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The American Chamber of Commerce of the Philippines, Inc.

**THE ARANGKADA PHILIPPINES PROJECT
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To: John Avila, AOR, USAID-OEDG
From: John Forbes, Senior Adviser, TAPP
Subject: TAPP Legislative Tracker for December 2015

On December 16, the AmCham Legislative Tracker and List of Legislative Priorities for the 16th Congress were presented at the monthly Legislative Committee meeting. Both have been updated to reflect the status of priority bills of the business sector identified in the July 19, 2013 JFC-PBG letter to President Aquino on priority legislation.

The Legislative Tracker shows that either hearings or TWG meetings were conducted in October on the following bills that affect the investment climate:

- CAAP law amendments
- FINL Liberalization Act
- Public-Private Partnership Act
- Security of Tenure

President Aquino signed into law the **Tax Incentives Management and Transparency Act**. It seeks to promote transparency and accountability in the granting of fiscal incentives. Under the law, registered business entities must file with their investment promotion agencies a complete annual tax incentives report, which will be then submitted to the Bureau of Internal Revenue, the Bureau of Customs, and the Department of Finance (DOF). It requires all businesses enjoying income-based tax incentives – such as income tax holidays and a 5% tax on gross income earned in lieu of other taxes – to electronically file their annual tax returns with the BIR each year. For monitoring and analysis of tax incentives granted, the DOF shall maintain a single database and submit to the Department of Budget and Management (DBM) the actual amount, estimate claims, current year's programmed amount, and the following year's projected amount of tax incentives.

The Senate concurred with the House version of the **DICT Creation bill**. It will now be enrolled for President Aquino's signature.

The Senate approved on Third Reading the **Right-of-Way Act amendments**, Special Working Holiday bills (local bills in commemoration of foundation anniversaries which were converted from non-working to special working holidays). The CMTA, FINL Liberalization bill, and the new Salary Standardization Law (SSL) on Second Reading. The House approved on Third Reading Labor Code amendments on regulation of the employment of foreign nationals and the new SSL.



The Senate Public Works Committee reported out the **Public-Private Partnership bill**.

Attachments: December 2015 Legislative Tracker, updated as of 12/16/15;
Status of Priority Bills of Business Sector, updated as of 12/16/15