



“Building Better, Delivering More: Three Years of Economic Transformation”

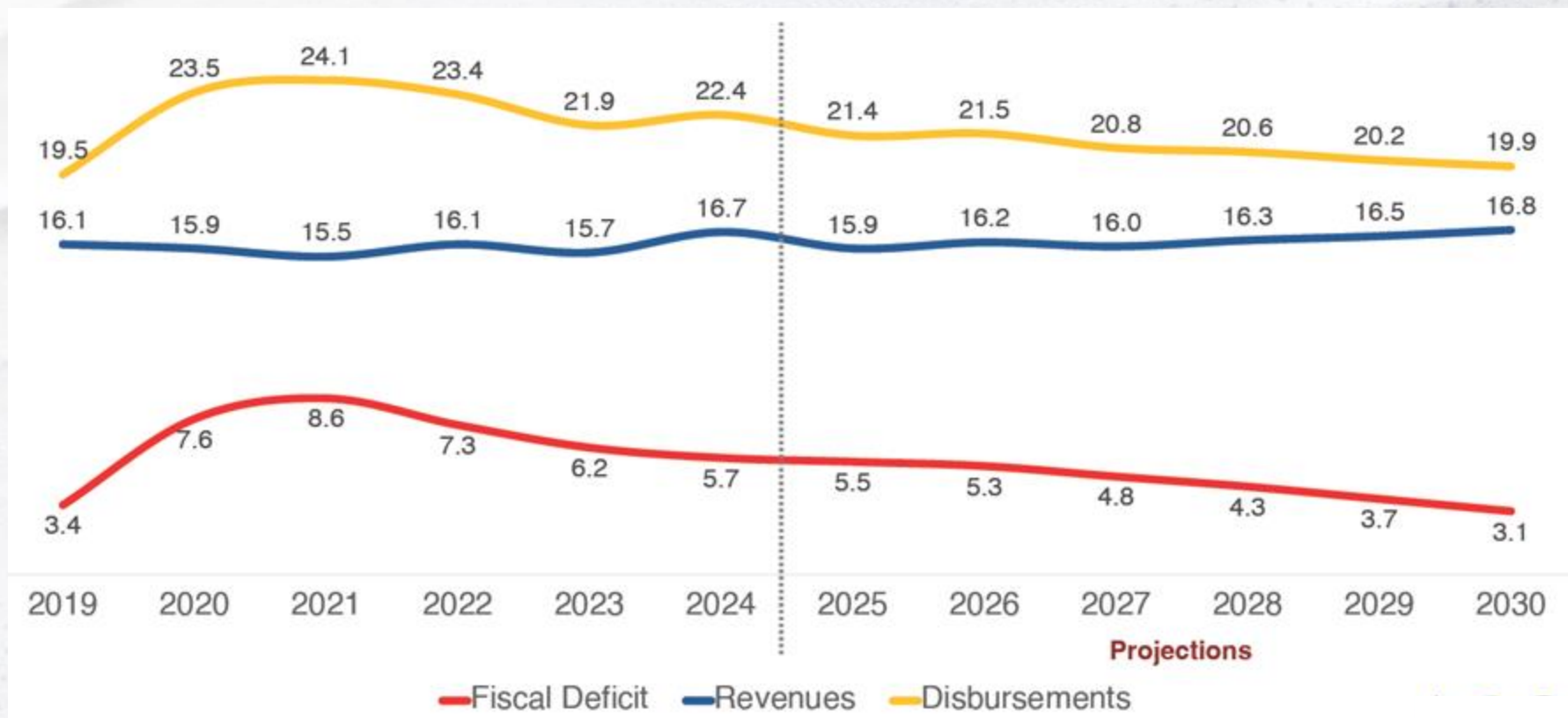
Philippine Economic Briefing Cebu

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18 September 2025

With higher government revenue collections and improved expenditure management, **our fiscal deficit is narrowing**

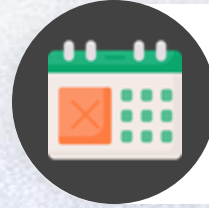


CREATE MORE Act offers a more competitive and generous incentive package to investors



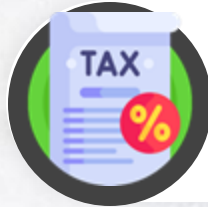
Corporate income tax reduced to 20%

from 25% for registered business enterprises (RBEs) under the Enhanced Deductions Regime (EDR)



Special Corporate Income Tax and Enhanced Deductions Regime are now extended to a period of up to

