

Table J.1.b.
2022 INVESTMENT TAX EXPENDITURES, BY SECTOR, BY TYPE OF TAX INCENTIVES, FY 2021-2023
(in thousand pesos)

| Sector | 2021 | | | | | | | | | | |
|--|-------------------------|-------------------------|-------------------|--------------------|--------------------|---------------------------------------|--------------------------------------|---|--------------------------------------|--------------------|--|
| | Programmed ¹ | | | | | Programmed (CDA) | | | | | Total (including Incentives of Cooperatives) |
| | 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 | | |
| 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) | 5,261,661 | 10,188,950 | 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 baas) | 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 | - | 14 | - | 14 | 5,054,078 | |
| 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) | - | - | - | - | - | 2,119,784 | 5,968,073 | 1,167,920 | 9,255,776 | 9,255,776 | |
| Services (BPO - non-voice, software development, IT-related services, customer support) | 5,590,280 | 13,681,982 | 402,490 | 1,501,973 | 21,176,725 | 86,564 | 354,212 | 268 | 441,044 | 21,617,769 | |
| Services (call center) | 817,964 | 2,409,914 | 95,393 | 1,073,698 | 4,396,968 | - | - | - | - | 4,396,968 | |
| Services (R&D) | - | 34,150 | 2,259 | 12,556 | 48,965 | - | - | - | - | 48,965 | |
| Services (canteen and restaurant operation) | 157 | 20,576 | 170 | 218 | 21,120 | 45,657 | 280,732 | 10,154 | 336,543 | 357,663 | |
| Services (construction, leasing, real estate other than economic and low-cost housing, ecozone operator) | 124,541 | 1,948,260 | 115,038 | 189,460 | 2,377,298 | 5,070 | 76,667 | 65 | 81,802 | 2,459,100 | |
| Services (operator of training and learning centers, operator of medical and health facilities) | 8,900 | 122,147 | 1,930 | 71,107 | 204,084 | 26,841 | 193,074 | 105 | 220,020 | 424,104 | |
| Services (other general services) | 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 (warehousing, logistics, utilities, operator of sea ports and airports) | 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 (wholesale, retail, trading) | 1,623 | 458,806 | 148,419 | 426,007 | 1,034,856 | 712,766 | 3,095,402 | 61,320 | 3,869,489 | 4,904,344 | |
| 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 | |

¹ Values reflected are based on the 2021 programmed investment tax expenditures report as stated in the FY 2024 BESF.

² Values reflected are based on the 2021 actual investment tax expenditures report as stated in the FY 2024 BESF.

³ Values reflected are based on the 2022 projected investment tax expenditures report as stated in the FY 2024 BESF.

⁴ The 2023 projections of tax expenditures on income tax were computed using the 2022-2023 nominal GDP growth rates by sector as reported by the Philippine Statistics Authority (PSA), while the projections of tax expenditure on customs duties were computed using the 5-year average growth rate of value of imports as reported by the Bureau of Customs (BOC).

⁵ The investment tax expenditure on ITH was computed by applying the regular 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.

⁷ Import VAT gross is based only on customs transit.

⁸ Republic Act (RA) 10963 mandates the Cooperative Development Authority (CDA) to consolidate and submit to the Bureau of Internal Revenue (BIR) the annual tax incentives reports of registered cooperatives. The tax incentives of cooperatives were computed based on the preferential tax treatment of cooperatives in accordance with RA 9520.

*Values may not exactly add up due to rounding off numbers

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

Sources: BIR, BOC, CDA, Department of Finance (DOF) staff computation

Table J.1.b.
2022 INVESTMENT TAX EXPENDITURES, BY SECTOR, BY TYPE OF TAX INCENTIVES, FY 2021-2023
(in thousand pesos)

