

Table J.1.b.
2020 INVESTMENT TAX EXPENDITURES, BY SECTOR, BY TYPE OF TAX INCENTIVES, FY 2019-2021
(in thousand pesos)

Sector	2019									
	Income Tax Holiday	Special Income Tax Rate	Programmed ¹			Total	Programmed (CDA)			
Customs Duties			Import VAT (gross)		Income Tax Incentives of Cooperatives		Local VAT Incentives of Cooperatives	Percentage Tax Incentives of Cooperatives	Total Tax Incentives of Cooperatives ²	
I. Agriculture and fishery	435,884	593	5,127	5,228	446,833	12,987	312,070	9,452	334,510	781,342
Agriculture and fishery (fishery)	-	-	-	-	-	39	5,919	-	5,958	5,958
Agriculture and fishery (livestock, poultry, production of animal feeds)	190,283	-	1,064	-	191,346	2,765	17,302	58	20,126	211,472
Agriculture and fishery (operator of post harvest facility, cold storage facility)	102,954	499	3,520	4,658	111,630	2,061	6,859	10	8,930	120,560
Agriculture and fishery (seed production, growing of plants)	142,648	95	544	570	143,856	8,122	281,990	9,385	299,496	443,352
II. Economic and low-cost housing	4,396,263	173,227	-	-	4,569,490	-	-	-	-	4,569,490
Economic and low-cost housing	4,396,263	173,227	-	-	4,569,490	-	-	-	-	4,569,490
III. Energy	12,097,074	2,887,379	2,695,895	3,396,916	21,077,263	123	3,113	681	3,918	21,081,181
Energy (coal, diesel)	6,714,346	103,381	2,661,820	2,903,045	12,382,592	-	-	-	-	12,382,592
Energy (refining, storage, marketing and distribution of petroleum products)	1,591,955	44,316	1,988	479,855	2,118,113	123	3,113	681	3,918	2,122,031
Energy (renewable energy - biomass)	1,697,481	138,525	5,307	13,925	1,855,238	-	-	-	-	1,855,238
Energy (renewable energy - geothermal)	404,146	2,397,158	26,720	-	2,828,023	-	-	-	-	2,828,023
Energy (renewable energy - hydro)	235,411	150,702	61	58	386,232	-	-	-	-	386,232
Energy (renewable energy - solar)	507,266	26,562	-	34	533,862	-	-	-	-	533,862
Energy (renewable energy - unspecified)	211,712	-	-	-	211,712	-	-	-	-	211,712
Energy (renewable energy - wind)	734,757	26,736	-	-	761,493	-	-	-	-	761,493
IV. Manufacturing	19,149,012	28,379,418	48,386,639	284,879,256	380,794,325	2,534	40,934	1,497	44,965	380,839,289
Manufacturing (chemicals)	345,671	1,046,191	2,955,205	7,048,546	11,395,612	-	34	-	34	11,395,647
Manufacturing (electronics, electrical products, semicon)	11,341,509	15,819,227	17,541,920	207,380,614	252,083,270	-	-	-	-	252,083,270
Manufacturing (industrial goods, machines)	4,041,403	2,681,541	3,023,420	15,380,783	25,127,147	-	-	-	-	25,127,147
Manufacturing (food, food processing)	417,177	466,926	1,045,450	1,819,344	3,748,898	2,197	18,928	788	21,913	3,770,811
Manufacturing (garments, textiles, wearables including jewelry, leather products - including bags)	397,036	169,715	5,085,311	8,460,073	14,112,135	2	-	525	527	14,112,662
Manufacturing (glass, plastic, ceramic)	169,577	454,572	5,257,042	8,906,180	14,787,370	-	-	-	-	14,787,370
Manufacturing (wood, paper, rubber products)	31,429	1,670,808	2,346,899	4,751,369	8,800,505	5	19,514	107	19,627	8,820,132
Manufacturing (metals, steel)	73,319	2,107,220	1,863,106	6,698,546	10,742,190	-	-	-	-	10,742,190
Manufacturing (personal care and healthcare products, medical products)	272,505	426,566	1,665,382	1,565,831	2,951,284	-	-	-	-	2,951,284
Manufacturing (personal goods)	962,118	448,652	1,282,796	2,897,663	5,591,228	330	2,244	78	2,652	5,593,880
Manufacturing (vehicles, vehicle accessories, transport equipment)	1,097,269	3,087,999	7,299,108	19,970,308	31,454,684	-	-	-	-	31,454,684
V. Mining and quarrying	249,326	-	948	25,220	275,494	-	-	-	-	275,494
Mining and quarrying	249,326	-	948	25,220	275,494	-	-	-	-	275,494
VI. PPP projects	536,735	21,249	106,973	-	664,956	34	-	-	34	664,991
PPP projects	536,735	21,249	106,973	-	664,956	34	-	-	34	664,991
VII. Services	21,880,796	22,456,965	9,156,639	20,705,018	74,199,419	1,770,961	37,176,724	470,561	39,418,246	113,617,664
Services (banking, financing)	56,370	2,295	415	1,840	60,920	1,409,742	31,814,729	300,147	33,524,618	33,585,538
Services (BPO - non-voice, software development, IT-related services, customer support)	5,262,359	9,417,833	491,415	1,694,670	16,866,278	40,074	113,505	470	154,050	17,020,328
Services (call center)	2,945,757	8,064,637	209,831	2,445,155	13,665,380	-	-	-	-	13,665,380
Services (R&D)	541	49,072	649	5,488	55,749	-	-	-	-	55,749
Services (canteen and restaurant operation)	219	52,049	3,052	2,601	57,921	123,774	939,692	79,186	1,142,652	1,200,573
Services (construction, leasing, real estate other than economic and low-cost housing, ecozone operator)	10,191,339	2,443,092	75,240	286,137	12,995,808	2,066	43,906	1,500	47,471	13,043,279
Services (operator of training and learning centers, operator of medical and health facilities)	1,163,537	643,003	2,687	5,545	1,814,773	4,826	35,965	580	41,371	1,856,143
Services (other general services)	259,179	57,860	2,380	10,632	330,050	24,699	1,310,814	29,022	1,364,535	1,694,585
Services (warehousing, logistics, utilities, operator of sea ports and airports)	1,903,503	1,536,813	8,116,333	15,955,729	27,512,379	56,751	263,686	797	321,233	27,833,612
Services (wholesale, retail, trading)	97,993	190,310	254,636	297,221	840,161	109,028	2,654,427	58,860	2,822,315	3,662,476
VIII. Tourism	3,822,247	616,428	245,159	486,015	5,169,850	-	7,184	-	7,184	5,177,034
Tourism (accommodation, hotels, resort)	3,819,942	422,976	245,129	485,938	4,973,985	-	7,184	-	7,184	4,981,170
Tourism (medical tourism, other tourism-related services)	2,305	193,452	30	77	195,865	-	-	-	-	195,865
IX. Unfilled / unspecified registered activity	3,565,698	8,455,114	-	-	12,020,812	39,818	1,521,230	170,378	1,731,426	13,752,238
Unfilled/unspecified registered activity	3,565,698	8,455,114	-	-	12,020,812	39,818	1,521,230	170,378	1,731,426	13,752,238
Total	66,133,035	62,990,374	60,597,380	309,497,653	499,218,442	1,826,457	39,061,256	652,570	41,540,283	540,758,725

