



Republic of the Philippines
QUEZON CITY COUNCIL
Quezon City
22nd City Council

PO22CC-048

109th Regular Session

ORDINANCE NO. SP- **3429**, S-2025

AN ORDINANCE AMENDING QUEZON CITY ORDINANCE NO. SP-2360, S-2014 ENTITLED "AN ORDINANCE ADOPTING THE MAGNA CARTA FOR MICRO AND SMALL BUSINESS ENTERPRISES IN QUEZON CITY"

Introduced by Councilors FERNANDO MIGUEL "MIKEY" F. BELMONTE, DOROTHY A. DELARMENTE, M.D., EMMANUEL BANJO A. PILAR and CANDY A. MEDINA

Co-Introduced by Councilors Bernard R. Herrera, Tany Joe "TJ" L. Calalay, Joseph P. Juico, Nikki V. Crisologo, Charm M. Ferrer, Dave C. Valmocina, Tatay Rannie Z. Ludovica, Godofredo T. Liban II, Kate Galang-Coseteng, Geleen "Dok G" G. Lumbad, Albert Alvin "Chuckie" L. Antonio III, Don S. De Leon, Wencerom Benedict C. Lagumbay, Atty. Anton L. Reyes, Edgar "Egay" G. Yap, Imee A. Rillo, Irene R. Belmonte, Nanette Castelo-Daza, Marra C. Suntay, Joseph Joe Visaya, Alfred Vargas, MPA, Ram V. Medalla, Shaira "Shay" L. Liban, Aiko S. Melendez, Maria Eleanor "Doc Ellie" R. Juan, O.D., Kristine Alexia R. Matias, RN, Eric Z. Medina, Vito Sotto Generoso, Victor "Vic" Bernardo, Jose Maria M. Rodriguez and Jhon Angelli "Sami" C. Neri

WHEREAS, Republic Act No. 9178, otherwise known as the *Barangay Micro Business Enterprises (BMBE) Act of 2022*, as amended by Republic Act No. 10644, was enacted primarily to hasten the Country's economic development by encouraging the formation and growth of BMBE which effectively serve as seedbeds of Filipino entrepreneurial talents and integrating those in the informal sector with the mainstream economy, through the rationalization of bureaucratic restrictions, the active intervention of the government specially in the local level and the granting of incentives and benefits to generate much needed employment and alleviate poverty;

WHEREAS, Local Government Units are encouraged either to reduce the amount of local taxes, fees and charges imposed or to exempt BMBE from local taxes, fees and charges, although BMBE fall within the capitalization requirement of micro enterprise under Republic Act No. 6977, as amended, but treated separately in terms of registration, operation and for taxation purposes under Republic Act No. 9178, as amended;

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WHEREAS, the Quezon City Council enacted Ordinance No. SP-2360, S-2014 entitled "An Ordinance Adopting the Magna Carta for Micro and Small Business Enterprises in Quezon City" that recognizes the potential of micro and small enterprises and entrepreneurs to generate sustainable and small enterprises and entrepreneurs and engender inclusive growth, thereby reducing the incidence of poverty and creating empowered citizens;

WHEREAS, in the furtherance of supporting Micro and Small Business Enterprises including Barangay Micro Business Enterprises (BMBE) and Cooperatives in Quezon City, thereby bolstering economic recovery, they shall be entitled to special local business tax and/or regulatory fee incentives.

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF QUEZON CITY IN REGULAR SESSION ASSEMBLED:

SECTION 1. MICRO AND SMALL ENTERPRISE DEVELOPMENT (MSED) COUNCIL – Section 6 of Quezon City Ordinance No. SP-2360, S-2014, entitled "An Ordinance Adopting the Magna Carta for Micro and Small Business Enterprises in Quezon City" is hereby amended and shall be read as:

"Section 6. MICRO AND SMALL ENTERPRISES DEVELOPMENT (MSED COUNCIL) – To effectively spur the growth and development of MSEs in Quezon City and to carry out the declared policy and principles in this Ordinance, an MSED Council is hereby created. The MSED Council shall be composed of the following:

- a. Chairperson: Mayor;
- b. Vice-Chairperson: Vice Mayor;
- c. Secretariat: Head, Small Business and Cooperatives Development and Promotions Office (SBCDPO);
- d. Members:
 - (1) Chairperson, City Council Committee on Micro, Small, Medium Business and Entrepreneurship Development;
 - (2) Chairperson, City Council Committee on Trade, Commerce and Industry;
 - (3) Head, Business Permits and Licensing Department (BPLD);

