

**BOI GUIDELINES ON THE ISSUANCE OF  
CERTIFICATION TO BOI-REGISTERED COMPANIES  
PURSUANT TO BIR REVENUE MEMORANDUM ORDER NO. 9-2000**

**I. RATIONALE**

- This is based on RMO Circular No. 74-99 dated 15 October 1999, which clarified that sales of goods, property and services made by VAT-registered suppliers to PEZA-registered enterprises shall qualify for zero-rating. This treatment is “anchored on the Cross Border Doctrine of the VAT System, which in essence means that no value-added tax shall form part of the cost components of products which are destined for consumption outside the territorial border of the Philippines.” This principle is achieved through the application of VAT zero-rating on :
  - “Products exported from the Philippines to foreign countries.”
  - Products sold “to bonded manufacturing warehouses of export-oriented manufacturers” shall be considered “constructively exported” (Article 25 of the Omnibus Investments Code)
  - “Those considered export sales under E.O. 226, and other special laws.” (Section 106(A)(2)(a)(5), NIRC of 1997)

**II. FEATURES OF BIR RMO 9-2000**

**A. Definition**

1. Direct Exporter shall mean a BOI-registered manufacturer/producer exporting directly 100% of all its products from the Philippines to foreign countries as evidenced by export invoice, export declaration, bill of lading or airway bill, and bank certification of remittances.
2. Constructive Exporter shall mean a BOI-registered manufacturer/producer whose products are sold 100% to bonded manufacturing warehouses of export-oriented manufacturers as evidenced by boat note (delivery receipt) and certification from PEZA that the locator is registered with PEZA as a 100% export producer or a certification from a BOC CBMW officer that the bonded warehouse operator or the accredited member of a common bonded warehouse operator has no local sales. Constructive exports shall also include sales to foreign military bases, diplomatic missions and other agencies and/or instrumentalities granted tax immunities, of locally manufactured, assembled or repacked products whether paid for in foreign currency or not.
3. Indirect Exporter shall mean a BOI-registered manufacturer/producer whose products are sold 100% to a BOI-registered 100% export-oriented manufacturer.

## **B. Who Are Qualified**

- BOI registered manufacturer-exporter in full compliance with its registration terms and conditions whose products/activities are all registered with BOI and exporting 100% whether direct, indirect or constructive or a combination of all.
- Certification shall not be issued to the following :
  1. Service exporters even if BOI registered and exporting 100%
  2. In case the company has other activities not registered with BOI even if 100% exporter
  3. In case the company has multiple activities that are all registered with BOI but one of those activities is not exporting 100%.

## **C. Scope**

- Sales of goods, property and services made by VAT-registered suppliers to enterprises duly registered with the BOI as manufacturer-exporter and whose manufactured products are 100% exported to foreign countries.

## **D. Conditions for Coverage under RMO 9-2000**

- Under RMO 9-2000, “sales of goods, properties or services made by a VAT-registered supplier to a BOI registered exporter shall be accorded automatic zero-rating, i.e., without necessity of applying for and securing approval of the application for zero-rating as provided in Revenue Regulations No. 7-95, subject to the following conditions:
  1. The supplier must be VAT-registered;
  2. The BOI-registered buyer must likewise be VAT-registered;
  3. The buyer must be a BOI-registered manufacturer/producer whose products are 100% exported. For this purpose a Certification to this effect must be issued by the Board of Investments (BOI) and which certification shall be good for one year unless subsequently re-issued by the BOI;
  4. The BOI-registered buyer shall furnish each of its suppliers with a copy of the aforementioned BOI certification which shall serve as authority for the supplier to avail of the benefits of zero-rating for its sales to said BOI-registered buyers; and
  5. The VAT-registered supplier shall issue for each sale to BOI-registered manufacturer/exporters a duly registered VAT invoice with the words “zero-rated” stamped thereon in compliance with Sec. 4.108-1(5) of RR 7-95. The supplier must likewise indicate in the VAT invoice the name and BOI-registry number of the buyer.”

## **III. PROCEDURES FOR THE ISSUANCE OF THE BOI CERTIFICATION**

For the purpose of issuing the BOI Certification specified under BIR RMO 9-2000, the following operational procedures and other related administrative matters should be observed.