¹ Values reflected are 2019 projections of investment tax expenditures for 2020 as stated in the 2019 report.

² Values reflected are 2019 actual amount of investment tax expenditures as stated in the 2019 report.

³ Values reflected are 2020 projections of investment tax expenditures for 2020 as stated in the 2019 report.

⁴ The 2021 projections of investment tax expenditure for incentives on income tax were computed using the 2020-2021 nominal GDP growth rates by sector as reported by the Philippine Statistics Authority (PSA), while the projections of investment tax expenditure for incentives on customs duties were computed using the 2020-2021 growth rate of value of imports as reported by the BOC.

⁵ The investment tax expenditure was computed into two periods. The first half was computed starting Jan. to June using the 30% CIT. The second half was computed using the CREATE law provisions, applying the adjusted income tax rate of 20%/25% to the net taxable income.

⁶ The investment tax expenditure on special income tax rate was computed as the difference between the amount that would have been paid to the national government under a regular corporate income tax regime and the amount actually paid under the special income tax rate regime. Income tax rate regime.

⁷ The income tax incentives of cooperatives were computed based on the preferential tax treatment of cooperatives in accordance with Republic Act 9520, and are to be included in the TIMTA report, as stated in the TIMTA law

* Numbers may not add up due to rounding.

** The tax incentives of cooperatives are reported in the TIMTA report in accordance to Sec. 3 of TRAIN Law which took effect in 2018.

*** The revenue forgone for tax incentives of cooperatives does not include the importation incentives of cooperatives

Sources: Bureau of Internal Revenue (BIR), Bureau of Customs (BOC), Cooperative Development Authority (CDA), DOF staff computation

Table J.1.b.
2020 INVESTMENT TAX EXPENDITURES, BY SECTOR, BY TYPE OF TAX INCENTIVES, FY 2019-2021
(in thousand pesos)

