (a) tax incentives of RBEs as reflected in their filed tax returns; and (b) actual tax incentives as evaluated and determined by the BRO. If needed, the BRO shall coordinate with the BIR to secure data to complete its monitoring of tax incentives. The BRO shall also coordinate with the Bureau of Customs (BOC) to secure the data on the (a) duty incentives of RBEs as reflected in their import entries and (b) actual duty incentives as evaluated and determined by the BOC.

SECTION 346. *Monitoring of Regional Tax Expenditures.* — The BRO shall also monitor and prepare a report on the amount of exemptions, tax discounts, and other investment or and non-investment related tax expenditures resulting from the provisions of the BRC. For this purpose, the provincial, city, and municipal treasurers shall submit the relevant reports as may be required for the implementation of this section.

SECTION 347. *Database on Tax Incentives.* — The MFBM shall maintain a single database for monitoring and analysis of tax incentives granted. The BPDA shall have access to this database for the conduct of the cost-benefit analyses under Section 343 and other studies.

SECTION 348. *Submission of the Monitoring and Transparency Reports during the Annual Budget Hearings.* — For purposes of monitoring and transparency, the MFBM, in coordination with the IPAs, shall prepare the aggregate data on a sectoral and per industry basis of: (1) the amount of tax incentives availed by registered business entities; (2) the estimate claims of tax incentives immediately preceding the current year; (3) the programmed tax incentives for the current year; and (4) the projected tax incentives for the following year. Such information shall be submitted to the Parliament and published on the MFBM website.

TITLE VIII - ORGANIZATION, POWERS, AND FUNCTIONS OF THE BANGSAMORO REVENUE OFFICE

CHAPTER 1 - ORGANIZATION OF THE BANGSAMORO REVENUE OFFICE

ARTICLE 1 - Authority, Structure, and Functions

SECTION 349. *Authority over the Bangsamoro Revenue Office.* - The Bangsamoro Revenue Office (BRO) shall be under the supervision and control of the Ministry of Finance and Budget Management (MFBM).

SECTION 350. *Organizational Structure of the BRO.* — The BRO shall have a chief to be known as Bangsamoro Revenue Office Director, hereinafter referred to as the Director, and two (2) assistant chiefs to be known as Deputy Directors. The Director and Deputy Directors shall have the rank of Director III, and Director II, respectively. They shall be appointed by the Chief Minister, and shall be coterminous based on the trust and confidence of the Chief Minister.

The BRO shall have the following divisions, each headed by a Division Chief:

- (a) Taxpayer Services Division that designs, recommends, and implements policies and programs to improve tax awareness, build tax culture, and facilitate voluntary compliance;
- (b) Collection and Arrears Division that implements collection strategies, policies, and programs, monitors collection of regional taxes, fees and charges by the revenue district offices, agents and deputies; enforces collection of delinquent accounts, including collections through summary remedies and issue Tax Clearance Certificates for regional taxes, fees and charges. It shall also recover and collect arrears and manage forfeited assets within the region;
- (c) Assessment Division that implements assessment and audit strategies, policies, and programs. It shall also review all assessment or verification results made by the revenue district offices and shall recommend to the Director the issuance of the corresponding assessment notices when warranted, subject to relevant revenue circulars issued by the Minister;
- (d) Islamic Finance Division that recommends guidelines in determining whether a transaction is compliant with Islamic Finance principles, and in determining the appropriate tax treatment as per Title V of this Code and relevant laws and regulations. It shall handle tax issues associated with Islamic Finance nominate contracts and transactions;
- (e) Legal Division that prepares and issues legal opinions; assists the Minister in the promulgation of revenue rulings; institutes civil and criminal cases/actions to effect collection of taxes and punishment of tax violators within the BRO's area of jurisdiction and processes claims for tax credit/refund involving erroneous or illegal collection of taxes and protests involving questions of law;
- (f) Information and Communications Technology (ICT) Division that assists the BRO through development, implementation, support, and maintenance of appropriate information and communications systems in order to leverage the provision of quality ICT services and efficient processes to the BRO and the taxpayers; and
- (g) Administration and Finance Division that oversees daily activities related to finance, human resources, procurement, record-keeping, logistics coordination, and other administrative support.

The Minister, upon the recommendation of the Director, shall divide the BARMM into such a number of revenue districts as may from time to time be required for administrative purposes, provided the number of revenue districts shall not exceed ten (10). Each of these districts shall be under the supervision of a Bangsamoro Revenue District Officer (BRDO).

CHAPTER 2 - POWERS AND DUTIES OF THE BANGSAMORO REVENUE OFFICE

SECTION 351. *Scope of Powers and Duties.* — The powers and duties of the BRO shall include the assessment and collection of all regional taxes, fees, and charges; CGT, DST, donor's tax, estate tax, provided all taxable elements are within the BARMM as provided in Section 9(1), Article XII of R.A. No. 11054 and Title IV of this Code; the collection of all other national taxes in the BARMM as provided in Sections 11 and 12, Article XII of R.A. No. 11054 and Title IV of this Code; and the enforcement of all forfeitures, penalties, and fines connected therewith, including the execution of judgments in all cases decided in its favor by courts of competent jurisdiction. The BRO shall give effect to and administer the supervisory and police powers conferred on it by the BRC or other laws.

ARTICLE 1 - Powers of the Bangsamoro Revenue Office

SECTION 352. *Power to Promulgate Rules and Interpret Tax Laws.* – The Minister, upon recommendation of the Director, shall promulgate all needful rules and regulations for the effective enforcement of the provisions of the BRC.

The power to issue rulings of first impression or reverse, to revoke or modify any existing ruling of the BRO, and to interpret the provisions of the BRC and other regional tax laws shall be under the exclusive and original jurisdiction of the MFBM, upon the recommendation of the Director.

SECTION 353. *Non-Retroactivity of Rulings.* - Any revocation, modification or reversal of any of the rules and regulations promulgated in accordance with the preceding Section or any of the rulings or circulars promulgated by the Minister shall not be given retroactive application if the revocation, modification or reversal will be prejudicial to the taxpayers, except in the following cases:

- (a) Where the taxpayer deliberately misstates or omits material facts from his return or any document required of him by the BRO;
- (b) Where the facts subsequently gathered by the BRO are materially different from the facts on which the ruling is based; or
- (c) Where the taxpayer acted in bad faith.

SECTION 354. *Power to Decide Tax Cases.* — The power to decide disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties imposed in relation thereto, or other matters arising under the BRC or other laws or portions thereof administered by the BRO is vested in the Director, subject to the review of the Minister, and then court of competent jurisdiction.

SECTION 355. *Power of the Director to Obtain Information, and to Summon, Examine, and Take Testimony of Persons.* — In ascertaining the correctness of any return, or in making a return when none has been made, or in determining the liability of any person for any internal revenue tax, or in collecting any such liability, or in evaluating tax compliance, the Director is authorized:

- (a) To examine any book, paper, record, or other data which may be relevant or material to such inquiry;
- (b) To obtain on a regular basis from any person other than the person whose regional tax liability is subject to audit or investigation, or request from any office or officer of the national and local governments, government agencies and instrumentalities, including GOCCs, any information relevant to the audit or investigation;
- (c) To summon the person liable for tax, or required to file a return, or any officer or employee of such person, or any person having possession, custody, or care of the books of accounts and other accounting records containing entries relating to the person liable for tax, or any other person, to appear before the Director or his duly authorized representative at a time and place specified in the summons and to produce such books, papers, records, or other data, and to give testimony;
- (d) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry; and
- (e) To cause BRO officers and employees to make a canvass from time to time of any BRDO and inquire after and concerning all persons therein who may be liable to pay any regional tax and all persons owning or having the care, management or possession of any object with respect to which a tax, fee, and charge is imposed.

The provisions of the foregoing paragraphs notwithstanding, nothing in this Section shall be construed as granting the Director the authority to inquire into bank deposits.

SECTION 356. *Power of the Director to Make Assessments and Prescribe Additional Requirements for Tax Administration and Enforcement.* — In addition, the Director or his duly authorized representative, as case may be, shall have the following power:

- (a) *Examination of Returns and Determination of Tax Due.* — After a return has been filed as required under the provisions of the BRC, the Director or his duly authorized representative may authorize the examination of any taxpayer and the assessment of the correct amount of tax, notwithstanding any law requiring the prior authorization of any government agency or instrumentality. *Provided however,* That failure to file a return shall not prevent the Director from authorizing the examination of any taxpayer.

The tax or any deficiency tax so assessed shall be paid upon notice and demand from the Director or from his duly authorized representative.

Any return, statement or declaration filed in any office authorized to receive the same shall not be withdrawn: *Provided,* That within three (3) years from the date of such filing, the same may be modified, changed, or amended: *Provided, further,* That no notice for audit or investigation of such return, statement or declaration has, in the meantime, been actually served upon the taxpayer;

- (b) *Failure to Submit Required Returns, Statements, Reports and other Documents.* — When a report required by law as a basis for the assessment of any regional tax shall not be forthcoming within the time fixed by laws or rules and regulations or when there is reason to believe that any such report is false, incomplete or erroneous, the Director shall assess the proper tax on the best evidence obtainable;

In case a person fails to file a required return or other document at the time prescribed by law, or willfully or otherwise files a false or fraudulent return or other document, the Director shall make or amend the return from his own knowledge and from such information as he can obtain through testimony or otherwise, which shall be *prima facie* correct and sufficient for all legal purposes;

- (c) *Inquiry into Bank Deposit Accounts and Other Related Information Held by Financial Institutions.* — The Director may request the assistance of the Commissioner of the Bureau of Internal Revenue (“Commissioner”) to inquire into the bank deposits and other related information held by financial institutions of:

- (1) A decedent to determine his gross estate; or
- (2) Any taxpayer who has filed an application for compromise of his tax liability under Section 435 of this Code by reason of financial incapacity to pay his tax liability.

In case a taxpayer files an application to compromise the payment of his tax liabilities on his claim that his financial position demonstrates a clear inability to pay the tax assessed, his application shall not be considered unless and until he complies with the requirements of Section 6, Title I of the NIRC, as amended.

- (d) *Authority of the Director to prescribe Additional Procedural or Documentary Requirements.* — The Director may prescribe the manner of compliance with any documentary or procedural requirement in connection with the submission or preparation of financial statements accompanying the tax returns.

SECTION 357. *Authority of the Minister to Delegate Power.* - The Minister may delegate through a regulation the powers vested in him under the pertinent provisions of the BRC to any or such subordinate officials with the rank equivalent to a Director II or higher: *Provided however,* That the following powers of the Minister shall not be delegated:

- (a) The power to promulgate rules and regulations;
- (b) The power to issue rulings of first impression or to reverse, revoke or modify any existing ruling of the Ministry or the BRO;
- (c) The power to assign or reassign BRO officers and employees; and
- (d) The power to compromise or abate any tax liability as stated in Section 435.

SECTION 358. *Authority of the Director to Delegate Power.* — The Director may delegate the powers vested in him under the pertinent provisions of the BRC to any or such subordinate officials with the rank equivalent to a division chief or higher, subject to such limitations and restrictions as may be imposed under rules and regulations promulgated by the Minister, upon recommendation of the Director: *Provided, however,* That the following powers of the Director shall not be delegated:

- (a) The power to recommend the promulgation of rules and regulations by the Minister; and
- (b) The power to recommend the compromise or abatement of any tax liability.

ARTICLE 2 - Duties of the Bangsamoro Revenue Office

SECTION 359. *Duty of the Director to Ensure the Provision and Distribution of Forms, Receipts, Certificates, and Appliances, and the Acknowledgment of Payment of Taxes.* — The following shall be imposed upon the Director:

- (a) *Provision and Distribution to Proper Officials.* — Any law to the contrary notwithstanding, it shall be the duty of the Director, among other things, to prescribe, provide, and distribute to the proper officials the requisite licenses; BRO stamps; unique, secure and nonremovable identification markings (hereafter called unique identification markings), such as codes or stamps; labels and other forms; certificates; bonds; records; invoices; books; receipts; instruments; appliances and apparatus used in administering the laws falling within the jurisdiction of the BRO. For this purpose, BRO stamps, or other markings and labels shall be caused by the Director to be printed with adequate security features;
- (b) *Receipt for Payment Made.* — It shall be the duty of the Director or his duly authorized representative to whom any payment of any tax is made under the provisions of the BRC to acknowledge the payment of such tax, expressing the amount paid and the particular amount for which such payment was made in a form and manner prescribed therefor by the Director.

SECTION 360. *Bangsamoro Revenue District Office* — Under rules and regulations, policies and standards formulated by the Minister, the BRDO shall, within the district office under his jurisdiction, among others:

- (a) Implement laws, policies, plans, programs, rules and regulations of the MFBM and BRO in the area;
- (b) Administer and enforce the BRC, relevant laws, and rules and regulations, including the assessment and collection of all applicable regional taxes, charges and fees;
- (c) Issue Letters of Authority for the examination of taxpayers within the area;
- (d) Provide economical, efficient and effective service to the people in the area;

- (e) Coordinate with BARMM ministries, offices and agencies in the area;
- (f) Coordinate with National Government Agencies in the area;
- (g) Coordinate with LGUs in the area;
- (h) Exercise control and supervision over the officers and employees within the area;
- (i) Perform such other functions as may be provided by law and as may be delegated by the Minister or Director.

SECTION 361. *Duties of BRDO and Other BRO Officers.* — It shall be the duty of every BRDO or other BRO revenue officers and employees to ensure that all laws, and rules and regulations affecting regional taxes, fees and charges, and national internal revenue, as may be applicable, are faithfully executed and complied with and to aid in the prevention, detection and punishment of frauds or delinquencies in connection therewith.

It shall be the duty of every BRDO to examine the efficiency of all officers and employees of the BRO under his supervision, and to report in writing to the Minister, through the Director, any neglect of duty, incompetency, delinquency, or malfeasance in office of any internal revenue officer of which he may obtain knowledge, with a statement of all the facts and any evidence sustaining each case.

SECTION 362. *Agents and Deputies for Collection of Regional Taxes, Fees, and Charges.* — The following are hereby constituted agents of the Commissioner:

- (a) The provincial, city, or municipal treasurers, barangay treasurers and other officials of the LGUs with respect to regional taxes under Title II of this Code, subject to institutional arrangements with the BLGF;
- (b) The head of the appropriate ministry, office or agency, and his subordinates with respect to the collection of taxes in Title II, Chapter 2, Article 6 and Title II, Chapter 4 of this Code;
- (c) Entities duly accredited by the Director with respect to the taxes under Title II, Chapter 5 of this Code; and
- (d) Banks duly accredited by the Director with respect to receipt of payments of regional taxes, fees, and charges, and applicable national taxes authorized to be made through banks.

Any officer or employee of an authorized agent bank assigned to receive regional revenue payments and transmit tax returns or documents to the BRO shall be subject to the same sanctions and penalties prescribed in Sections 395 and 396 of this Code.

SECTION 363. *Authority of a Revenue Officer.* — Subject to the rules and regulations to be prescribed by the Minister, upon recommendation of the Director, a Revenue Officer assigned to perform assessment functions in any district may, pursuant to a Letter of Authority issued by the Director, examine taxpayers within the jurisdiction of the district in order to collect the correct amount of tax, or to recommend the assessment of any deficiency tax due in the same manner that the said acts could have been performed by the Director himself.

