



Senate of the Philippines

STATEMENT ON SENATE BILL 1357 or CREATE (Corporate Recovery and Tax Incentives for Enterprises Act)

The Senate of the Philippines expresses its full support for the passage of the enhanced and repackaged Corporate Recovery and Tax Incentives for Enterprises Act (CREATE), previously known as the Corporate Income Tax and Incentives Reform Act or CITIRA.

In the midst of the COVID-19 pandemic, economies the world over are on the brink of collapse, with businesses needing massive government support in order to rebuild, recover, and retain jobs for their employees. The amendments in CREATE address this need head-on, offering businesses an unprecedented and outright 5 percent tax cut, thereby reducing the Corporate Income Tax (CIT) rate from 30 to 25 percent. This reduced CIT rate will allow businesses to recoup the unanticipated losses they incurred during the various stages of community quarantine across the nation. The passage of CREATE will be particularly vital to micro, small, and medium enterprises (MSMEs), which make up 99 percent of the nation's corporate taxpayers and employ a majority of Filipino workers.

We endeavoured to pass CREATE with a mind for urgency. We regret, however, that we were unable to tackle this before the *sine die* adjournment on 5 June 2020, given the lack of material time, along with the pressing need to deliberate a plethora of other equally important national measures addressing the pandemic. While we see the merits of the measure, we are also committed to ensuring that the best version of the bill should pass the Senate—one that is truly responsive to the extraordinary needs of our time. Rest assured that your legislators are working tirelessly in scrutinizing the measure in its finer points in order to craft and approve the most effective economic recovery plan possible. You also have our word that we will take up the bill upon resumption of the session in July and work to pass it by the month of August.



Senate of the Philippines



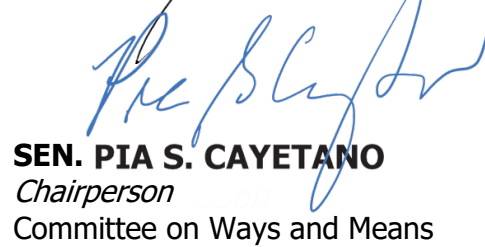
SEN. VICENTE C. SOTTO III
Senate President



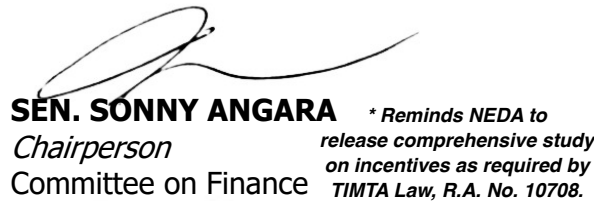
SEN. RALPH G. RECTO
Senate President Pro-Tempore




SEN. JUAN MIGUEL F. ZUBIRI
Majority Leader



SEN. PIA S. CAYETANO
Chairperson
Committee on Ways and Means



SEN. SONNY ANGARA * Reminds NEDA to
Chairperson release comprehensive study
Committee on Finance on incentives as required by
TIMTA Law, R.A. No. 10708.



SEN. MARIA LOURDES NANCY S. BINAY



SEN. RONALD "BATO" M. DELA ROSA



SEN. CHRISTOPHER "BONG" T. GO



SEN. MANUEL "LITO" M. LAPID



SEN. EMMANUEL D. PACQUIAO



SEN. GRACE POE



SEN. RAMON BONG REVILLA JR.



SEN. FRANCIS "TOL" N. TOLENTINO



SEN. JOEL VILLANUEVA



SEN. CYNTHIA A. VILLAR