Sector	2019									
	Actual ¹					Actual (CDA)				
	Income Tax Holiday ⁵	Special Income Tax Rate ⁶	Customs duties	Import VAT (gross)	Total	Income Tax Incentives of Cooperatives	Local VAT Incentives of Cooperatives	Percentage Tax Incentives of Cooperatives	Total Tax Incentives of Cooperatives ⁷	Total (including Incentives of Cooperatives)
I. Agriculture and fishery	548,398	202	67,643	0	616,243	56,342	842,858	-	899,199	1,515,442
Agriculture and fishery (fishery)	-	-	-	-	-	542	1,537	-	2,080	2,080
Agriculture and fishery (livestock, poultry, production of animal feeds)	270,942	-	56,792	0	327,734	6,640	190,349	-	196,989	524,723
Agriculture and fishery (operator of post harvest facility, cold storage facility)	73,792	182	10,850	0	84,824	3,216	10,608	-	13,824	98,648
Agriculture and fishery (seed production, growing of plants)	203,664	21	-	-	203,685	45,943	640,363	-	686,306	889,991
II. Economic and low-cost housing	3,103,702	26,854	-	-	3,130,556	-	-	-	-	3,130,556
Economic and low-cost housing	3,103,702	26,854	-	-	3,130,556	-	-	-	-	3,130,556
III. Energy	12,317,105	8,011,756	1,181,577	4,845,419	26,355,856	0	7,515	-	7,515	26,363,371
Energy (coal, diesel)	8,445,516	3,491,839	1,117,628	4,818,357	17,873,341	-	-	-	-	17,873,341
Energy (refining, storage, marketing and distribution of petroleum products)	1,009,345	267,251	9,548	22,884	1,309,028	0	7,515	-	7,515	1,316,543
Energy (renewable energy - biomass)	1,125,111	83,525	42,421	4,164	1,255,221	-	-	-	-	1,255,221
Energy (renewable energy - geothermal)	473,995	1,409,398	9,296	0	1,892,688	-	-	-	-	1,892,688
Energy (renewable energy - hydro)	354,623	2,734,123	7	0	3,088,752	-	-	-	-	3,088,752
Energy (renewable energy - solar)	386,038	8,589	1	14	394,642	-	-	-	-	394,642
Energy (renewable energy - unspecified)	29,591	-	2,677	0	32,268	-	-	-	-	32,268
Energy (renewable energy - wind)	492,886	17,030	-	-	509,916	-	-	-	-	509,916
IV. Manufacturing	20,428,513	25,542,496	39,007,147	236,166,737	321,144,892	17,007	133,304	-	150,311	321,295,203
Manufacturing (chemicals)	66,636	838,968	1,849,335	6,172,460	8,927,399	-	-	-	-	8,927,399
Manufacturing (electronics, electrical products, semicon)	11,631,201	13,406,965	14,211,618	166,042,155	205,291,939	-	-	-	-	205,291,939
Manufacturing (industrial goods, machines)	4,696,358	2,973,394	3,005,444	18,886,051	29,561,236	-	-	-	-	29,561,236
Manufacturing (food, food processing)	336,550	268,595	391,027	696,372	1,692,544	-	-	-	-	1,764,447
Manufacturing (garments, textiles, wearables including jewelry, leather products - including bags)	375,056	201,481	4,710,743	7,256,133	12,543,415	12,386	59,517	-	71,903	12,558,669
Manufacturing (glass, plastic, ceramic)	386,397	649,092	1,897,508	4,830,329	7,763,326	551	33,355	-	33,907	7,797,233
Manufacturing (wood, paper, rubber products)	63,651	1,569,331	1,680,347	3,720,425	7,033,753	-	3,557	-	3,557	7,037,311
Manufacturing (metals, steel)	82,858	898,189	1,224,280	4,203,674	6,409,002	-	233	-	233	6,409,234
Manufacturing (personal care and healthcare products, medical products)	761,156	359,930	675,549	1,854,929	3,651,565	29	-	-	29	3,651,593
Manufacturing (personal goods)	881,630	1,002,594	3,050,555	6,374,185	11,309,064	1,955	23,157	-	25,112	11,334,176
Manufacturing (vehicles, vehicle accessories, transport equipment)	1,147,019	3,373,866	6,310,741	16,130,024	26,961,650	4	312	-	316	26,961,966
V. Mining and quarrying	34,705	-	-	-	34,705	2	3,343	-	3,345	38,050
Mining and quarrying	34,705	-	-	-	34,705	2	3,343	-	3,345	38,050
VI. PPP projects	155,366	16,294	45,944	10,102	227,707	-	-	-	-	227,707
PPP projects	155,366	16,294	45,944	10,102	227,707	-	-	-	-	227,707
VII. Services	28,109,298	23,040,121	7,004,743	25,564,117	83,718,279	14,400,235	15,307,240	1,378,212	31,085,687	114,803,967
Services (banking, financing)	452,929	311,693	-	7,473	772,096	2,715,102	6,311,232	1,378,212	10,404,546	11,176,642
Services (BPO - non-voice, software development, IT-related services, customer support)	7,159,547	11,835,912	114,452	645,423	19,755,335	40,041	1,063,497	-	1,103,538	20,858,873
Services (call center)	1,300,191	5,589,630	168,947	1,225,536	8,284,304	-	-	-	-	8,284,304
Services (R&D)	4,114	24,924	10,754	57,874	97,665	-	-	-	-	97,665
Services (canteen and restaurant operation)	176	36,001	9,851	11,697	57,725	3,311,453	1,275,015	-	4,586,468	4,644,192
Services (construction, leasing, real estate other than economic and low-cost housing, ecozone operator)	12,235,333	3,503,616	266,664	539,988	16,545,601	8,180	20,875	-	29,055	16,574,656
Services (operator of training and learning centers, operator of medical and health facilities)	17,265	138,322	4,736	68,482	228,805	19,177	119,828	-	139,004	367,809
Services (other general services)	2,783,914	70,020	1,738,189	6,599,876	11,192,000	7,904,661	2,456,606	-	10,361,266	21,553,266
Services (warehousing, logistics, utilities, operator of sea ports and airports)	3,128,645	1,306,332	4,110,408	15,041,521	23,586,907	123,091	1,838,106	-	1,961,197	25,548,104
Services (wholesale, retail, trading)	1,027,183	223,671	580,741	1,366,248	3,197,843	278,530	2,222,082	-	2,500,612	5,698,455
VIII. Tourism	3,703,040	9,770,667	176,193	351,240	14,001,140	166	1,286	-	1,452	14,002,592
Tourism (accommodation, hotels, resort)	3,703,040	626,219	162,242	330,274	4,821,776	166	1,286	-	1,452	4,823,228
Tourism (medical tourism, other tourism-related services)	-	9,144,448	13,951	20,966	9,179,364	-	-	-	-	9,179,364
IX. Unfilled/ unspecified registered activity	-	-	102,842	173,696	276,538	856	47,467	-	48,324	324,862
Unfilled/unspecified registered activity	-	-	102,842	173,696	276,538	856	47,467	-	48,324	324,862
Total	68,400,127	66,408,390	47,586,088	267,111,311	449,505,916	14,474,608	16,343,014	1,378,212	32,195,834	481,701,750