SECTION 364. *Authority of Officers to Administer Oaths and Take Testimony.* — The Director, Deputy Director, Division Chiefs, BRDO, Revenue Officers, special deputies of the Director, other revenue officers and any other employee of the BRO thereunto especially deputized by the Director shall have the power to administer oaths and to take testimony in any official matter or investigation conducted by them regarding matters within the jurisdiction of the BRO.

SECTION 365. *Authority of BRO Officers to Make Arrests and Seizures.* — The Director, the Deputy Director, the BRDO and other revenue officers shall have authority to make arrests and seizures for the violation of any penal law, rule or regulation administered by the BRO. Any person so arrested shall be forthwith brought before a court, there to be dealt with according to law.

SECTION 366. *Assignment of Revenue Officers Involved in Excise Tax Functions to Establishments Where Articles Subject to Excise Tax are Produced or Kept.* — The Minister, upon the recommendation of the Director, shall employ, assign, or reassign revenue officers involved in excise tax functions, if any, as often as the exigencies of the revenue service may require, to establishments or places where articles subject to excise tax are produced or kept: *Provided*, That a revenue officer assigned to any such establishment shall in no case stay in his assignment for more than two (2) years, subject to rules and regulations to be prescribed by the Minister, upon the recommendation of the Director.

SECTION 367. *Assignment of Revenue Officers and Other Employees to Other Duties.* — The Minister may, subject to the provisions of Section 366 and the laws on civil service, upon the recommendation of the Director, assign or reassign internal revenue officers and employees of the BRO, without change in their official rank and salary, to other or special duties connected with the enforcement or administration of the BRC as the exigencies of the service may require: *Provided*, That revenue officers assigned to perform assessment or collection functions shall not remain in the same assignment for more than three (3) years: *Provided further*, That assignment of revenue officers and employees of the BRO to special duties shall not exceed one (1) year.

SECTION 368. *Reports on Violation of Laws.* — When a revenue officer discovers evidence of a violation of the BRC or of any law, rule or regulation administered by the BRO, of such character as to warrant the institution of criminal proceedings, he shall immediately report the facts to the Director, through his immediate superior, giving the name and address of the offender and the names of the witnesses, if possible: *Provided*, That in urgent cases, the BRDO, as the case may be, may send the report to the corresponding prosecuting officer. In the latter case, a copy of his report shall be sent to the Director.

SECTION 369. *Contents of Director's Annual Report.* — The Annual Report of the Director shall contain detailed statements of the collections of the BRO with specifications of the sources of revenue by type of tax, by manner of payment, by RDO and by industry group and its disbursements by classes of expenditures, and/or relevant category.

In case the actual collection exceeds or falls short of target as set in the annual Bangsamoro budget by fifteen percent (15%) or more, the Director shall explain the reasons for such excess or shortfall.

SECTION 370. *Submission of Report and Pertinent Information by the Director.* — The Director shall, upon request of the Parliament and in aid of legislation, furnish its appropriate Committee pertinent information including but not limited to: industry audits, collection performance data, status reports in criminal actions initiated against persons and taxpayer's returns: *Provided however*, That any return or return information which can be associated with, or otherwise identify, directly or indirectly, a particular taxpayer shall be furnished the appropriate Committee of the Parliament only when sitting in Executive Session unless such taxpayer otherwise consents in writing to such disclosure.

ARTICLE 3 - MISCELLANEOUS PROVISIONS

SECTION 371. *Applicability.* – The provisions hereunder shall apply to regional taxes, fees, and charges under Titles II, III, and V of this Code as well as the capital gains tax (CGT), documentary stamp tax (DST), donor’s tax, and estate tax, provided all taxable elements are within the BARMM as provided in Article XII, Section 9 of Republic Act No. 11054 and Title IV of this Code.

The provisions of this Title are without prejudice to requirements or reports that may be required by the MFBM or the BRO pursuant to IFPB resolutions, implementing rules, memorandum circulars, or orders.

SECTION 372. *Registration Requirements.* – The following provisions on registration requirements shall be observed.

- (a) *Requirements.* — Every person subject to any tax imposed by this Code shall register once with the appropriate Bangsamoro Revenue District Officer:
- (1) On or before the commencement of business; or
 - (2) Before payment of any tax due; or
 - (3) Upon filing of a return, statement or declaration as required in this Code.

A person registering must inform the Bangsamoro Revenue District Officer previously issued Taxpayer Identification Number (TIN) issued by the Bureau of Internal Revenue.

A person maintaining a head office, branch or facility shall register with the Bangsamoro Revenue District Officer having jurisdiction over the head office, branch, or facility. For purposes of this Section, the term “*facility*” may include but not be limited to sales outlets, places of production, warehouses, or storage places.

The registration shall contain the taxpayer’s name, style, place of residence, business and such other information as may be required by the Director in the form prescribed therefor.

- (b) *Annual Registration Fee.* — An annual registration fee in the amount of five hundred pesos (PhP 500.00) for every separate or distinct establishment or place of business, including facility types where sales transactions occur, shall be paid upon registration and every year thereafter on or before the last day of January: *Provided however*, That cooperatives are not liable to the registration fee herein imposed.

The registration fee shall be paid to an authorized agent bank located within the Bangsamoro Revenue District Office, or to the duly authorized Bangsamoro Revenue Officer or Treasurer of the city or municipality where each place of business or branch is registered.

- (c) *Registration of Each Type of Tax.* — Every person who is required to register with the BRO under Subsection (a) hereof, shall register each type of tax for which he is obligated, shall file a return and shall pay such taxes, and shall update such registration of any changes in accordance with Subsection (e) hereof.

- (d) *Transfer of Registration.* — In case a registered person decides to transfer his place of business or his head office or branches, it shall be his duty to update his registration status by filing an application for registration information update in the form prescribed therefor.
- (e) *Other Updates.* — Any person registered in accordance with this Section shall, whenever applicable, update his registration information with the Bangsamoro Revenue District Office where he is registered, specifying therein any change in tax type and other taxpayer details.
- (f) *Cancellation of Registration.* — The registration of any person who ceases to be liable to a tax type shall be cancelled upon filing with the Bangsamoro Revenue District Office where he is registered, an application for registration information update in a form prescribed therefor.
- (g) *Supplying of Bangsamoro Taxpayer Identification Number (TIN).* — Any person required under the authority of this Code to make, render or file a return, statement or other document shall be supplied with or assigned a Bangsamoro TIN which he shall indicate in such return, statement or document filed with the BRO for his proper identification for tax purposes, in addition to the TIN issued by the Bureau of Internal Revenue, and which he shall indicate in certain documents used within BARMM, such as, but not limited to, the following:
- (1) Documents to be registered with the Register of Deeds or Assessor's Office;
 - (2) Registration certificate of transportation equipment by land, sea or air;
 - (3) Building construction permits;
 - (4) Application for mayor's permit; and
 - (5) Such other documents may hereafter be required under rules and regulations to be promulgated by the Minister of Finance, Budget and Management, upon recommendation of the Director.

In cases where a registered taxpayer dies, the administrator or executor shall register the estate of the decedent in accordance with Subsection (a) hereof and a new Bangsamoro TIN shall be supplied in accordance with the provisions of this Section.

Only one Bangsamoro TIN shall be assigned to a taxpayer. Any person who secure more than one Taxpayer Identification Number shall be criminally liable under Section 383 of this Code.

SECTION 373. *Compliance Requirements.* — The following provisions on compliance requirements shall be observed.

- (a) *In General.* — The relevant provisions of Title IX of the NIRC, as amended, shall be complied with by taxpayers registered with the BRC: Provided, that, the MFBM, upon the recommendation of the BRO, shall issue pertinent rules and regulations on the compliance requirements and procedures for taxes imposed by this Code.

(b) *Keeping of Books of Accounts, Journals, and Ledgers.* — All taxpayers who are engaged in business and are required by this Code to pay taxes shall keep and use relevant and appropriate set of bookkeeping records prescribed by the NIRC, as amended, and relevant rules and regulations wherein all transactions and results of operations are shown and from which all taxes due the Bangsamoro Government may readily and accurately be ascertained and determined any time of the year: Provided, that, if the taxpayers keep subsidiary books, they shall form part of the accounting system of the taxpayer and shall be subject to the same rules and regulations as to their keeping, translation, production and inspection as are applicable to the journal and the ledger.

(c) *Preservation of Books of Accounts and Other Accounting Records.* — All the books of accounts, including the subsidiary books and other accounting records of taxpayers engaged in business and are required by this Code to pay taxes, shall be preserved by them for a period beginning from the last entry in each book until the last day prescribed by Section 428 within which the Director is authorized to make an assessment. The said books and records shall be subject to examination and inspection by Bangsamoro revenue officers: Provided, that, such examination and inspection shall be made only once in a taxable year, except in the following cases:

- (1) Fraud, irregularity, or mistakes, as determined by the Director;
- (2) The taxpayer requests reinvestigation;
- (3) Verification of capital gains tax liabilities; and
- (4) In the exercise of the Director's power under Section 355 to obtain information from other persons in which case, another or separate examination and inspection may be made.

Examination and inspection of books of accounts and other accounting records shall be done in the taxpayer's office or place of business or in the office of the BRO. All taxpayers who retire from business shall, within ten (10) days from the date of retirement or within such period of time as may be allowed by the Director in special cases, submit their books of accounts, including the subsidiary books and other accounting records to the BRO for examination, after which they shall be returned.

The books of accounts and other pertinent records of tax-exempt organizations or grantees of tax incentives by the Bangsamoro Government shall be subject to examination by the BRO for purposes of ascertaining compliance with the conditions under which they have been granted tax exemptions or tax incentives, and their tax liability, if any.

(d) *Exhibition of Certificate of Payment at Place of Business.* — The certificate or receipts showing payment of taxes issued to a person engaged in a business subject to an annual registration fee shall be kept conspicuously exhibited in plain view in or at the place where the business is conducted; and in case of a peddler or other persons not having a fixed place of business, shall be kept in the possession of the holder thereof, subject to production upon demand of any Bangsamoro revenue officer.

(e) *Continuation of Business of Deceased Person.* — When any individual who has paid the annual registration fee dies, and the same business is continued by the person or persons interested in his estate, no additional payment shall be required for the residue of the term of which the tax was paid: Provided, however, That the person or persons interested in the estate should, within thirty (30) days from the death of the

decedent, submit to the BRO inventories of goods or stocks had at the time of such death.

The requirement under this Section shall also be applicable in the case of transfer of ownership or change of name of the business establishment.

- (f) *Removal of Business to Other Location.* — Any business for which the annual registration fee has been paid may, subject to the rules and regulations prescribed by the Minister of Finance, Budget and Management, upon recommendation of the Director, be removed and continued in any other place without the payment of additional tax during the term for which the payment was made.

SECTION 374. *Accounting of Collection.* - All moneys collected by virtue of this Code shall be accounted for in accordance with the provisions of existing law, rules and regulations of relevant laws, rules, and regulations, and shall be credited to the general fund of the Bangsamoro Government.

SECTION 375. *Records of Taxpayers.* - It shall be the duty of the BRO to keep records of the taxpayer, including personal information, payment, schedule, arrears, and other relevant information, in accordance with Republic Act No. 10173 and its Implementing Rules and Regulations.

TITLE IX — OFFENSES AND PENALTIES

CHAPTER 1 —General Provisions

SECTION 376. *Application of Title.* - The provisions of this Title shall apply to regional taxes, fees, and charges under Titles II, III and V of this Code as well as the CGT, DST, donor's tax, and estate tax, provided all taxable elements are within the BARMM as provided in Section 9, Article XII, of R.A. No. 11054 and Title IV of this Code.

This Title is without prejudice to the collection of deficiencies and imposition of penalties under relevant national laws, rules, and regulations.

CHAPTER 2 —Administrative Offenses and Penalties

ARTICLE 1 — Fines and Penalties

SECTION 377. *Surcharge on Unpaid Regional Taxes.* - There shall be levied, assessed, and collected, a surcharge at the rate of twenty-five percent (25%) of the taxes which are not paid on time. This provision shall apply to the following:

- (a) Tax on Transfer of Real Property
- (b) Tax on Luxury Residences
- (c) Tax on Banks and Other Financial Institutions

- (d) Tax on Business of Printing and Publication
- (e) Tax on Franchises
- (f) Amusement Tax
- (g) Tax on Delivery Vans and Trucks
- (h) Sand and Gravel Tax
- (i) Tax on Fishery and Aquatic Resources
- (j) Tax on Agricultural Products
- (k) Regional Natural Wealth Utilization and Development Tax
- (l) Social Amelioration Tax
- (m) Excise Tax on Plastic Bags
- (n) Visual Obstruction and Detraction Tax

For the tax on luxury residences, the taxpayer shall be liable for the surcharge if it proceeds with the construction of the Residential Unit without paying the tax.

SECTION 378. *Surcharge on Unpaid National Taxes with Situs in the BARMM.* - In the implementation of this Article, the following provisions shall apply:

- (a) There shall be levied, assessed, and collected, in addition to the tax required to be paid, a surcharge at the rate of twenty-five percent (25%) of the amount due, in the following cases:
 - (1) Failure to file any return and pay the tax due thereon as required under the provisions of this Code or rules and regulations on the date prescribed; or
 - (2) Unless otherwise authorized by the Director, filing a return with an internal revenue officer other than those with whom the return is required to be filed; or
 - (3) Failure to pay the deficiency tax within the time prescribed for its payment in the notice of assessment; or
 - (4) Failure to pay the full or part of the amount of tax shown on any return required to be filed under the provisions of the BRC or rules and regulations, or the full amount of tax due for which no return is required to be filed, on or before the date prescribed for its payment.
- (b) In case of willful neglect to file the return within the period prescribed by the BRC or by rules and regulations, or in case a false or fraudulent return is willfully made, the penalty to be imposed shall be fifty percent (50%) of the tax or of the deficiency tax, in case any payment has been made on the basis of such return before the discovery of the falsity or fraud: *Provided*, That a substantial underdeclaration of gross taxable value, or a substantial overstatement of deductions, as determined by the Director pursuant to the rules and regulations to be promulgated by the Minister, shall constitute *prima facie* evidence of a false or fraudulent return: *Provided further*, That failure to report value in an amount exceeding thirty percent (30%) of that declared per return, and a claim of deductions in an amount exceeding thirty percent (30%) of actual deductions, shall render the taxpayer liable for substantial underdeclaration of value or for overstatement of deductions, as mentioned herein.

(c) The additions to the tax or deficiency tax prescribed in this Section shall apply to the following:

- (1) Capital gains tax (CGT);
- (2) Documentary stamp tax (DST);
- (3) Donor's tax; and
- (4) Estate tax imposed in the BRC.

The amount so added to the tax shall be collected at the same time, in the same manner, and as part of the tax.

(d) If the withholding agent is the Bangsamoro Government or any of its ministries, offices and agencies, political subdivisions or instrumentalities, or government-owned or -controlled corporation, the employee thereof responsible for the withholding and remittance of the tax shall be personally liable for the additions to the tax prescribed herein. In case the withholding agent is from a national government agency or instrumentality, the BRO shall seek assistance from the said national government agency or instrumentality or the BIR in enforcing this provision.

(e) The term "person", as used in this Section, includes an officer or employee of a corporation who as such officer, employee or member is under a duty to perform the act in respect of which the violation occurs.

