

TO: ALL BOARD OF INVESTMENTS (BOI) REGISTERED BUSINESS ENTITIES (RBEs)

SUBJECT: EVERY 25TH OF MARCH: ANNUAL DEADLINE FOR 20% SOCIALIZED HOUSING REQUIREMENT (SHR) COMPLIANCE

WHEREAS, paragraph 3 of Article 7 (Power and Duties of the Board) of Executive Order (EO) No. 226, otherwise known as the Omnibus Investments Code of 1987, as amended, provides that the Board may promulgate such rules and regulations as may be necessary to implement the intent and provisions of this Code.

WHEREAS, paragraph 7 of Article 7 of E.O. No. 226 provides that the Board has the duty to periodically check and verify the compliance by registered enterprises with the relevant provisions of this Code, with the rules and regulations promulgated under this Code and with the terms and conditions of registration.

WHEREAS, pursuant to the Investments Priorities Plan (IPP), all economic/low-cost mass housing projects must comply with the socialized housing requirement (SHR) by building socialized housing units in an area equivalent to at least 20% of the total floor area or total BOI registered project cost for subdivision housing and 20% of the total floor area of qualified saleable housing units for residential condominium projects.

WHEREAS, the registration terms and conditions specifically provides that prior to availment of ITH, the enterprise shall comply with the condition that at least 20% of the total subdivision area or total subdivision project cost has been developed and allocated for socialized housing. Otherwise, the ITH for the particular taxable year shall be deemed forfeited.

WHEREAS, the firm's compliance to the 20% SHR is verified through ocular inspection by the Account Officers from the Legal and Compliance Service (LCS), Compliance Division-A.

NOW THEREFORE, to effectively carry out the intent and purposes of E.O. No. 226, as amended, and to ensure the timeliness of compliance to the 20% SHR by BOI-registered mass housing projects, notice is hereby given that the Board, in its meeting dated 05 February 2020 by virtue of Resolution No. 04-16 series of 2020, **APPROVED** the annual deadline for 20% SHR compliance as follows:

That for taxable year 2019 and onwards, the 20% SHR **SHALL BE COMPLIED** by the firm on or before the 25th of March. Otherwise, it shall be considered as non-compliance with the 20% SHR for the particular taxable year. Any request for extension shall be subject to evaluation on a case to case basis.

This Circular shall take effect immediately following its publication in a newspaper of general circulation and filing of three (3) copies hereof with the Office of the National Administrative Register (ONAR) University of the Philippines (UP) Law

Center, Diliman, Quezon City pursuant to Presidential Memorandum Circular No. 11 dated 09 October 1992.

Done in Makati City, this 09 March 2020.

BY AUTHORITY OF THE BOI BOARD


DR. CEFERINO S. RODOLFO
Undersecretary and BOI Managing Head

SECRETARY'S CERTIFICATE

This is to certify that Memorandum Circular No. 2020-003 has been approved by the BOI through Board Resolution No. 04-16, series of 2020.


ATTY. ELYJEAN DC PORTOZA
Board Secretary