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- (4) Head, Public Employment Service Office (PESO);
- (5) Head, Local Economic Development and Investment Promotions Office (LEDIPO);
- (6) Head, Market Development and Administration Department (MDAD);
- (7) City Treasurer, City Treasurer's Office (CTO);
- (8) Head, City Planning and Development Department (CPDD);
- (9) Head, Barangay and Community Relations Department (BCRD);
- (10) Head, Youth Development Office (YDO);
- (11) Head, Persons with Disability Affairs Office (PDAO);
- (12) President, Quezon City University;
- (13) NCR Director or Authorized Representative, Department of Trade and Industry (DTI);
- (14) NCR Director or Authorized Representative, Department of Science and Technology (DOST);
- (15) NCR Director or Authorized Representative, Technical Education and Skills Development Authority (TESDA);
- (16) Representative from Duly Organized Micro and Small Enterprises Sector to be appointed by the City Mayor or Chairperson;
- (17) Representative of Social Enterprises or Social Enterprise Organization registered in Quezon City.

The Chairman has the right to increase and decrease the members of the MSED Council whenever necessary."

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Section 2. SPECIAL BUSINESS TAX INCENTIVES FOR BMBE – Section 8 of Quezon City Ordinance No. SP-2360, S-2014 entitled “An Ordinance adopting the Magna Carta for Micro and Small Business Enterprises in Quezon City” is hereby amended and shall be read as:

“Section 8. SPECIAL BUSINESS TAX INCENTIVES FOR BMBE – In addition to the privileges and benefits of the registered BMBE provided under Republic Act No. 9178, as amended by Republic Act No. 10644, and other policy incentives under various laws, all existing BMBE with a valid Certificate of Authority, by the DTI shall be entitled to the following special local business tax incentives:

- a. Twenty percent (20%) of the gross sales or receipts of the BMBE shall be exempt from payment of business tax for three (3) years which shall commence in 2025 and shall end by the year 2028;
- b. Exemption of BMBE from payment of Closure or Retirement Fees and other charges due to substantial financial losses, provided that, the closure or retirement is made within the fiscal years 2025 to 2028.

For the continuous availment of benefits under this Ordinance, the BMBE are required to renew their Certificate of Authority upon its expiration subject to eligibility requirements under the Implementing Rules and Regulations of the BMBE Act of 2022.

Immediately after the year 2028, all BMBE in Quezon City described in this Section, shall be subject to regular business tax impositions.

The City Council may enact measures to extend the granting of exemptions if in case these exemptions were not provided in the abovementioned timeframes.”

SECTION 3. IMPLEMENTING RULES AND REGULATIONS – Within 30 days after the approval of this Ordinance, the MSED Council, through the SBCDPO, BPLD, LEDIPO and the City Treasurer’s Office, shall formulate the Implementing Rules and Regulations (IRR) of this Ordinance subject to the confirmation of the City Council.

SECTION 4. REPEALING CLAUSE. – All ordinances, resolutions, executive orders, memorandum circulars and administrative orders or parts thereof which are inconsistent with any provisions of this Ordinance are hereby repealed or modified accordingly.

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SECTION 5. SEPARABILITY CLAUSE. – If, for any reason, any part or provision of this Ordinance shall be held unconstitutional or invalid, other parts or provision hereof which are not affected thereby shall continue to be in full force and effect.

SECTION 6. EFFECTIVITY CLAUSE. – This Ordinance shall take effect immediately upon its approval.

ENACTED: February 24, 2025.



GIAN G. SOTTO
City Vice Mayor
Presiding Officer

ATTESTED:


ATTY. JOHN THOMAS S. ALFEROS, III
City Government Department Head III
(City Council Secretary)

APPROVED: APR 15 2025



MA. JOSEFINA G. BELMONTE
City Mayor

CERTIFICATION

This is to certify that this Ordinance was APPROVED by the City Council on Second Reading on February 24, 2025 and was PASSED on Third/Final Reading on March 3, 2025.


ATTY. JOHN THOMAS S. ALFEROS, III
City Government Department Head III
(City Council Secretary)