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I. Agriculture and fishery	548,734	203	57,902	0	606,838	56,376	843,374	-	899,750	1,506,588
Agriculture and fishery (fishery)	-	-	-	-	-	543	1,538	-	2,081	2,081
Agriculture and fishery (livestock, poultry, production of animal feeds)	271,108	-	48,614	0	319,722	6,644	190,465	-	197,110	516,832
Agriculture and fishery (operator of post harvest facility, cold storage facility)	73,837	182	9,288	0	83,307	3,218	10,615	-	13,832	97,139
Agriculture and fishery (seed production, growing of plants)	203,789	21	-	-	203,809	45,972	640,755	-	686,727	890,536
II. Economic and low-cost housing	3,099,312	26,816	-	-	3,126,128	-	-	-	-	3,126,128
Economic and low-cost housing	3,099,312	26,816	-	-	3,126,128	-	-	-	-	3,126,128
III. Energy	12,317,727	8,012,160	1,011,430	4,147,678	25,488,996	0	7,515	-	7,516	25,496,511
Energy (coal, diesel)	8,445,943	3,492,016	956,690	4,124,514	17,019,162	-	-	-	-	17,019,162
Energy (refining, storage, marketing and distribution of petroleum products)	1,009,396	267,265	8,173	19,588	1,304,422	0	7,515	-	7,516	1,311,938
Energy (renewable energy - biomass)	1,125,168	-	36,312	3,564	1,248,574	-	-	-	-	1,248,574
Energy (renewable energy - geothermal)	474,019	1,409,469	7,957	0	1,891,445	-	-	-	-	1,891,445
Energy (renewable energy - hydro)	354,641	2,734,261	6	0	3,088,907	-	-	-	-	3,088,907
Energy (renewable energy - solar)	386,058	8,590	1	12	394,660	-	-	-	-	394,660
Energy (renewable energy - unspecified)	29,593	-	2,291	0	31,884	-	-	-	-	31,884
Energy (renewable energy - wind)	492,911	17,031	-	-	509,942	-	-	-	-	509,942
IV. Manufacturing	20,403,421	25,511,122	33,390,118	202,158,727	281,463,388	16,986	133,141	-	150,127	281,613,515
Manufacturing (chemicals)	66,554	837,937	1,583,031	5,283,626	7,771,148	-	-	-	-	7,771,148
Manufacturing (electronics, electrical products, semicon)	11,616,915	13,390,498	12,165,145	142,132,085	179,304,642	-	-	-	-	179,304,642
Manufacturing (industrial goods, machines)	4,690,589	2,969,732	2,572,660	16,166,459	26,399,441	-	-	-	-	26,399,441
Manufacturing (food, food processing)	336,137	268,265	334,719	596,094	1,535,215	12,371	59,444	-	71,815	1,607,030
Manufacturing (garments, textiles, wearables including jewelry, leather products - including baags)	374,596	201,234	4,032,396	6,211,250	10,819,476	2,079	13,157	-	15,236	10,834,712
Manufacturing (glass, plastic, ceramic)	385,922	648,295	1,624,267	4,134,762	6,793,246	551	33,314	-	33,865	6,827,111
Manufacturing (wood, paper, rubber products)	63,573	1,567,403	1,438,377	3,184,683	6,254,036	-	3,553	-	3,553	6,257,589
Manufacturing (metals, steel)	82,757	897,086	1,047,983	3,598,345	5,626,171	-	232	-	232	5,626,404
Manufacturing (personal care and healthcare products, medical products)	760,221	359,488	578,270	1,587,819	3,285,799	29	-	-	29	3,285,828
Manufacturing (personal goods)	880,547	1,001,462	2,611,275	5,456,303	9,949,587	1,953	23,129	-	25,081	9,974,668
Manufacturing (vehicles, vehicle accessories, transport equipment)	1,145,610	3,369,722	5,401,995	13,807,300	23,724,627	4	312	-	316	23,724,943
V. Mining and quarrying	34,650	-	-	-	34,650	2	3,338	-	3,340	37,989
Mining and quarrying	34,650	-	-	-	34,650	2	3,338	-	3,340	37,989
VI. PPP projects	155,254	16,282	39,328	8,648	219,512	-	-	-	-	219,512
PPP projects	155,254	16,282	39,328	8,648	219,512	-	-	-	-	219,512
VII. Services	28,082,922	23,028,548	5,996,060	21,882,884	78,990,414	14,382,779	15,301,669	1,379,365	31,063,814	110,054,227
Services (banking, financing)	453,308	311,954	5,996,060	6,397	771,659	2,717,374	6,316,511	1,379,365	10,413,250	11,184,909
Services (BPO - non-voice, software development, IT-related services, customer support)	7,154,447	11,827,481	97,971	552,482	19,632,381	40,012	1,062,740	-	1,102,752	20,735,133
Services (call center)	1,300,884	5,592,608	144,619	1,049,059	8,087,169	-	-	-	-	8,087,169
Services (R&D)	4,111	24,906	9,205	49,540	87,762	-	-	-	-	87,762
Services (canteen and restaurant operation)	176	35,853	8,432	10,012	54,473	3,297,792	1,269,755	-	4,567,547	4,622,020
Services (construction, leasing, real estate other than economic and low-cost housing, ecozone operator)	12,218,025	3,498,660	228,264	462,229	16,407,179	8,169	20,945	-	29,014	16,436,192
Services (operator of training and learning centers, operator of medical and health facilities)	17,252	138,222	4,054	58,621	218,149	19,163	119,741	-	138,904	357,053
Services (other general services)	2,781,899	69,969	1,487,890	5,649,494	9,989,252	7,898,939	2,454,828	-	10,353,767	20,343,019
Services (warehousing, logistics, utilities, operator of sea ports and airports)	3,126,381	1,305,387	3,518,510	12,875,542	20,825,819	123,002	1,836,775	-	1,959,778	22,785,597
Services (wholesale, retail, trading)	1,026,440	223,509	497,114	1,169,508	2,916,571	278,329	2,220,474	-	2,498,802	5,415,373
VIII. Tourism	3,687,764	9,761,464	150,821	300,662	13,900,711	165	1,281	-	1,446	13,902,157
Tourism (accommodation, hotels, resort)	3,687,764	623,636	138,879	282,715	4,732,994	165	1,281	-	1,446	4,734,440
Tourism (medical tourism, other tourism-related services)	-	9,137,829	11,942	17,947	9,167,717	-	-	-	-	9,167,717
IX. Unfilled / unspecified registered activity	-	-	88,033	148,684	236,717	856	47,429	-	48,285	285,001
Unfilled/unspecified registered activity	-	-	88,033	148,684	236,717	856	47,429	-	48,285	285,001
Total	68,329,783	66,356,596	40,733,691	228,647,282	404,067,353	14,457,164	16,337,747	1,379,365	32,174,276	436,241,629

