



Sangguniang Panglungsod

**RESOLUTION NO. 15-246** 

A RESOLUTION ENDORSING TO THE INFORMATION TECHNOLOGY-PHILIPPINE ECONOMIC ZONE AUTHORITY (IT-PEZA) THE APPLICATION OF AYALA LAND FOR THE DECLARATION OF SOUTH PARK CORPORATE CENTER AS INFORMATION TECHNOLOGY CENTER (IT CENTER) TO BE KNOWN AS "SOUTH PARK CORPORATE CENTER" LOCATED AT NATIONAL ROAD, BARANGAY ALABANG, MUNTINLUPA CITY AND PROVIDING FOR THE LOCATORS HEREIN THE BENEFITS UNDER R.A. 7916, OTHERWISE KNOWN AS THE SPECIAL ECONOMIC ZONE ACT OF 1995.

Sponsored by:

Hon. Coun. Rafael T. Sevilla

Hon. Coun. Atty. Raul R. Corro

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Hon. Coun. Atty. Patricio L. Boncayao, Jr.

Hon. Coun. Bal Niefes

Hon. Coun. Stephanie G.Teves Hon. Coun. Louisito A. Arciaga Hon. Coun. Ringo A. Teves

Hon. Coun. Alexander Diaz

Hon. Coun. Ma. Dhesiree G. Arevalo Hon. Coun. Luvi P. Constantino

Hon. Coun. Engr. Neptali S. Santiago

Hon. Coun. Elmer S. Espeleta Hon. Coun. Vergel C. Ulanday Hon. Coun. Robert A. Abas Hon. Coun. Robert P. Baes

Hon. Coun. Celso C. Dioko

WHEREAS, Section 3(10) Rule IV of the Implementing Rules and Regulations of R.A. 7916, otherwise known as Special Economic Zone Act of 1995 provides that, "one of the documents required is the endorsement from the Sangguniang Panlungsod for the development of the proposed economic zone" xxx;

WHEREAS, after the enactment of the Local Government Code of 1991, Republic Act No. 7916, otherwise known as the "Special Economic Zone Act of 1995" and its amendatory of Republic Act 8748, were passed by the Congress of the Philippines, which laws granted preferential tax treatment to PEZA-registered enterprises;

WHEREAS, under PEZA Board Resolution No. 00-411 dated December 29, 2000, prescribing for the guidelines of the registration of Information Technology Enterprises and the Establishment and Operation of IT Parks/Buildings, it is stated in letter A No. VI, that one of the requirement for PEZA consideration and issuance of a Presidential Proclamation is the endorsement by the City Council;

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WHEREAS, all PEZA Registered Enterprises shall pay the tax at the rate of two percent (2%) based on Gross Income earned;

WHEREAS, if the locator company is pioneering automatic six (6) years Income Tax Holiday (ITH);

WHEREAS, if the locator company is a non-pioneering meaning if the technology using on their activity is totally new in the Philippines then under the EO-226 or the Omnibus Investment Code they are qualified for Income Tax Holiday for maximum four years;

WHEREAS, on July 2, 2015, the Hon. City Mayor Atty. Jaime R. Fresnedi, endorsed the request of the Ayala Land on its application the "SOUTH PARK CORPORATE CENTER" located at National Road, Barangay Alabang, Muntinlupa City as Information Technology Center (ITC) registered zone;

WHEREAS, the IT project which will be situated on the property located at National Road, Barangay Alabang, Muntinlupa City, which will stand on a total area of 21,000 square meters of leasable office space;

WHEREAS, Ayala Land being the owner of SOUTH PARK CORPORATE CENTER shall not be entitled to any incentive and is committed to pay its regular taxes to the City Government of Muntinlupa;

WHEREAS, the passage of this resolution, for whatever causes or reasons, shall not cause the reduction of taxes it has to pay to the City Government of Muntinlupa and shall not cause additional incentives;

WHEREAS, only IT Locators registered at PEZA will avail of incentives and tax exemption in an IT Certified Zone;

WHEREAS, the IT Locators will pay perpetual the five percent (5%) Gross Income Tax (GIP), 2% of which will go to the City Government of Muntinlupa and 3% will go to Bureau of Internal Revenue (BIR);

WHEREAS, the Ayala Land, shall comply with the PEZA laws and Rules and Regulations used as well as the payment of the taxes and fees required by the City Ordinance;

WHEREAS, in the event that the area intended as PEZA Zone is no longer used for such purpose, the same shall be reported to the City of Muntinlupa, BPLO and any business that will use/occupy it shall not benefit the law governing PEZA;

WHEREAS, the said application of Ayala Land for IT Center is for one

building only;

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NOW THEREFORE, BE IT RESOLVED, AS IT HEREBY RESOLVED, by the 7<sup>th</sup> Sangguniang Panlungsod of Muntinlupa, to endorse to the Information Technology-Philippine Economic Zone Authority (IT- PEZA) the application Ayala Land, for the declaration of South Park Corporate Center as Information Technology (IT) to be known as "SOUTH PARK CORPORATE CENTER" located at National Road, Barangay Alabang, Muntinlupa City, and providing for the locators herein the benefits under R.A. 7916, otherwise known as the Special Economic Zone Act of 1995.

RESOLVED, FURTHER, that Ayala Land shall not be exempt from payment of Realty Tax on land, buildings and improvements and should pay corresponding building permits on renovations, on improvements and regulatory fees and business tax as a Lessor.

RESOLVED FURTHERMORE, that the non-PEZA registered activities located inside these building shall remain under the jurisdiction of the City Government of Muntinlupa and shall be subject to corresponding taxes for business permits and other regulations. For proper monitoring of these activities inside the building, Ayala Land shall furnish the Office of the City Treasurer of the City Government of Muntinlupa with certified true copies of the Contract of Lease and PEZA Registration of the Lessee/Locator.

ENACTED, by the 7<sup>th</sup> Sangguniang Panlungsod of Muntinlupa this 13<sup>th</sup> day of July, 2015, on its 87<sup>th</sup> Regular Session.

CONCURRED:

DISTRICT I:

COUN. ATTY. RAUL R. CORRO

Member

COUN. ATTY. PATRICIO L. BONCAYAO, JR.

Member

COUN. BAL NIEFES

Member

COUN. STEPHANIE G. TEVES

Member

COUN. LOUISITO A ARCIAGA

Member

COUN. RINGO A TEVES

Member

COUN. ALEXANDER B. DIAZ

Member

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DISTRICT II:

COUN. MA. DHESIREE G. AREVALO

COUN. ENGR. NEPTALI S. SANTIAGO

Member

COUN. RAFAEL T. SEVILLA

Member

COUN. ROBERT A. ABAS

Member

CONSTANTINO Member

COUN. ELMER S. ESPELETA

Member

COUN. VERGEL C. ULAMDAY

Member

COUN. ROBERT P. BAES

Member

COUN CELSO C. DIOKO Sectoral Representative

President

Association of Barangay Captains

ABSENT:

COUN. MARGARITA AMYTHYST PATDU-LABIOS, MD

Member

I HEREBY CERTIFY, as to the correctness of the foregoing Resol

CECIL

Secretary

ATTESTED:

ARTEMIQ A). SIMUNDAC

City Vice-Mayor/Presiding Officer

APPROVED;

Norie/7th SP

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