

Registering your business under
**R.A. 9178: Barangay Micro Business
 Enterprises (BMBEs) Act of 2002**

The BMBEs Act of 2002 encourages the formation and growth of BMBEs by granting them incentives and other benefits.

The Act was signed into law by President Gloria Macapagal-Arroyo on 13 November 2002.

A **BMBE** is defined as any business enterprise engaged in production, processing, or manufacturing of products, including agro-processing, as well as trading and services, with total assets of not more than P3 million. Such assets shall include those arising from loans but not the land on which the plant and equipment are located.

For the purpose of the Act, "services" shall exclude those rendered by any one, who is duly licensed by the government after having passed a government licensure examination, in connection with the exercise of one's profession (e.g., Accountant, Lawyer, Doctor, etc.).

The Department of Finance (DOF) Department Order (DO) No. 17-04 provides that an enterprise can only qualify for registration if it is not a branch, subsidiary, division or office of a large-scale enterprise and its policies and business modus operandi are not determined by a large-scale enterprise or by persons who are not owners or employees of the enterprise (i.e., franchises).

Any person, cooperative, or association owning an enterprise that fits the description of a BMBE may register for the first time or renew its registration with the **Office of the Treasurer** of the city or municipality where the business is located. *This was based on the guidelines under DTI Department Administrative Order (DAO) No. 01-03 and DOF DO No. 17-04 as amended by DO No. 31-05*

CONTACT DETAILS

Income Tax Exemption

Operations Group, Bureau of Internal Revenue (BIR)

Tel.: (632) 981.7233

Fax: (632) 928.3562

Research and Information Office

Tel.: (632) 526.6968

Fax: (632) 526.8462

Minimum Wage Exemption:

National Wages and Productivity Commission (NWPC) Tel.: (632) 527.8012 to 17 loc. 102

Fax: (632) 527.5522

Credit and/or Guarantee Assistance:

Land Bank of the Philippines (LBP)

Tel.: (632) 405.7309

Fax: (632) 528.8545

Development Bank of the Philippines (DBP)

Tel.: (632) 818.9511 loc. 2529

Fax: (632) 894.4927

Small Business Corporation (SBCorp)

Tel.: (632) 751.1888

Fax: (632) 813.5720

People's Credit and Finance Corporation (PCFC)

Tel.: (632) 897.8521 loc. 106

Fax: (632) 325.0448

Quedanc and Rural Credit Guarantee Corporation (QUEDANCOR)

Telefax: (632) 373.9712

Social Security System (SSS)

Tel.: (632) 926.1644

Fax: (632) 927.8249

Investment Management Office, Government Service Insurance System (GSIS)

Tel.: (632) 891.6161 loc. 4323

Fax: (632) 891.6152

Technology Transfer, Production and Management Training and Marketing Assistance

Bureau of Micro, Small and Medium Enterprise Development (BMSMED)
 Department of Trade and Industry (DTI)

Tel.: (632) 897.7596

Fax: (632) 896.7916

Technology Application and Promotion Institute (TAPI)
 Department of Science and Technology (DOST)

Tel.: (632) 837.6189

Fax: (632) 837.6188

UP-Institute for Small Scale Industries (UPISSI)

Telefax: (632) 920.6923

Registration Division, Cooperative Development Authority (CDA)

Telefax: (632) 725.5510

Regional Coordination Office, Technical Education and Skills Development Authority (TESDA)

Tel.: (632) 888.5753

Fax: (632) 815.3360

Livelihood Information Dissemination Services Group, Technology Resource Center (TRC)

Tel.: (632) 727.6205 loc. 200

Fax: (632) 721.0063

Reportorial Requirement of LGUs:

Bureau of Local Government Development (BLGD)
 Department of Interior and Local Government (DILG)

Telefax: (632) 929.9235

Research and Information Office
 Department of Finance (DOF)

Tel.: (632) 526.6968

Fax: (632) 526.8462

Bureau of Local Government Finance
 Department of Finance (DOF-BLGF)

Tel.: (632) 527.2780

Fax: (632) 527.3134



A Guide To Registering Your Business

BUREAU OF SMALL AND MEDIUM ENTERPRISE DEVELOPMENT (BSMED)

6/F, Trade and Industry Building
 361 Sen. Gil J. Puyat Avenue, Makati City
 (632) 7510.384 / 890.4968 / 897.7596 / 897.1693

bsmed@dti.gov.ph

(632) 896.7916

Step 1 - Business Entity Registration

If Sole Proprietorship:

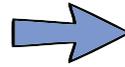
- Register with the Department of Trade and Industry (DTI)

If Partnership / Corporation:

- Register with the Securities and Exchange Commission (SEC)

If Cooperative:

- Register with the Cooperative Development Authority (CDA)



Step 2 - Business Permit

Apply for business permit and license from the City/Municipality where the business is to be located.

