

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									
	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	
Authority Freeport Area of Bataan (AFAB)	71,134	46,864	1,248,360	3,885,075	5,251,433	-	-	-	-	5,251,433
Aurora Pacific Economic Zone and Freeport (APECO)	-	-	-	-	-	-	-	-	-	-
Bases Conversion and Development Authority (BCDA)	-	-	-	-	-	-	-	-	-	-
Board of Investments (BOI)	646,726	-	109,132	9,399,789	10,155,647	-	-	-	-	10,155,647
Bangsamoro Board of Investments (BBOI)	-	-	-	-	-	-	-	-	-	-
Clark Development Corporation (CDC)	-	500,464	2,478,473	33,208,207	36,187,144	-	-	-	-	36,187,144
Cagayan Economic Zone Authority (CEZA)	-	32,677	-	40,543	73,221	-	-	-	-	73,221
Philippine Economic Zone Authority (PEZA)	7,925,548	13,645,738	40,703,676	231,141,587	293,416,548	-	-	-	-	293,416,548
Poro Point Management Corporation (PPMC)	-	-	608	1,578	2,187	-	-	-	-	2,187
Subic Bay Management Authority (SBMA)	2,429	148,435	620,689	3,750,489	4,522,042	-	-	-	-	4,522,042
Tourism Infrastructure and Enterprise Zone Authority (TIEZA)	-	-	-	-	-	-	-	-	-	-
Zamboanga City Special Economic Zone Authority (ZCSEZA)	-	-	4,736	8,596	13,332	-	-	-	-	13,332
Total	8,645,837	14,374,177	45,165,675	281,435,865	349,621,554	-	-	-	-	349,621,554
Cooperative Development Authority (CDA)	-	-	-	-	-	6,277,830	12,737,852	2,077,285	21,092,967	21,092,967
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

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.

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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

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Investment Promotion Agency	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	
Authority Freeport Area of Bataan (AFAB)	80,713	53,174	1,389,979	4,325,816	5,849,683	-	-	-	-	5,849,683
Aurora Pacific Economic Zone and Freeport (APECO)	-	-	-	-	-	-	-	-	-	-
Bases Conversion and Development Authority (BCDA)	-	-	-	-	-	-	-	-	-	-
Board of Investments (BOI)	733,816	-	121,513	10,466,144	11,321,472	-	-	-	-	11,321,472
Bangsamoro Board of Investments (BBOI)	-	-	-	-	-	-	-	-	-	-
Clark Development Corporation (CDC)	-	567,858	2,759,643	36,975,495	40,302,995	-	-	-	-	40,302,995
Cagayan Economic Zone Authority (CEZA)	-	37,078	-	45,143	82,220	-	-	-	-	82,220
Philippine Economic Zone Authority (PEZA)	8,992,830	15,483,320	45,321,284	257,363,328	327,160,762	-	-	-	-	327,160,762
Poro Point Management Corporation (PPMC)	-	-	677	1,757	2,435	-	-	-	-	2,435
Subic Bay Management Authority (SBMA)	2,756	168,424	691,103	4,175,961	5,038,244	-	-	-	-	5,038,244
Tourism Infrastructure and Enterprise Zone Authority (TIEZA)	-	-	-	-	-	-	-	-	-	-
Zamboanga City Special Economic Zone Authority (ZCSEZA)	-	-	5,273	9,571	14,845	-	-	-	-	14,845
Total	9,810,116	16,309,854	50,289,472	313,363,215	389,772,657	-	-	-	-	389,772,657
Cooperative Development Authority (CDA)	-	-	-	-	-	7,123,224	14,453,175	2,357,019	23,933,419	23,933,419
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

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(in thousand pesos)

Investment Promotion Agency	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	
Authority Freeport Area of Bataan (AFAB)	3,526,688	133,236	1,586,339	27,766,560	33,012,823	-	-	-	-	33,012,823
Aurora Pacific Economic Zone and Freeport (APECO)	1,574	-	-	-	1,574	-	-	-	-	1,574
Bases Conversion and Development Authority (BCDA)	-	-	-	-	-	-	-	-	-	-
Board of Investments (BOI)	9,315,546	4,324,953	263,669	93	13,904,262	-	-	-	-	13,904,262
Bangsamoro Board of Investments (BBOI)	66,371	-	-	-	66,371	-	-	-	-	66,371
Clark Development Corporation (CDC)	105,399	1,113,954	2,354,339	32,742,110	36,315,802	-	-	-	-	36,315,802
Cagayan Economic Zone Authority (CEZA)	-	34,323	833	31,758	66,914	-	-	-	-	66,914
Philippine Economic Zone Authority (PEZA)	10,263,648	14,244,110	51,000,601	287,637,426	363,145,785	-	-	-	-	363,145,785
Poro Point Management Corporation (PPMC)	-	13,616	680	2,116	16,412	-	-	-	-	16,412
Subic Bay Management Authority (SBMA)	448	786,137	650,242	3,591,023	5,027,850	-	-	-	-	5,027,850
Tourism Infrastructure and Enterprise Zone Authority (TIEZA)	35,268	-	-	-	35,268	-	-	-	-	35,268
Zamboanga City Special Economic Zone Authority (ZCSEZA)	-	14,525	11,471	12,179	38,175	-	-	-	-	38,175
Total	23,314,943	20,664,854	55,868,175	351,783,265	451,631,237	-	-	-	-	451,631,237
Cooperative Development Authority (CDA)	-	-	-	-	-	3,766,175	13,024,863	1,704,711	18,495,748	18,495,748
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

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	Projections ⁴					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	
Authority Freeport Area of Bataan (AFAB)	3,889,358	146,937	1,823,511	31,917,923	37,777,730	-	-	-	-	37,777,730
Aurora Pacific Economic Zone and Freeport (APECO)	1,736	-	-	-	1,736	-	-	-	-	1,736
Bases Conversion and Development Authority (BCDA)	-	-	-	-	-	-	-	-	-	-
Board of Investments (BOI)	10,273,519	4,769,714	303,090	107	15,346,430	-	-	-	-	15,346,430
Bangsamoro Board of Investments (BBOI)	73,197	-	-	-	73,197	-	-	-	-	73,197
Clark Development Corporation (CDC)	116,238	1,228,509	2,706,335	37,637,364	41,688,446	-	-	-	-	41,688,446
Cagayan Economic Zone Authority (CEZA)	-	37,852	958	36,506	75,316	-	-	-	-	75,316
Philippine Economic Zone Authority (PEZA)	11,319,120	15,708,916	58,625,672	330,641,935	416,295,644	-	-	-	-	416,295,644
Poro Point Management Corporation (PPMC)	-	15,016	782	2,432	18,230	-	-	-	-	18,230
Subic Bay Management Authority (SBMA)	494	866,980	747,459	4,127,914	5,742,848	-	-	-	-	5,742,848
Tourism Infrastructure and Enterprise Zone Authority (TIEZA)	38,895	-	-	-	38,895	-	-	-	-	38,895
Zamboanga City Special Economic Zone Authority (ZCSEZA)	-	16,018	13,187	14,000	43,204	-	-	-	-	43,204
Total	25,712,557	22,789,943	64,220,994	404,378,182	517,101,676	-	-	-	-	517,101,676
Cooperative Development Authority (CDA)	-	-	-	-	-	4,153,473	14,364,286	1,880,016	20,397,775	20,397,775
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

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