¹ Values reflected are 2019 projections of investment tax expenditures for 2020 as stated in the 2019 report.

² Values reflected are 2019 actual amount of investment tax expenditures as stated in the 2019 report.

³ Values reflected are 2020 projections of investment tax expenditures for 2020 as stated in the 2019 report.

⁴ The 2021 projections of investment tax expenditure for incentives on income tax were computed using the 2020-2021 nominal GDP growth rates by sector as reported by the Philippine Statistics Authority (PSA), while the projections of investment tax expenditure for incentives on customs duties were computed using the 2020-2021 growth rate of value of imports as reported by the BOC.

⁵ The investment tax expenditure was computed into two periods. The first half was computed starting Jan. to June using the 30% CIT. The second half was computed using the CREATE law provisions, applying the adjusted income tax rate of 20%/25% to the net taxable income.

⁶ The investment tax expenditure on special income tax rate was computed as the difference between the amount that would have been paid to the national government under a regular corporate income tax regime and the amount actually paid under the special income tax rate regime, income tax rate regime.

⁷ The income tax incentives of cooperatives were computed based on the preferential tax treatment of cooperatives in accordance with Republic Act 9520, and are to be included in the TIMTA report, as stated in the TIMTA law

* Numbers may not add up due to rounding.

** The tax incentives of cooperatives are reported in the TIMTA report in accordance to Sec. 3 of TRAIN Law which took effect in 2018.