## A. Application

1. **Checklisting** - The request together with two (2) copies/sets of the supporting documents in the prescribed forms shall be checked by the technical staff of the concerned Departments or the BOI Regional Offices for enterprises located in the regions. The technical staff shall officially accept only those requests with complete documents provided that the applicant firm has complied with the terms and conditions of its registration/s.
2. **Filing of Request** – After checklisting and determination of the firm's compliance with the terms and conditions of its registration, the request for BOI Certification together with all the documentary requirements under III.B of this Guidelines shall be officially filed with the concerned Department of the BOI Industry Planning Group at the BOI Main Office in Makati City; or if located in the provinces, requests may be filed with the respective BOI Regional Offices in the area.

Applicant firm with accounting reporting period ending in calendar year (i.e. ending 31 December) should file its application not later than 15 January of the succeeding year in order that the BOI certification to be issued shall be valid for a period of one (1) year effective 01 January of that year.

Applicant firm with accounting reporting period ending in fiscal year should file its application within fifteen (15) days from the end of the said fiscal year period in order that the BOI certification to be issued shall be valid for a period of one (1) year effective from the date of the start of the new fiscal year.

3. **Issuance of Order of Payment** - The technical staff shall issue an order of payment and attach the same to the request for BOI Certification. The proponent shall pay the processing fee at the BOI Cashier to obtain the corresponding official receipt and control number. Afterwards, the proponent shall submit the request together with the complete documents to the Records Division.
4. **Evaluation of Request** -The concerned Department (or BOI Regional Office, if application was filed in the region) shall issue the BOI certification within ten (10) working days from official acceptance of complete set of documents.
5. **Issuance of Certification** - BOI Certification should indicate the one (1) year validity period whether in calendar or fiscal year (e.g. from 01 January 2001 to 31 December 2001, from 01 April 2001 to 31 March 2002). The Executive Director of the Industry Planning Group shall sign the BOI Certification bearing a control number (**Annex F**). In the absence of the IPG Executive Director, the Executive Director of the Technical Services Group may sign the said Certification.

## B. List of documentary requirements

- a) Letter request signed by the firm's President or his equivalent.
- b) Notarized affidavit signed by the firm's representative (authorized by the firm's Board Resolution) enumerating the documents submitted to BOI and which indicate that all the information provided are true and correct and any

misrepresentation of facts contained in the submitted documents shall be a ground for cancellation of BOI registration (**Annex A**).

### **Direct Export**

- Duly notarized Sales Performance Report for the year immediately preceding signed by the Auditor and the Affiant. This covers the schedule showing the breakdown of the sales performance of each activity/product, whether registered or unregistered with BOI (**Annex B**).
- Duly notarized Detailed Export Sales Report for the year immediately preceding signed by the Affiant. This covers the schedule showing the export invoice number, export declaration no., Air Way Bill/Bill of Lading no. and date, product exported, sales volume and value (**Annex C**).
- Bank certifications explicitly indicating inward remittances due to export proceeds/earnings.
- Annual Report on Actual Operations
- Audited Financial Statement (AFS) of the year preceding the period to be covered by the Certification. In the absence of an AFS, an Unaudited Financial Statement may be submitted, subject to the submission of an AFS within fifteen (15) days from the date of filing of the same with BIR
- Income Tax Return (whether in calendar or fiscal year period) to be submitted to BOI within one month from filing with the BIR
- Certification from firm that it has not filed/availed of any tax credit with Department of Finance - One Stop Shop for Tax Credit (to be required for the 2001 application)
- GTEB Certification of good standing (for garments and textile firms)

### **Constructive Export**

- Duly notarized Sales Performance Report for the year immediately preceding signed by the Auditor and the Affiant. This covers the schedule showing the breakdown of the sales performance of each activity/product, whether registered or unregistered with BOI (**Annex B**).
- Duly notarized Detailed Export Sales Report for the year immediately preceding signed by the Affiant. This covers the schedule showing the delivery to ecozone locator/bonded manufacturing warehouse operator by indicating invoice number and date, boat note no. and date, product, quantity, US\$ amount and total peso equivalent (**Annex C**).
- Duly notarized certification from the direct exporters that they have purchased products (itemized) from applicant firm.
- Annual Report on Actual Operations
- Audited Financial Statement (AFS) of the year preceding the period to be covered by the Certification. In the absence of an AFS, an Unaudited Financial Statement may be submitted, subject to the submission of an AFS within fifteen (15) days from the date of filing of the same with BIR
- Income Tax Return (whether in calendar or fiscal year period) to be submitted to BOI within one month from filing with the BIR
- Certification from firm that it has not filed/availed of any tax credit with Department of Finance - One Stop Shop for Tax Credit (to be required for the 2001 application)
- Certification by BOC CBMW officer that the bonded warehouse operator or the accredited member of a common bonded warehouse operator has no local sales.
- PEZA/CEZA/MEPZA/BEPZA certification that the locator is registered with PEZA as 100% export producer

