



REPUBLIKA NG PILIPINAS
PAMAHALAANG LUNGSOD NG MUNTINLUPA
KALAKHANG MAYNILA

Sangguniang Panglungsod

RESOLUTION NO. 02-138

A RESOLUTION EXPRESSING FORMAL CONCURRENCE ON THE AVAILMENT OF AMKOR TECHNOLOGY PHILS. (P1/P2), INC. OF THE FIVE PERCENT 5% GROSS INCOME TAX (G.I.T.) INCENTIVE FOR ITS EXISTING OR BASE PROJECT AT AMKOR SPECIAL ECOZONE LOCATED IN CUPANG, MUNTINLUPA CITY.

- Sponsored by:
- Hon. Raul R. Corro
 - Hon. Mario E. Bulay, Jr.
 - Hon. Bal Niefes
 - Hon. Artemio A. Simundac
 - Hon. Rufino B. Joaquin
 - Hon. Patricio L. Boncayao, Jr.
 - Hon. Victor L. Ulanday
 - Hon. Nicanor L. Echavez, MD.
 - Hon. Allan Rey A. Camilon
 - Hon. Melchor R. Teves
 - Hon. Atty. Icasiano M. Dela Rea
 - Hon. Elmer S. Espeleta
 - Hon. Francis Ian T. Bagatsing
 - Hon. Rene Carl S. Cayetano
 - Hon. Lucio B. Constantino
 - Hon. Mamerto T. Sevilla, Jr.

WHEREAS, AMKOR Technology Phils. (P1/P2), Inc. was registered with the Philippine Economic Zone Authority (PEZA) under Republic Act No. 7916 (Otherwise known as Special Economic Zone Act of 1995) on 10 November 2000 as an Ecozone Export Enterprise for the manufacture of semiconductor leadtypes and the provision of such services as backgrinding, wafer mapping, assembly and strip test;

WHEREAS, the AMKOR Special Ecozone in Muntinlupa City was proclaimed in its entirety as a PEZA Special Economic Zone under Presidential decree No. 406 on October 27,2000;

WHEREAS, as a Special Economic Zone, companies locating within the zone are entitled to certain fiscal and non-fiscal incentives from PEZA upon registration of their projects;

WHEREAS, the Sangguniang Panlungsod of Muntinlupa passed Kapasiyahan Panlungsod Blg. 20-261 approving the application of AMKOR Technology Philippines to have its own "manufacturing site" declared as a "Special Economic Zone" in accordance with R.A No. 7916 as amended by R.A No. 8748;

WHEREAS, AMKOR Technology Phils. registered its expansion project with PEZA on 1 September 2000, thereby entitling it to avail of the five (5) percent Gross Income Tax Incentive (GIT) for its expansion project which effectively allows it to pay a Special tax rate of 5% on gross income earned , in lieu of all national and local taxes, except real property taxes on land owned by the developer;

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WHEREAS, under Section 4 of R.A No. 8748 (An Act amending Republic Act No. 7916), two(2) percent of the gross income earned by all PEZA – registered enterprises shall be directly remitted to the Treasurer’s Office of the City where the enterprise is located;

WHEREAS, on 10 December 2001, PEZA Board Resolution No. 01-378 granted AMKOR Special Ecozone 5% GIT incentive for its existing or base project subject to the concurrence of the City of Muntinlupa;

WHEREAS, Amkor Technology Phils., Inc. through its Vice President and Chief Financial Officer Danny Franklin formally requested formal written concurrence of the City on its availment of the 5% GIT incentive for its existing project in a letter to Hon. Mayor Jaime R. Fresnedi dated 29 April 2002.