| Sector | 2021 | | | | | | | | | | |
|--|---------------------------------|--------------------------------------|-------------------|---------------------------------|--------------------|---------------------------------------|--------------------------------------|---|---|--------------------|--|
| | Actual ² | | | | | Actual (CDA) | | | | | Total (including Incentives of Cooperatives) |
| | Income Tax Holiday ⁵ | Special Income Tax Rate ⁶ | Customs duties | Import VAT (gross) ⁷ | Total | Income Tax Incentives of Cooperatives | Local VAT Incentives of Cooperatives | Percentage Tax Incentives of Cooperatives | Total Tax Incentives of Cooperatives ⁸ | | |
| I. Agriculture and fishery | 103,985 | - | 9,720 | - | 113,705 | 94,476 | 181,910 | 8,254 | 284,639 | 398,344 | |
| Agriculture and fishery (fishery) | - | - | - | - | - | 277 | 304 | - | 581 | 581 | |
| Agriculture and fishery (livestock, poultry, production of animal feeds) | 4,179 | - | 588 | - | 4,767 | 20,965 | 40,325 | 3,999 | 65,289 | 70,056 | |
| Agriculture and fishery (operator of post harvest facility, cold storage facility) | 35,897 | - | 9,132 | - | 45,029 | 3,896 | 23,053 | 4,012 | 30,961 | 75,991 | |
| Agriculture and fishery (seed production, growing of plants) | 63,909 | - | - | - | 63,909 | 69,338 | 118,228 | 243 | 187,808 | 251,717 | |
| II. Economic and low-cost housing | 192,571 | - | - | - | 192,571 | - | - | - | - | 192,571 | |
| Economic and low-cost housing | 192,571 | - | - | - | 192,571 | - | - | - | - | 192,571 | |
| III. Energy | 260,461 | 5,898 | 1,114,355 | 13,125,825 | 14,506,538 | 855 | 17,828 | 338 | 19,021 | 14,525,559 | |
| Energy (coal, diesel) | 104,047 | - | 985,898 | 12,245,604 | 13,336,357 | - | - | - | - | 13,336,357 | |
| Energy (refining, storage, marketing and distribution of petroleum products) | - | 5,091 | 35,052 | 161,002 | 201,145 | 855 | 17,828 | 338 | 19,021 | 220,166 | |
| Energy (renewable energy - biomass) | 86,137 | - | 2,266 | 11,806 | 100,209 | - | - | - | - | 100,209 | |
| Energy (renewable energy - geothermal) | - | - | 909 | - | 909 | - | - | - | - | 909 | |
| Energy (renewable energy - hydro) | 6,118 | - | 617 | - | 6,735 | - | - | - | - | 6,735 | |
| Energy (renewable energy - solar) | 64,159 | - | 44,191 | 586,813 | 695,163 | - | - | - | - | 695,163 | |
| Energy (renewable energy - unspecified) | - | - | 45,421 | 120,600 | 166,021 | - | - | - | - | 166,021 | |
| Energy (renewable energy - wind) | - | - | - | - | - | - | - | - | - | - | |
| IV. Manufacturing | 5,830,165 | 6,687,243 | 38,039,883 | 219,734,779 | 270,292,070 | 39,957 | 72,255 | 311 | 112,523 | 270,404,593 | |
| Manufacturing (chemicals) | 9,306 | 634,998 | 531,262 | 3,124,208 | 4,299,773 | - | - | - | - | 4,299,773 | |
| Manufacturing (electronics, electrical products, semicon) | 5,271,261 | 2,455,323 | 14,298,180 | 154,628,987 | 176,653,751 | - | - | - | - | 176,653,751 | |
| Manufacturing (industrial goods, machines) | 173,737 | 903,871 | 3,118,004 | 14,575,990 | 18,771,602 | - | - | - | - | 18,771,602 | |
| Manufacturing (food, food processing) | 32,432 | 933,093 | 377,372 | 952,855 | 2,295,752 | 24,929 | 35,101 | 105 | 60,136 | 2,355,888 | |
| Manufacturing (garments, textiles, wearables including jewelry, leather products - including baas) | 186,793 | 25,438 | 3,324,792 | 5,503,672 | 9,040,695 | 1,310 | 6,788 | 10 | 8,109 | 9,048,804 | |
| Manufacturing (glass, plastic, ceramic) | 27,841 | 28,370 | 3,380,915 | 6,422,807 | 9,859,932 | - | 21 | - | 21 | 9,859,953 | |
| Manufacturing (wood, paper, rubber products) | 61,855 | 17,540 | 1,841,533 | 3,710,158 | 5,631,086 | 13,370 | 30,315 | 196 | 43,881 | 5,674,966 | |
| Manufacturing (metals, steel) | 2,512 | 199,084 | 4,149,229 | 14,640,712 | 18,991,536 | - | - | - | - | 18,991,536 | |
| Manufacturing (personal care and healthcare products, medical products) | 39,933 | 293,851 | 675,655 | 1,917,014 | 2,926,454 | 347 | 29 | - | 377 | 2,926,831 | |
| Manufacturing (personal goods) | 3,039 | 12,793 | 959,490 | 1,955,607 | 2,930,929 | - | - | - | - | 2,930,929 | |
| Manufacturing (vehicles, vehicle accessories, transport equipment) | 21,457 | 1,182,882 | 5,383,451 | 12,302,770 | 18,890,560 | - | - | - | - | 18,890,560 | |
| V. Mining and quarrying | - | - | - | - | - | - | 34 | - | 34 | 34 | |
| Mining and quarrying | - | - | - | - | - | - | 34 | - | 34 | 34 | |
| VI. PPP projects | 1,931 | - | 26,292 | - | 28,222 | - | - | - | - | 28,222 | |
| PPP projects | 1,931 | - | 26,292 | - | 28,222 | - | - | - | - | 28,222 | |
| VII. Services | 2,223,789 | 7,629,535 | 5,829,713 | 48,072,254 | 63,755,292 | 5,791,959 | 11,545,268 | 1,944,616 | 19,281,844 | 83,037,135 | |
| Services (banking, financing) | - | 1,777 | 23 | 155 | 1,955 | 4,748,956 | 4,100,072 | 1,758,681 | 10,607,708 | 10,609,663 | |
| Services (BPO - non-voice, software development, IT-related services, customer support) | 979,185 | 3,883,154 | 272,771 | 1,111,005 | 6,246,115 | - | - | 30,948 | 6,121,017 | 6,858,132 | |
| Services (call center) | 995,497 | 2,705,775 | 441,686 | 4,834,130 | 8,977,087 | - | - | - | - | 8,977,087 | |
| Services (R&D) | - | 9,094 | 31,117 | 118,059 | 158,270 | - | - | - | - | 158,270 | |
| Services (canteen and restaurant operation) | 599 | 15,975 | 1,642 | 1,052 | 19,268 | 110,007 | 293,205 | 31,558 | 434,770 | 454,038 | |
| Services (construction, leasing, real estate other than economic and low-cost housing, ecozone operator) | 175,899 | 400,467 | 396,692 | 25,872,549 | 26,845,607 | 4,328 | 31,270 | 342 | 35,940 | 26,881,547 | |
| Services (operator of training and learning centers, operator of medical and health facilities) | 25,657 | 387,998 | 4,326 | 17,689 | 435,670 | 46,907 | 240,077 | 6,627 | 293,610 | 729,281 | |
| Services (other general services) | 37,145 | 27,108 | 330,783 | 767,755 | 1,162,790 | 215,411 | 1,739,368 | 3,510 | 1,958,289 | 3,121,079 | |
| Services (warehousing, logistics, utilities, operator of sea ports and airports) | 9,808 | 154,903 | 4,026,924 | 14,602,600 | 18,794,234 | 103,544 | 1,016,894 | 8,108 | 1,128,546 | 19,922,780 | |
| Services (wholesale, retail, trading) | - | 43,283 | 323,748 | 747,261 | 1,114,293 | 374,999 | 3,731,121 | 104,843 | 4,210,964 | 5,325,256 | |
| VIII. Tourism | 3,230 | 51,455 | 145,713 | 503,007 | 703,404 | 4 | 117,833 | 14,379 | 132,216 | 835,620 | |
| Tourism (accommodation, hotels, resort) | 3,230 | 38,410 | 145,354 | 502,648 | 689,642 | 2 | 117,796 | 14,379 | 132,176 | 821,818 | |
| Tourism (medical tourism, other tourism-related services) | - | 13,045 | 359 | 358 | 13,762 | 3 | 37 | - | 40 | 13,802 | |
| IX. Unfilled/ unspecified registered activity | 29,706 | 46 | - | - | 29,752 | 350,579 | 802,724 | 109,387 | 1,262,690 | 1,292,442 | |
| Unfilled/unspecified registered activity | 29,706 | 46 | - | - | 29,752 | 350,579 | 802,724 | 109,387 | 1,262,690 | 1,292,442 | |
| Total | 8,645,837 | 14,374,177 | 45,165,675 | 281,435,865 | 349,621,554 | 6,277,830 | 12,737,852 | 2,077,285 | 21,092,967 | 370,714,521 | |