*** The revenue forgone for tax incentives of cooperatives does not include the importation incentives of cooperatives

Sources: Bureau of Internal Revenue (BIR), Bureau of Customs (BOC), Cooperative Development Authority (CDA), DOF staff computation

Table J.1.b.
2020 INVESTMENT TAX EXPENDITURES, BY SECTOR, BY TYPE OF TAX INCENTIVES, FY 2019-2021
(in thousand pesos)

Sector	Actual					2020				
	Income Tax Holiday ¹	Special Income Tax Rate ²	Customs Duties	Import VAT (gross)	Total	Income Tax Incentives of Cooperatives	Local VAT Incentives of Cooperatives	Percentage Tax Incentives of Cooperatives	Total Tax Incentives of Cooperatives ³	Total (including Incentives of Cooperatives)
I. Agriculture and fishery	100,285	-	20,571	14,635	135,491	35,278	193,455	159	228,891	364,383
Agriculture and fishery (fishery)	-	-	-	-	-	51	138	-	-	189
Agriculture and fishery (livestock, poultry, production of animal feeds)	10,672	-	3,694	14,240	28,606	16,509	59,875	6	76,390	104,996
Agriculture and fishery (operator of post harvest facility, cold storage facility)	39,703	-	15,422	-	55,126	80	4,179	-	4,260	59,385
Agriculture and fishery (seed production, growing of plants)	49,910	-	1,455	395	51,760	18,637	129,263	153	148,053	199,813
II. Economic and low-cost housing	124,573	19,307	-	-	143,880	-	-	-	-	143,880
Economic and low-cost housing	124,573	19,307	-	-	143,880	-	-	-	-	143,880
III. Energy	869,142	7,792,128	1,298,524	2,098,873	12,058,667	274	456	84	814	12,059,481
Energy (coal, diesel)	21,130	-	1,080,635	2,018,408	3,120,173	-	-	-	-	3,120,173
Energy (refining, storage, marketing and distribution of petroleum products)	52,998	31,543	152,034	16,477	253,053	274	456	84	814	253,867
Energy (renewable energy - biomass)	212,832	122,440	35,376	56,118	426,767	-	-	-	-	426,767
Energy (renewable energy - geothermal)	235,550	7,638,145	23,313	-	7,897,008	-	-	-	-	7,897,008
Energy (renewable energy - hydro)	8,635	-	4,490	-	13,125	-	-	-	-	13,125
Energy (renewable energy - solar)	244,648	-	2,580	7,869	255,096	-	-	-	-	255,096
Energy (renewable energy - unspecified)	-	-	96	-	96	-	-	-	-	96
Energy (renewable energy - wind)	93,348	-	-	-	93,348	-	-	-	-	93,348
IV. Manufacturing	6,712,657	18,549,582	65,947,999	272,375,362	363,585,601	3,376	36,230	408	40,015	363,625,616
Manufacturing (Chemicals)	5,139	298,443	1,264,255	6,914,179	8,482,015	-	-	-	-	8,482,015
Manufacturing (electronics, electrical products, semicon)	5,257,388	10,180,675	48,217,383	220,491,438	284,146,884	-	-	-	-	284,146,884
Manufacturing (industrial goods, machines)	395,928	2,782,224	2,086,867	13,369,536	18,634,555	-	-	-	-	18,634,555
Manufacturing (food, food processing)	20,139	49,605	329,585	697,603	1,096,932	2,754	20,041	131	22,926	1,119,857
Manufacturing (garments, textiles, wearables including jewelry, leather products - including bags)	61,458	197,828	3,057,619	4,617,217	7,934,122	129	1,404	-	1,533	7,935,655
Manufacturing (glass, plastic, ceramic)	65,489	564,779	1,173,123	3,241,287	5,044,678	-	14	-	14	5,044,692
Manufacturing (wood, paper, rubber products)	9,656	251,106	1,454,386	2,921,016	4,636,163	304	14,093	278	14,675	4,650,837
Manufacturing (metals, steel)	39,977	734,631	1,019,603	3,589,792	5,384,004	-	-	-	-	5,384,004
Manufacturing (personal care and healthcare products, medical products)	634,822	801,382	553,993	1,765,285	3,755,481	-	-	-	-	3,755,481
Manufacturing (personal goods)	6,392	130,445	2,469,427	4,651,331	7,257,594	164	12	-	176	7,258,286
Manufacturing (vehicles, vehicle accessories, transport equipment)	216,270	2,558,465	4,321,758	10,116,679	17,213,173	26	666	-	692	17,213,173
V. Mining and quarrying	-	-	-	-	-	8	12	-	20	20
Mining and quarrying	-	-	-	-	-	8	12	-	20	20
VI. PPP projects	-	-	27,583	-	27,583	-	-	-	-	27,583
PPP projects	-	-	27,583	-	27,583	-	-	-	-	27,583
VII. Services	12,138,993	20,119,910	4,499,289	18,162,257	54,920,449	3,252,442	13,312,057	1,241,116	17,805,615	72,726,064
Services (banking, financing)	-	-	-	-	-	2,118,063	1,166,971	-	9,248,260	9,248,260
Services (BPO - non-voice, software development, IT-related services, customer support)	5,585,740	13,670,871	401,683	1,498,960	21,157,254	86,494	5,963,226	268	440,686	21,597,940
Services (call center)	817,299	2,407,957	95,201	1,071,544	4,392,001	-	-	-	-	4,392,001
Services (R&D)	-	34,123	2,254	12,531	48,908	-	-	-	-	48,908
Services (canteen and restaurant operation)	157	20,559	169	217	45,620	-	280,504	10,146	336,270	357,372
Services (construction, leasing, real estate other than economic and low-cost housing, ecozone operator)	124,439	1,946,677	114,807	189,080	2,375,004	5,066	76,605	65	81,736	2,456,740
Services (operator of training and learning centers, operator of medical and health facilities)	8,892	122,047	1,926	70,965	203,831	26,819	192,917	105	219,841	423,672
Services (other general services)	555,562	144,033	770,266	2,819,499	4,289,360	210,715	1,851,510	314	2,062,539	6,351,899
Services (warehousing, logistics, utilities, operator of sea ports and airports)	5,045,281	1,315,209	2,964,861	12,074,308	21,399,659	47,478	1,500,481	1,978	1,549,937	22,949,596
Services (wholesale, retail, trading)	1,622	458,434	148,122	425,152	1,033,330	712,187	3,092,888	61,270	3,866,346	4,899,676
VIII. Tourism	17,737	151,719	139,550	490,369	799,375	15	66,349	67,094	866,469	866,469
Tourism (accommodation, hotels, resort)	11,056	48,368	137,131	485,033	681,589	11	714	66,349	67,075	748,663
Tourism (medical tourism, other tourism-related services)	6,680	103,351	2,419	5,336	117,787	3	16	-	19	117,806
IX. Unfilled/ unspecified registered activity	-	-	609	6,297	6,906	92,673	3,829,248	125,922	4,047,844	4,054,750
Unfilled/unspecified registered activity	-	-	609	6,297	6,906	92,673	3,829,248	125,922	4,047,844	4,054,750
Total	19,963,388	46,632,647	71,934,126	293,147,793	431,677,953	3,384,065	17,372,188	1,434,039	22,190,293	453,868,246