Get sector specific clearances:

For Example:

- travel agency - *Department of Tourism (DOT)*
- food and cosmetics *Food and Drugs Administration (FDA)*
- pawnshop - *Bangko Sentral ng Pilipinas (BSP)*
- learning centers - *Department of Education (DepEd)*
- wood crafts/furnitures *Department of Environment and Natural Resources (DENR)*



Step 3

Register with the **Bureau of Internal Revenue (BIR) District Office** where the business is to be located for Authority to Print Invoicand Book of Journal

Step 4 - Other Registration Requirements

Register your business with the following offices to comply with existing regulations:

- Social Security System (SSS)
- Department of Labor and Employment (DOLE)
- PhilHealth
- PAG - IBIG
- Department of Environment and Natural Resources (DENR)



Start the Business



Contact details and basic requirements of regulating agencies

PROCESS FLOW OF REGISTERING A BUSINESS

(Please refer to the color coded insert pages for basic requirements and contact details of concerned agency/ies)

REGISTERING WITH THE
DEPARTMENT OF LABOR AND
EMPLOYMENT (DOLE)

Follow steps 1 to 3 of the Process Flow
before registering with the DOLE

Every employer, as defined in Rule 1002 of the Occupational Safety and Health Standards, shall register his/her business to the Regional Labor Office or authorized representative having jurisdiction thereof to form part of the databank of all covered establishments.

Where: DOLE-NCR Building, Maligaya St.
Malate, Manila or go to the
Nearest DOLE Regional/
Provincial Office

Hotline: (632) 527.8000

E-mail: osec@dole.gov.ph
dolecallcenter@yahoo.com

Website: www.dole.gov.ph

Validity: Lifetime

Requirements:

- Registry of establishments under Occupational Health and Safety Standards No. 1020

REGISTERING WITH THE
DEPARTMENT OF ENVIRONMENT AND
NATURAL RESOURCES (DENR)

For securing an Environmental Compliance
Certificate (ECC)

ECC Application for new single project located within Environmental Critical Areas (ECA) or Non- Environmental Critical Projects (Non-ECP)

Where: Visayas Avenue, Diliman,
1100 Quezon
Tel. No.: (632) 929.6626
E-mail: web@denr.gov.ph
Website: http://www.denr.gov.ph

Requirements:

- Proponent must submit a letter of request to the Environmental Management Bureau (EMB) stating desire to receive ECC
- Attach Project Description which should include raw materials to be used, the process or manufacturing technology to be implemented
- Submit the estimated project capacity, type and volume of products and discharges
- Proof of possession of necessary capital for proposed project
- Location map of project area
- Manpower requirements

Any project in the Philippines that poses a potential environmental risk or a significant impact to the environment (such as mining, agriculture projects, or construction) is required to secure Environmental Compliance Certificate (ECC) from the Department of Environment and Natural Resources (DENR).

REGISTERING WITH THE
MUNICIPALITY / LOCAL GOVERNMENT UNITS

Follow steps 1 and 2 of the Process Flow
before registering with your Municipality

Mayor's Permit

Where: Municipality or City
where the business is located

Validity: 1 year

Requirements:

- . DTI or SEC Registration
- . Certificate / Articles of Incorporation
- . Community Tax Certificate
- . Barangay Clearance
- . Location Clearance
- . Certificate of Occupancy
- . Building Permit
- . Fire Safety / Inspection Permit
- . Electrical Inspection Certificate
- . Contract of Lease
- . Picture / Sketch of the Site
- . Public Liability Insurance (for restaurants, mall, cinemas)
- . SSS Registration

REGISTERING WITH THE
BUREAU OF INTERNAL REVENUE (BIR)

Follow steps 1 and 2 of the Process Flow
before registering with the BIR

Tax Identification Number (TIN) Authority to Print Invoice and Book of Journal

Where: BIR Provincial Office where the business is
located or go to the BIR Revenue District Office
Trunklines: (632) 981.7000 / 981.8888
E-mail: contact_us@cctr.bir.gov.ph
Website: www.bir.gov.ph
Validity: 1 year

Requirements:

1. Application for Tax Identification Numbers (TIN) for Employers
 - a) Self Employed/Mixed Income Individual (BIR Form 1901)
 - Birth Certificate or any valid ID showing name, address and birth date
 - Mayor's Permit or application for Mayor's Permit
 - DTI Certificate of Registration of Business Name
 - b) For Partnerships and Corporations (BIR Form 1903)
 - SEC Certificate of Registrations for Partnerships and Corporation
 - License to do business in the Philippines (in case of residence foreign corporation)
 - Mayor's Permit or Application for Mayor's permit
2. Application for Authority to Print Receipts and Invoices
 - a) For New Taxpayers (BIR Form 1906)
 - Job Order
 - Final and Clear Sample of Receipts and Invoices (machine printed)
 - Photocopy of BIR Form 1901 or 1903, TIN Card, Proof of Payment (BIR Form 0605)
 - b) For Registered Taxpayers (BIR Form 1906)
 - Job Order
 - Final and clear sample of receipts and invoices
 - Photocopy of Proof of Payment (BIR Form 0605, previously approved Authority to Print Invoice (ATP), Certificate of Registration (COR) BIR Form 2303, last booklet printed

REGISTERING WITH THE
SOCIAL SECURITY SYSTEM (SSS)

Follow steps 1 to 3 of the Process Flow
before registering with SSS

Social Security System (SSS) Certificate

Where: SSS Provincial Office where the business is located or
log on to www.sss.gov.ph
Tel. Nos.: (632) 920.6401 / 920.6446
Email: member_relations@sss.gov.ph
Website: www.sss.gov.ph

Requirements:

- Employers Registration (SSS Form R1) and Employment Report (SSS Form R1A)
 - Specimen Signature Card (SS Form L -501)
 - Sketch of business
1. If Employer (Main Office)
 - Single Proprietorship
 - Business Name Registration
 - Business Permit or any proof of business operations
 - Partnership
 - Photocopy of approved Articles of Partnership (original must be presented for authentication purposes)
 - Corporations
 - Photocopy of approved Articles of Incorporations (original must be presented for authentication purposes)
 - SSS Form R-1 and R-1A (signed by the President or any of its Corporate Officers)
 2. If Self-Employed member
 - SSS Form R-1 (Self Employed Data Record)
 - Photocopy of any of the following: Baptismal Certificate, Birth Certificate, Drivers License, Passport, PRC Card, Seaman's Book

REGISTERING WITH THE
**PHILIPPINE HEALTH INSURANCE CORP.
(PhilHealth)**

Follow steps 1 to 3 of the Process Flow
before registering with PhilHealth

PhilHealth Membership

Where: City State Center, 709 Shaw Boulevard, Pasig City
Tel. No.: (632) 637.9999
E-mail: info@philhealth.gov.ph
Website: www.philhealth.gov.ph

With deductions for PhilHealth contributions which is mandatory for those in the private and government sectors, this program ensures that medicare benefits are enjoyed by employees.

Requirements for Employer :

1. Submit duly accomplished Employer Data Record (ER - 1) Form to the nearest PhilHealth Office.
2. Attach to the ER -1 the following as may be applicable:
 - SEC Registration if partnership or corporation
 - DTI Registration if solely owned
 - License to Operate
 - CDA Registration if Cooperative
 - Barangay certification and/or Mayor's Permit for backyard industries/ventures and micro business enterprises
3. Wait for the release of PhilHealth Employer Number (PEN) and Certificate of Registration (COR)

Requirements for employees:

1. Submit to his/her employer duly accomplished two copies of Member Data Record for Employed Sector (M1a) Form and attach the following:
 - Birth or Baptismal Certificate
 - GSIS or SSS Members ID, or
 - Passport or any valid ID

If employees are declaring dependents, submit the following:

- Marriage Certificate/Contract of dependent spouse
 - Birth Certificates of dependent children
 - Birth Certificates of dependent parents, 60 yrs old above
2. Employer submit duly accomplished Report Employee - Members (ER -2) Form together with accomplished M1a and M2 Forms to the nearest PhilHealth Office.
 3. Wait for the release of the following:
 - PhilHealth Number Cards (PNCs) containing PhilHealth Identification Number (PIN) of employees, and
 - Member Data Records (MDRs) of employees

REGISTERING WITH THE
**Pagtutulungan sa Kinabukasan:
Ikaw, Bangko, Industriya at Gobyerno (PAG-IBIG)**

Follow steps 1 to 3 of the Process Flow
before registering with PAG-IBIG

PAG-IBIG Fund Membership

Where: Atrium Building, Makati Avenue, Makati City
Trunkline: (632) 812.8186 / 813.6615 / 812.4731 / 724.42
E-mail: publicaffairs@pagibigfund.gov.ph
Website: www.pagibigfund.gov.ph

Per Republic Act 7742 which was fully implemented on 01 January 1995, membership to the Pag-IBIG Fund shall be mandatory for all employees covered by the Social Security System (SSS) and/or the Government Service Insurance System (GSIS) and earning at least P4,000 a month. This mandatory coverage extends to expatriates whose age is up to 60 years old and who are compulsarily covered by the SSS.

