



## **GUIDELINES ON THE COLLECTION OF THE ENVIRONMENT & TOURISM ADMINISTRATIVE FEE FROM ACCOMMODATION & OTHER TOURISM-RELATED ESTABLISHMENTS**

WHEREAS, in 1992, **Republic Act No. 7227** was enacted creating the Subic Special Economic Zone (SSEZ) which consists of the City of Olongapo and the Municipality of Subic in the Province of Zambales and the lands occupied by the former Subic Naval Base and its contiguous extensions as covered and defined by the 1947 Military Bases Agreement between the Republic of the Philippines and the United States of America, as amended, which embrace areas within the territory of the Municipalities of Hermosa and Morong in the Province of Bataan.

WHEREAS, Republic Act No. 7227 likewise created the Subic Bay Metropolitan Authority (SBMA) to oversee the development and conversion into “alternative productive uses” of the SSEZ, now more popularly known as the Subic Bay Freeport Zone or SBFZ.

WHEREAS, in supervising and managing the development and conversion of the SBFZ into “alternative productive uses” so as to generate investment and employment opportunities, SBMA recognizes the importance of maintaining high quality of environment at SBFZ and preserving SBFZ’s natural beauty;

WHEREAS, Section 13 (b) (9) (10) and (11) of Republic Act 7227 provides that SBMA has the power and authority to i) protect, maintain and develop the virgin forest within SBFZ; ii) to adopt and implement measures and standards for environmental pollution control of all areas within its territory, including but not limited to all bodies of water and to enforce the same; and iii) to exercise such powers as may be essential, necessary or incidental to its mandates

WHEREAS, with the steady growth or influx of tourists at SBFZ, its flourishing flora and fauna and rich environment for which SBFZ is renowned are exposed to great risks of deterioration making it necessary for SBMA to: a) regulate and mitigate the activities involving SBFZ’s natural and physical resources especially in tourist facilities such as beaches, wellness centers, restaurants etc; b) to ensure the non-deterioration of SBFZ’s natural and physical attributes due to fast-growing tourism developments; and c) to pool resources to defray expenses in conserving, maintaining and rehabilitating SBFZ’s environment.;

IN VIEW OF THE FOREGOING, SBMA hereby adopts and promulgates the following rules governing the collection of Environment and Tourism Administrative Fees, thus:

### **Section 1. Title:**

These rules shall be known and cited as “**SBMA Guidelines on the Collection of Environment and Tourism Administrative Fees.**”

### **Section 2. Definition of Terms:**

For the purposes of these rules, each of the following acronyms, words and phrases as used hereinafter shall mean as follows:

- A. SBMA** shall mean “Subic Bay Metropolitan Authority”
- B. SBFZ** shall mean “Subic Bay Freeport Zone”
- C. CRTE** shall mean “Certificate of Registration and Tax Exemption”
- D. BPTO** shall mean “Business Permit to Operate”
- E. SBFZ Tourism Accommodation Establishments, Restaurants, and Recreational Facilities** shall pertain to operators of SBFZ Hotels, Inns, Housing Facilities, Beach Resorts, Restaurants, Theme Parks, Golf Courses, and other Recreational facilities.

### **Section 3. Rationale**

This Environment & Tourism Administrative Fee is being implemented by the SBMA in the Freeport to mitigate the carbon footprint of tourists and visitors by undertaking projects and programs that will address the adverse

impact of climate change and other environmental hazard, as well as to develop and promote the SBFZ as a premiere tourist destination in the Philippines.

This will also provide the opportunity to develop the SBFZ as a tourist hub showcasing the best of nature in a Special Economic and Freeport Zone.

#### **Section 4. Objectives**

The objective of this measure is to generate and create a Fund that will defray the costs for the continued protection and conservation of the environment, and to implement programs that will mitigate the carbon footprint caused by visitors and tourists to the SBFZ.

It shall also be used for the promotional, handling and logistics costs of tourism events and activities that directly or indirectly benefit Tourism Accommodation Establishments, Restaurants and Recreational Facilities.