¹ Values reflected are 2019 projections of investment tax expenditures for 2020 as stated in the 2019 report.

² Values reflected are 2019 actual amount of investment tax expenditures as stated in the 2019 report.

³ Values reflected are 2020 projections of investment tax expenditures for 2020 as stated in the 2019 report.

⁴ The 2021 projections of investment tax expenditure for incentives on income tax were computed using the 2020-2021 nominal GDP growth rates by sector as reported by the Philippine Statistics Authority (PSA), while the projections of investment tax expenditure for incentives on customs duties were computed using the 2020-2021 growth rate of value of imports as reported by the BOC.

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⁶ The investment tax expenditure on special income tax rate was computed as the difference between the amount that would have been paid to the national government under a regular corporate income tax regime and the amount actually paid under the special income tax rate regime. Income tax rate regime.

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*** The revenue forgone for tax incentives of cooperatives does not include the importation incentives of cooperatives

Sources: Bureau of Internal Revenue (BIR), Bureau of Customs (BOC), Cooperative Development Authority (CDA), DOF staff computation

Table J.1.b.
2020 INVESTMENT TAX EXPENDITURES, BY SECTOR, BY TYPE OF TAX INCENTIVES, FY 2019-2021
(in thousand pesos)

Sector	2021									
	Projections ⁴					Projections (CDA)				
	Income Tax Holiday	Special Income Tax Rate	Customs Duties	Import VAT (gross)	Total	Income Tax Incentives of Cooperatives	Local VAT Incentives of Cooperatives	Percentage Tax Incentives of Cooperatives	Total Tax Incentives of Cooperatives ⁷	Total (including Incentives of Cooperatives)
I. Agriculture and fishery	100,367	-	20,613	14,664	135,644	35,306	193,612	159	229,077	364,721
Agriculture and fishery (fishery)	-	-	-	-	-	51	138	-	189	189
Agriculture and fishery (livestock, poultry, production of animal feeds)	10,680	-	3,702	14,268	28,650	16,523	59,924	6	76,452	105,103
Agriculture and fishery (operator of post harvest facility, cold storage facility)	39,736	-	15,453	-	55,189	80	4,183	-	4,263	59,452
Agriculture and fishery (seed production, growing of plants)	49,951	-	1,457	396	51,804	18,652	129,368	153	148,173	199,977
II. Economic and low-cost housing	124,675	19,323	-	-	143,997	-	-	-	-	143,997
Economic and low-cost housing	124,675	19,323	-	-	143,997	-	-	-	-	143,997
III. Energy	869,848	7,798,461	1,301,134	2,103,092	12,072,535	274	456	84	815	12,073,350
Energy (coal, diesel)	21,147	-	1,082,807	2,022,465	3,126,419	-	-	-	-	3,126,419
Energy (refining, storage, marketing and distribution of petroleum products)	53,041	31,569	152,340	16,510	253,461	274	456	84	815	254,275
Energy (renewable energy - biomass)	213,005	122,539	35,447	56,231	427,223	-	-	-	-	427,223
Energy (renewable energy - geothermal)	235,741	7,644,353	23,360	-	7,903,454	-	-	-	-	7,903,454
Energy (renewable energy - hydro)	8,642	-	4,499	-	13,141	-	-	-	-	13,141
Energy (renewable energy - solar)	244,847	-	2,585	7,885	255,316	-	-	-	-	255,316
Energy (renewable energy - unspecified)	-	-	96	-	96	-	-	-	-	96
Energy (renewable energy - wind)	93,424	-	-	-	93,424	-	-	-	-	93,424
IV. Manufacturing	6,718,113	18,564,658	66,080,558	272,922,851	364,286,181	3,379	36,260	409	40,048	364,326,228
Manufacturing (chemicals)	5,143	298,685	1,266,796	6,928,077	8,498,701	-	-	-	-	8,498,701
Manufacturing (electronics, electrical products, semicon)	10,188,950	5,261,661	48,314,302	220,934,638	284,699,550	-	-	-	-	284,699,550
Manufacturing (industrial goods, machines)	396,249	2,784,485	2,091,062	13,396,409	18,668,206	-	-	-	-	18,668,206
