



### Joint Statement of Support for CREATE

14 January 2021

We, members of some of the largest and most widely-represented private sector groups in the country, reiterate our strongest and unequivocal support for the immediate enactment of the Corporate Recovery and Tax Incentives for Enterprises (CREATE) bill.

We join the multisectoral call for the passage of this important legislative measure with urgency. After three years of deliberation, every day of delay comes at the risk of losing more jobs and hemorrhaging more investments.

CREATE is a historic economic reform, one of the largest in decades. As a stimulus package, CREATE will be a boost to market confidence, providing instant relief to businesses suffering from business reverses due to the COVID-19 pandemic.

We particularly support the immediate reduction of corporate income tax (CIT) rate from 30 to 20 percent for small and medium enterprises earning net taxable income not exceeding 5 million pesos, and from 30 to 25 percent for all other corporations, **effective July 1, 2020**. These would instantly bring the country's CIT rate closer to the ASEAN average of 21.65% and give us more resources to retain our employees and to keep up with financial difficulties. As an investment-attracting move, the CIT cut also alters the financial prospectus of the Philippines for the better.

We are hopeful the proposal to give flexible authority to the Fiscal Incentives Review Board (FIRB) and the President in granting both fiscal and non-fiscal incentives will make the tax incentives system an agile mechanism that can seize high-value investment opportunities. We thank Congress for including proper safeguards against abuse of discretion or making it a political tool to grant favors to undeserving recipients.

We also recognize that CREATE provides a transition of 10 years for current holders of incentives. This should ease some concerns about the tax regime change.

We humbly request the Senate and the House of Representatives to move quickly and decisively to push CREATE forward and ensure its immediate enactment.

1. ACI PHILIPPINES
2. ANVIL BUSINESS CLUB
3. ATENEO LAW ALUMNI ASSOCIATION, INC. (ALAAI)
4. BANKERS ASSOCIATION OF THE PHILIPPINES (BAP)
5. CEBU BUSINESS CLUB (CBC)
6. CEBU LEADS FOUNDATION (CLF)
7. CHAMBER OF THRIFT BANKS (CTB)
8. CHINESE FILIPINO BUSINESS CLUB INC. (CFBC)
9. CIBI FOUNDATION, INC.
10. FEDERATION OF FILIPINO-CHINESE CHAMBERS OF COMMERCE & INDUSTRY, INC. (FFCCCII)
11. FEDERATION OF INDIAN CHAMBERS OF COMMERCE PHILIPPINES, INC. (FICCI)
12. FINANCIAL EXECUTIVES INSTITUTE OF THE PHILIPPINES (FINEX)
13. FINTECH ALLIANCE PH
14. FINTECH PHILIPPINES ASSOCIATION
15. FOUNDATION FOR ECONOMIC FREEDOM (FEF)
16. FRENCH CHAMBER OF COMMERCE AND INDUSTRY IN THE PHILIPPINES (CCI FRANCE-PHILIPPINES)
17. FUND MANAGERS ASSOCIATION OF THE PHILIPPINES (FMAP)
18. GUILD OF REAL ESTATE ENTREPRENEURS AND PROFESSIONALS, INC. (GREENPRO)
19. HOTEL AND RESTAURANT ASSOCIATION OF THE PHILIPPINES (HRAP)
20. INSTITUTE FOR SOLIDARITY IN ASIA, INC. (ISA)
21. INSTITUTE OF CORPORATE DIRECTORS (ICD)
22. INTEGRATED BAR OF THE PHILIPPINES (IBP)
23. INTELLECTUAL PROPERTY ASSOCIATION OF THE PHILIPPINES (IPAP)
24. INVESTMENT HOUSE ASSOCIATION OF THE PHILIPPINES (IHAP)
25. IT AND BUSINESS PROCESS ASSOCIATION OF THE PHILIPPINES (IBPAP)
26. LICENSING EXECUTIVES SOCIETY PHILIPPINES (LESP)
27. MAKATI BUSINESS CLUB (MBC)
28. MANAGEMENT ASSOCIATION OF THE PHILIPPINES (MAP)
29. MONEY MARKET ASSOCIATION OF THE PHILIPPINES (MART)
30. NATIONAL REAL ESTATE ASSOCIATION, INC. (NREA)
31. NORDIC CHAMBER OF COMMERCE OF THE PHILIPPINES, INC. (NORDCHAM)
32. ORGANIZATION OF SOCIALIZED HOUSING DEVELOPERS OF THE PHILIPPINES (OSHDP)
33. PHILIPPINE ASSOCIATION OF SECURITIES BROKERS AND DEALERS, INC. (PASBDI)
34. PHILIPPINE BAR ASSOCIATION (PBA)
35. PHILIPPINE CENTER FOR ENTREPRENEURSHIP (GO NEGOSYO)

36. PHILIPPINE COUNCIL OF ASSOCIATIONS AND ASSOCIATION EXECUTIVES (PCAAEE)
37. PHILIPPINE FRANCHISE ASSOCIATION (PFA)
38. PHILIPPINE HOTEL OWNERS ASSOCIATION, INC. (PHOA)
39. PHILIPPINE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS (PICPA)
40. PHILIPPINE LIFE INSURANCE ASSOCIATION (PLIA)
41. PHILIPPINE RETAILERS ASSOCIATION (PRA)
42. PHILIPPINE WOMEN'S ECONOMIC NETWORK (PHILWEN)
43. PROCUREMENT AND SUPPLY INSTITUTE OF ASIA (PASIA)
44. RURAL BANKERS ASSOCIATION OF THE PHILIPPINES (RBAP)
45. SHAREHOLDERS' ASSOCIATION OF THE PHILIPPINES (SHAREPHIL)
46. SPANISH CHAMBER OF COMMERCE IN THE PHILIPPINES (LA CAMARA)
47. SUBDIVISION AND HOUSING DEVELOPERS ASSOCIATION (SHDA)
48. TAX MANAGEMENT ASSOCIATION OF THE PHILIPPINES (TMAP)
49. TRUST OFFICERS ASSOCIATION OF THE PHILIPPINES (TOAP)
50. UP SCHOOL OF ECONOMICS ALUMNI ASSOCIATION (UPSEAA)
51. WOMEN'S BUSINESS COUNCIL PHILIPPINES (WBCP)