



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**FISCAL INCENTIVES REVIEW BOARD**  
MANILA

**FIRB Resolution No. 026- 22**

14 September 2022

**WHEREAS**, Fiscal Incentives Review Board (FIRB) Resolution No. 017-22, issued on 21 June 2022 allows registered business enterprises (RBEs) in the Information Technology—Business Process Management (IT-BPM) sector to adopt work-from-home (WFH) arrangement not exceeding thirty percent (30%) of their total workforce, is valid until 12 September 2022;

**WHEREAS**, *Presidential Proclamation No. 57, s. 2022* further extended the existing State of Calamity due to the coronavirus disease-2019 (COVID-19) virus throughout the Philippines effective 13 September 2022 until 31 December 2022, unless earlier lifted or extended as circumstances may warrant;

**WHEREAS**, FIRB recognizes that RBEs in the IT-BPM sector have already adopted WFH as their business model, and any proposed alternative work arrangement not contrary to law is a management prerogative;

**WHEREAS**, Section 309 of the National Internal Revenue Code of 1997, as amended by the CREATE Act, prohibits the conduct of registered projects or activities beyond the geographical boundaries of the economic zone or freeport zone being administered by the IPA and provides that any project or activity conducted or performed outside the economic zone or freeport zone shall not be entitled to incentives;

**WHEREAS**, there is a pressing need to address the request of RBEs in the IT-BPM sector to allow them to adopt, on a long-term basis, flexible work arrangements without adverse effects on their tax incentives;

**WHEREAS**, the FIRB Technical Committee recommended the transfer of registration of RBEs in the IT-BPM sector from an IPA administering an economic zone or freeport zone to the Board of Investments (BOI) to allow them to adopt up to 100% WFH arrangement;

**WHEREAS**, Section 297(A) of the NIRC of 1997, as amended by the CREATE Act, vests in the FIRB the power to exercise policy-making and oversight functions in the administration and grant of incentives.

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**NOW, THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, that as a temporary measure under Rule 23 of the CREATE Act Implementing Rules and Regulations (IRR) and in view of *Proclamation No. 57, s.2022*, the effectivity of FIRB Resolution No. 017-22, which allows RBEs in the IT-BPM sector to adopt WFH arrangements not exceeding thirty percent (30%) of their total workforce without adversely affecting their income tax incentives under the CREATE Act, is hereby extended from 13 September 2022 until 31 December 2022.

**RESOLVED, FURTHER**, that RBEs implementing WFH arrangements shall comply with all the conditions prescribed in FIRB Resolution Nos. 19-21, 017-22, and relevant issuances.

**RESOLVED, FURTHER**, that the affected RBEs in the IT-BPM sector may be allowed to transfer their registration to the BOI from the IPA administering an economic zone or freeport zone where their project is located until 31 December 2022 and adopt up to 100% WFH arrangement; *Provided* that the monitoring of these “transferee” RBEs’ compliance and the availment of their remaining incentives shall remain with the concerned IPA administering such economic zone or freeport zone where they are located.

**RESOLVED, FURTHER**, that the transfer of registration shall be governed by the following guidelines:

1. RBEs in the IT-BPM sector shall signify to the concerned IPA of their intention to transfer to BOI;
2. The concerned IPA shall prepare an endorsement to BOI, which shall contain the following basic information:
  - a) Registration Details (Certificate of Registration, Date of Registration, and Registered Activity with corresponding PSIC Code)
  - b) Remaining Tax Incentives; and
  - c) Status of compliance with registration terms and conditions;
3. BOI shall issue the BOI Certificate of Registration (CR) indicating the remaining tax incentives of the project; *Provided* that the current Cost

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Benefit Analysis for new projects shall no longer be applied to the transferee RBEs;

4. The concerned IPA shall monitor compliance of transferee RBEs and submit a report to the BOI in relation to the BOI CRs issued; and

Provided, that the “affected RBEs” shall cover those transferee RBEs that have remaining tax incentives under Section 311 of the NIRC of 1997, as amended, or those with approved incentives on or before 14 September 2022 under the CREATE Act with the concerned IPA.

**RESOLVED, FURTHER,** that the BOI and the concerned IPA, in coordination with the FIRB Secretariat, shall, when necessary, provide any additional procedures and mechanisms to effectively and expeditiously carry out the said transfer of registration of RBEs in the IT-BPM sector.

**RESOLVED, FINALLY,** that after the lapse of the periods of the remaining tax incentives, the existing registered project of the transferee RBEs shall not be entitled to additional incentives, but may be eligible to apply if the activity is listed in the Strategic Investment Priority Plan and there is a new investment or qualified expansion.

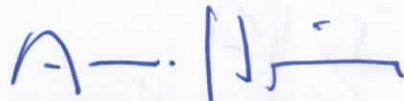
This *Resolution* may be signed in any number of counterparts, each of which when duly executed and sent by facsimile or electronic transmission to the Secretariat shall be valid and effectual as if executed as an original, but all the counterparts (including those sent by way of facsimile or electronic transmission) shall together constitute one and the same document.

Adopted by the Board in its meeting on 14 September 2022 where a quorum was present.

  
**AMENAH F. PANGANDAMAN**  
Secretary of Budget and Management

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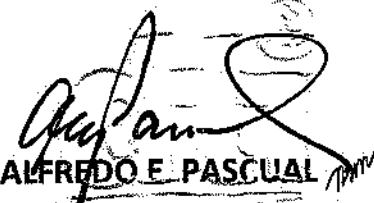
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OCT 04 2022