#### **Section 5. Coverage**

These procedures shall cover all SBFZ Accommodation Establishments such as hotels, inns, daily-rental housing facilities, condotels, as well as, all other Tourism-Related Establishments such as, but not limited to Restaurants, wellness centers, massage and health spas, golf courses, beach resorts and Theme Parks, and all other SBF-registered recreational establishments, except duty-free shops and retail stores.

#### **Section 6. Environment and Tourism Administrative Fee**

The Environment and Tourism Administrative Fee shall be paid by tourists, visitors and patrons of all SBFZ-registered tourism establishments, as follows

2% of gross purchases for restaurants, wellness/massage centers, and other tourism establishments wherein customers pay varying amounts for the goods and services that they purchase or rent.

P20 per head for theme parks, beaches, swimming pools, cinemas, museums, amusements and other tourism establishments or events wherein fixed entrance fees are charged. However, when 10% of the fixed entrance fee is lower than P20/head, the lower figure shall apply.

P100 per person per playing day for golf courses

P100 per room per night for hotels and other accommodation facilities for the first five (5) nights stay. Thereafter, P50 per room per night.

#### **Section 7. Collection and Remittance To SBMA**

SBF Tourism Establishments shall collect said fees from tourists, visitors and patrons for and in behalf of SBMA and, on a quarterly basis, remit the same to the SBMA Tourism Department on or before the twentieth day of the following month after the quarter, together with a report reflecting the total number of visitors per day, total gross receipts per day, and/or number of guests and duration of stay in hotels, and such other related data that may be subsequently required by SBMA. The SBMA Tourism Department shall validate the said remittances and promptly endorse the same to the SBMA Treasury Department.

SBF Tourism Establishments concerned shall make their books, journals and records pertaining to the aforementioned report available for inspection to authorized SBMA officers

#### **Section 8. Monitoring and Audit**

##### **a. Audit**

Audits shall be conducted to ensure the accuracy of the report submitted to the SBMA. The establishment concerned shall make available for inspection by SBMA's authorized representative/s their books, journals and records pertaining to the required report.

##### **b. Spot checks**

SBF Tourism Accommodation Establishments shall allow authorized SBMA personnel to check whether the Environment and Tourism Administrative Fee is being collected. Official receipts gathered shall be added to the official receipts database that will be used in auditing the establishments.

## **Section 9. Fines and Penalties**

a. Late Filing, failure to file, and Late or Non-Remittance

1st Offense – 12% surcharge + 12% interest per annum

2nd Offense – 12% surcharge + 12% interest per annum + suspension of CRTE and/or BPTO until filed and paid

3rd Offense – 12% surcharge + 12% interest per annum + cancellation of CRTE and/or BPTO

b. Failure to issue receipt; filing a false declaration; or Non-Remittance of the Full or Correct Amount

1st Offense – fine of P25,000

2nd Offense – fine of P50,000 and suspension of CRTE and/or BPTO for 90 days

3rd Offense – fine of P75,000 + cancellation of CRTE and/or BPTO

## **Section 10. Utilization of Environment and Tourism Administrative Fees**

The Environment and Tourism Administrative Fees shall be earmarked for the purpose of protecting and augmenting the maintenance and enhancement of the environment, as well as to develop and promote the SBFZ as a premiere tourist destination.

A separate subsidiary ledger shall be kept to monitor deposits and withdrawals, which subsidiary ledger shall be open for inspection by SBFZ stakeholders upon request.

The Tourism and Ecology Departments shall, on annual basis, submit to the SBMA Board of Directors for approval their programs and projects, the expenses for which are to be drawn from the Environment and Tourism Administrative Fee. Emergency drawings from the trust fund shall thereafter be approved by the SBMA Chairman and Administrator or his designated representative.

Disbursements of the Environment and Tourism Administrative Fee shall comply with laws, rules and regulations on government procurement and government expenditures.

## **Section 11. Separability Clause**

If any section or provision of this policy is held or declared unconstitutional or invalid by a competent court or higher agency, the other sections or provisions hereof shall continue to be enforced.

## **Section 12. Repealing Clause**

All orders, circulars and official instructions from the SBMA Board of Directors and parts thereof, which are inconsistent herewith, are hereby repealed or amended accordingly.

## **Section 13. Effectivity**

This policy shall take effect 15 days after upon publication in a newspaper of general circulation following approval by the SBMA Board of Directors.