WHEREAS, AMKOR Technology Phils., emphasized that upon its shift to the 5% GIT regime, barring any unexpected and drastic changes in the level of its financial performance, it would be paying higher taxes than it would otherwise be paying;

WHEREAS, the actual taxes paid in the year 200 based on the existing registration is only P38.8 million which is projected to increase to P210 million in 2005 based on the 5%v GIT incentive regime;

WHEREAS, the concurrence of the City Council on the request of AMKOR Technology Phils., Inc., is based on the condition that in case the amount of local taxes due for the year falls below the minimum figure of P51.3 million (amount of local taxes paid in 2001 as minimum or base figure) , Amkor will make up for the shortfall and is committing itself to remit the difference for every assessment thereafter;

WHEREAS, in case, however , the actual amount due is greater than the minimum figure, then AMKOR will pay the actual amount of local taxes due the City Government of Muntinlupa;

WHEREAS, the expansion project will not only increase the amount of local taxes paid but also create numerous economic benefits including employment, additional investments in the form of physical structures and a significant increase in the level of support services that AMKOR will be purchasing within the community;

WHEREAS, as the “Most Business- Friendly City” in the country, it is imperative to express concurrence on the request of AMKOR Technology Phils., Inc. to further enhance our image and bolster investor confidence not only in our City but also in the whole country.

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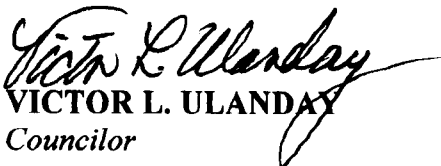
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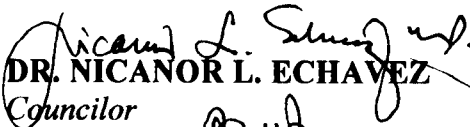
NOW THEREFORE, be it resolved as it is hereby resolved that a resolution be passed expressing formal concurrence on the availment of AMKOR Technology Philippines Inc. of the five (5) percent Gross Income Tax Incentive for its existing or base project at AMKOR Special Economic Zone located in Cupang, Muntinlupa City.

APPROVED, by the Sangguniang Panlungsod of Muntinlupa this 25th day of July 2002, on its 41st Regular Session.


CONCURRED:


BAL NIEFES
Councilor


VICTOR L. ULANDAY
Councilor


DR. NICANOR L. ECHAVEZ
Councilor

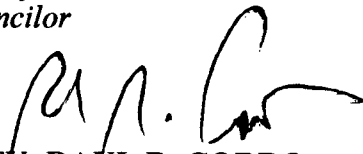
ELMER S. ESPELETA
Councilor



ATTY. PATRICIO L. BONCAYAO, JR.
Councilor


FRANCIS IAN T. BAGATSING
Councilor

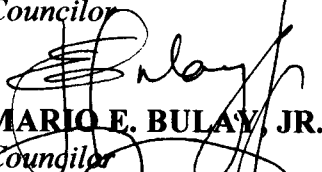

ALLAN REYA. CAMILON
Councilor

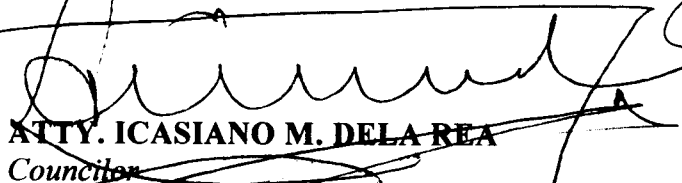
RENE CARL S. CAYETANO
Councilor



ATTY. RAUL R. CORRO
Councilor



LUCIO B. CONSTANTINO
Councilor

MELCHOR R. TEVES
Councilor


MARIO E. BULAY, JR.
Councilor


ATTY. ICASIANO M. DELA REA
Councilor


MAMERTO T. SEVILLA, JR.
Councilor

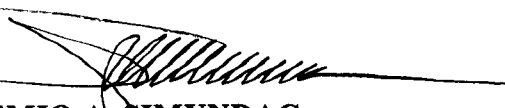

RUFINO B. JOAQUIN
Councilor



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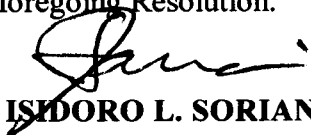
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ARTEMIO A. SIMUNDAC
Sectoral Representative
President
Association of Barangay Captains

ABSENT:

ALDRIN L. SAN PEDRO
Councilor




I HEREBY CERTIFY, as to the correctness of the foregoing Resolution.


ATTY. ISIDORO L. SORIANO, JR.
Secretary
SANGGUNIANG PANLUNGSOD

ATTESTED:


ATTY. JO JASON T. ALCARAZ ERIC
City Vice Mayor/Presiding Officer

APPROVED:


ATTY. JAIME R. FRESNEDI
City Mayor
Date: _____