SECTION 379. *Specific Offenses and Penalties Involving Regional Taxes* - The following shall be penalized, without prejudice to other penalties that may be provided by laws or other administrative regulations:

(a) *Social Amelioration Tax under Title II, Chapter 5, Article 1 of this Code.* - In the implementation of Article XX on social amelioration tax, there shall be levied, assessed, and collected, reasonable fines and penalties, based on the following:

Violation	Penalty (PhP)	
Failure of a proprietor to implement a ticketing or monitoring system	1st Offense	Fine of 5, 000
	2nd Offense	Fine of 10, 000
	3rd and Subsequent Offenses	Fine of 20,000
Implementation by a proprietor of a ticketing or monitoring system that is ineffective in accurately monitoring the total number of admissions.	1st Offense	Fine of 5, 000
	2nd Offense	Fine of 10, 000
	3rd and Subsequent Offenses	Fine of 20,000

(b) *Excise Tax on Plastic Bags under Title II, Chapter 5, Article 2 of this Code.* - In the implementation of Article XX on excise tax on plastic bags, there shall be levied, assessed, and collected, reasonable fines and penalties, based on the following:

Violation	Penalty (PhP)	
Failure of an establishment to collect or remit the excise tax collected from consumers	1st Offense	Fine of 10, 000
	2nd Offense	Fine of 20, 000
	3rd and Subsequent Offenses	Fine of 40,000
Failure of an establishment to post the graphical information required in Section 79	1st Offense	Fine of 5, 000
	2nd Offense	Fine of 10, 000
	3rd and Subsequent Offenses	Fine of 20,000
Failure of an establishment to indicate the number of plastic bags provided to their customers and the total amount of the excise tax charged on any transaction receipt or invoice	1st Offense	Fine of 5, 000
	2nd Offense	Fine of 10, 000
	3rd and Subsequent Offenses	Fine of 20,000
Misrepresentation by a customer or buyer in order to benefit from the exemptions provided under Section 77	1st Offense	Fine of 5, 000
	2nd Offense	Fine of 10, 000
	3rd and Subsequent Offenses	Fine of 20,000

(c) *Visual Obstruction and Detraction Tax under Title II, Chapter 5, Article 3 of this Code.* - In the implementation of Article XX on visual obstruction and detraction tax, there shall be levied, assessed, and collected, reasonable fines and penalties, based on the following:

Violation	Penalty (PhP)	
Failure of the Outdoor Advertising Sign Owner to pay the excise tax under this Article	1st Offense	Fine of 10,000
	2nd Offense	Fine of 20,000
	3rd and Subsequent Offenses	Fine of 40,000
Displaying of an Outdoor Advertising Sign without a QR Code issued by the BRO or its deputies	1st Offense	Fine of 5, 000
	2nd Offense	Fine of 10, 000
	3rd and Subsequent Offenses	Fine of 20,000
Failure to remove an Outdoor Advertising Sign after the period covered by the excise tax payment has lapsed	1st Offense	Fine of 5,000
	2nd Offense	Fine of 10,000
	3rd and Subsequent Offenses	Fine of 20,000
Misrepresentation by an Outdoor Advertising Owner to benefit from the exemptions provided under Section 82	1st Offense	Fine of 5,000
	2nd Offense	Fine of 10,000
	3rd and Subsequent Offenses	Fine of 20,000

SECTION 380. *Specific Offenses and Penalties Involving Regional Fees and Charges* - The following shall be penalized, without prejudice to other penalties that may be provided by laws or other administrative regulations:

(a) *Operation of Public Land Transportation Services under Title III, Chapter 2, Article 1.* - In the implementation of Title III, Chapter 2, Article 1 of this Code on the operation of public transportation services within the BARMM, there shall be levied, assessed, and collected, reasonable fines and penalties, based on the following:

Violations	Penalties			
Violation in Connection with Franchise				
<p>Colorum Violation - A motor vehicle is considered operating as "colorum" under any of the following circumstances:</p> <p>(a) A private motor vehicle operating as a public utility vehicle (PUV) but without proper authority from the BLTFRB;</p> <p>(b) A PUV operating outside of its approved route or area without a prior permit from the BLTFRB or outside the exceptions provided under existing memorandum circulars;</p> <p>(c) A PUV operating differently from its authorized denomination (ex. Those approved as school service but operating as utility vehicle (UV) express, or those approved as tourist bus transport but operating as city or provincial bus);</p> <p>(d) A PUV with suspended or cancelled CPC and the Decision/Order of suspension or cancellation is executory; and</p> <p>(e) A PUV with expired CPC and without a pending application for extension of validity timely filed before the BLTFRB.</p>	Type of Vehicle	Penalties for First (1st) Offense		
		Fine (PhP)	Min. Impounding Period (unit)	Status of CPC
	Bus	1 Million	3 mos.	<p>Revocation of the CPC where the apprehended vehicle belongs;</p> <p>Blacklisting of the apprehended vehicle and all other authorized units included in the CPC from being used as a PUV; and</p> <p>Revocation of the registration of the apprehended vehicle and all other authorized units included in the CPC from being used as a PUV</p>
	Trucks	200,000.00	3 mos.	-same as above-
	Jeepney	50,000.00	3 mos.	-same as above-
	Vans	200,000.00	3 mos.	-same as above-
	Sedan	120,000.00	3 mos.	-same as above-
	Motor-cycle(MC)	6,000.00	3 mos.	-same as above-
<p>For the commission of 2nd Offense, the penalty shall be:</p> <p>(a) Revocation of all CPCs of the entire fleet of the operator;</p> <p>(b) Disqualification of the operator, and, in case of a corporation, all its stockholders and directors, to operate any kind of public land transportation;</p>				

	<p>(c) Blacklisting of all authorized units of the entire fleet of the operator from being used as PUV; and</p> <p>(d) Revocation of the registration of all authorized units of the entire fleet of the operator.</p> <p>In determining the frequency of offenses, the BLTFRB will count offenses against operators and not against a particular motor vehicle or CPC.</p> <p>Hence, the second apprehension of a vehicle belonging to the same operator regardless of whether the first and second vehicle apprehended are included in the same or different CPCs, shall be counted as second offense.</p> <p>If a private motor vehicle operating as a PUV but without proper authority from the BLTFRB is apprehended, the BLTFRB shall, in addition to the abovementioned fines, impounding, and penalty, disqualify the registered owner, and, in case of a corporation, all its stockholders and directors, to operate any kind of public land transportation.</p>						
Refusal to render service to the public or convey passenger to destination	<table border="0"> <tr> <td>1st Offense</td> <td>Fine of PhP 5,000</td> </tr> <tr> <td>2nd Offense</td> <td>Fine of PhP 10,000 + Impounding of unit for 30 days</td> </tr> <tr> <td>3rd and Subsequent Offenses</td> <td>Fine of PhP 15,000 + Cancellation of CPC where the unit belongs</td> </tr> </table>	1st Offense	Fine of PhP 5,000	2nd Offense	Fine of PhP 10,000 + Impounding of unit for 30 days	3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
1st Offense	Fine of PhP 5,000						
2nd Offense	Fine of PhP 10,000 + Impounding of unit for 30 days						
3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs						
Overcharging/Undercharging of fare	<table border="0"> <tr> <td>1st Offense</td> <td>Fine of PhP 5,000</td> </tr> <tr> <td>2nd Offense</td> <td>Fine of PhP 10,000 + Impounding of unit for 30 days</td> </tr> <tr> <td>3rd and Subsequent Offenses</td> <td>Fine of PhP 15,000 + Cancellation of CPC where the unit belongs</td> </tr> </table>	1st Offense	Fine of PhP 5,000	2nd Offense	Fine of PhP 10,000 + Impounding of unit for 30 days	3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
1st Offense	Fine of PhP 5,000						
2nd Offense	Fine of PhP 10,000 + Impounding of unit for 30 days						
3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs						
Failure to provide proper body markings	<table border="0"> <tr> <td>1st Offense</td> <td>Fine of PhP 5,000</td> </tr> <tr> <td>2nd Offense</td> <td>Fine of PhP 10,000 + Impounding of unit for 30 days</td> </tr> <tr> <td>3rd and Subsequent Offenses</td> <td>Fine of PhP 15,000 + Cancellation of CPC where the unit belongs</td> </tr> </table>	1st Offense	Fine of PhP 5,000	2nd Offense	Fine of PhP 10,000 + Impounding of unit for 30 days	3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
1st Offense	Fine of PhP 5,000						
2nd Offense	Fine of PhP 10,000 + Impounding of unit for 30 days						
3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs						
No franchise/CPC or evidence of franchise presented during apprehension or carried inside the motor vehicle	<table border="0"> <tr> <td>1st Offense</td> <td>Fine of PhP 5,000</td> </tr> <tr> <td>2nd Offense</td> <td>Fine of PhP 10,000 + Impounding of unit for 30 days</td> </tr> <tr> <td>3rd and Subsequent Offenses</td> <td>Fine of PhP 15,000 + Cancellation of CPC where the unit belongs</td> </tr> </table>	1st Offense	Fine of PhP 5,000	2nd Offense	Fine of PhP 10,000 + Impounding of unit for 30 days	3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
1st Offense	Fine of PhP 5,000						
2nd Offense	Fine of PhP 10,000 + Impounding of unit for 30 days						
3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs						
Fraud and falsities such as presentation of fake and spurious CPC, OR/Certificate of Registration (CR), plates, stickers and tags	Revocation/Cancellation of the franchise/CPC, after due notice of hearing pursuant to LTFRB Memorandum Circular No. 2013-003						
Hiring reckless, insolent, discourteous or arrogant driver	<table border="0"> <tr> <td>1st Offense</td> <td>Fine of PhP 5,000</td> </tr> <tr> <td>2nd Offense</td> <td>Fine of PhP 10,000 + Impounding of unit for 30 days</td> </tr> <tr> <td>3rd and Subsequent Offenses</td> <td>Fine of PhP 15,000 + Cancellation of CPC where the unit belongs</td> </tr> </table>	1st Offense	Fine of PhP 5,000	2nd Offense	Fine of PhP 10,000 + Impounding of unit for 30 days	3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
1st Offense	Fine of PhP 5,000						
2nd Offense	Fine of PhP 10,000 + Impounding of unit for 30 days						
3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs						
Allowing an unauthorized driver to drive PUV or allowing a driver to drive PUV without bringing	<table border="0"> <tr> <td>1st Offense</td> <td>Fine of PhP 5,000</td> </tr> </table>	1st Offense	Fine of PhP 5,000				
1st Offense	Fine of PhP 5,000						

his/her driver's license	2nd Offense 3rd and Subsequent Offenses	Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Operating the unit/s with defective parts and accessories	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Failure to provide fare discount to those entitled under existing laws and pertinent regulations of the BLTFRB	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Failure to provide the BLTFRB with complete, correct, and updated operator's information (such as, but not limited to, address, contact numbers, list of drivers, etc.) and other forms of misrepresentation	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Failure to display "No Smoking" signage and/or allowing personnel or passenger to smoke inside the vehicle	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Fast, tampered, defective taximeter or operating without or with an old seal taximeter (Taxi only)	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Tampered, broken, joined, reconnected, fake or altered sealing wire (Taxi only)	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Violation of color scheme or design/Adoption of new color design without authority from the BLTFRB [Public Utility Bus (PUB) and Taxi only]	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Unregistered or unauthorized trade/business name (PUB and Taxi only)	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs

No Panel Route (Public Utility Jeep (PUJ), PUB, UV)	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
No sign board (PUJ, PUB, UV)	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belong
Pick up and Drop off of Passengers outside the designated terminals or stops (PUJ, PUB, UV)	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Carrying of illegal and/or prohibited cargoes	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Failure to provide fire extinguisher and required "STOP and GO" signage for use of each vehicle [applicable to School Transport Service (STS) only]	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Trip cutting (PUJ, PUB, UV)	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Failure to display fare matrix (PUJ, PUB, UV)	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Failure to display the International Symbol of Accessibility inside the units and/or failure to designate seats specifically for the use of Persons with Disabilities (PWDs) or Failure or refusal to transport PWDs (PUJ, PUB, TTS, UV)	1st Offense 2nd Offense 3rd and Subsequent Offenses	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
Breach of franchise conditions under 2011 Revised Terms and Conditions of CPC not otherwise herein provided.	1st Offense 2nd Offense	Fine of PhP 5,000 Fine of PhP 10,000 + Impounding of unit for 30 days

	3rd and Subsequent Offenses	Fine of PhP 15,000 + Cancellation of CPC where the unit belongs
--	-----------------------------	---

Except in cases of colorum violation, as provided above, the MFBM-BLTFRB, in the application of these fines and penalties, shall count offenses against operators and not against a particular motor vehicle or CPC. Hence, the second offense committed by a different vehicle of the same operator shall be counted as second offense and another offense by a third vehicle of the same operator shall be counted as a third offense, provided all apprehended vehicles belong to the same CPC.

(b) *License and Registration of Land Transportation Vehicles under Title III, Chapter 2, Article 2.* - In the implementation of Title III, Chapter 2, Article 2 of this Code on the licensing and registration of land transportation vehicles within the BARMM, there shall be levied, assessed, and collected, reasonable fines and penalties, based on the following:

(1) There shall be imposed a weekly surcharge of one hundred pesos (PhP 100.00) for MCs/tricycles, and two hundred pesos (PhP 200.00) for other MV for late payment of registration fees: *Provided further*, That if the payment is made after a month, a penalty at the rate of fifty percent (50%) based on the MV registration fee due shall be collected for delinquent registration in lieu of the weekly surcharge.:

(2) The penalty for expired license shall be based on the following schedule:

Penalties	1 day to 1 year	1 year and 1 day to 2 years	2 years & 1 day to 10 years
	(PhP)		
Non-Professional	75.00	150.00	225.00
Professional	75.00	150.00	225.00

(3) The penalty for violations in connection with licensing shall be based on the following schedule:

Violation	Fines (PhP)				Accessory Penalty/ Other Requirements
	Private		For-Hire		
	Driver	MV Owner	Driver	Operator	
Driving Without valid driver's license/ conductor's permit	3,000.00	None			Disqualification from granting of driver's license and driving a MV for a period of 1 year.
1st offense	None	None	3,000.00	5,000.00	Disqualification from granting of driver's license and driving a MV for a period of 1 year.
2nd offense	None	None	3,000.00	10,000.00	Impoundment of unit for 30 days

3rd offense and subsequent offense Includes the following:	None	None	3,000.00	15,000.00	Cancellation of CPC
● Driving with delinquent or expired license	3,000.00	None	3,000.00	None	None
● Driving with suspended or revoked or improper license	3,000.00	None	3,000.00	None	Disqualification from granting of driver's license and driving a MV for a period of 1 year.
● Inappropriate driver's license restriction code	3,000.00	None	3,000.00	None	Disqualification from granting of driver's license and driving a MV for a period of 1 year.
● Inappropriate driver's license classification	3,000.00	None	3,000.00	None	Disqualification from granting of driver's license and driving a MV for a period of 1 year.
● Possession and use of fake/spurious driver's license	3,000.00	None	3,000.00	None	Disqualification from granting of driver's license and driving a MV for a period of 1 year.
● Tourist driving a MV with a valid foreign driver's license beyond the 90-day max. allowable period	3,000.00	None	3,000.00	None	Disqualification from granting of driver's license and driving a MV for a period of 1 year.
● Student driver driving without being accompanied by a duly licensed driver.	3,000.00	None	3,000.00	None	Disqualification from granting of driver's license and driving a MV for a period of 1 year.
Driving a MV used in the commission of a crime upon conviction by a regular court of competent jurisdiction	10,000.00	None	10,000.00	None	Confiscation and revocation of driver's license upon the conviction and disqualification from granting of driver's license and driving a MV. Impoundment of MV until ordered to be released by a regular court of competent jurisdiction.
Commission of a crime in the course of Apprehension upon conviction by a regular court of competent jurisdiction	10,000.00	None	10,000.00	None	Confiscation and revocation of driver's license upon the conviction and disqualification from granting of driver's license and driving a MV. Impoundment of MV until ordered to be released by a regular court of competent jurisdiction.
Driving while under the influence of alcohol and/or prohibited drugs	10,000.00	None	10,000.00	None	For Non-Professional Driver's License First Conviction - confiscation and suspension of driver's license for 12 months. Second Conviction - revocation of driver's license For Professional Driver's License First Conviction - confiscation and perpetual revocation
Reckless driving					This includes driving an unregistered vehicle under the succeeding table.