## Indirect Export

- Duly notarized Sales Performance Report for the year immediately preceding signed by the Auditor and the Affiant. This covers the schedule showing the breakdown of the sales performance of each activity/product, whether registered or unregistered with BOI (**Annex B**).
- Duly notarized Detailed Export Sales Report for the year immediately preceding signed by the Affiant. This covers the schedule showing the delivery to BOI-registered direct exporter by indicating invoice number and date, delivery receipt no. and date, product, quantity, US\$ amount and total peso equivalent (**Annex C**)
- Duly notarized certification from the BOI direct exporters that they have purchased products (itemized) from applicant firm.
- Annual Report (S-1 Form) on Actual Operations
- Audited Financial Statement (AFS) of the year preceding the period to be covered by the Certification . In the absence of an AFS, an Unaudited Financial Statement may be submitted, subject to the submission of an AFS within fifteen (15) days from the date of filing of the same with BIR
- Income Tax Return (whether in calendar or fiscal year period) to be submitted to BOI within one month from filing with the BIR
- Certification from firm that it has not filed/availed of any tax credit with Department of Finance - One Stop Shop for Tax Credit (to be required for the 2001 application)
- Undertaking from direct exporter that it has exported 100%

In addition to the aforesaid documents, all applicants for BOI Certification shall submit the following:

- a. Utilization report on capital equipment incentive availed (Utilization Report Form – *Annex D* )
- b. Accomplished Incentive Benefit Form for those firms granted Incentives from 1988-onwards (Cost-Ben. Form – *Annex E*)

### C. Revocation of Certification

The BOI through its monitoring system shall revoke any certification issue herewith based on any or all the following grounds :

1. Failure of the herein registered enterprise to comply with any of its BOI registration terms, commitments, and conditions;
2. Failure to export 100% in any of the instances set forth in Section 2 of RMO No. 9-2000;
3. Submission of fraudulent documents.

## IV. EFFECTIVITY

These Guidelines shall become effective upon publication in a newspaper of general circulation.

**ANNEX "A"**

REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY ) s.s.

**AFFIDAVIT**

I, (Name of authorized officer), (nationality), of legal age, (status), with address at \_\_\_\_\_, after having been duly sworn to in accordance with law, hereby state:

1. That I have been authorized by the company's Board of Directors to transact business with BOI relative to our application for BOI Certification for VAT zero-rating, including submission of documents forming part of the firm's application;
2. That pursuant to such authority, I have caused the preparation of the following documents consistent with the Bureau of Internal Revenue Memorandum Order No. 9-2000 dated 02 February 2000;

*List of  
Documents  
for Direct  
Exporter*

- Duly notarized Sales Performance Report in accordance with the BOI format
- Duly notarized Detailed Export Sales Report in accordance with the BOI format
- Annual Report (S-1 Form) on Actual Operations
- Unaudited / Audited Financial Statement
- Income Tax Return
- GTEB Certification of good standing (for garments and textile firms)

3. That I am aware that any misrepresentation of facts contained in the above mentioned documents shall be a ground for cancellation of the subject firm's BOI registration, without prejudice to the institution of the appropriate criminal and civil actions as may be warranted under the premises; and
4. That I am aware that pending the investigation of misrepresentation supported by a prima facie finding of fraudulent submissions, forgeries, or any unauthorized alterations in the supporting documents, BOI may impose sanctions relative to the issued BOI certification including suspension of the privileges arising therefrom and payment of VAT covering the period of BOI Certification issued, inclusive of penalties.

Makati City, Metro Manila

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Name and signature  
of Affiant

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_ 2001, Affiant exhibiting to me his Community Tax Certificate No. \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of 2001

**ANNEX "B"**

**SCHEDULE OF SALES**  
 For the period \_\_\_\_\_

**SALES PERFORMANCE**

Name of Activity	Domestic		Export				Total		
	Volume	Value (Php)	Direct		Constructive		Indirect		
Volume			Value (US\$)	Volume	Value (US\$)	Volume	Value (US\$)	Volume	Value (US\$)
Registered Activity									
Unregistered Activity									

Total Sales of Firm

\_\_\_\_\_

**CERTIFICATION**

I, \_\_\_\_\_, of legal age, (status), with address at \_\_\_\_\_, after having been sworn to in accordance with law, hereby state:

1. I am the (Position) of \_\_\_\_\_ with business address at \_\_\_\_\_.
2. That pursuant to Board Resolution No. \_\_\_\_\_ dated \_\_\_\_\_, I have been authorized to cause the preparation of the foregoing Schedule of Sales Performance.
3. That I have read and understood the contents thereof and that all information therein are true and correct to my own knowledge.
4. That in the event of an audit by the Bureau of Internal Revenue, I will submit the supporting documents to the said schedule.

