

NBDB Internal Guidelines in Endorsing Applications for Availing Incentives Under EO 226

Introduction:

In accordance with Section 12 of RA 8047, enterprises engaged in book publishing and its related activities duly registered with both the National Book Development Board (NBDB) and the Board of Investments (BOI) shall be entitled to the applicable fiscal and non-fiscal incentives as provided for under Executive Order No. 226, otherwise known as the Omnibus Investments Code, as amended by RA 7918, subject to the qualifications and requirements set by the BOI; provided that book development activities shall always be included in the Investments Priorities Plan (IPP).

As stated in Part III, Section II, of the Mandatory List of the **2013 Investments and Priority Plan**, covers the printing, re-printing, publication and content development of books and textbooks. Also stated in the 2013 IPP is that the *“Application for registration shall be on a per book or title basis and must be accompanied by an endorsement from the National Book Development Board (NBDB).”*

Definition of Terms:

As used in this Guideline, unless the context indicates otherwise, the terms below shall mean as follows:

- 1) **Author/Content Creator** – an individual or group of individuals who is the original creator and copyright owner of a written work or manuscript
- 2) **Board.** The National Book Development Board
- 3) **Book.** As defined by the United Nations Educational Scientific and Cultural Organization (UNESCO), it is a printed non-periodical publication of at least forty-eight (48) pages, exclusive of cover pages, published in the country and made available to the public; However, in order to satisfy the intent of the Book Act in the light of modern information technology and for purposes of enjoying the tax and duty-free status of imported books, this definition shall include:
 - a. children’s books which may be less than forty eight (48) pages;
 - b. children’s educational comics;
 - c. boomics, which is a combination of a book and a comics;
 - d. scientific, cultural, medical, architectural and professional magazines; and
 - e. book catalogues.
- 4) **Book Development.** A condition not only of having more output but also different kinds of outputs than were previously produced, as well as changes in the technical and institutional arrangements by which such output is produced and distributed.
- 5) **Book Title.** Refers to a particular book of which a number of copies are printed.
- 6) **Book Publisher.** An entity who is in the business of and/or supervises the process of

choosing or making books dealing with everything known to the human spirit, philosophy, religious beliefs, intellectual ideas, the physical world, all the arts and the sciences; and ensures that these are made available to all or specific publics.

- 7) **Book Publishing.** A process of choosing, producing and making available books dealing with everything known to the human spirit, philosophy, religious beliefs, intellectual ideas, and physical world, all the arts and the sciences.

Who May File an Application:

In general, all NBDB registrants engaged in the printing, re-printing, publication and content development of books or textbooks registered under E.O. 226 as amended by RA 7918 are entitled to fiscal and non-fiscal incentives. The applicant must file their application for incentives with the BOI before they sell their book.

Procedure for Registration (Applicable to all NBDB registered publishers)

- 1) Publishers who wish to avail of the incentives under EO 226, or the Omnibus Investment Code, must be registered with the NBDB. **(10-15 working days)**
- 2) Once registered, the publisher must submit the following requirements:
 - a. BOI Form 501 (copy attached)
 - b. SEC Registration
 - c. Updated Articles of Incorporation
 - d. Update Business Permit for the year
 - e. BIR/Financial Statement/ Income Tax Return
 - f. Copyright Certificate
 - g. ISBN Number
 - h. Board Resolution authorizing a representative to facilitate the application
 - i. Affidavit of No Pending Case
 - j. Other documents required for BOI application for registration (refer to BOI website for details)
- 3) NBDB evaluates the documents submitted for its authenticity and correctness. **(3 working days upon receipt of complete set of documents)**
- 4) If everything is in order, the NBDB will endorse the application to the DTI-BOI for their appropriate action after payment of the NBDB Endorsement Fee in the amount of **Five Hundred (PHP 500.00) Pesos. (1 working day)**

***Total estimated processing time: 14-19 working days**

Fees:

	NBDB	BOI
Filing Fee/s for Application for Registration	P100.00 (Applicable to new applicants only)	1. Php 1,500.00 (Project costs not exceeding P4 Million) 2. Php. 3,000.00 (Project costs exceeding P4 Million but not over P20 Million) 3. Php. 4,500.00 (Project costs exceeding P20 Million but not over P50 Million) 4. Php. 6,000.00 (Project costs exceeding P50 Million)
Certificate of Registration	P1,000.00 (Good for 3 years)	1/10 of 1% of project cost but not less than P 3,000.00 and not to exceed P 15,000.00
NBDB Endorsement Fee to the BOI	P500.00	

Causes of Delay or Non-endorsement:

The following shall be considered as causes for NBDB non-endorsement to the BOI:

- a) Incomplete documents or refusal to provide additional documents as requested by the NBDB; without prejudice to re-filing of application upon submission of complete and/or additional documents.
- b) Submission of fraudulent documents.
- c) Conflicting or inconsistent documents presented.
- d) Applicant has been found to have (an) on-going or unresolved case/s (administrative or criminal) with government and juridical entities involving copyright, importation of books and raw materials used for book publishing and other matters related to the book industry.
- e) Other matters contrary to existing Government laws, rules, regulations and public policy.

Filing of Motions for Reconsideration

The applicant has the right to file a motion for reconsideration to the Board within ten (10) working days from receipt of notice of disapproval of request for an endorsement, otherwise, the same shall become final and executory, without prejudice thereafter to seeking redress of grievances from the proper courts.

Penalty Clause

Any person/entity who violates any provision of this Guidelines, RA 8047, EO 226, Intellectual Property Code of the Philippines, other existing laws of the Republic of the Philippines, or

aids or abets in any manner any violation, shall be subject to administrative and criminal sanctions, at the discretion of the court.

In addition to the foregoing, any person, firm, or juridical entity involved shall be subject to forfeiture of all benefits granted under this Guidelines. Further, the NBDB shall endorse the matter to the SEC and the BOI which shall have the power to impose administrative sanctions as provided herein for any violation of this Guidelines.

Amendment, Modification and/or Repeal

The Board has the exclusive power and authority to amend, modify and/or repeal any of the provisions of this Guidelines including pertinent Annexes and shall exercise such power and authority whenever the circumstances so warrant.

Effectivity

The foregoing Internal Rules and Regulations shall take effect fifteen (15) days following its publication in the Official Gazette or in any newspaper of general circulation.

**Approved by the NBDB Governing Board during its 221st Regular Board Meeting held on October 1, 2014, at HEAT Restaurant, EDSA Shargri-La Plaza, Mandaluyong City.*