1st offense	2,000.00	None	2,000.00	None	Suspension of driver's license for 3 months. Suspension of driver's license for 6 months and revocation on the succeeding offense.
2nd offense	3,000.00	None	3,000.00	None	
3rd and subsequent offense	10,000.00	None	10,000.00	None	
Submission of fake documents in driver's license application (new/renewal)	3,000.00	None	3,000.00	None	Driver's license shall be put on alarm, revocation and disqualification of granting license and driving for a period of 1 year.
Failure to wear the prescribed seatbelt device and/or failure to require the front seat passenger to wear seatbelt					This includes allowing a 6 years old and below to be seated in front passenger seat.
1st offense	1,000.00	None	1,000.00	None	Suspension of driver's license for 1 week for the 3rd and each succeeding offense.
2nd offense	2,000.00	None	2,000.00	None	
3rd Offense and subsequent offense	5,000.000	None	5,000.000	None	
Failure to post appropriate seatbelt signage (for PUV)	None	None	3,000.00	3,000.00	For PUV's both the operator and the driver are liable to pay the said fine for every violation.
Failure to wear the standard protective MC helmet or failure to require the back rider to wear standard protective MC helmet					
1st offense	1,500.00	None	None	None	None
2nd offense	3,000.00	None	None	None	None
3rd offense and subsequent offense	5,000.00	None	None	None	None
4th offense and succeeding offenses	10,000.00	None	None	None	None
Failure to carry Driver's License, OR/CR while driving	1,000.00	None	1,000.00	None	None
All other violations of traffic rules and regulations:					
● Illegal Parking	1,000.00	None	1,000.00	None	None
● Disregarding Traffic Signs	1,000.00	None	1,000.00	None	None
● Allowing passengers on top or cover of a motor vehicle except in a truck helper	1,000.00	None	1,000.00	None	None
● Failure to provide canvass cover to cargos or freight of trucks requiring the same	1,000.00	None	1,000.00	None	None
● Permitting passenger to ride on running board, stepboard or	1,000.00	None	1,000.00	None	None

mudguard of MV					
● Failure to dim headlights when approaching another vehicle	1,000.00	None	1,000.00	None	None
● Driving in a place not intended for traffic or into place not allowed for parking	1,000.00	None	1,000.00	None	None
● Hitching or permitting a person or a bicycle, motorcycle, tricycle or skate roller to hitch to a MV	1,000.00	None	1,000.00	None	None
● Driving against traffic rules	1,000.00	None	1,000.00	None	None
● Illegal turn	1,000.00	None	1,000.00	None	None
● Illegal overtaking	1,000.00	None	1,000.00	None	None
● Overtaking at unsafe distance	1,000.00	None	1,000.00	None	None
● Cutting an overtaken vehicle	1,000.00	None	1,000.00	None	None
● Failure to give way to an overtaking vehicle	1,000.00	None	1,000.00	None	None
● Increasing speed when being overtaken	1,000.00	None	1,000.00	None	None
● Overtaking when left side is not visible or clear	1,000.00	None	1,000.00	None	None
● Overtaking upon a crest of a grade	1,000.00	None	1,000.00	None	None
● Overtaking upon a curve	1,000.00	None	1,000.00	None	None
● Overtaking at any railway grade crossing	1,000.00	None	1,000.00	None	None
● Overtaking at an intersection	1,000.00	None	1,000.00	None	None
● Overtaking on "men working" or "caution" signs	1,000.00	None	1,000.00	None	None
● Overtaking at no overtaking zone	1,000.00	None	1,000.00	None	None
● Failure to yield the right of way - failure of the vehicle on the left to yield the right of way	1,000.00	None	1,000.00	None	None
● Failure to yield the right of way - failure of the vehicle	1,000.00	None	1,000.00	None	None

approaching but not having entered an intersection to yield the right of way					
● Failure to yield the right of way - failure of the driver of any vehicle upon highway within a business or residential district to yield the right of way	1,000.00	None	1,000.00	None	None
● Failure to stop before traversing a "through highway" or railroad crossing	1,000.00	None	1,000.00	None	None
● Failure to yield the right of way - failure of a vehicle entering a highway from a private road or driver upon a highway to yield the right of way	1,000.00	None	1,000.00	None	None
● Failure to yield the right of way to ambulance, police or fire department vehicles	1,000.00	None	1,000.00	None	None
● Failure to yield the right of way at a "through highway" or a "stop intersection"	1,000.00	None	1,000.00	None	None
● Failure to give a proper signal	1,000.00	None	1,000.00	None	None
● Illegal turn - failure of the driver of MV intending to run to the right at an intersection	1,000.00	None	1,000.00	None	None
● Illegal turn - failure of the driver of MV intending to turn to the left	1,000.00	None	1,000.00	None	None
● Failure to stop motor and notch handbrake of MV when unattended	1,000.00	None	1,000.00	None	None
● Unsafe towing	1,000.00	None	1,000.00	None	None
● Obstruction	1,000.00	None	1,000.00	None	None
● MC carrying more passengers other than the back rider or cargo other than the saddle bags and	1,000.00	None	1,000.00	None	None

luggage carriers					
<ul style="list-style-type: none"> Refusal to render service to the public or convey passenger to destination 					
1st offense					
2nd offense	None	None	1,000.00	5,000.00	None
3rd offense and subsequent offense	None	None	1,000.00	10,000.00	Impoundment of unit for 30 days
	None	None	1,000.00	15,000.00	Cancellation of CPC
<ul style="list-style-type: none"> Overcharging/ Undercharging of fare 					
1st offense	None	None	1,000.00	5,000.00	None
2nd offense	None	None	1,000.00	10,000.00	Impoundment of unit for 30 days
3rd offense and subsequent offense	None	None	1,000.00	15,000.00	Cancellation of CPC
<ul style="list-style-type: none"> Non franchise/CPC or evidence of franchise presented 					
1st offense	None	None	1,000.00	5,000.00	None
2nd offense	None	None	1,000.00	10,000.00	Impoundment of unit for 30 days
3rd offense and subsequent offense	None	None	1,000.00	15,000.00	Cancellation of CPC
<ul style="list-style-type: none"> Fraud and falsities of fake and spurious CPC, OR/CR, plates, stickers and tags 	None	None	1,000.00	None	Revocation/Cancellation of franchise/CPC
<ul style="list-style-type: none"> Operating the unit/s with defective parts and accessories 					
1st offense					
2nd offense	None	None	1,000.00	5,000.00	None
3rd offense and subsequent offense	None	None	1,000.00	10,000.00	Impoundment of unit for 30 days
	None	None	1,000.00	15,000.00	Cancellation of CPC
<ul style="list-style-type: none"> Failure to provide fare discount 					
1st offense	None	None	1,000.00	5,000.00	None
2nd offense	None	None	1,000.00	10,000.00	Impoundment of unit for 30 days
3rd offense and subsequent offense	None	None	1,000.00	15,000.00	Cancellation of CPC
<ul style="list-style-type: none"> Fast, tampered, defective taximeter or operating without or with an old seal taximeter 					
1st offense	None	None	1,000.00	5,000.00	None
2nd offense	None	None	1,000.00	10,000.00	Impoundment of unit for 30 days
3rd offense and subsequent offense	None	None	1,000.00	15,000.00	Cancellation of CPC

<ul style="list-style-type: none"> Tampered, broken, joined, reconnected, fake or layered sealing wire 						
<ul style="list-style-type: none"> 1st offense 2nd offense 3rd offense and subsequent offense 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> 1,000.00 1,000.00 1,000.00 	<ul style="list-style-type: none"> 5,000.00 10,000.00 15,000.00 	<ul style="list-style-type: none"> None Impoundment of unit for 30 days Cancellation of CPC 	
<ul style="list-style-type: none"> No signboard 						
<ul style="list-style-type: none"> 1st offense 2nd offense 3rd offense and subsequent offense 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> 1,000.00 1,000.00 1,000.00 	<ul style="list-style-type: none"> 5,000.00 10,000.00 15,000.00 	<ul style="list-style-type: none"> None Impoundment of unit for 30 days Cancellation of CPC 	
<ul style="list-style-type: none"> Pick and drop of passengers outside terminal 						
<ul style="list-style-type: none"> 1st offense 2nd offense 3rd offense and subsequent offense 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> 1,000.00 1,000.00 1,000.00 	<ul style="list-style-type: none"> 5,000.00 10,000.00 15,000.00 	<ul style="list-style-type: none"> None Impoundment of unit for 30 days Cancellation of CPC 	
<ul style="list-style-type: none"> Carrying of illegal and/or prohibited cargoes 						
<ul style="list-style-type: none"> 1st offense 2nd offense 3rd offense and subsequent offense 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> 1,000.00 1,000.00 1,000.00 	<ul style="list-style-type: none"> 5,000.00 10,000.00 15,000.00 	<ul style="list-style-type: none"> None Impoundment of unit for 30 days Cancellation of CPC 	
<ul style="list-style-type: none"> Failure to provide fire extinguisher and required STOP and GO signage 						
<ul style="list-style-type: none"> 1st offense 2nd offense 3rd offense and subsequent offense 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> 1,000.00 1,000.00 1,000.00 	<ul style="list-style-type: none"> 5,000.00 10,000.00 15,000.00 	<ul style="list-style-type: none"> None Impoundment of unit for 30 days Cancellation of CPC 	
<ul style="list-style-type: none"> Trip Cutting 						
<ul style="list-style-type: none"> 1st offense 2nd offense 3rd offense and subsequent offense 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> 1,000.00 1,000.00 1,000.00 	<ul style="list-style-type: none"> 5,000.00 10,000.00 15,000.00 	<ul style="list-style-type: none"> None Impoundment of unit for 30 days Cancellation of CPC 	
<ul style="list-style-type: none"> Failure to display fare matrix 						
<ul style="list-style-type: none"> 1st offense 2nd offense 3rd offense and subsequent offense 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> 1,000.00 1,000.00 1,000.00 	<ul style="list-style-type: none"> 5,000.00 10,000.00 15,000.00 	<ul style="list-style-type: none"> None Impoundment of unit for 30 days Cancellation of CPC 	
<ul style="list-style-type: none"> Breach of franchise conditions 						
<ul style="list-style-type: none"> 1st offense 2nd offense 3rd offense and 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> None None None 	<ul style="list-style-type: none"> 1,000.00 1,000.00 1,000.00 	<ul style="list-style-type: none"> 5,000.00 10,000.00 15,000.00 	<ul style="list-style-type: none"> None Impoundment of unit for 30 days Cancellation of CPC 	

subsequent offense					
Others: Driving wearing slippers/no uniform	1,000.00	None	1,000.00	None	

(4) The penalty for violations in connection with motor vehicle registration/renewal/ operation shall be based on the following schedule:

Violation	Fines (PhP)				Accessory Penalty/ Other Requirements
	Private		For-Hire		
	Driver	MV Owner	Driver	Operator	
Unregistered MV	10,000.00	None	10,000.00	None	Impoundment of MV, in case of non-registration and the violation has exceeded one (1) month, and shall be released upon valid registration and payment of fine. Impoundment of MV for one (1) year, in case undocumented engines, undocumented engines shall be confiscated.
Unauthorized MV Modification	5,000.00	None	5,000.00	None	Impoundment of MV upon inspection, correction of defect and payment of fine.
Operating a right-hand drive MV	50,000.00	None	50,000.00	None	Impoundment of motor vehicles until defect is corrected and deemed road worthy upon inspection and payment of fine.
MV operating with defective/improper/unauthorized accessories, devices, equipment, and parts	5,000.00	None	None	None	Impoundment of MV until accessory device, equipment or part is properly installed, corrected or removed as the case may and payment of fine. Confiscation of unauthorized plate, accessory and/or device.
Failure to attach or improper attachment/tampering of MV license plates and/or third plate sticker	5,000.00	None	5,000.00	None	Removal and confiscation of unauthorized plate, accessory and/or device in favor government
Smoke Belching					
1st Offense	2,000.00	None	2,000.00	None	None
2nd Offense	4,000.00	None	4,000.00	None	None
3rd Offense and subsequent offense	6,000.00	None	6,000.00	None	Suspension of MV Registration for one (1) year.
Fraud in MV Registration/Renewal	3,000.00	None	3,000.00	None	Impoundment and barred of MV from registration period for one (1) year.
All other violations in connection with MV Registration / Renewal / Operation	2,000.00	None	2,000.00	None	None
Driver wearing slippers	2,000.00	None	2,000.00	None	None
Distracted Driving					
1st Offense	5,000.00	None	5,000.00	None	None
2nd Offense	10,000.00	None	10,000.00	None	None
3rd Offense	15,000.00	None	15,000.00	None	Suspension of driver's license for three (3) months

Subsequent offense	20,000.00	None	20,000.00	None	Revocation of Driver's License
MC Driving with child					
1st Offense	3,000.00	None	None	None	None
2nd Offense	5,000.00	None	None	None	None
3rd Offense and subsequent offense	10,000.00	None	None	None	Suspension of driver's license for one (1) month and revocation of driver's license for the succeeding offense.

(5) The penalty for violations in connection with dimensions, specifications, weight, and load limits shall be based on the following schedule:

Violation	Fines (PhP)				Accessory Penalty/ Other Requirements
	Private		For-Hire		
	Driver	MV Owner	Driver	Operator	
Load extending beyond projected width without permit	1,000.00	None	1,000.00	None	Fines shall be imposed upon the driver of the MV for operating a MV with any part of the load extending beyond the projected width of the vehicle without special permit.
Axle Overloading	None	None	None	None	An amount equivalent to 25% of Motor Vehicle User's Charge (MVUC) at the time of infringement on owner/operator or driver of trucks and trailers for loading beyond their registered gross weight, vehicle weight. The penalty shall be waived for loads exceeding the registered Gross Vehicle Weight (GVW) by a tolerance of less than 5% No MV shall be allowed to proceed on the roadway if either a dual-wheel axle load shall exceed the maximum allowable gross weight.
Operating a passenger bus /truck with cargo exceeding 160 kg	None	None	1,000.00	None	Fine shall be imposed upon the driver and conductor of the MV

(c) *Regulation of Air Commerce under Title III, Chapter 2, Article 3.* - In the implementation of Title III, Chapter 2, Article 3 of this Code on the regulation of air commerce within the BARMM, there shall be levied, assessed, and collected, reasonable fines and penalties, based on the following:

Violation	Penalty (PhP)
Operating Without Permit from CABB (per day)	200.00
Late Filing of Application for Renewal of Ticketing Sales Agent	1,000.00
Late Filing of Application for Renewal of Air Freight Forwarders	1,000.00
Non-submission and non-compliance with CABB reporting requirements	
Delay in the submission of a report not exceeding two (2) months	1,000.00
Delay exceeding two (2) months but not exceeding four (4) months	2,000.00
Delay exceeding four (4) months but not exceeding six (6) months	4,000.00

Delay exceeding six (6) months but not exceeding eight (8) months	6,000.00
Delay exceeding eight (8) months but not exceeding ten (10) months	8,000.00
Delay exceeding ten (10) months but not exceeding one (1) year	8,000.00
Delay over one (1) year (fine or suspension or revocation of a permit to operate the service or both, at the discretion of the Board)	10,000.00
Non-compliance or erroneous reporting in the submission of reports	10,000.00

(d) *Landside Operations of Airports under Title III, Chapter 2, Article 4.* - In case of failure to remit DSPC, under Title III, Chapter 2, Article 4, in full amount to the BAA within the specified time, the Air Carrier or its agent shall pay BAA the balance of the unremitted amount plus a reasonable penalty at the rate of eighteen percent (18%) per annum on the difference.