Makati City, Metro Manila

\_\_\_\_\_ (date)

Name  
Auditor

Name  
Pres./Gen. Manager/ Finance Manager  
 (or their equivalents)

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2001, Affiant exhibiting to me his Community Tax Certificate No. \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_

NOTARY PUBLIC

Doc. No. \_\_\_\_\_  
 Page No. \_\_\_\_\_  
 Book No. \_\_\_\_\_  
 Series of 2001

**ANNEX "C"**

**DETAILED EXPORT SALES**

**A. Direct Export**

Export Invoice #	Export Declaration	BL/AWB No.	Date of BL/AWB	Product Exported	Sales Volume	Sales Value* (US\$)

\*Supported by Bank Certification (per Bank) of annual remittances

**B. Constructive Export**

Name of Ecozone locator/Bonded Manufacturing Warehouse operator  
 Address/BMW License No.

Invoice Date	Invoice No.	Boat Note No./Date	Product	Quantity	US\$ Amount **

\*\* With total peso equivalent

**C. Indirect Export**

Name of BOI-registered firm

Invoice Date	Invoice No.	Product	Quantity	US\$ Amount**

\*\* With total peso equivalent

Total Activity (A, B & C)

Direct Export \_\_\_\_\_  
 Constructive Export \_\_\_\_\_  
 Indirect Export \_\_\_\_\_

**CERTIFICATION**

I, \_\_\_\_\_, of legal age, (status), with address at \_\_\_\_\_, after having been sworn to in accordance with law, hereby state:

1. I am the (p o s i t i o n) of \_\_\_\_\_ with business address at \_\_\_\_\_.
2. That pursuant to the Board Resolution No. \_\_\_ dated \_\_\_\_, I have been authorized to cause the preparation of the foregoing Schedule of Sales Performance.
3. That I have read and understood the contents thereof and that all information therein are true and correct to my own knowledge.
4. That in the event of an audit by the Bureau of Internal Revenue, I will submit the supporting documents to the said schedule.

Makati City, Metro Manila

\_\_\_\_\_ (date)

Name  
(Affiant)

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2001, Affiant exhibiting to me his Community Tax Certificate No. \_\_\_\_\_ issued at \_\_\_\_\_ on \_\_\_\_\_

NOTARY PUBLIC

Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of 2001



**ANNEX "E"**

**INCENTIVES-BENEFITS FORM**

**YEAR OF AVAILMENT**

**I. INVESTMENTS**

Project Cost: \_\_\_\_\_

Equity

Local

Foreign (by nationality)

\_\_\_\_\_

Total Assets

**II. REVENUES AND PROFITS**

Gross Revenue

Net Income

**III. EMPLOYMENT**

Number

Direct Labor

General and Administrative

Others

Salaries

Direct Labor

General and Administrative

Others

Additional Employees' Benefits

Direct Labor

General and Administrative

Others

**IV. TAXES PAID**

Withholding Taxes on Workers Wages

VAT on Domestic Sales

VAT on Expenditures

Income Tax Paid within and after ITH entitlement period

Tax on Savings and Interest Earned

Other Taxes Paid to National and Local Gov't Units

**V. SALES**

Domestic (Php)

Export (Php)

(\$)

Country of Destination

Net Foreign Exchange Earnings Generated

**VI. ADDITIONAL ECONOMIC CONTRIBUTIONS**

R&D Expense

Infrastructure Works

Training Expenses

Donations to LGUs

Others

## CLARIFICATORY NOTES

### General Guidelines in Accomplishing the Form:

1. BOI registered firms availing of incentives under E.O. 226 are required to accomplish the form.
2. Data provided should pertain only to the registered activity of the firm.
3. For companies with multiple registrations, separate forms should be accomplished for each registered activity.
4. Figures must be expressed in peso value unless otherwise indicated (i.e., in number or in other currency).