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

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| Sector | 2022 | | | | | | | | | | |
|--|-------------------------|-------------------------|-------------------|--------------------|--------------------|---------------------------------------|--------------------------------------|---|--------------------------------------|--------------------|--|
| | Programmed ³ | | | | | Programmed (CDA) | | | | | Total (including Incentives of Cooperatives) |
| | 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 | | |
| I. Agriculture and fishery | 117,988 | - | 10,823 | - | 128,811 | 107,198 | 206,406 | 9,365 | 322,970 | 451,781 | |
| Agriculture and fishery (fishery) | - | - | - | - | - | 314 | 345 | - | 659 | 659 | |
| Agriculture and fishery (livestock, poultry, production of animal feeds) | 4,742 | - | 655 | - | 5,396 | 23,788 | 45,755 | 4,537 | 74,081 | 79,477 | |
| Agriculture and fishery (operator of post harvest facility, cold storage facility) | 40,731 | - | 10,168 | - | 50,899 | 4,421 | 26,157 | 4,552 | 35,131 | 86,030 | |
| Agriculture and fishery (seed production, growing of plants) | 72,515 | - | - | - | 72,515 | 78,675 | 134,148 | 275 | 213,099 | 285,614 | |
| II. Economic and low-cost housing | 218,504 | - | - | - | 218,504 | - | - | - | - | 218,504 | |
| Economic and low-cost housing | 218,504 | - | - | - | 218,504 | - | - | - | - | 218,504 | |
| III. Energy | 295,536 | 6,693 | 1,240,772 | 14,614,877 | 16,157,877 | 970 | 20,229 | 383 | 21,582 | 16,179,460 | |
| Energy (coal, diesel) | 118,058 | 916 | 1,097,743 | 13,634,801 | 14,851,518 | - | - | - | - | 14,851,518 | |
| Energy (refining, storage, marketing and distribution of petroleum products) | - | 5,777 | 39,029 | 179,266 | 224,072 | 970 | 20,229 | 383 | 21,582 | 245,654 | |
| Energy (renewable energy - biomass) | 97,737 | - | 2,523 | 13,145 | 113,405 | - | - | - | - | 113,405 | |
| Energy (renewable energy - geothermal) | - | - | 1,012 | - | 1,012 | - | - | - | - | 1,012 | |
| Energy (renewable energy - hydro) | 6,942 | - | 687 | - | 7,629 | - | - | - | - | 7,629 | |
| Energy (renewable energy - solar) | 72,799 | - | 49,205 | 653,384 | 775,387 | - | - | - | - | 775,387 | |
| Energy (renewable energy - unspecified) | - | - | 50,573 | 134,281 | 184,855 | - | - | - | - | 184,855 | |
| Energy (renewable energy - wind) | - | - | - | - | - | - | - | - | - | - | |
| IV. Manufacturing | 6,615,275 | 7,587,770 | 42,355,298 | 244,662,481 | 301,220,825 | 45,338 | 81,985 | 353 | 127,676 | 301,348,501 | |
| Manufacturing (chemicals) | 10,559 | 720,509 | 591,530 | 3,478,632 | 4,801,230 | - | - | - | - | 4,801,230 | |
| Manufacturing (electronics, electrical products, semicon) | 5,981,107 | 2,785,965 | 15,920,230 | 172,170,794 | 196,858,097 | - | - | - | - | 196,858,097 | |
| Manufacturing (industrial goods, machines) | 197,133 | 1,025,590 | 3,471,724 | 16,229,556 | 20,924,003 | - | - | - | - | 20,924,003 | |
| Manufacturing (food, food processing) | 36,799 | 1,058,747 | 420,183 | 1,060,951 | 2,576,680 | 28,286 | 39,828 | 120 | 68,234 | 2,644,914 | |
| Manufacturing (garments, textiles, wearables including jewelry, leather products - including baos) | 211,948 | 28,864 | 3,701,971 | 6,128,033 | 10,070,816 | 1,487 | 7,702 | 11 | 9,200 | 10,080,016 | |
| Manufacturing (glass, plastic, ceramic) | 31,590 | 32,190 | 3,764,462 | 7,151,439 | 10,979,680 | - | 23 | - | 23 | 10,979,704 | |
| Manufacturing (wood, paper, rubber products) | 70,184 | 19,902 | 2,050,444 | 4,131,056 | 6,271,586 | 15,171 | 34,397 | 222 | 49,790 | 6,321,376 | |
| Manufacturing (metals, steel) | 2,850 | 225,893 | 4,619,936 | 16,301,620 | 21,150,299 | - | - | - | - | 21,150,299 | |
| Manufacturing (personal care and healthcare products, medical products) | 45,311 | 333,423 | 752,305 | 2,134,489 | 3,265,527 | 394 | 33 | - | 428 | 3,265,954 | |
| Manufacturing (personal goods) | 3,448 | 14,515 | 1,068,339 | 2,177,460 | 3,263,762 | - | - | - | - | 3,263,762 | |
| Manufacturing (vehicles, vehicle accessories, transport equipment) | 24,347 | 1,342,173 | 5,994,174 | 13,698,451 | 21,059,145 | - | - | - | - | 21,059,145 | |
| V. Mining and quarrying | - | - | - | - | - | - | 39 | - | 39 | 39 | |
| Mining and quarrying | - | - | - | - | - | - | 39 | - | 39 | 39 | |
| VI. PPP projects | 2,190 | - | 29,274 | - | 31,465 | - | - | - | - | 31,465 | |
| PPP projects | 2,190 | - | 29,274 | - | 31,465 | - | - | - | - | 31,465 | |
| VII. Services | 2,523,252 | 8,656,955 | 6,491,061 | 53,525,787 | 71,197,056 | 6,571,925 | 13,099,994 | 2,206,485 | 21,878,403 | 93,075,459 | |
| Services (banking, financing) | - | 2,016 | 26 | 173 | 2,215 | 5,388,466 | 4,652,201 | 1,995,511 | 12,036,179 | 12,038,393 | |
| Services (BPO - non-voice, software development, IT-related services, customer support) | 1,111,046 | 4,406,073 | 303,716 | 1,237,042 | 7,057,877 | 213,098 | 446,219 | 35,116 | 694,433 | 7,752,310 | |
| Services (call center) | 1,129,554 | 3,070,144 | 491,793 | 5,382,535 | 10,074,026 | - | - | - | - | 10,074,026 | |
| Services (R&D) | - | 10,319 | 34,647 | 131,452 | 176,418 | - | - | - | - | 176,418 | |
| Services (canteen and restaurant operation) | 680 | 18,126 | 1,829 | 1,171 | 21,806 | 124,821 | 332,689 | 35,808 | 493,317 | 515,123 | |
| Services (construction, leasing, real estate other than economic and low-cost housing, ecozone operator) | 199,586 | 454,396 | 441,694 | 28,807,648 | 29,903,324 | 4,911 | 35,481 | 388 | 40,779 | 29,944,103 | |
| Services (operator of training and learning centers, operator of medical and health facilities) | 29,112 | 440,247 | 4,817 | 19,695 | 493,872 | 53,224 | 272,406 | 7,519 | 333,149 | 827,021 | |
| Services (other general services) | 42,147 | 30,758 | 368,309 | 854,852 | 1,296,066 | 244,419 | 1,973,598 | 3,982 | 2,221,999 | 3,518,065 | |
| Services (warehousing, logistics, utilities, operator of sea ports and airports) | 11,128 | 175,763 | 4,483,756 | 16,259,184 | 20,929,832 | 117,488 | 1,153,832 | 9,200 | 1,280,520 | 22,210,352 | |
| Services (wholesale, retail, trading) | - | 49,112 | 360,475 | 832,034 | 1,241,621 | 425,498 | 4,233,567 | 118,962 | 4,778,027 | 6,019,648 | |
| VIII. Tourism | 3,665 | 58,384 | 162,243 | 560,070 | 784,362 | 5 | 133,701 | 16,315 | 150,021 | 934,382 | |
| Tourism (accommodation, hotels, resort) | 3,665 | 43,582 | 161,843 | 559,671 | 768,761 | 2 | 133,659 | 16,315 | 149,976 | 918,737 | |
| Tourism (medical tourism, other tourism-related services) | - | 14,801 | 400 | 399 | 15,600 | 3 | 42 | - | 45 | 15,645 | |
| IX. Unfilled/ unspecified registered activity | 33,706 | 52 | - | - | 33,758 | 397,789 | 910,822 | 124,118 | 1,432,728 | 1,466,486 | |
| Unfilled/unspecified registered activity | 33,706 | 52 | - | - | 33,758 | 397,789 | 910,822 | 124,118 | 1,432,728 | 1,466,486 | |
| Total | 9,810,116 | 16,309,854 | 50,289,472 | 313,363,215 | 389,772,657 | 7,123,224 | 14,453,175 | 2,357,019 | 23,933,419 | 413,706,076 | |