10 to 27 years



4 to 7 years

eligible for income tax holiday on entirely new project and may qualify for duty-free importation



Export-oriented enterprises' local purchases are zero-rated while importations are

VAT-exempt



Additional 100% deductions

on power expenses and an additional 50% reinvestment allowance await those businesses in the manufacturing and tourism sectors



Tailored or bespoke incentives

for projects with investment capital of at least PHP 50 billion or direct local employment generation of at least 10,000

Since its effectivity, PHP 254.12-billion worth of investments have been approved under CREATE MORE

| Sector | No. of projects | Investment capital committed (in PHP billion) | Employment committed |
|------------------------------------|-----------------|---|----------------------|
| Transportation and storage | 16 | 121.32 | 2,982 |
| Economic zone operator | 11 | 28.29 | 122 |
| Manufacturing | 100 | 42.31 | 27,144 |
| Mass housing | 31 | 18.63 | 959 |
| IT-BPM | 79 | 16.09 | 33,485 |
| Information and Communication | 3 | 9.34 | 302 |
| Agriculture, forestry, and fishing | 17 | 8.61 | 916 |
| Other service activities | 9 | 4.75 | 364 |
| Real Estate Activities | 7 | 1.81 | 24 |
| Energy | 4 | 1.98 | 321 |
| Tourism | 5 | 0.77 | 259 |
| Human Health Activities | 2 | 0.19 | 195 |
| Trading activities | 1 | 0.04 | 53 |
| TOTAL | 285 | 254.13 | 67,126 |

Source: National Tax Research Center (NTRC) as of June 2025.

Notes: Based on the monthly submissions of reports of the Investment Promotion Agencies (IPAs) and FIRB.

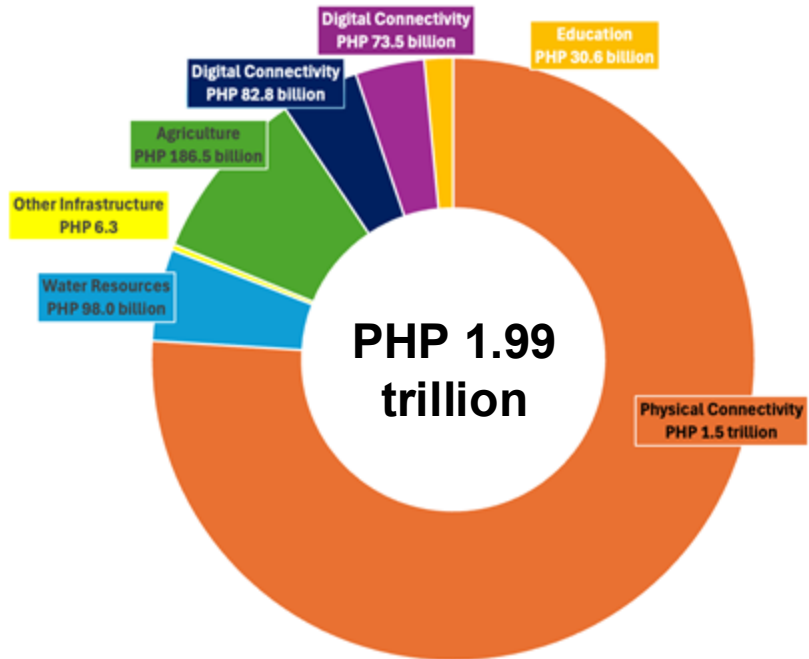
One of the objectives of the Capital Markets Efficiency Promotion Act (CMEPA) is to **lower transaction costs for retail investors**

KEY FEATURES:

- 1 Interest Income:** Standard 20% on interest
- 2 Stock Transaction Tax:** Reduced to 0.1% from 0.6%
- 3 Documentary Stamp Tax:** Reduced to 0.75% on the original issuance of the shares of stock and removal of DST for mutual funds and UITFs
- 4 PERA:** Private employers are entitled to additional 50% tax deduction on their actual contributions

The government and the private sector are working together to boost infrastructure development in Visayas

Number of Infrastructure Flagship Projects in Visayas by Sector



| Funding Source | Number of Projects | Project Cost (in PHP billion) |
|----------------|--------------------|-------------------------------|
| ODA | 30 | 1,258.0 |
| GAA | 12 | 544.06 |
| PPP | 7 | 175.86 |
| ODA/GAA | 1 | 10.78 |
| TOTAL | 50 | 1,988.68 |



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