

REPUBLIKA NG PILIPINAS  
KAGAWARAN NG PANANALAPI  
**KAWANIHAN NG RENTAS INTERNAS**  
Quezon City

April 17, 2007

REVENUE MEMORANDUM CIRCULAR NO. 29-2007

**SUBJECT : Publishing the Full Text of Republic Act No. 9399 Entitled 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. 420, series of 1994; and Proclamation No. 984, series of 1997, Pursuant to Section 15 of Republic Act No. 7227, as Amended, and for Other Purposes**

**TO : All Internal Revenue Officials, Employees and Others Concerned**

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For the information and guidance of all internal revenue officials, employees and others concerned, quoted hereunder is the full text of REPUBLIC ACT NO. 9399, 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. 420, SERIES OF 1994; AND PROCLAMATION NO. 984, SERIES OF 1997, PURSUANT TO SECTION 15 OF REPUBLIC ACT NO. 7227, AS AMENDED, AND FOR OTHER PURPOSES, as follows:

**“ [REPUBLIC ACT NO. 9399]**

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. 420, SERIES OF 1994; 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.

SEC. 2. *Immunities and Privileges.* - Those who have availed themselves of the tax amnesty and have fully complied with all its conditions shall be relieved of any civil, criminal and/or administrative liabilities arising from or incident to the nonpayment of taxes, duties and other charges covered by the tax amnesty granted under Section 1 herein.

SEC. 3. *Implementing Rules and Regulations.* - The Department of Finance, in coordination with the Bureau of Internal Revenue and The Bureau of Customs, and in consultation with the Bases Conversion and Development Authority, the Clark Development Corporation, the John Hay Management Corporation, the Poro Point Management Corporation, and the Bataan Technology Park, Inc., shall promulgate and publish the necessary rules and regulations for the effective implementations of this Act within two months from the date of effectivity of this Act.

SEC. 4. *Separability Clause*. - If any portion or provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in force and effect.

SEC. 5. *Repealing Clause*. - All laws, decrees, orders, rules and regulations or other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 6. *Effectivity*. - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in any two newspapers of general circulation, whichever comes earlier.

Approved,

(Original Signed)  
**MANNY VILLAR**  
President of the Senate

(Original Signed)  
**JOSE DE VENECIA, JR.**  
Speaker of the House  
of Representatives

This Act which is a consolidation of House Bill No. 4900 and Senate Bill No. 2259 was finally passed by the House of Representatives and the Senate on January 31, 2007 and February 5, 2007, respectively.

(Original Signed)  
**OSCAR G. YABES**  
Secretary of the Senate

(Original Signed)  
**ROBERTO P. NAZARENO**  
Secretary General  
House of Representatives

Approved:

(Original Signed)  
**GLORIA MACAPAGAL-ARROYO**  
President of the Philippines”

All concerned are hereby enjoined to be guided accordingly and give this circular a wide publicity as possible.

(Original Signed)  
**JOSE MARIO C. BUÑAG**  
Commissioner or Internal Revenue