¹ Values reflected are based on the 2021 programmed investment tax expenditures report as stated in the FY 2024 BESF.

² Values reflected are based on the 2021 actual investment tax expenditures report as stated in the FY 2024 BESF.

³ Values reflected are based on the 2022 projected investment tax expenditures report as stated in the FY 2024 BESF.

⁴ The 2023 projections of tax expenditures on income tax were computed using the 2022-2023 nominal GDP growth rates by sector as reported by the Philippine Statistics Authority (PSA), while the projections of tax expenditure on customs duties were computed using the 5-year average growth rate of value of imports as reported by the Bureau of Customs (BOC).

⁵ The investment tax expenditure on ITH was computed by applying the regular 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.

⁷ Import VAT gross is based only on customs transit.

⁸ Republic Act (RA) 10963 mandates the Cooperative Development Authority (CDA) to consolidate and submit to the Bureau of Internal Revenue (BIR) the annual tax incentives reports of registered cooperatives. The tax incentives of cooperatives were computed based on the preferential tax treatment of cooperatives in accordance with RA 9520.

*Values may not exactly add up due to rounding off numbers

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

Sources: BIR, BOC, CDA, Department of Finance (DOF) staff computation

Table J.1.b.
2022 INVESTMENT TAX EXPENDITURES, BY SECTOR, BY TYPE OF TAX INCENTIVES, FY 2021-2023
(In thousand pesos)