### Definition of Terms

Terminology	Definition
<b>I. Investments</b>	
Project Cost	Cost of the project at the start of application for registration with BOI.
Equity	Capital infusion of stockholders
Total Assets	Cash, Land, Building and other assets of the registered enterprise per Audited Financial Statements.
<b>II. Revenues and Profits</b>	
Gross Revenue	Gross earnings of the registered activity as indicated in the Income Statement
Net Income	Net earnings of the registered activity as indicated in the Income Statement
<b>III. Employment</b>	
Direct Labor	Labor involved in the production process of the registered activity
General and Administrative	Support services to the direct labor
Others	Additional labor not classified above
Salaries	Regular wages earned by employees
Additional Employees' Benefits	Bonuses, allowances and other fringe benefits not included in the regular wages earned by the employees
<b>IV. Taxes Paid</b>	
<i>(Please attached Schedule of Taxes Paid, if available)</i>	
Withholding Taxes on Workers' Wages	Net taxes withheld on worker's wages and remitted to the government
VAT on Domestic Sales (or Output VAT)	Taxes paid on sales of goods and/or services.
VAT on Expenditures (or Input VAT)	Taxes paid on purchases of raw materials, supplies and other inputs to the final good and/or service.
Income Tax Paid within ITH Entitlement Period	Difference between the actual taxes paid by the firm and the amount of ITH granted by BOI.
Taxes on Savings and Interest Earned	Taxes paid on bank accounts (savings and others) and corresponding interest income.
Other Taxes	Include but not limited to real property tax, documentary stamp tax, business permits, filing fees and penalties paid to the government.
<b>V. Sales</b>	
Domestic Sales	Amount of sale of goods and/or services to the Philippine market.
Export Sales	Amount of sale of goods and/or services exported to other markets beyond the Philippine territories. Sale of goods at export processing zones or similar territories is considered export.
Net Foreign Exchange Earnings	Total foreign exchange proceeds from the export of the registered product or services minus the total foreign exchange costs and expenses incurred in the production thereof or the rendering of the export services and depreciation of the imported capital equipment.
<b>V. Additional Economic Contributions</b>	
R&D Expense	Cost of research and development activities undertaken by the firm.
Infrastructure Works	Cost of infrastructure works (such as construction of road, bridges, etc.) undertaken by the firm.
Training Expenses	Cost of employees' training programs implemented by the firm.
Donation to LGUs	Any amount freely given to local government units.
Others	Other contributions not covered by the above items.

**ANNEX "F"**

**RMO 9-2000/BOI-EID Certificate No. 2001-001** (Control No. Per Department)

**CERTIFICATION**  
 -----

This is to certify that (name of company) is registered with the Board of Investments (BOI) pursuant to Executive Order No. 226, otherwise known as the Omnibus Investments Code of 1987, with the following data:

Cert. of Registration No.		
Date Registered		
Law of Registration		
Registered Product		
Registered Capacity		
Type/Status		

Information is hereby given that the firm exported 100% of its total sales volume/value for the year \_\_\_\_\_ based on the attached documents (**Annex "B"**) submitted to the BOI, summarized as follows :

TIN and VAT Registration No.	
Total Sales Volume/Value	
Total Export Sales Volume/Value	
Direct Export Volume/Value	
Constructive Export Volume/Value	
Indirect Export Volume/Value	
% of Export to Total Sales	
Period Covered	

It is understood that based on the affidavit executed by (name of firm) attached as **Annex "A"**, all information provided herein are true and correct, and any misrepresentation shall be a ground for cancellation of BOI registration without prejudice to the institution of criminal and civil actions that may be warranted under the premises.

This Certification is issued pursuant to the Guidelines on the Issuance of BOI Certification per Revenue Memorandum Order No. 9-2000 entitled "Tax Treatment of Sales of Goods, Properties and Services made by VAT-registered Suppliers to BOI-registered Manufacturers-Exporters With 100% Export Sales" dated February 2, 2000.

This Certification is valid for one (1) year or from \_\_\_\_\_ to \_\_\_\_\_ unless sooner revoked by the BOI Governing Board for any or all of the following grounds: (a) Failure of the herein registered enterprise to comply with any of its BOI registration terms, commitments, and conditions; (b) Failure to export 100% in any of the instances set forth in Section 2 of RMO No. 9-2000; (c) Submission of fraudulent documents.

This Certification is issued in accordance to Section 3.3 of subject RMO 9-2000, on the \_\_\_\_\_ of \_\_\_\_\_ 2001, upon the request of \_\_\_\_\_ subject to the foregoing conditions.

**ELMER C. HERNANDEZ**  
 Executive Director  
 Industry Planning Group

With Enclosures:

