

Republic of the Philippines  
HOUSE OF REPRESENTATIVES

SEVENTEENTH CONGRESS  
*First Regular Session*

House Bill No. **3685**



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Introduced by Representative Gloria Macapagal-Arroyo


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AN ACT AMENDING SECTION 15 OF REPUBLIC ACT NO. 7227, AS AMENDED,  
OTHERWISE KNOWN AS THE BASES CONVERSION AND DEVELOPMENT ACT OF  
1992

EXPLANATORY NOTE

In order to effectively promote the Clark Freeport Zone (CFZ) and to attract more investors to put up their businesses in CFZ, this bill seeks to amend the provision of Republic Act No. 7227. The portion to be remitted to the Provincial Government shall serve as additional funding source for the development and promotion of the whole CFZ including its tourism industry .

Immediate approval of this bill is earnestly requested.

  
GLORIA MACAPAGAL ARROYO  
2<sup>nd</sup> District, Pampanga

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

SECTION 1. Paragraph 3 of Section 15 of Republic Act 7227, as amended, is hereby amended to read as follows:

"The provisions of existing laws, rules and regulations to the contrary notwithstanding, no national and local taxes shall be imposed on registered business enterprises within the CFZ. In lieu of said taxes, a five percent (5%) tax on gross income shall be paid by all registered business enterprises within the CFZ and shall be directly remitted as follows: three percent (3%) to the National Government, one percent (1%) to the Provincial Government of Pampanga, and one percent (1%) to the treasurer's office of the municipality or city where they are located."

SEC. 2. Repealing Clause - All laws, decrees, orders, proclamations, rules and regulations or other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 3. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

*Approved,*