| Sector | 2022 | | | | | | | | | | |
|--|---------------------------------|--------------------------------------|-------------------|---------------------------------|--------------------|---------------------------------------|--------------------------------------|---|---|--------------------|--|
| | Actual | | | | | Actual (CDA) | | | | | Total (including Incentives of Cooperatives) |
| | Income Tax Holiday ⁵ | Special Income Tax Rate ⁶ | Customs Duties | Import VAT (gross) ⁷ | Total | Income Tax Incentives of Cooperatives | Local VAT Incentives of Cooperatives | Percentage Tax Incentives of Cooperatives | Total Tax Incentives of Cooperatives ⁸ | | |
| I. Agriculture and fishery | 209,908 | 53,560 | 315,149 | 420,079 | 998,696 | 125,525 | 1,877,619 | 129 | 2,003,274 | 3,001,969 | |
| Agriculture and fishery (fishery) | 965 | - | - | - | 965 | 1,202 | 20,211 | - | 21,412 | 22,378 | |
| Agriculture and fishery (livestock, poultry, production of animal feeds) | 106,973 | 1,156 | 183,161 | 276,672 | 567,963 | 16,184 | 76,486 | 85 | 92,756 | 660,719 | |
| Agriculture and fishery (operator of post harvest facility, cold storage facility) | 24,655 | 52,403 | 131,372 | 143,407 | 351,837 | 10,812 | 80,835 | - | 91,647 | 443,484 | |
| Agriculture and fishery (seed production, growing of plants) | 77,315 | - | 616 | - | 77,931 | 97,327 | 1,700,087 | 44 | 1,797,458 | 1,875,389 | |
| II. Economic and low-cost housing | 1,962,714 | 2,314 | 323,811 | 1,903,136 | 4,191,975 | 3,243 | 15,458 | - | 18,701 | 4,210,676 | |
| Economic and low-cost housing | 1,962,714 | 2,314 | 323,811 | 1,903,136 | 4,191,975 | 3,243 | 15,458 | - | 18,701 | 4,210,676 | |
| III. Energy | 7,533,561 | 4,861,550 | 743,465 | 25,717,023 | 38,855,599 | - | - | - | - | 38,855,599 | |
| Energy (coal, diesel) | 6,584,496 | 287,933 | 636,163 | 1,688,504 | 9,197,095 | - | - | - | - | 9,197,095 | |
| Energy (refining, storage, marketing and distribution of petroleum products) | 201,333 | 17,686 | 23,023 | 24,018,671 | 24,260,713 | - | - | - | - | 24,260,713 | |
| Energy (renewable energy - biomass) | 51,828 | 22,148 | 13,044 | 4,140 | 91,161 | - | - | - | - | 91,161 | |
| Energy (renewable energy - geothermal) | 64,289 | 3,176,880 | 5,706 | - | 3,246,875 | - | - | - | - | 3,246,875 | |
| Energy (renewable energy - hydro) | 91,395 | 821,855 | 1,440 | 4,381 | 919,072 | - | - | - | - | 919,072 | |
| Energy (renewable energy - solar) | 423,284 | 55,736 | 92 | 262 | 479,375 | - | - | - | - | 479,375 | |
| Energy (renewable energy - unspecified) | 7,247 | 102,356 | 63,996 | 1,065 | 174,663 | - | - | - | - | 174,663 | |
| Energy (renewable energy - wind) | 109,689 | 376,956 | - | - | 486,646 | - | - | - | - | 486,646 | |
| IV. Manufacturing | 2,765,289 | 6,802,434 | 46,889,539 | 283,196,027 | 339,653,289 | 9,924 | 99,507 | 1,715 | 111,146 | 339,764,435 | |
| Manufacturing (chemicals) | 113,963 | 558,377 | 1,637,153 | 5,705,629 | 8,015,123 | - | - | - | - | 8,015,123 | |
| Manufacturing (electronics, electrical products, semicon) | 1,515,469 | 1,416,504 | 15,204,287 | 196,635,947 | 214,772,207 | - | - | - | - | 214,772,207 | |
| Manufacturing (industrial goods, machines) | 389,317 | 622,949 | 2,786,350 | 13,582,456 | 17,381,071 | - | - | - | - | 17,381,071 | |
| Manufacturing (food, food processing) | 321,156 | 1,438,422 | 851,492 | 2,460,201 | 5,071,271 | 4,149 | 28,231 | 1,715 | 34,095 | 5,105,366 | |
| Manufacturing (garments, textiles, wearables including jewelry, leather products - including bags) | 38,598 | 18,788 | 4,550,888 | 7,198,593 | 11,806,867 | 3,233 | 11,149 | - | 14,382 | 11,821,249 | |
| Manufacturing (glass, plastic, ceramic) | 131,881 | 417,029 | 4,280,400 | 8,517,454 | 13,346,766 | 12 | - | - | 12 | 13,346,778 | |
| Manufacturing (wood, paper, rubber products) | 30,874 | 79,585 | 3,170,040 | 5,720,073 | 9,000,572 | 2,518 | 56,758 | - | 59,276 | 9,059,848 | |
| Manufacturing (metals, steel) | 8,771 | 132,033 | 4,192,265 | 18,532,370 | 22,865,439 | - | 3,150 | - | 3,150 | 22,868,589 | |
| Manufacturing (personal care and healthcare products, medical products) | 41,431 | 131,006 | 1,196,808 | 4,502,977 | 5,872,222 | - | 174 | - | 174 | 5,872,396 | |
| Manufacturing (personal goods) | 2,467 | 99,300 | 279,482 | 651,091 | 1,032,340 | 13 | 44 | - | 57 | 1,032,397 | |
| Manufacturing (vehicles, vehicle accessories, transport equipment) | 171,362 | 1,888,441 | 8,740,372 | 19,689,235 | 30,489,409 | - | - | - | - | 30,489,409 | |
| V. Mining and quarrying | 94,156 | 2,009,282 | 417,839 | 1,556,960 | 4,078,237 | - | 7 | - | 7 | 4,078,244 | |
| Mining and quarrying | 94,156 | 2,009,282 | 417,839 | 1,556,960 | 4,078,237 | - | 7 | - | 7 | 4,078,244 | |
| VI. PPP projects | 117,947 | - | 19,937 | - | 137,884 | - | - | - | - | 137,884 | |
| PPP projects | 117,947 | - | 19,937 | - | 137,884 | - | - | - | - | 137,884 | |
| VII. Services | 6,509,488 | 6,910,706 | 7,115,918 | 38,925,233 | 59,461,345 | 3,555,974 | 10,916,829 | 1,698,951 | 16,171,754 | 75,633,099 | |
| Services (banking, financial) | 597 | 190,680 | - | - | 191,277 | 2,858,475 | 3,404,931 | 1,513,418 | 7,776,824 | 7,968,102 | |
| Services (BPO - non-voice, software development, IT-related services, customer support) | 2,372,700 | 4,227,194 | 439,433 | 7,148,943 | 14,188,269 | 2,374 | - | - | 2,374 | 14,190,643 | |
| Services (call center) | 543,948 | 527,407 | 337,207 | 6,350,453 | 7,759,014 | - | - | - | - | 7,759,014 | |
| Services (R&D) | - | 2,083 | 43,681 | 122,763 | 168,528 | - | - | - | - | 168,528 | |
| Services (canteen and restaurant operation) | 72,665 | 12,735 | 65,226 | 116,019 | 266,645 | 28,051 | 28,327 | - | 56,379 | 323,023 | |
| Services (construction, leasing, real estate other than economic and low-cost housing, ecozone operator) | 1,825,300 | 1,111,460 | 63,308 | 110,354 | 3,110,422 | 5,287 | 68,334 | - | 73,620 | 3,184,043 | |
| Services (operator of training and learning centers, operator of medical and health facilities) | 21,457 | 38,629 | 291 | 1,458 | 61,834 | 37,377 | 185,968 | 379 | 223,724 | 285,559 | |
| Services (other general services) | 5,137 | 148,065 | 1,379,022 | 5,519,653 | 7,051,878 | 314,700 | 4,060,024 | 179,082 | 4,553,806 | 11,605,684 | |
| Services (warehousing, logistics, utilities, operator of sea ports and airports) | 1,667,685 | 520,665 | 4,216,040 | 16,929,779 | 23,334,170 | 158,718 | 2,298,419 | 2,911 | 2,460,048 | 25,794,218 | |
| Services (wholesale, retail, trading) | - | 131,786 | 571,709 | 2,625,811 | 3,329,307 | 150,992 | 870,826 | 3,161 | 1,024,978 | 4,354,286 | |
| VIII. Tourism | 4,121,879 | 23,577 | 42,517 | 64,807 | 4,252,780 | 2,992 | 3,046 | - | 6,038 | 4,258,819 | |
| Tourism (accommodation, hotels, resort) | 4,076,928 | 13,702 | 41,460 | 61,713 | 4,193,804 | 2,992 | 3,037 | - | 6,029 | 4,199,833 | |
| Tourism (medical tourism, other tourism-related services) | 44,951 | 9,876 | 1,057 | 3,093 | 58,976 | - | 9 | - | 9 | 58,985 | |
| IX. Unfilled/ unspecified registered activity | - | 1,432 | - | - | 1,432 | 68,515 | 112,397 | 3,915 | 184,827 | 186,259 | |
| Unfilled/unspecified registered activity | - | 1,432 | - | - | 1,432 | 68,515 | 112,397 | 3,915 | 184,827 | 186,259 | |
| Total | 23,314,943 | 20,664,854 | 55,868,175 | 351,783,265 | 451,631,237 | 3,766,175 | 13,024,863 | 1,704,711 | 18,495,748 | 470,126,985 | |

¹ Values reflected are based on the 2021 programmed investment tax expenditures report as stated in the FY 2024 BESF.

² Values reflected are based on the 2021 actual investment tax expenditures report as stated in the FY 2024 BESF.

³ Values reflected are based on the 2022 projected investment tax expenditures report as stated in the FY 2024 BESF.

⁴ The 2023 projections of tax expenditures on income tax were computed using the 2022-2023 nominal GDP growth rates by sector as reported by the Philippine Statistics Authority (PSA), while the projections of tax expenditure on customs duties were computed using the 5-year average growth rate of value of imports as reported by the Bureau of Customs (BOC).

⁵ The investment tax expenditure on ITH was computed by applying the regular 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.

⁷ Import VAT gross is based only on customs transit.

⁸ Republic Act (RA) 10963 mandates the Cooperative Development Authority (CDA) to consolidate and submit to the Bureau of Internal Revenue (BIR) the annual tax incentives reports of registered cooperatives. The tax incentives of cooperatives were computed based on the preferential tax treatment of cooperatives in accordance with RA 9520.

*Values may not exactly add up due to rounding off numbers

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

Sources: BIR, BOC, CDA, Department of Finance (DOF) staff computation

Table J.1.b.
2022 INVESTMENT TAX EXPENDITURES, BY SECTOR, BY TYPE OF TAX INCENTIVES, FY 2021-2023
(in thousand pesos)

| Sector | 2023 | | | | | | | | | | |
|--|--------------------------|-------------------------|-------------------|--------------------|--------------------|---------------------------------------|--------------------------------------|---|--------------------------------------|--------------------|--|
| | Projections ¹ | | | | | Projections (CDA) | | | | | Total (including Incentives of Cooperatives) |
| | 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 | | |
| I. Agriculture and fishery | 231,495 | 59,067 | 362,267 | 482,884 | 1,135,713 | 138,434 | 2,070,706 | 143 | 2,209,282 | 3,344,995 | |
| Agriculture and fishery (fishery) | 1,065 | - | - | - | 1,065 | 1,325 | 22,289 | - | 23,614 | 24,679 | |
| Agriculture and fishery (livestock, poultry, production of animal feeds) | 117,974 | 1,275 | 210,545 | 318,037 | 647,832 | 17,849 | 84,352 | 94 | 102,294 | 750,126 | |
| Agriculture and fishery (operator of post harvest facility, cold storage facility) | 27,190 | 57,792 | 151,014 | 164,847 | 400,843 | 11,924 | 89,148 | - | 101,072 | 501,915 | |
| Agriculture and fishery (seed production, growing of plants) | 85,266 | - | 708 | - | 85,973 | 107,336 | 1,874,917 | 49 | 1,982,302 | 2,068,275 | |
| II. Economic and low-cost housing | 2,164,552 | 2,552 | 372,224 | 2,187,672 | 4,727,000 | 3,577 | 17,048 | - | 20,624 | 4,747,625 | |
| Economic and low-cost housing | 2,164,552 | 2,552 | 372,224 | 2,187,672 | 4,727,000 | 3,577 | 17,048 | - | 20,624 | 4,747,625 | |
| III. Energy | 8,308,281 | 5,361,492 | 854,620 | 29,561,961 | 44,086,354 | - | - | - | - | 44,086,354 | |
| Energy (coal, diesel) | 7,261,618 | 317,542 | 731,276 | 1,940,951 | 10,251,387 | - | - | - | - | 10,251,387 | |
| Energy (refining, storage, marketing and distribution of petroleum products) | 222,037 | 19,504 | 26,465 | 27,609,689 | 27,877,696 | - | - | - | - | 27,877,696 | |
| Energy (renewable energy - biomass) | 57,158 | 24,425 | 14,994 | 4,759 | 101,337 | - | - | - | - | 101,337 | |
| Energy (renewable energy - geothermal) | 70,900 | 3,503,577 | 6,559 | - | 3,581,036 | - | - | - | - | 3,581,036 | |
| Energy (renewable energy - hydro) | 100,794 | 906,371 | 1,656 | 5,036 | 1,013,857 | - | - | - | - | 1,013,857 | |
| Energy (renewable energy - solar) | 466,813 | 61,468 | 106 | 302 | 528,688 | - | - | - | - | 528,688 | |
| Energy (renewable energy - unspecified) | 7,992 | 112,882 | 73,564 | 1,224 | 195,662 | - | - | - | - | 195,662 | |
| Energy (renewable energy - wind) | 120,969 | 415,721 | - | - | 536,690 | - | - | - | - | 536,690 | |
| IV. Manufacturing | 3,049,660 | 7,501,968 | 53,899,967 | 325,536,505 | 389,988,101 | 10,945 | 109,740 | 1,892 | 122,576 | 390,110,678 | |
| Manufacturing (chemicals) | 125,683 | 615,798 | 1,881,923 | 6,558,674 | 9,182,079 | - | - | - | - | 9,182,079 | |
| Manufacturing (electronics, electrical products, semicon) | 1,671,314 | 1,562,171 | 17,477,471 | 226,034,877 | 246,745,834 | - | - | - | - | 246,745,834 | |
| Manufacturing (industrial goods, machines) | 429,353 | 687,011 | 3,202,936 | 15,613,161 | 19,932,460 | - | - | - | - | 19,932,460 | |
| Manufacturing (food, food processing) | 354,182 | 1,586,344 | 978,798 | 2,828,024 | 5,747,349 | 4,576 | 31,134 | 1,892 | 37,601 | 5,784,950 | |
| Manufacturing (garments, textiles, wearables including jewelry, leather products - including bags) | 42,567 | 20,720 | 5,231,289 | 8,274,851 | 13,569,427 | 3,565 | 12,296 | - | 15,861 | 13,585,288 | |
| Manufacturing (glass, plastic, ceramic) | 145,444 | 459,915 | 4,920,361 | 9,790,894 | 15,316,613 | 13 | - | - | 13 | 15,316,627 | |
| Manufacturing (wood, paper, rubber products) | 34,049 | 87,769 | 3,643,991 | 6,575,278 | 10,341,087 | 2,777 | 62,595 | - | 65,372 | 10,406,459 | |
| Manufacturing (metals, steel) | 9,673 | 145,611 | 4,819,049 | 21,303,134 | 26,277,467 | - | 3,474 | - | 3,474 | 26,280,941 | |
| Manufacturing (personal care and healthcare products, medical products) | 45,691 | 144,478 | 1,375,742 | 5,176,215 | 6,742,127 | - | 192 | - | 192 | 6,742,319 | |
| Manufacturing (personal goods) | 2,721 | 109,511 | 321,267 | 748,435 | 1,181,935 | 14 | 49 | - | 63 | 1,181,998 | |
| Manufacturing (vehicles, vehicle accessories, transport equipment) | 188,984 | 2,082,641 | 10,047,140 | 22,632,961 | 34,951,726 | - | - | - | - | 34,951,726 | |
| V. Mining and quarrying | 103,838 | 2,215,908 | 480,310 | 1,789,741 | 4,589,798 | - | 7 | - | 7 | 4,589,805 | |
| Mining and quarrying | 103,838 | 2,215,908 | 480,310 | 1,789,741 | 4,589,798 | - | 7 | - | 7 | 4,589,805 | |
| VI. PPP projects | 130,076 | - | 22,918 | - | 152,994 | - | - | - | - | 152,994 | |
| PPP projects | 130,076 | - | 22,918 | - | 152,994 | - | - | - | - | 152,994 | |
| VII. Services | 7,178,897 | 7,621,374 | 8,179,815 | 44,744,923 | 67,725,009 | 3,921,656 | 12,039,471 | 1,873,664 | 17,834,791 | 85,559,800 | |
| Services (banking, financing) | 658 | 210,289 | - | 210,947 | 210,947 | 3,152,429 | 3,755,081 | 1,669,051 | 8,576,561 | 8,787,509 | |
| Services (BPO - non-voice, software development, IT-related services, customer support) | 2,616,698 | 4,661,901 | 505,133 | 8,217,777 | 16,001,509 | 2,618 | - | - | 2,618 | 16,004,127 | |
| Services (call center) | 599,885 | 581,643 | 387,622 | 7,299,906 | 8,869,056 | - | - | - | - | 8,869,056 | |
| Services (R&D) | - | 2,298 | 50,212 | 141,117 | 193,627 | - | - | - | - | 193,627 | |
| Services (caterina and restaurant operation) | 80,138 | 14,045 | 74,978 | 133,365 | 302,524 | 30,936 | 31,240 | - | 62,176 | 364,701 | |
| Services (construction, leasing, real estate other than economic and low-cost housing, ecozone operator) | 2,013,006 | 1,225,758 | 72,773 | 126,853 | 3,438,391 | 5,830 | 75,361 | - | 81,191 | 3,519,582 | |
| Services (operator of training and learning centers, operator of medical and health facilities) | 23,663 | 42,601 | 334 | 68,275 | 111,873 | 41,221 | 205,093 | 418 | 246,731 | 315,006 | |
| Services (other general services) | 5,666 | 163,292 | 1,585,199 | 6,344,893 | 8,099,550 | 347,063 | 4,477,540 | 197,499 | 5,022,101 | 13,121,151 | |
| Services (warehousing, logistics, utilities, operator of sea ports and airports) | 1,839,183 | 574,208 | 4,846,378 | 19,460,941 | 26,720,710 | 175,040 | 2,534,779 | 3,210 | 2,713,029 | 29,433,740 | |
| Services (wholesale, retail, trading) | - | 145,339 | 657,185 | 3,018,395 | 3,820,919 | 166,519 | 960,378 | 3,486 | 1,130,383 | 4,951,302 | |
| VIII. Tourism | 4,545,756 | 26,002 | 48,874 | 74,496 | 4,695,128 | 3,300 | 3,359 | - | 6,659 | 4,701,787 | |
| Tourism (accommodation, hotels, resort) | 4,496,183 | 15,111 | 47,659 | 70,940 | 4,629,893 | 3,300 | 3,349 | - | 6,649 | 4,636,542 | |
| Tourism (medical tourism, other tourism-related services) | 49,573 | 10,891 | 1,215 | 3,556 | 65,235 | - | 10 | - | 10 | 65,245 | |
| IX. Unfilled/ unspecified registered activity | - | 1,579 | - | - | 1,579 | 75,561 | 123,956 | 4,318 | 203,834 | 205,413 | |
| Unfilled/unspecified registered activity | - | 1,579 | - | - | 1,579 | 75,561 | 123,956 | 4,318 | 203,834 | 205,413 | |
| Total | 25,712,557 | 22,789,943 | 64,220,994 | 404,378,182 | 517,101,676 | 4,153,473 | 14,364,286 | 1,880,016 | 20,397,775 | 537,499,451 | |