Manufacturing (food, food processing)	20,155	49,645	330,247	699,006	1,099,053	2,756	20,057	131	22,944	1,121,997
Manufacturing (garments, textiles, wearables including jewelry, leather products - including bags)	61,508	197,989	3,063,765	4,626,498	7,949,760	129	1,405	-	1,534	7,951,294
Manufacturing (glass, plastic, ceramic)	65,543	565,238	1,175,481	3,247,802	5,054,064	-	-	-	-	5,054,064
Manufacturing (wood, paper, rubber products)	9,663	251,310	1,457,309	2,926,887	4,645,170	304	14,104	278	14,686	4,659,856
Manufacturing (metals, steel)	40,010	735,228	1,021,653	3,597,008	5,393,898	-	-	-	-	5,393,898
Manufacturing (personal care and healthcare products, medical products)	635,338	802,033	555,107	1,768,833	3,761,311	164	12	-	176	3,761,487
Manufacturing (personal goods)	6,397	130,551	2,474,390	4,660,680	7,272,019	26	667	-	693	7,272,711
Manufacturing (vehicles, vehicle accessories, transport equipment)	216,446	2,560,545	4,330,445	10,137,014	17,244,450	-	-	-	-	17,244,450
V. Mining and quarrying	-	-	-	-	-	8	12	-	20	20
Mining and quarrying	-	-	-	-	-	8	12	-	20	20
VI. PPP projects	-	-	27,638	-	27,638	-	-	-	-	27,638
PPP projects	-	-	27,638	-	27,638	-	-	-	-	27,638
VII. Services	12,148,859	20,136,262	4,508,333	18,198,764	54,992,218	3,255,085	13,322,876	1,242,125	17,820,086	72,812,304
Services (banking, financing)	5,590,280	13,681,982	402,490	1,501,973	21,176,725	2,119,794	5,968,073	1,167,920	9,255,776	30,432,501
Services (BPO - non-voice, software development, IT-related services, customer support)	817,964	2,409,914	95,393	1,073,698	4,396,968	86,564	354,212	268	441,044	4,838,012
Services (call center)	-	34,150	2,259	12,556	48,965	-	-	-	-	48,965
Services (R&D)	157	20,576	170	218	21,120	45,657	280,732	10,154	336,543	357,663
Services (canteen and restaurant operation)	124,541	1,948,260	115,038	189,460	2,377,298	5,070	76,667	65	81,802	2,459,100
Services (construction, leasing, real estate other than economic and low-cost housing, ecozone operator)	8,900	122,147	1,930	71,107	204,084	26,841	193,074	105	220,020	424,104
Services (operator of training and learning centers, operator of medical and health facilities)	556,013	144,150	771,814	2,825,166	4,297,144	210,886	1,853,015	314	2,064,215	6,361,359
Services (other general services)	5,049,382	1,316,278	2,970,820	12,098,578	21,435,058	47,517	1,501,701	1,979	1,551,197	22,986,255
Services (warehousing, logistics, utilities, operator of sea ports and airports)	1,623	458,806	148,419	426,007	1,034,856	712,766	3,095,402	61,320	3,869,489	4,904,344
Services (wholesale, retail, trading)	-	-	-	-	-	-	-	-	-	-
VIII. Tourism	17,751	151,843	139,831	491,355	800,779	15	730	66,403	67,148	867,928
Tourism (accommodation, hotels, resort)	11,065	48,407	137,407	486,008	682,887	11	715	66,403	67,129	750,017
Tourism (medical tourism, other tourism-related services)	6,686	103,435	2,424	5,347	117,892	3	16	-	19	117,911
IX. Unfilled/ unspecified registered activity	-	-	611	6,309	6,920	92,749	3,832,360	126,025	4,051,134	4,058,054
Unfilled/unspecified registered activity	-	-	611	6,309	6,920	92,749	3,832,360	126,025	4,051,134	4,058,054
Total	19,979,613	46,670,548	72,078,717	293,737,036	432,465,913	3,386,816	17,386,307	1,435,205	22,208,328	454,674,240

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⁴ The 2021 projections of investment tax expenditure for incentives on income tax were computed using the 2020-2021 nominal GDP growth rates by sector as reported by the Philippine Statistics Authority (PSA), while the projections of investment tax expenditure for incentives on customs duties were computed using the 2020-2021 growth rate of value of imports as reported by the BOC.

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