

[REPUBLIC ACT NO. 9399, March 20, 2007]

AN ACT DECLARING A ONE-TIME AMNESTY ON CERTAIN TAX AND DUTY LIABILITIES, INCLUSIVE OF FEES. FINES. PENALTIES. INTERESTS AND OTHER ADDITIONS THERETO. INCURRED BY CERTAIN BUSINESS ENTERPRISES OPERATING WITHIN THE SPECIAL ECONOMIC ZONES AND FREEPORTS CREATED UNDER PROCLAMATION NO. 163. SERIES OF 1993; PROCLAMATION NO. 216. SERIES OF 1993; PROCLAMATION NO. 120. SERIES OF 1991; AND PROCLAMATION NO. 984, SERIES OF 1997, PURSUANT TO SECTION 15 OF REPUBLIC ACT NO. 7227. AS AMENDED. AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Grant of Tax Amnesty.* - Registered business enterprises operating prior to the effectivity of this Act within the special economic zones and freeports created pursuant to Section 15 of Republic Act No. 7227, as amended, such as the Clark Special Economic Zone created under Proclamation No. 163, series of 1993; Poro Point Special Economic and Freeport Zone created under Proclamation No. 216, series of 1993; John Hay Special Economic Zone created under Proclamation No. 420, series of 1994; and Morong Special Economic Zone created under Proclamation No. 984, series of 1997, may avail themselves of the benefits of remedial tax amnesty herein granted on all applicable tax and duty liabilities, inclusive of fines, penalties, interests and other additions thereto, incurred by them or that might have accrued to them due to the rulings of the Supreme Court in the cases of *John Hay People's Coalition v. Lim, et.al., G.R. No. 119775 dated 23 October 2003* and *Coconut Oil Refiners Association, Inc. v. Torres, et.al., G.R. No. 132527 dated 29 July 2005*, by filing a notice and return in such form as shall be prescribed by the Commissioner of Internal Revenue and the Commissioner of Customs and thereafter, by paying an amnesty tax of Twenty-five Thousand pesos (P25,000.00) within six months from the effectivity of this Act: Provided, That the applicable tax and duty liabilities to be covered by the tax amnesty shall refer only to the difference between: (i) all national and local tax impositions under relevant tax laws, rules and regulations; and (ii) the five percent (5%) tax on gross income earned by said registered business enterprises as determined under relevant revenue regulations of the Bureau of Internal Revenue and memorandum circulars of the Bureau of Customs during the period covered: *Provided, however*, that the coverage of the tax amnesty herein granted shall not include the applicable taxes and duties on articles, raw materials, capital goods, equipment and consumer items removed from the special economic zone and freeport and entered in the customs territory of the Philippines for local or domestic sale, which shall be subject to the usual taxes and duties prescribed in the National Internal Revenue Code (NIRC) of 1997, as amended, and the Tariff and Customs Code of the Philippines, as amended.