¹ Values reflected are based on the 2021 programmed investment tax expenditures report as stated in the FY 2024 BESF.

² Values reflected are based on the 2021 actual investment tax expenditures report as stated in the FY 2024 BESF.

³ Values reflected are based on the 2022 projected investment tax expenditures report as stated in the FY 2024 BESF.

⁴ The 2023 projections of tax expenditures on income tax were computed using the 2022-2023 nominal GDP growth rates by sector as reported by the Philippine Statistics Authority (PSA), while the projections of tax expenditure on customs duties were computed using the 5-year average growth rate of value of imports as reported by the Bureau of Customs (BOC).

⁵ The investment tax expenditure on ITH was computed by applying the regular 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.

⁷ Import VAT gross is based only on customs transit.

⁸ Republic Act (RA) 10963 mandates the Cooperative Development Authority (CDA) to consolidate and submit to the Bureau of Internal Revenue (BIR) the annual tax incentives reports of registered cooperatives. The tax incentives of cooperatives were computed based on the preferential tax treatment of cooperatives in accordance with RA 9520.

*Values may not exactly add up due to rounding off numbers

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

Sources: BIR, BOC, CDA, Department of Finance (DOF) staff computation

Table J.1.c.
2022 INVESTMENT TAX EXPENDITURES, BY INVESTMENT PROMOTION AGENCY (IPA), INCLUDING COOPERATIVES, BY TYPE OF TAX INCENTIVES, FY 2021-2023
(in thousand pesos)

| Investment Promotion Agency | 2021 | | | | | | | | | |
|--|-------------------------|-------------------------|-------------------|--------------------|--------------------|---------------------------------------|--------------------------------------|---|--------------------------------------|--|
| | Programmed ¹ | | | | | Programmed (CDA) | | | | Total (including incentives of cooperatives) |
| | 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 | |
| Authority Freeport Area of Bataan (AFAB) | 25,401 | 348,765 | 1,630,643 | 3,471,101 | 5,475,910 | - | - | - | - | 5,475,910 |
| Aurora Pacific Economic Zone and Freeport (APECO) | - | - | - | - | - | - | - | - | - | - |
| Bases Conversion and Development Authority (BCDA) | - | - | - | - | - | - | - | - | - | - |
| Board of Investments (BOI) | 1,378,386 | 8,588,389 | 438,680 | 50,738 | 10,456,193 | - | - | - | - | 10,456,193 |
| Bangsamoro Board of Investments (BBOI) | - | - | - | - | - | - | - | - | - | - |
| Clark Development Corporation (CDC) | 5,464,286 | 2,542,229 | 2,174,380 | 25,454,106 | 35,635,001 | - | - | - | - | 35,635,001 |
| Cagayan Economic Zone Authority (CEZA) | - | 46,139 | 3,266 | 29,261 | 78,665 | - | - | - | - | 78,665 |
| Philippine Economic Zone Authority (PEZA) | 12,683,620 | 33,519,819 | 67,345,607 | 261,696,995 | 375,246,041 | - | - | - | - | 375,246,041 |
| Poros Point Management Corporation (PPMC) | - | - | 1,434 | 3,796 | 5,230 | - | - | - | - | 5,230 |
| Subic Bay Management Authority (SBMA) | 427,920 | 1,625,207 | 484,706 | 3,029,020 | 5,566,854 | - | - | - | - | 5,566,854 |
| Tourism Infrastructure and Enterprise Zone Authority (TIEZA) | - | - | - | - | - | - | - | - | - | - |
| Zamboanga City Special Economic Zone Authority (ZCSEZA) | - | - | 2 | 2,018 | 2,020 | - | - | - | - | 2,020 |
| Total | 19,979,613 | 46,670,548 | 72,078,717 | 293,737,036 | 432,465,913 | - | - | - | - | 432,465,913 |
| Cooperative Development Authority (CDA) | - | - | - | - | - | 3,386,816 | 17,386,307 | 1,435,205 | 22,208,328 | 22,208,328 |
| 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 |

¹ Values reflected are based on the 2021 programmed investment tax expenditures report as stated in the FY 2024 BESF.

² Values reflected are based on the 2021 actual investment tax expenditures report as stated in the FY 2024 BESF.

³ Values reflected are based on the 2022 projected investment tax expenditures report as stated in the FY 2024 BESF.

⁴ The 2023 projections of tax expenditures on income tax were computed using the 2022-2023 nominal GDP growth rates by sector as reported by the Philippine Statistics Authority (PSA), while the projections of tax expenditure on customs duties were computed using the 5-year average growth rate of value of imports as reported by the Bureau of Customs (BOC).

⁵ The investment tax expenditure on ITH was computed by applying the regular 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.

⁷ Import VAT gross is based only on customs transit.

⁸ Republic Act (RA) 10963 mandates the Cooperative Development Authority (CDA) to consolidate and submit to the Bureau of Internal Revenue (BIR) the annual tax incentives reports of registered cooperatives. The tax incentives of cooperatives were computed based on the preferential tax treatment of cooperatives in accordance with RA 9520.

* Values may not exactly add up due to rounding off numbers

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