To avoid late remittance of DSPC, the Air Carrier has the option to make an advance payment to BAA. The full amount of monthly DSPC payment paid by the Air Carrier shall be deducted from its advance payment without interest on the due date. If the advance payment is insufficient for DSPC monthly deduction, the Air Carrier shall remit the balance plus eighteen percent (18%) per annum on the difference.

In case the declaration by the Air Carrier of the amount remitted to the BAA is less than the amount due, the penalty shall be eighteen percent (18%) per annum on the difference. Said penalty will not apply if, within six (6) months from the date of remittance, the Air Carrier reconciles its remittance report and remit the differential amount with the Air Carrier's reconciliation audit report. However, the eighteen percent (18%) per annum for the later remittance shall apply.

(e) *Ports Establishment, Construction, Maintenance, and Operation under Title III, Chapter 2, Article 5.* - In the implementation of Title III, Chapter 2, Article 5 of this Code on ports establishment, construction, maintenance, and operation within the BARMM, there shall be levied, assessed, and collected, reasonable fines and penalties, based on the following schedule:

Violation	Penalty (PhP)
Penalty for Failure to Commence Construction within six (6) months from the date of Issuance of the Permit to Construct (A grace period of another six (6) months shall be given to private port owner/s to comply after paying the penalty, after which the permit to construct shall be rendered null and void. The applicant shall be required to re-apply and pay the Permit to Construct Fee)	50,000.00
Penalty for Constructing without prior Clearance from BPMA	100,000.00

(f) *Operation of Maritime Transportation Services under Title III, Chapter 5, Article 6.* - In the implementation of Title III, Chapter 5, Article 6 of this Code on operation of maritime transportation services within the BARMM, reasonable fines and penalties may be imposed by various ministries of the Bangsamoro Government in accordance with law, and/or proper regulations.

(g) *Operation of Public Service Communications under Title III, Chapter 2, Article 7.* - In the implementation of Title III, Chapter 2, Article 7 on operation of public service communications within the BARMM, there shall be levied, assessed, and collected, reasonable fines and penalties, based on the following:

- (1) *Late Renewal of Station Licenses and Dealer's and / or Manufacturer's Permits* – A surcharge at the rate of fifty percent (50%) of the prescribed basic annual fee shall be imposed for the renewal of a station license if the application therefore is filed within one hundred eighty (180) days beyond its expiration date.

If such an application is filed after said period but not beyond three hundred sixty-five (365) days from the expiration date of the license to be renewed, a surcharge at the rate of one hundred percent (100%) of the prescribed basic annual fee shall be imposed. This guideline shall be equally applicable for late renewals of Dealer's and Manufacturer's Permits;

- (2) *Late Renewal of an Operator License or Permit* – A surcharge at the rate of fifty percent (50%) shall be imposed for the renewal of an operator license or permit if the application therefore is filed within three hundred sixty-five (365) days beyond its expiration date.

If such an application is filed after said period, the applicant shall be required to submit a justification therefore, but in such a case a surcharge equivalent to one hundred percent (100%) of the prescribed basic annual fee shall be imposed if the said application is given due course;

- (3) *Subsequent Late Filing of Renewal Applications for Licenses and Permits* – Subsequent late filing of applications for renewal of the same radio station and operator license or permits and Dealer's and/or Manufacturer's Permits which had been previously surcharge under the two immediately preceding Subsections, shall be subjected to the penal provisions of pertinent existing laws, orders, instructions, circulars and other applicable rules and regulations after investigation;
- (4) *Late Payment of SUF* - A surcharge at the rate of twenty-five (25%) of the amount of the SUF due plus one percent (1%) of the principal per month of delay shall be imposed for late payments of SUF.

In case a carrier defaults from the payment of the SUF for a period of one (1) year, the BTC shall initiate action and after due process and finding the defaulting carrier guilty effect the immediate transfer of the frequencies to other duly authorized carriers providing the same service without adversely affecting the subscribers of said carrier;

- (5) *Violations relating to Radio* – Pursuant to the power of the BTC to supervise and inspect the operation of radio stations and telecommunications facilities, the following administrative sanctions are hereby prescribed:

Violation	Penalty (PhP)	
	Individual	Corporate/Associations
For Illegal Possession, Installation/Construction, and/or Operation		
For illegal purchase/possession of radio transmitter/transceiver (per unit)	1,000.00 with forfeiture of equipment	2,500.00
For illegal installation/construction (per station)		
a. with permit to purchase/possess	2,000.00	3,000.00
b. without permit to purchase/possess and construct	2,000.00 with forfeiture of equipment	4,000.00 with forfeiture of equipment
c. allowing the operation with an unlicensed operator (station covered with an appropriate permits/license)	1,000.00	4,000.00
d. operation with an unlicensed operator (station not covered by appropriate permits/licenses)	2,000.00 with forfeiture of equipment	5,000.00 with forfeiture of equipment
e. use of unauthorized frequency (station covered by appropriate permits/licenses)	1,500.00	4,000.00
f. use of unauthorized frequency (station not covered by appropriate permits and license)	2,000.00 with forfeiture of equipment	5,000.00 with forfeiture of equipment
g. no logbook (per station)	-	500.00
Violation of Terms And Conditions of a Radio Construction or License:		
a. operating beyond the authorized working hours	2,000.00	3,500.00
b. allowing operation by an operator with inappropriate license	1,000.00	3,000.00
c. excessive calling (for maritime station only)	2,500.00	
d. unauthorized equipment	2,000.00	3,500.00
e. unauthorized power	2,000.00	3,500.00
f. unauthorized emission	3,500.00	
Other violation relative to its operations as a Radio Training School	2,000.00	
For failure to install appropriate radio facilities as required	3,000.00	
Illegal Sale (per unit)		
a. sale by an authorized dealer to a non-authorized person/entity	P 2,000.00	
b. unauthorized dealer	2,000.00 with forfeiture of equipment	
Other violations (per count)	2,000.00	

(6) *Violations relating to Mobile Phones* - In addition, the following penalties are hereby prescribed for every violation relating to the purchase, sale, lease, and/or retail of mobile phones.

Violation	Penalty (PhP)
Illegal purchase, sale, lease and/or retail of mobile phones	5,000.00

acquired from any illegal source.	(per unit/violation)
Purchase, sale, lease and/or retail of mobile phones without National Telecommunications Commission (NTC) type approval/type acceptance labels/ stickers	5,000.00 (per unit/violation)
Illegal importation of mobile phone, parts and accessories thereof	5,000.00 (per unit/violation)
MPD/MPRR operating without valid NTC permit	5,000.00 and the closure of the establishment

(h) *Operation of Health Facilities under Title III, Chapter 3, Article 11.* - In the implementation of Title III, Chapter 3, Article 11 of this Code on the fees and charges for Health Facilities, there shall be levied, assessed, and collected, reasonable fines and penalties, licensed Embalmers and licensed Massage Therapists, who fails to renew their Certificate of Registration shall incur an annual penalty in the amount of eighty-three pesos and thirty-three centavos (Php 83.33) until such time that all unpaid fees are fully settled.

ARTICLE 2 — Interest

SECTION 381. *Interest on Unpaid Regional Taxes.* The taxpayer shall pay an interest of two percent (2%) per month on the unpaid tax, including the surcharge, until the amount due is fully paid, but in no case shall the total interest on the unpaid amount or portion thereof exceed thirty-six (36) months. This provision shall apply to the following:

- (a) Real Property Tax
- (b) Tax on Transfer of Real Property
- (c) Tax on Luxury Residences
- (d) Tax on Banks and Other Financial Institutions
- (e) Tax on Business of Printing and Publication
- (f) Tax on Franchises
- (g) Amusement Tax
- (h) Tax on Delivery Vans and Trucks
- (i) Sand and Gravel Tax
- (j) Tax on Fishery and Aquatic Resources
- (k) Tax on Agricultural Products
- (l) Regional Natural Wealth Utilization and Development Tax
- (m) Social Amelioration Tax
- (n) Excise Tax on Plastic Bags
- (o) Visual Obstruction and Detraction Tax

For the tax on luxury residences, the interest shall start to accrue on the first day of the month in which the construction started without paying the tax.

SECTION 382. *Interest on Unpaid National Taxes with Situs in the BARMM.* - The following acts shall be penalized as prescribed below, without prejudice to other penalties that may be provided by laws or administrative regulations:

- (a) *In General.* — There shall be levied, assessed, and collected on any unpaid amount of tax, interest at the rate of double the legal interest rate for loans or forbearance of any money in the absence of an express stipulation as set by the Bangko Sentral ng Pilipinas (BSP) from the date prescribed for payment until the amount is fully paid: *Provided,* That in no case shall the deficiency and the delinquency interest prescribed under Subsections (b) and (c) hereof, be imposed simultaneously;
- (b) *Deficiency Interest.* — Any deficiency in the tax due, as the term is defined in the BRC, shall be subject to the interest prescribed in Subsection (a) hereof, which interest shall be levied, assessed, and collected from the date prescribed for its payment until the full payment thereof, or upon issuance of a notice and demand by the Director, whichever comes earlier;
- (c) *Delinquency Interest.* — In case of failure to pay:
 - (1) The amount of the tax due on any return required to be filed; or
 - (2) The amount of the tax due for which no return is required; or
 - (3) A deficiency tax, or any surcharge or interest thereon on the due date appearing in the notice and demand of the Director, there shall be levied, assessed, and collected on the unpaid amount, interest at the rate prescribed in Subsection (a) hereof until the amount is fully paid, which interest shall form part of the tax; and
- (d) *Interest on Extended Payment.* — If any person required to pay the tax is qualified and elects to pay the tax on installment under the provisions of the BRC, but fails to pay the tax or any installment hereof, or any part of such amount or installment on or before the date prescribed for its payment, or where the Director has authorized an extension of time within which to pay a tax or a deficiency tax or any part thereof, there shall be levied, assessed, and collected interest at the rate hereinabove prescribed on the tax or deficiency tax or any part thereof unpaid from the date of notice and demand until it is paid;
- (e) The additions to the tax or deficiency tax prescribed in this Section shall apply to the following:
 - (1) Capital gains tax (CGT);
 - (2) Documentary stamp tax (DST);
 - (3) Donor's tax; and
 - (4) Estate tax imposed in the BRC.

The amount so added to the tax shall be collected at the same time, in the same manner, and as part of the tax.

- (f) If the withholding agent is the Bangsamoro Government or any of its ministries, offices and agencies, political subdivisions or instrumentalities, or government-owned or -controlled corporation, the employee thereof responsible for the withholding and remittance of the tax shall be personally liable for the additions to

the tax prescribed herein. In case the withholding agent is from a national government agency or instrumentality, the BRO shall seek assistance from the said national government agency or instrumentality or the BIR in enforcing this provision.

- (g) The term "person", as used in this Section, includes an officer or employee of a corporation who as such officer, employee or member is under a duty to perform the act in respect of which the violation occurs.

CHAPTER 3 — Criminal Offenses and Penalties

ARTICLE 1 — Criminal Offenses and Penalties in General

SECTION 383. *Violation of Provisions of this Code or Rules and Regulations in General.*— Any person who violates any provision of the BRC or any rule or regulation promulgated by the Minister, for which no specific penalty is provided by law, shall, upon conviction for each act or omission, be punished by a fine of not more than one thousand pesos (PhP 1,000.00) or suffer imprisonment of not more than six (6) months, or both.

SECTION 384. *General Provisions.* - In the implementation of this Article, the following provisions shall apply, without prejudice to other penalties that may be provided by laws or administrative regulations:

- (a) Any person convicted of a crime penalized by the BRC shall, in addition to being liable for the payment of the tax, be subject to the penalties imposed herein: *Provided*, That payment of the tax due after apprehension shall not constitute a valid defense in any prosecution for violation of any provision of the BRC or in any action for the forfeiture of untaxed articles;
- (b) Any person who willfully aids or abets in the commission of a crime penalized who willfully aids or abets in the commission of a crime penalized herein or who causes the commission of any such offense by another shall be liable in the same manner as the principal;
- (c) If the offender is not a citizen of the Philippines, he shall be deported immediately after serving the sentence without further proceedings for deportation. If he is a public officer or employee within the Bangsamoro Government, the maximum penalty prescribed for the offense shall be imposed and, in addition, he shall be dismissed from the public service and perpetually disqualified from holding any public office within the Bangsamoro Government, to vote and to participate in any election within the Bangsamoro Government. If he is a public officer or employee of the national government, the Bangsamoro Government shall file the necessary administrative and/or criminal complaint against him to the Civil Service Commission and/or Office of the Ombudsman.
- (d) In the case of associations, partnerships or corporations, the penalty shall be imposed on the partner, president, general manager, branch manager, treasurer, officer-in-charge, and employees responsible for the violation; and

- (e) In addition to the penalty imposed herein, the same shall carry with it the confiscation and forfeiture in favor of the Bangsamoro Government of the proceeds of the crime or value of the goods, and the instruments or tools with which the crime was committed, after due notice and hearing in a proper proceeding.
- (f) If the person convicted for violation of any of the provisions of the BRC has no property with which to meet the fine imposed upon him by the court, or is unable to pay such fine, he shall be subject to a subsidiary personal liability at the rate of one (1) day for each eight pesos and fifty centavos (PhP 8.50) subject to the rules established in Article 39 of the RPC.

ARTICLE 2 — Specific Criminal Offenses and Penalties

SECTION 385. *Attempt to Evade or Defeat Tax.* — Any person who willfully attempts in any manner to evade or defeat any tax imposed under this Code or the payment thereof, either separately or as part of a scheme that also covers national taxes, shall, in addition to other penalties provided by law, upon conviction thereof, be punished with a fine of not less than five hundred thousand pesos (PhP 500,000.00) but not more than ten million pesos (PhP 10,000,000.00) and imprisonment of not less than six (6) years but not more than ten (10) years: *Provided*, That the conviction or acquittal obtained under this Section shall not be a bar to the filing of a civil suit for the collection of taxes.

SECTION 386. *Failure to File Return, Supply Correct and Accurate Information, Pay Tax, Withhold and Remit Tax* — Any person required under the BRC or by rules and regulations promulgated thereunder to pay any tax, make a return, keep any record, or supply correct and accurate information, who willfully fails to pay such tax, make such return, keep such record, or supply such correct and accurate information, or withhold or remit taxes withheld, at the time or times required by law or rules and regulations shall, in addition to other penalties provided by law, upon conviction thereof, be punished by a fine of not less than ten thousand pesos (PhP 10,000.00) and suffer imprisonment of not less than one (1) year but not more than ten (10) years.