Membership for employees who are earning less than P4,000 a month, including those who belong to other working groups, shall be on a voluntary basis.

Requirements For Individual Payors (IPs)

Sole Proprietorship

- Employer's Data Form
- Members Data Form (for employees)
- Certificate of SSS Coverage and Compliance
- DTI Business Name Registration
- Mayor's Permit or Business Permit

Partnership / Corporation

- SEC Registration or Articles of Partnership (for partnership) or Articles of Incorporation (for corporation) and By-Laws.

*Bring original copies for authentication purposes

REGISTERING WITH THE
COOPERATIVE DEVELOPMENT AUTHORITY (CDA)

For Cooperatives

Certificate of Registration

Where: 6th Floor, Ben-Lor Building, 1184 Quezon Avenue, Quezon City
Tel. No.: (632) 372.3808 / 373.6895 / 332.0019
Email: webmaster@cda.gov.ph
Website: www.cda.gov.ph

A cooperative is a duly registered association of persons, with a common bond of interest who have voluntarily joined together to achieve a lawful common social or economic end, making equitable contributions to the capital required, and accepting a fair share of the risks and benefits of the undertaking in accordance with universally accepted cooperative principles.

Requirements:

- . Economic Survey (4 copies)
- . By-Laws and Articles of Cooperation duly notarized (available at CDA office) - 4 copies
- . At least 15 members
- . Undertaking to change name
- . Undertaking to submit reportorial requirements
- . Bond of accountable officers
- . Cooperative Pre-membership Education Seminar Certification
- . Favorable endorsement of proper government agency, if necessary
- . Capitalization of at least Php 15,000.00 (total paid-up capital)
- . Cooperative Annual Performance Report and audited financial statements for them to secure a certificate of good standing

Schedule of fees:

TYPES OF COOPERATIVES	PAID-UP CAPITAL	FEES
Laboratory Cooperatives		No Registration Fee
Primary Cooperatives	P2,000.00 - 500,000.00 up	P500.00 - 1/10 of 1% of the paid up capital
Secondary Cooperatives	P2,000.00 - 500,000.00 up	P1,000.00 - 1/10 of 1% of the paid up capital
Tertiary Cooperatives		P3,000.00

REGISTERING WITH THE
DEPARTMENT OF TRADE AND INDUSTRY (DTI)

For Sole Proprietorships

Business Name Registration Certificate

Where: DTI-Provincial Office where the business is located or log on to www.bnrs.dti.gov.ph

Validity: 5 years

Requirements:

- . Presentation of 1 copy of government issued ID
- . Accomplished Business Name Registration form (BTRCP FORM 16A) in duplicate
- . Registration fee depending on territorial coverage of the business name and documentary stamp :

Barangay	-	P 200.00
Municipal	-	500.00
Regional	-	1,000.00
National	-	2,000.00

Documentary Stamp tax of P15.00 per application.

REGISTERING WITH THE
SECURITIES AND EXCHANGE COMMISSION (SEC)

For Partnerships and Corporations

SEC Registration Certificate

Where: SEC Building, EDSA, Greenhills
Mandaluyong City

Tel. No.: (632) 584.0923

Email: mis@sec.gov.ph

Website: www.sec.gov.ph or
<http://www.sec.gov.ph/secireg.htm> (for online registration)

Validity: 50 years

Requirements for Partnership:

- . Name Verification Slip (online or at the name Verification Unit)
- . Articles of Partnership
- . Written Undertaking to Change Corporate Name by any partner
- . Form F-105 for partnership with Foreign Equity
- . Proof of Inward Remittance by foreign partners

Requirements for Stock (S) and Non Stock (NS) Corporations:

- . Verification Slip Form (S) (NS)
- . Articles of Incorporation (S) (NS)
- . Treasurer's Affidavit (S)
- . Notarized Bank Certificate of Deposit where the bank is located (S)
- . Written Undertaking to Change Corporate Name by any Incorporator or Director (S), by any Trustee (NS)
- . Clearance from other government agencies (S)
- . Foreign Investment Application Form F-100 (for subsidiaries of foreign corporations (S)
- . Proof of Inward Remittance by Non-Resident Aliens/Subscribers (S)
- . List of members and amount contributed certified by the Secretary and Treasurer (NS)
- . Registration fee of Php 360.00