Republic of the Philippines HOUSE OF REPRESENTATIVES

Constitution Hills, Quezon City

SEVENTEENTH CONGRESS

First Regular Session

HOUSE BILL NO. 4230



Introduced by the Representative Salvador B. Belaro, Jr.

EXPLANATORY NOTE

This bill seeks to exempt employers with less than ten (10) employees from the compulsory registration required by government agencies such as but not limited to the Bureau of Internal Revenue (BIR), Social Security System (SSS), and the Philhealth for a period of three (3) years from the commencement of their business.

A stark reality in doing business in the Philippines is that the start-up entrepreneur has to devote at least 3 days per month to attend and comply with the requirements of various government agencies. Such time devoted to such compliance is better devoted to making the business take off since it is at the start-up stage that the entrepreneur needs all the help and support just to make ends meet.

Registration of businesses also becomes a source of corruption as it makes the entrepreneur, via the disclosure of his address and whereabouts which are attendant to registration, susceptible to corruption and other shenanigans which have been reported among many government personnel.

Hopefully, this Act will encourage more of our citizens to embark on entrepreneurship with its attendant job generation so as to assist our government in its goal of providing full employment for our countrymen.

SALVADOR B. BELARO, JR.

Representative

1-Ang Edukasyon Party List

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AN ACT

EXEMPTING BUSINESSES WITH LESS THAN TEN (10) EMPLOYEES FROM COMPULSORY REGISTRATION WITH GOVERNMENT AGENCIES SUCH AS THE BIR, SSS, AND PHILHEALTH FOR A PERIOD OF THREE (3) YEARS FROM THE COMMENCEMENT OF THEIR BUSINESSES

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

SECTION 1. Short Title. – This Act shall be known as the "Non-registration of Small Businesses Act of 2016".

- SEC. 2. It is the policy of the state to aspire for the full employment of its citizens and towards this end, it is a laudable goal to promote entrepreneurship with its attendant consequence of job generation.
- SEC. 3. All businesses with less than Ten (10) Employees shall be exempted from the registration and its consequent payment of fees and other monetary assessment

- SEC. 2. It is the policy of the state to aspire for the full employment of its citizens and towards this end, it is a laudable goal to promote entrepreneurship with its attendant consequence of job generation.
- SEC. 3. All businesses with less than Ten (10) Employees shall be exempted from the registration and its consequent payment of fees and other monetary assessment of all forms and kinds required by such government agencies such as the Bureau of Internal Revenue (BIR), Social Security System (SSS), and Philhealth for a period of Three (3) years from the commencement of their business.
- SEC. 4. To start a business with less than Ten (10) employees in this country, the only requirement should be the listing of such business in the barangay where the business will operate. The date of such listing shall be the reckoning point for the determination of the three year exception stated in the preceding section.
- SEC. 5. The Department of Trade and Industry (DTI) in collaboration with the Department of Interior and Local Government (DILG) shall formulate the pertinent rules and regulations necessary to implement this Act.
- SEC. 6. All laws, orders, issuances rules and regulations or parts thereof inconsistent with any provisions of this Act are hereby repealed, modified or amended accordingly.

SEC. 7. This Act shall take effect upon its approval.

Approved.