Any person who attempts to make it appear for any reason that he or another has in fact filed a return or statement, or actually files a return or statement and subsequently withdraws the same return or statement after securing the official receiving seal or stamp of receipt of an internal revenue office wherein the same was actually filed shall, upon conviction therefor, be punished by a fine of not less than ten thousand pesos (PhP 10,000.00) but not more than twenty thousand pesos (PhP 20,000.00) and suffer imprisonment of not less than one (1) year but not more than three (3) years.

SECTION 387. *Penal Liability for Making False Entries, Records or Reports, or Using Falsified or Fake Accountable Forms.* – Any person who commits any of the acts enumerated hereunder shall, upon conviction thereof, be punished by a fine of not less than fifty thousand pesos (PhP 50,000.00) but not more than one hundred thousand pesos (PhP 100,000.00) and suffer imprisonment of not less than two (2) years but not more than six (6) years:

- (a) Willfully falsifies, signs, or submits any report or statement bearing on transactions or financial information, or renders any report, including exhibits, statements, schedules, or other forms of financial reports or statements in relation to the taxpayer containing an essential misstatement of facts or omission in respect of the transactions, taxable amount, deduction and exemption of the taxpayer; or
- (b) Knowingly makes any false entry or enters any false or fictitious name in the books of accounts or records; or
- (c) Keeps two (2) or more sets of such records or books of accounts; or
- (d) In any way commits an act or omission related to the violations covered by the provisions of this Section; or
- (e) Willfully attempts in any manner to evade or defeat any tax imposed under the BRC, or knowingly uses fake or falsified revenue official receipts, Letters of Authority, certificates authorizing registration, and other accountable forms.

SECTION 388. *Offenses Relating to Stamps.* – Any person who commits any of the acts enumerated hereunder shall, upon conviction thereof, be punished by a fine of not less than one hundred thousand pesos (PhP 100,000.00) but not more than five hundred thousand pesos (PhP 500,000.00) and imprisonment of not less than five (5) years but not more than eight (8) years:

- (a) Making, importing, selling, using or possessing without express authority from the Director, any die for printing or making stamps, labels, or tags;
- (b) Reusing previously affixed stamps, erasing the cancellation marks of any stamp previously used, or altering the written figures or letters or cancellation marks on stamps;
- (c) Possessing false, counterfeit, restored or altered stamps, labels or tags or causing the commission of any such offense by another; or
- (d) Selling or offering for sale any box or package containing articles subject to excise tax with false, spurious or counterfeit stamps or labels or selling from any such fraudulent box, package or container as aforementioned.

SECTION 389. *Failure to Obey Summons.* — Any person who, being duly summoned to appear to testify, or to appear and produce books of accounts, records, memoranda or other papers, or to furnish information as required under the pertinent provisions of the BRC, neglects to appear or to produce such books of accounts, records, memoranda or other papers, or to furnish such information, shall, upon conviction, be punished by a fine of not less than five thousand pesos (PhP 5,000.00) but not more than ten thousand pesos (PhP 10,000.00) and suffer imprisonment of not less than one (1) year but not more than two (2) years.

SECTION 390. *Declaration under Penalties of Perjury.* — Any declaration, return and other statements required under the BRC, shall, in lieu of an oath, contain a written statement that they are made under the penalties of perjury. Any person who willfully files a declaration, return or statement containing information which is not true and correct as to every material matter shall, upon conviction, be subject to the penalties prescribed for perjury under the RPC.

SECTION 391. *Crimes and Offenses Related to Regional Taxes.* —The following acts shall be penalized as prescribed below, without prejudice to other penalties that may be provided by laws or administrative regulations:

- (a) *Misdeclaration or Misrepresentation of Manufacturers Subject to Regional Tax.* — Any taxpayer who misdeclares in the return, sworn statement, invoice, or receipt any pertinent data or information pertaining to the article or activity subject to any regional tax shall be punished by a summary cancellation or withdrawal of the permit to engage in business subject to regional tax.
- (b) *Forfeiture of Property Used in Unlicensed Business or Dies Used for Printing False Stamps, Etc.*— All chattels, machinery, and removable fixtures of any sort used in the unlicensed production of articles subject to regional tax shall be forfeited. Dies and other equipment used for the printing or making of any stamp, label or tag which is in imitation of or purports to be a lawful stamp, label or tag shall also be forfeited.

SECTION 392. *Crimes and Offenses Related to National Taxes with Situs in the BARMM.*
- The following acts shall be penalized as prescribed below, without prejudice to other penalties that may be provided by laws or administrative regulations:

- (a) *Failure to File Certain Information Returns.* - In the case of each failure to file an information return, statement or list, or keep any record, or supply any information required by the BRC or by the Director on the date prescribed therefor, unless it is shown that such failure is due to reasonable cause and not to willful neglect, there shall, upon notice and demand by the Director, be paid by the person failing to file, keep or supply the same, one thousand pesos (PhP 1,000.00) for each such failure: *Provided however,* That the aggregate

amount to be imposed for all such failures during a calendar year shall not exceed twenty-five thousand pesos (PhP 25,000.00).

- (b) *Failure of a Withholding Agent to Collect and Remit Tax.* - Any person required to withhold, account for, and remit any tax imposed by this Code or who willfully fails to withhold such tax, or account for and remit such tax, or aids or abets in any manner to evade any such tax or the payment thereof, shall, in addition to other penalties provided for under this Chapter, be liable upon conviction to a penalty equal to the total amount of the tax not withheld, or not accounted for and remitted.

SECTION 393. *Crimes and Offenses Related to Properties under Distraint and Levy.* - The following acts shall be penalized as prescribed below, without prejudice to other penalties that may be provided by laws or administrative regulations:

- (a) *Penalty for Selling, Transferring, Encumbering or in any way Disposing of Property Placed under Constructive Distraint.*— Any taxpayer, whose property has been placed under constructive distraint, who sells, transfers, encumbers or in any way disposes of said property, or any part thereof, without the knowledge and consent of the Director, shall, upon conviction for each act or omission, be punished by a fine of not less than twice the value of the property so sold, encumbered or disposed of but not less than five thousand pesos (PhP 5,000.00), or suffer imprisonment of not less than two (2) years and one (1) day but not more than four (4) years, or both.
- (b) *Failure to Surrender Property Placed under Distraint and Levy.*— Any person having in his possession or under his control any property or rights to property, upon which a warrant of constructive distraint or actual distraint and levy has been issued shall, upon demand by the Director or any of his deputies executing such warrant, surrender such property or right to property to the Commissioner or any of his deputies, unless such property or right is, at the time of such demand, subject to an attachment or execution under any judicial process. Any person who fails or refuses to surrender any of such property or right shall be liable in his own person and estate to the Government in a sum equal to the value of the property or rights not so surrendered but not exceeding the amount of the taxes (including penalties and interest) for the collection of which such warrant had been issued, together with costs and interest if any, from the date of such warrant. In addition, such person shall, upon conviction for each act or omission, be punished by a fine of not less than five thousand pesos (PhP 5,000.00), or suffer imprisonment of not less than six (6) months and one (1) day but not more than two (2) years, or both.

SECTION 394. *Procuring Unlawful Divulgence of Trade Secrets.*— Any person who causes or procures an officer or employee of the BRO to divulge any confidential information regarding the business, income or inheritance of any taxpayer, knowledge of which was acquired by him in the discharge of his official duties, and which it is unlawful for him to reveal, and any person who publishes or prints in any manner whatever, not provided by

law, any income, profit, loss or expenditure appearing in any income tax return, shall be punished by a fine of not more than two thousand pesos (PhP 2,000.00), or suffer imprisonment of not less than six (6) months nor more than five (5) years, or both.

CHAPTER 4 —Liabilities and Penalties of Specific Persons

ARTICLE 1 — Penalties Imposed on Public Officers

SECTION. 395. *Violations Committed by Bangsamoro Government Enforcement Officers.*— Every official, agent, or employee of the Bangsamoro Government charged with the enforcement of the provisions of the BRC, who is guilty of any of the offenses hereinbelow specified shall, upon conviction for each act or omission, be punished by a fine of not less than fifty thousand pesos (PhP 50,000.00) but not more than one hundred thousand pesos (PhP 100,000.00) and suffer imprisonment of not less than ten (10) years but not more than fifteen (15) years and shall likewise suffer an additional penalty of perpetual disqualification to hold public office within BARMM, to vote, and to participate in any public election in the Bangsamoro Government:

- (a) Extortion or willful oppression through the use of his office or willful oppression and harassment of a taxpayer who refused, declined, turned down or rejected any of his offers specified in paragraph (d) hereof;
- (b) Knowingly demanding or receiving any fee, other or greater sums than are authorized by law or receiving any fee, compensation or reward, except as by law prescribed, for the performance of any duty;
- (c) Willfully neglecting to give receipts, as by law required, for any sum collected in the performance of duty or willfully neglecting to perform any other duties enjoined by law;
- (d) Offering or undertaking to accomplish, file or submit a report or assessment on a taxpayer without the appropriate examination of the books of accounts or tax liability, or offering or undertaking to submit a report or assessment less than the amount due the Bangsamoro Government for any consideration or compensation, or conspiring or colluding with another or others to defraud the revenues or otherwise violate the provisions of the BRC;
- (e) Neglecting or by design permitting the violation of the law by any other person;
- (f) Making or signing any false entry or entries in any book, or making or signing any false certificate or return;
- (g) Allowing or conspiring or colluding with another to allow the unauthorized retrieval, withdrawal or recall of any return, statement or declaration after the same has been officially received by the BRO;
- (h) Having knowledge or information of any violation of the BRC, or of any fraud committed on the revenues collectible by the BRO, failure to report such

knowledge or information to their superior officer, or failure to report as otherwise required by law; and

- (i) Without the authority of law, demanding or accepting or attempting to collect, directly or indirectly, as payment or otherwise any sum of money or other thing of value for the compromise, adjustment or settlement of any charge or complaint for any violation or alleged violation of the BRC.

Provided, That the provisions of the foregoing paragraph notwithstanding, any revenue officer for which a *prima facie* case of grave misconduct has been established shall, after due notice and hearing of the administrative case and subject to Civil Service Laws, be dismissed from government service: *Provided further*, That the term '*grave misconduct*', as defined in the Civil Service Law, shall include the issuance of fake letters of authority and receipts, forgery of signature, usurpation of authority and habitual issuance of unreasonable assessments.

In case the offender is an official, agent, or employee of other government agencies which are not part of the Bangsamoro Government, the BRO shall initiate action against the said person before the Civil Service Commission, Ombudsman, court of competent jurisdiction, and other appropriate tribunal.

SECTION 396. *Unlawful Divulgence of Information.* — Any officer or employee of the BRO who divulges to any person or makes known in any other manner than may be provided by law information regarding the business, income, or estate of any taxpayer, the secrets, operation, style or work, or apparatus of any manufacturer or producer, or confidential information regarding the business of any taxpayer, knowledge of which was acquired by him in the discharge of his official duties, shall, upon conviction for each act or omission, be punished by a fine of not less than fifty thousand pesos (PhP 50,000.00) but not more than one hundred thousand pesos (PhP 100,000.00), or suffer imprisonment of not less than two (2) years but not more than five (5) years, or both.

SECTION 397. *Unlawful Interest of Revenue Law Enforcers in Business.*— Any internal revenue officer who is or shall become interested, directly or indirectly, in the manufacture, sale or importation of any taxable article under the BRC or in the manufacture or repair or sale, of any die for printing, or making of stamps, or labels shall, upon conviction for each act or omission, be punished by a fine of not less than five thousand pesos (PhP 5,000.00) but not more than ten thousand pesos (PhP 10,000.00), or suffer imprisonment of not less than two (2) years and one (1) day but not more than four (4) years, or both.

SECTION 398. *Violation of Withholding Tax Provision.*— Every officer or employee of the Bangsamoro Government or any of its ministries, agencies, and instrumentalities, its political subdivisions, as well as GOCCs, who, under the provisions of the BRC, or rules and regulations promulgated thereunder, is charged with the duty to deduct and withhold any internal revenue tax and to remit the same in accordance with the provisions of the BRC, and other laws is guilty of any offense hereinbelow specified shall, upon conviction for each act or omission be punished by a fine of not less than five thousand pesos (PhP 5,000.00) but not more than fifty thousand pesos (PhP 50,000.00) or suffer imprisonment of not less than six (6) months and one (1) day but not more than two (2) years, or both:

- (a) Failing or causing the failure to deduct and withhold any tax required to be withheld under the BRC and implementing rules and regulations;
- (b) Failing or causing the failure to remit taxes deducted and withheld within the time prescribed by law, and IRRs; and
- (c) Failing or causing the failure to file return or statement within the time prescribed or rendering or furnishing a false or fraudulent return or statement required under the BRC and rules and regulations.
- (d) *Willful Failure to File Return and Filing of Fraudulent Return under Title II, Chapter 3, Article 4.* — Any person who willfully fails to file a return and remit the amusement taxes withheld within the required period, or who files a fraudulent return, or willfully makes a false return, under Title II, Chapter 3, Article 4 of this Code, shall be subject to a fine at the rate of twenty-five percent (25%) of the correct amount of the regional tax due in addition to the surcharge, interest, and/or penalties provided under the same Article.

SECTION 399. *Penalty for Failure to Issue and Execute Warrant.* — Any official who fails to issue or execute the warrant of distraint or levy within thirty (30) days after the expiration of the time prescribed in Section 413 or who is found guilty of abusing the exercise thereof by competent authority shall be automatically dismissed from the service after due notice and hearing.

ARTICLE 2. — Corporate Liability

SECTION 400. *Imposition of Penalty.* - Any corporation, association or general co-partnership liable for any of the acts or omissions penalized under the BRC, in addition to the penalties imposed herein upon the responsible corporate officers, partners, or employees, shall, upon conviction for each act or omission, be punished by a fine of not less than fifty thousand pesos (PhP 50,000.00) but not more than one hundred thousand pesos (PhP 100,000.00).

ARTICLE 3. - Penalties for Non-Compliance with Reportorial Requirements under Tax Incentives

SECTION 401. *Imposition of Penalty.* - Any registered business entity which fails to comply with filing and reportorial requirements with the appropriate IPAs shall be imposed the following penalties:

Frequency of Offense	Penalty (PhP)
First Offense	Fine of 100,000.00
Second Offense	Fine of 500,000
Third Offense	Cancellation of the registration of the registered business entity

Provided, That if the failure to show such proof is not due to the fault of the registered business entity, the same shall not be a ground for the suspension of their Tax Incentives.

SECTION 402. *Penalty for Government Official or Employee.* -Any government official or employee who fails without justifiable reason to provide or furnish the required tax incentives report or other data or information as required under this Chapter shall be penalized, after due process, by a fine equivalent to the official's or employee's basic salary for a period of one (1) month to six (6) months or by suspension from government service for not more than one (1) year, or both, in addition to any criminal and administrative penalties imposable under existing laws.

ARTICLE 4. - Miscellaneous Provisions

SECTION 403. *Minimum Penalty.* The fines to be imposed for any violation of the provisions of the BRC shall not be lower than the fines imposed herein or twice the amount of taxes, interests and surcharges due from the taxpayer, whichever is higher.

SECTION 404. *Penalty for Second and Subsequent Offenses.* — In case of subsequent commission of similar offenses, the maximum of the penalty prescribed for the offense shall be imposed.

SECTION 405. *Prescription for Violations of any Provision of the BRC.* — All violations of any provision of this Code shall prescribe after five (5) years.

Prescription shall begin to run from the day of the commission of the violation of the law, and if the same be not known at the time, from the discovery thereof and the institution of judicial proceedings for its investigation and punishment.

The prescription shall be interrupted when proceedings are instituted against the guilty persons and shall begin to run again if the proceedings are dismissed for reasons not constituting jeopardy.

The term of prescription shall not run when the offender is absent from the Philippines.

SECTION 406. *Informer's Reward to Persons Instrumental in the Discovery of Violations of the BRC.*— Any person, except a Bangsamoro Revenue Officer, or other Bangsamoro official or employee, or his relative within the sixth degree of consanguinity, who voluntarily gives definite and sworn information, not yet in the possession of the BRO, leading to the discovery of frauds upon the taxes covered under the BRC or violations of any of the provisions thereof, thereby resulting in the recovery of revenues, surcharges and fees and/or the conviction of the guilty party and/or the imposition of any of the fine or penalty, shall be rewarded in a sum equivalent to ten percent (10%) of the revenues, surcharges or fees recovered and/or fine or penalty imposed and collected or one million pesos (PhP 1,000,000.00) per case, whichever is lower. The same amount of reward shall also be given to an informer where the offender has offered to compromise the violation of law committed by him and his offer has been accepted by the Director and collected from the offender: *Provided*, That should no revenue, surcharges or fees be actually recovered or collected, such person shall not be entitled to a reward: *Provided further*, That the information mentioned herein shall not refer to a case already pending or previously investigated or examined by the Director or any of his deputies, agents or examiners, or the Minister or any of his deputies or agents: *Provided finally*, That the reward provided herein shall be paid under rules and regulations issued by the Minister, upon recommendation of the Director.

All public officials, whether incumbent or retired, who acquired the information in the course of the performance of their duties during their incumbency, are prohibited from claiming informer's reward.

TITLE X — REMEDIES

SECTION 407. *Application of Title.* - The provisions of this Title and the remedies provided herein may be availed of for the collection of delinquent regional taxes, fees, and charges under Titles II and V of this Code as well as the CGT, DST, donor's tax, and estate tax, provided all taxable elements are within the BARMM as provided in Section 9 (I), Article XII, of R.A. No. 11054 and Title IV of this Code.

The remedies for all other national taxes collected in the BARMM as provided in Sections 11 and 12, Article XII of R.A. No. 11054 and Title IV of this Code shall be governed by the NIRC, as amended, and relevant rules and regulations.

The remedies for the collection of any other delinquent regional fee, charge, or other revenue under Title III shall be in accordance with applicable law, rules, and regulations. For this purpose, the head of the appropriate ministry, office or agency shall have the authority to promulgate rules specifying the remedies for the collection of such deficiency.

CHAPTER 1— Remedies of Government

ARTICLE 1 — General Provisions

SECTION 408. *Form and Mode of Proceeding in Actions Arising under the BRC.* - Civil and criminal actions and proceedings instituted in behalf of the Bangsamoro Government under the authority of the BRC or other law enforced by the BRO shall be brought in the name of the Bangsamoro Government and shall be conducted by legal officers of the BRO but no civil or criminal action for the recovery of taxes or the enforcement of any fine, penalty or forfeiture under the BRC shall be filed in court without the approval of the Director.

SECTION 409. *Satisfaction of Judgment Recovered Against any Bangsamoro Revenue Officer.* - When an action is brought against any Bangsamoro Revenue Officer to recover damages by reason of any act done in the performance of official duty, and the Director is notified of such action in time to make defense against the same, through the Bangsamoro Attorney General, any judgment, damages or costs recovered in such action shall be satisfied by the Director, upon approval of the Minister, or if the same be paid by the person used shall be repaid or reimbursed to him.

No such judgment, damages, or costs shall be paid or reimbursed in behalf of a person who has acted negligently or in bad faith, or with willful oppression.

SECTION 410. *Disposition of Funds Recovered in Legal Proceedings or Obtained from Forfeitures.* - All judgments and monies recovered and received for taxes, costs, forfeitures, fines and penalties shall be paid to the Director or his authorized deputies as the taxes themselves are required to be paid, and except as specially provided, shall be accounted for and dealt with the same way.

ARTICLE 2 - Remedies for Assessment and Collection of Taxes

SECTION 411. *Remedies for the Collection of Delinquent Taxes.* - The civil remedies for the collection of regional taxes, fees or charges, under Title II, national taxes with taxable elements within the BARMM under Title IV, Chapter 1, Articles 2-5, and any increment thereto resulting from delinquency shall be:

- (a) By distraint of goods, chattels, or effects, and other personal property of whatever character, including stocks and other securities, debts, credits, bank accounts, and interest in and rights to personal property, and by levy upon real property and interest in rights to real property; and
- (b) By civil or criminal action. Either of these remedies or both simultaneously may be pursued in the discretion of the authorities charged with the collection of such taxes: *Provided however,* That the remedies of distraint and levy shall not be availed of where the amount of tax involved is not more than one hundred pesos (PhP 100.00).

The judgment in the criminal case shall not only impose the penalty but shall also order payment of the taxes subject of the criminal case as finally decided by the Director.

The BRO shall advance the amounts needed to defray costs of collection by means of civil or criminal action, including the preservation or transportation of personal property distrained and the advertisement and sale thereof, as well as of real property and improvements thereon.

SECTION 412. *Constructive Distraint of the Property of a Taxpayer.* - To safeguard the interest of the Bangsamoro Government, the Director may place under constructive distraint the property of a delinquent taxpayer or any taxpayer who, in his opinion, is retiring from any business subject to tax, or is intending to leave the Philippines or to remove his property therefrom or to hide or conceal his property or to perform any act tending to obstruct the proceedings for collecting the tax due or which may be due from him.

The constructive distraint of personal property shall be affected by requiring the taxpayer or any person having possession or control of such property to sign a receipt covering the property distrained and obligate himself to preserve the same intact and unaltered and not to dispose of the same in any manner whatever, without the express authority of the Director.

In case the taxpayer or the person having the possession and control of the property sought to be placed under constructive distraint refuses or fails to sign the receipt herein referred to, the Bangsamoro Revenue Officer effecting the constructive distraint shall proceed to prepare a list of such property and, in the presence of two (2) witnesses, leave a copy thereof in the premises where the property distrained is located, after which the said property shall be deemed to have been placed under constructive distraint.

SECTION 413. *Summary Remedies.* - The summary remedies for the collection of regional taxes, fees, or charges, and related surcharges and interest resulting from delinquency shall be as follows:

- (a) *Distrain of Personal Property.* - Upon the failure of the person owing any delinquent tax or delinquent revenue to pay the same at the time required, the Director or his duly authorized representative, if the amount involved is in excess of five hundred thousand pesos (PhP 500,000.00), or the BRDO, if the amount involved is five hundred thousand pesos (PhP 500,000.00) or less, shall seize and distrain any goods, chattels or effects, and the personal property, including stocks and other securities, debts, credits, bank accounts, and interests in and rights to personal property of such persons in sufficient quantity to satisfy the tax, or charge, together with any increment thereto incident to delinquency, and the expenses of the distraint and the cost of the subsequent sale.

A report on the distraint shall, within ten (10) days from receipt of the warrant, be submitted by the distraining officer to the BRDO, and to the Director: *Provided*, That the Director or his duly authorized representative shall, subject to rules and regulations promulgated by the Minister, upon recommendation of the Director, have the power to lift such order of distraint: *Provided further*, That a consolidated report by the BRDO may be required by the Director as often as necessary; and

- (b) *Levy on Real Property.* - After the expiration of the time required to pay the delinquent tax or delinquent revenue as prescribed in this Section, real property may be levied upon, before simultaneously or after the distraint of personal property belonging to the delinquent. To this end, any Bangsamoro Revenue Officer designated by the Director or his duly authorized representative shall prepare a duly authenticated certificate showing the name of the taxpayer and the amounts of the tax and penalty due from him. Said certificate shall operate with the force of a legal execution throughout the BARMM.

Levy shall be affected by writing upon said certificate a description of the property upon which levy is made. At the same time, written notice of the levy shall be mailed to or served upon the Register of Deeds for the province or city where the property is located and upon the delinquent taxpayer, or if he be absent from the Philippines, to his agent or the manager of the business in respect to which the liability arose, or if there be none, to the occupant of the property in question.

In case the warrant of levy on real property is not issued before or simultaneously with the warrant of distraint on personal property, and the personal property of the taxpayer is not sufficient to satisfy his tax delinquency, the Director or his duly authorized representative shall, within thirty (30) days after execution of the distraint, proceed with the levy on the taxpayer's real property.

Within ten (10) days after receipt of the warrant, a report on any levy shall be submitted by the levying officer to the Director or his duly authorized representative: *Provided however*, That a consolidated report by the BRDO may be required by the Director as often as necessary: *Provided further*, That the Director or his duly authorized representative, subject to rules and regulations promulgated by the Minister, upon recommendation of the Director, shall have the authority to lift warrants of levy issued in accordance with the provisions hereof.

SECTION 414. *Procedure for Distraint and Garnishment.* - The officer serving the warrant of distraint shall make or cause to be made an account of the goods, chattels, effects or other personal property distrained, a copy of which, signed by himself, shall be left either with the owner or person from whose possession such goods, chattels, or effects or other personal property were taken, or at the dwelling or place of business of such person and with someone of suitable age and discretion, to which list shall be added a statement of the sum demanded and note of the time and place of sale.

Stocks and other securities shall be distrained by serving a copy of the warrant of distraint upon the taxpayer and upon the president, manager, treasurer or other responsible officer of the corporation, company or association, which issued the said stocks or securities.

Debts and credits shall be distrained by leaving with the person owing the debts or having in his possession or under his control such credits, or with his agent, a copy of the warrant of distraint. The warrant of distraint shall be sufficient authority to the person owning the debts or having in his possession or under his control any credits belonging to the taxpayer to pay to the Director the amount of such debts or credits.

Bank accounts shall be garnished by serving a warrant of garnishment upon the taxpayer and upon the president, manager, treasurer or other responsible officer of the bank. Upon receipt of the warrant of garnishment, the bank shall turn over to the Director so much of the bank accounts as may be sufficient to satisfy the claim of the Bangsamoro Government.

SECTION 415. *Sale of Property Distrained and Disposition of Proceeds.* - The BRDO or his duly authorized representative shall, according to rules and regulations prescribed by the Minister, forthwith cause a notification to be exhibited in not less than two (2) public places in the municipality or city where the distraint is made, specifying; the time and place of sale and the articles distrained. The time of sale shall not be less than twenty (20) days after notice to the owner or possessor of the property as above specified and the publication or posting of such notice. One place for the posting of such notice shall be at the Office of the Mayor of the city or municipality in which the property is distrained.

At the time and place fixed in such notice, the said Bangsamoro Revenue Officer shall sell the goods, chattels, or effects, or other personal property, including stocks and other securities so distrained, at public auction, to the highest bidder for cash, or with the approval of the Director, through duly licensed commodity or stock exchanges.

In the case of stocks and other securities, the officer making the sale shall execute a bill of sale which he shall deliver to the buyer, and a copy thereof furnished the corporation, company or association which issued the stocks or other securities. Upon receipt of the copy of the bill of sale, the corporation, company or association shall make the corresponding entry in its books, transfer the stocks or other securities sold in the name of the buyer, and issue, if required to do so, the corresponding certificates of stock or other securities.

Any residue over and above what is required to pay the entire claim, including expenses, shall be returned to the owner of the property sold. The expenses chargeable upon each seizure and sale shall embrace only the actual expenses of seizure and preservation of the property pending the sale, and no charge shall be imposed for the services of the local internal Bangsamoro Revenue Officer or his deputy.

SECTION 416. *Release of Distrained Property Upon Payment Prior to Sale.* - If at any time prior to the consummation of the sale all proper charges are paid to the Bangsamoro Revenue Officer conducting the sale, the goods or effects distrained shall be restored to the owner.

SECTION 417. *Report of Sale.* - Within two (2) days after the sale, the officer making the same shall make a report of his proceedings in writing to the Director and shall himself preserve a copy of such report as an official record. The Director, in turn, shall report to the Minister of the said sales, in accordance with the law.

SECTION 418. *Purchase by Bangsamoro Government at Sale Upon Distrain.* - When the amount bid for the property under distraint is not equal to the amount of the tax or is very much less than the actual market value of the articles offered for sale, the Director or his deputy may purchase the same in behalf of the Bangsamoro Government for the amount of taxes, penalties and costs due thereon.

Property so purchased may be resold by the Director or his deputy, subject to the rules and regulations prescribed by the Minister, the net proceeds therefrom shall be remitted to the BTO and accounted for as revenue.

SECTION 419. *Advertisement and Sale.* - Within twenty (20) days after levy, the officer conducting the proceedings shall proceed to advertise the property or a usable portion thereof as may be necessary to satisfy the claim and cost of sale; and such advertisement shall cover a period of a least thirty (30) days. It shall be effectuated by posting a notice at the main entrance of the municipal building or city hall and in public and conspicuous place in the barrio or district in which the real estate lies and by publication once a week for three (3) weeks in a newspaper of general circulation in the municipality or city where the property is located. The advertisement shall contain a statement of the amount of taxes and penalties so due and the time and place of sale, the name of the taxpayer against whom taxes are levied, and a short description of the property to be sold. At any time before the day fixed for the sale, the taxpayer may discontinue all proceedings by paying the taxes, penalties and interest. If he does not do so, the sale shall proceed and shall be held either at the main entrance of the municipal building or city hall, or on the premises to be sold, as the officer conducting the proceedings shall determine and as the notice of sale shall specify.

Within five (5) days after the sale, a return by the distraining or levying officer of the proceedings shall be entered upon the records of the Revenue Officer, the BRDO and the Director. The Revenue Officer, in consultation with the BRDO, shall then make out and deliver to the purchaser a certificate from his records, showing the proceedings of the sale, describing the property sold stating the name of the purchaser and setting out the exact amount of all taxes, penalties and interest: *Provided however*, That in case the proceeds of the sale exceeds the claim and cost of sale, the excess shall be turned over to the owner of the property.

The Revenue Officer, upon approval by the BRDO, may, out of his collection, advance an amount sufficient to defray the costs of collection by means of the summary remedies provided for in the BRC, including the preservation or transportation in case of personal property, and the advertisement and subsequent sale, both in cases of personal and real

property including improvements found on the latter. In his monthly collection reports, such advances shall be reflected and supported by receipts.

SECTION 420. *Redemption of Property Sold.* - Within one (1) year from the date of sale, the delinquent taxpayer, or any one for him, shall have the right of paying to the BRDO the amount of the public taxes, penalties, and interest thereon from the date of delinquency to the date of sale, together with interest on said purchase price at the rate of fifteen percent (15%) per annum from the date of purchase to the date of redemption, and such payment shall entitle the person paying to the delivery of the certificate issued to the purchaser and a certificate from the said BRDO that he has thus redeemed the property, and the BRDO shall forthwith pay over to the purchaser the amount by which such property has thus been redeemed, and said property thereafter shall be free from the lien of such taxes and penalties.

The owner shall not, however, be deprived of the possession of the said property and shall be entitled to the rents and other income thereof until the expiration of the time allowed for its redemption.

SECTION 421. *Forfeiture to Government for Want of Bidder.* - In case there is no bidder for real property exposed for sale as herein above provided or if the highest bid is for an amount insufficient to pay the taxes, penalties and costs, the Bangsamoro Revenue Officer conducting the sale shall declare the property forfeited to the Bangsamoro Government in satisfaction of the claim in question and within two (2) days thereafter, shall make a return of his proceedings and the forfeiture which shall be spread upon the records of his office. It shall be the duty of the Register of Deeds concerned, upon registration with his office of any such declaration of forfeiture, to transfer the title of the property forfeited to the Bangsamoro Government without the necessity of an order from a competent court.

SECTION 422. *Resale of Real Estate Taken for Taxes.* - The Director, subject to the corresponding delegation of authority to him by the Minister, shall have charge of any real estate obtained by the Bangsamoro Government in payment or satisfaction of taxes, penalties or costs arising under the BRC or in compromise or adjustment of any claim therefore; and said Director may, upon the giving of not less than twenty (20) days notice, sell and dispose of the same of public auction or dispose of the same at private sale. In either case, the proceeds of the sale shall be deposited with the BTO, and an accounting of the same shall be rendered to the Commission on Audit (COA).

SECTION 423. *Further Distraint or Levy.* - The remedy by distraint of personal property and levy on realty may be repeated, if necessary, until the full amount due, including all expenses, is collected.

SECTION 424. *Final Deed to Purchaser.* - In case the taxpayer shall not redeem the property as herein provided, the BRDO shall, as grantor, execute a deed conveying to the purchaser so much of the property as has been sold, free from all liens of any kind whatsoever, and the deed shall succinctly recite all the proceedings upon which the validity of the sale depends.

SECTION 425. *Personal Property Exempt from Distraint or Levy.* - The following property shall be exempt from distraint and the levy, attachment or execution thereof for delinquency in the payment of any regional tax, fee or charge, including the related surcharge and interest:

- (a) Tools and the implements necessarily used by the delinquent taxpayer in his trade or employment;
- (b) One (1) horse, cow, carabao, or other beast of burden, such as the delinquent taxpayer may select, and necessarily used by him in his ordinary occupation;
- (c) His necessary clothing, and that of all his family;
- (d) Household furniture and utensils necessary for housekeeping and used for that purpose by the delinquent taxpayer, such as he may select, of a value not exceeding ten thousand pesos (Php 10,000.00);
- (e) Provisions, including crops, actually provided for individual or family use sufficient for four (4) months;
- (f) The professional libraries of doctors, engineers, lawyers and judges;
- (g) One fishing boat and net, not exceeding the total value of ten thousand pesos (Php 10,000.00), by the lawful use of which a fisherman earns his livelihood; and
- (h) Any material or article forming part of a house or improvement of any real property.

SECTION 426. *Injunction not Available to Restrain Collection of Tax.* - No court shall have the authority to grant an injunction to restrain the collection of any regional tax, fee or charge imposed by the BRC.

SECTION 427. *Nature and Extent of Tax Lien.* - If any person, corporation, partnership, joint-account (*cuentas en participacion*), association or insurance company liable to pay an regional tax, neglects or refuses to pay the same after demand, the amount shall be a lien in favor of the Bangsamoro Government from the time when the assessment was made by the Director until paid, with interests, penalties, and costs that may accrue in addition thereto upon all property and rights to property belonging to the taxpayer: *Provided*, That this lien shall not be valid against any mortgagee, purchaser or judgment creditor until notice of such lien shall be filed by the Director in the office of the Register of Deeds of the province or city where the property of the taxpayer is situated or located.

SECTION 428. *Period of Limitation Upon Assessment and Collection.* - Except as provided in Section 429, the taxes shall be assessed within three (3) years after the last day prescribed by law for the filing of the return, and no proceeding in court without assessment for the collection of such taxes shall be begun after the expiration of such period: *Provided,* That in a case where a return is filed beyond the period prescribed by law, the three (3)-year period shall be counted from the day the return was filed. For purposes of this Section, a return filed before the last day prescribed by law for the filing thereof shall be considered as filed on such last day.

SECTION 429. *Exceptions as to Period of Limitation of Assessment and Collection of Taxes.*- In the implementation of this Article, the following exceptions shall apply:

- (a) In the case of a false or fraudulent return with intent to evade tax, or of failure to file a return, the tax may be assessed, or a proceeding in court for the collection of such tax may be filed without assessment, at any time within ten (10) years after the discovery of the falsity, fraud or omission: *Provided,* That in a fraud assessment which has become final and executory, the fact of fraud shall be judicially taken cognizance of in the civil or criminal action for the collection thereof.
- (b) If before the expiration of the time prescribed in Section 428 for the assessment of the tax, both the Director and the taxpayer have agreed in writing to its assessment after such time, the tax may be assessed within the period agreed upon. The period so agreed upon may be extended by subsequent written agreement made before the expiration of the period previously agreed upon.
- (c) Any tax which has been assessed within the period of limitation as prescribed in paragraph (a) hereof may be collected by distraint or levy or by a proceeding in court within five (5) years following the assessment of the tax.
- (d) Any tax, which has been assessed within the period agreed upon as provided in paragraph (b) hereinabove, may be collected by distraint or levy or by a proceeding in court within the period agreed upon in writing before the expiration of the five (5) -year period. The period so agreed upon may be extended by subsequent written agreements made before the expiration of the period previously agreed upon.
- (e) *Provided however,* That nothing in the immediately preceding and paragraph (a) hereof shall be construed to authorize the examination and investigation or inquiry into any tax return filed in accordance with the provisions of any tax amnesty law or decree.

SECTION 430. *Suspension of Running of Statute of Limitations.* - The running of the Statute of Limitations provided in Sections 429 and 430 on the making of assessment and the beginning of distraint or levy a proceeding in court for collection, in respect of any deficiency, shall be suspended for the period during which the Director is prohibited from making the assessment or beginning distraint or levy or a proceeding in court and for sixty (60) days thereafter; when the taxpayer requests for a reinvestigation which is granted by the Director; when the taxpayer cannot be located in the address given by him in the return filed upon which a tax is being assessed or collected: *Provided,* That if the taxpayer informs the Director of any change in address, the running of the Statute of Limitations will not be suspended; when the warrant of distraint or levy is duly served upon the taxpayer, his authorized representative, or a member of his household with sufficient discretion, and no property could be located; and when the taxpayer is out of the Philippines.

ARTICLE 3 - Other Remedies

SECTION 431. *Remedy for Enforcement of Statutory Penal Provisions.* - The remedy for enforcement of statutory penalties of all sorts shall be by criminal or civil action, as the particular situation may require, subject to the approval of the Director.

SECTION 432. *Remedy for Enforcement of Forfeitures.* - In the implementation of this Article, the following provisions shall apply:

- (a) The forfeiture of chattels and removable fixtures of any sort shall be enforced by the seizure and sale, or destruction, of the specific forfeited property. The forfeiture of real property shall be enforced by a judgment of condemnation and sale in a legal action or proceeding, civil or criminal, as the case may require.
- (b) Sales of forfeited chattels and removable fixtures shall be effected, so far as practicable, in the same manner and under the same conditions as the public notice and the time and manner of sale as are prescribed for sales of personal property distrained for the non-payment of taxes.

All other articles subject to excise tax, which have been manufactured or removed in violation of the BRC, as well as dies for the printing or making of BRO stamps and labels which are in imitation of or purport to be lawful stamps, or labels may, upon forfeiture, be sold or destroyed in the discretion of the Director.

Forfeited property shall not be destroyed until at least twenty (20) days after seizure.

CHAPTER 2 - Remedies of Taxpayer

ARTICLE 1 - Protest and Forfeiture

SECTION 433. *Protesting of Assessment.* - When the Director or his duly authorized representative finds that proper taxes should be assessed, he shall first notify the taxpayer of his findings: *Provided however,* That a pre-assessment notice shall not be required in the following cases:

- (a) When the finding for any deficiency tax is the result of mathematical error in the computation of the tax as appearing on the face of the return; or
- (b) When a taxpayer who opted to claim a refund or tax credit of excess creditable withholding tax for a taxable period was determined to have carried over and automatically applied the same amount claimed against the estimated tax liabilities for the taxable quarter or quarters of the succeeding taxable year.

The taxpayers shall be informed in writing of the law and the facts on which the assessment is made; otherwise, the assessment shall be void.

Within a period to be prescribed by IRRs, the taxpayer shall be required to respond to said notice. If the taxpayer fails to respond, the Director or his duly authorized representative shall issue an assessment based on his findings.

Such assessment may be protested administratively by filing a request for reconsideration or reinvestigation within thirty (30) days from receipt of the assessment in such form and manner as may be prescribed by IRRs. Within sixty (60) days from filing of the protest, all relevant supporting documents shall have been submitted; otherwise, the assessment shall become final.

If the protest is denied in whole or in part, or is not acted upon within one hundred eighty (180) days from submission of documents, the taxpayer adversely affected by the decision or inaction may appeal to a court of competent jurisdiction within thirty (30) days from receipt of the said decision, or from the lapse of one hundred eighty (180)-day period; otherwise, the decision shall become final, executory and demandable.

SECTION 434. *Action to Contest Forfeiture of Chattel.* - In case of the seizure of personal property under claim of forfeiture, the owner desiring to contest the validity of the forfeiture may, at any time before sale or destruction of the property, bring an action against the person seizing the property or having possession thereof to recover the same, and upon giving proper bond, may enjoin the sale; or after the sale and within six (6) months, he may bring an action to recover the net proceeds realized at the sale.

ARTICLE 2 - Tax Refund and Tax Credit

SECTION 435. Authority of the Minister to Compromise, Abate and Refund or Credit Taxes. – The Minister may –

- (a) Compromise the payment of any regional tax and national tax with all taxable elements within the BARMM, when:

(1) A reasonable doubt as to the validity of the claim against the taxpayer exists; or

(2) The financial position of the taxpayer demonstrates a clear inability to pay the assessed tax.

The compromise settlement of any tax liability shall be subject to the following minimum amounts:

For cases of financial incapacity, a minimum compromise rate equivalent to ten percent (10%) of the basic assessed tax; and

For other cases, a minimum compromise rate equivalent to forty percent (40%) of the basic assessed tax.

Where the basic tax involved exceeds One million pesos (P1,000.000) or where the settlement offered is less than the prescribed minimum rates, the compromise shall be upon the recommendation of Evaluation Board which shall be composed of the Director and the two (2) Deputy Directors.

- (b) Abate or cancel a tax liability, when:

(1) The tax or any portion thereof appears to be unjustly or excessively assessed; or

(2) The administration and collection costs involved do not justify the collection of the amount due.

All criminal violations may be compromised except: (a) those already filed in court, or (b) those involving fraud.

- (c) Credit or refund taxes erroneously or illegally received or penalties imposed without authority, refund the value of internal revenue stamps when they are returned in good condition by the purchaser, and, in his discretion, redeem or change unused stamps that have been rendered unfit for use and refund their value upon proof of destruction. No credit or refund of taxes or penalties shall be allowed unless the taxpayer files in writing with the BRO a claim for credit or refund within two (2) years after the payment of the tax or penalty: Provided, however, That a return filed showing an overpayment shall be considered as a written claim for credit or refund.

A Tax Credit Certificate validly issued under the provisions of this Code may be applied against any internal revenue tax, excluding withholding taxes, for which the taxpayer is directly liable. Any request for conversion into refund of unutilized tax credits may be allowed, subject to the provisions of Section

436 of this Code: Provided, That the original copy of the Tax Credit Certificate showing a creditable balance is surrendered to the appropriate revenue officer for verification and cancellation: Provided, further, That in no case shall a tax refund be given resulting from availment of incentives granted pursuant to special laws for which no actual payment was made.

The Minister shall submit to the Parliament, every twelve (12) months, a report on the exercise of his powers under this Section, stating therein the following facts and information, among others: names and addresses of taxpayers whose cases have been the subject of abatement or compromise; amount involved; amount compromised or abated; and reasons for the exercise of power.

SECTION 436. *Recovery of Tax Erroneously or Illegally Collected.*- No suit or proceeding shall be maintained in any court for the recovery of any regional tax hereafter alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been collected without authority, or of any sum alleged to have been excessively or in any manner wrongfully collected without authority, or of any sum alleged to have been excessively or in any manner wrongfully collected, until a claim for refund or credit has been duly filed with the Director; but such suit or proceeding may be maintained, whether or not such tax, penalty, or sum has been paid under protest or duress.

In any case, no such suit or proceeding shall be filed after the expiration of two (2) years from the date of payment of the tax or penalty regardless of any supervening cause that may arise after payment: *Provided however*, That the Director may, even without a written claim therefor, refund or credit any tax, where on the face of the return upon which payment was made, such payment appears clearly to have been erroneously paid.

SECTION 437. *Forfeiture of Cash Refund and of Tax Credit.* - There shall be forfeiture of refund and/or tax credit in the following cases:

- (a) *Forfeiture of Refund.* - A refund check or warrant issued in accordance with the pertinent provisions of the BRC, which shall remain unclaimed or uncashed within five (5) years from the date the said warrant or check was mailed or delivered, shall be forfeited in favor of the Bangsamoro Government and the amount thereof shall revert to the general fund.
- (b) *Forfeiture of Tax Credit.* - A tax credit certificate issued in accordance with the pertinent provisions of the BRC, which shall remain unutilized after five (5) years from the date of issue, shall, unless revalidated, be considered invalid, and shall not be allowed as payment for regional tax liabilities of the taxpayer, and the amount covered by the certificate shall revert to the general fund.

TITLE XI — FINAL PROVISIONS

SECTION 438. *Disposition of Regional Taxes, Fees, and Charges.* - Unless otherwise provided by law, all revenues collected, including fine, costs, forfeitures and other pecuniary liabilities imposed by the court for the violation of any provision of this Code, shall accrue to the general fund of the Bangsamoro Government, and shall be available for the general purposes of the Bangsamoro Government, except for those earmarked for special purposes under this Code and relevant laws.

SECTION 439. *Imposition of Additional Fees and Penalties.* - The fees imposed under Title III shall be without prejudice to any other taxes, fees, and charges that may be imposed by various ministries of the Bangsamoro Government in accordance with law and/or appropriate regulations.

SECTION 440. *Adjustment of Fees.* — The fees and charges provided under Title III may be adjusted based on the CPI, as certified by the PSA: *Provided however,* That the adjustment shall not be made oftener than every three (3) years.

In the event that the concerned National Government agency increases the fees as provided herein, the applicable fees shall be the higher of the amount as provided in the BRC, as adjusted, or the revised fees imposed by the National Government.

SECTION 441. *Appropriations.* - The amount necessary to carry out the provisions of this Act shall be included in the General Appropriations Act of the Bangsamoro Government of the year following its enactment into law and thereafter.

SECTION 442. *Implementing Rules and Regulations.* - Within one (1) year from the effectivity of the BRC, the MBFM, shall promulgate the rules and regulations for the effective implementation of the BRC.

All IRRs shall be uploaded to the Ministry's website, indexed by subject, or otherwise organized for easy access by the public.

SECTION 443. *Repealing Clause.* - The Muslim Mindanao Autonomy Act No. 49 is hereby repealed. All other codes or their parts, including Section, 3 Chapter 1; Section 6, Chapter 2; and Chapter 7 of Title IV, Book VI of Bangsamoro Autonomy Act No. 13, otherwise known as the Bangsamoro Administrative Code, and other issuances and ordinances which are contrary to or in consistent with the BRC are hereby repealed, amended, or modified accordingly.

SECTION 444. *Separability Clause.* - If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provisions not affected thereby shall remain in force and effect.

SECTION 445. *Effectivity.* This Code shall take effect fifteen (15) days after its publication in a newspaper of general or regional circulation.

Approved,



HON. AHOD B. EBRAHIM
Chief Minister