

# **OPERATIONS GUIDE**

## **FOR THE SIMPLIFIED PROCESS FOR DOING BUSINESS**

### **IN PUERTO PRINCESA CITY**

Executive Order No. 20, series of 2012, institutionalizes the process of simplifying the process for registering new businesses in Puerto Princesa City. It provides the detailed guidelines and protocols for the process, as well as the roles and responsibilities of the various operating units. It is the basic reference for this Operations Manual, along with Executive Order No. 19, series of 2012, creating the Ease of Doing Business Task Force.

#### **Additional references:**

- Republic Act No. 9485, otherwise known as the Anti-Red Tape Act (ARTA), all government instrumentalities are mandated to provide efficient delivery of services to the public by reducing bureaucratic red tape;
- DTI-DILG Joint Memorandum Circular 01, series of 2010, prescribing guidelines in implementing the standards for processing business permits and licenses in all Philippine cities and municipalities, enjoins local governments to reduce the complexity and costs of registering businesses in their locality;
- Local Government Code of 1991 (Republic Act No. 7160), which provides regulatory powers of local governments over the land use, businesses structures within their jurisdiction.

#### **Coverage**

This simplified system applies to all establishments (sole proprietorship, partnerships, corporations, all applicants) applying for business permit for NEW businesses, pursuant to the Local Government Code and Chapter III, Article A of the Puerto Princesa City Revenue Code, as amended.

#### **Simplified Business Registration Process for a NEW Business**

1. **The simplified processes operate through a computerized and manual system.** The computerized system consists of a fully operational computer linkage to a business permit processing system on a shared data base among the following operating units:
  - a. Business Tax Division, City Treasurer's Office
  - b. Land Tax Division, City Treasurer's Office
  - c. City Planning Office
  - d. City Engineering Office
  - e. Business Permits and Licensing Office
  - f. City Tourism Office
  - g. City Health Department

The manual component consists of the laboratory testing of the City Health Department, and the inspections of the business location by specific operating units.

2. **New businesses are classified into low-risk and high-risk businesses.** The classification shall be guided by the following definitions:
  - a. Low-risk businesses are minimally regulated businesses. They do not deal with food or highly combustible materials. Their business activities do not deal with a large number of customers on a regular basis. Their activities pose no significant risks to the environment.

The following constitute low-risk businesses, for purposes of Puerto Princesa's business registration processes:

*Accounting services, administrative offices, advertising agency, building and building maintenance, collecting agents, consultancy firms, deep-well drilling, engineering services, general building contractors, general engineering offices, graphic arts firms, interior design firms, law offices, lending investor, liaison offices, merchandise brokerage, nonlife insurance services, plumbing installation services, real estate brokers, real estate developers, retail peddlers, retailers of non-food items, sari-sari stores, and watch repair shops.*

- b. High-risk businesses are businesses highly regulated by local and national laws, including all businesses that serve or sell food, handle combustible materials and/or deal with tourists, and/or a large number of customers.

The following constitute high-risk businesses, for purposes of Puerto Princesa's business registration processes:

*Bars, brewers/distiller of spirits; beverage and food manufacturers; hotels, resorts and other tourist accommodations; restaurants and all businesses serving or handling food and beverages; large retail outlets such as supermarkets, department stores, and malls; factories, cockpits; water refilling stations; tourist-servicing businesses; mining/ extractive businesses; funeral parlors; crematoriums; hospitals; buy and sell of marine products; power plants; private educational institutions; gasoline stations; businesses that handle combustible materials; barbershops and beauty parlors.*

**3. For LOW-RISK BUSINESSES: enable applicants to follow the four (4) -step process listed below:**

- a. File the application at the Business Tax Division, City Treasurer's Office
- b. Pay taxes, fees and charges at the Cash and Receipts Division, City Treasurer's Office
- c. Pay Fire Code fees at the City Bureau of Fire Protection
- d. Get the approved Mayor's Permit at the Business Permits and Licensing Office

**4. For HIGH-RISK BUSINESSES: enable applicants to follow the seven (7) -step process listed below:**

- a. File the application at the Business Tax Division, City Treasurer's Office
- b. Pay taxes, fees and charges at the Cash and Receipts Division, City Treasurer's Office
- c. Pay Fire Code fees at the City Bureau of Fire Protection
- d. Complete Health and Sanitary Permit requirements
- e. Pass laboratory tests
- f. Obtain Health and Sanitary Permits
- g. Print and release the approved Mayor's Permits at the Business Permits and Licensing Office

## **Roles and responsibilities of operating units/ work stations**

### **1. General**

- a. *Response time: 15 minutes per workstation from time received; otherwise deemed verified/approved.* The operating units indicated below, particularly the Business Tax Division and the Land Tax Division, both under the City Treasurer's Office, the City Planning Office and the City Engineering Office, are required to respond to the electronic transmittal of verification compliance of business registration applications with city regulations, within 15 minutes from the time received, otherwise the compliance will be deemed verified.
- b. *Formal designation of authorized personnel and accountability.* The heads of the departments/ Offices indicated below are required to formally designate the names of personnel from their respective offices who are authorized to man and process data from the work stations designated for new business registration purposes.

The heads of these above stated offices/ departments are accountable for the actions/decisions of their designated personnel and for any security lapses that may occur with respect to their respective work stations.

- c. *Public availability of all requirements for business registration application.* All relevant departments of the City government shall make available on the Puerto Princesa government website, at the City Hall front desk area, and in all its offices, copies of all guidelines and

requirements for new business applications. The departments should make it as easy as possible for the public to know the application requirements specific to their departments/operating units.

## 2. Specific

### a. *Business Tax Division, City Treasurer's Office*

The Business Tax Division will be the first Office visited by the business applicant. This unit should have clear signages on where the applicant should submit his/her application and a comfortable and clean waiting area for him/her, while the application is being electronically processed.

The following are the tasks of the authorized person in this Division:

- i) Receive the business registration application form
- ii) Input the business' information on the shared data base
- iii) Transmit electronically, the applicant information and request for verification of compliance with city regulations to authorized work stations at the following:
  - a) City Planning Office
  - b) Land Tax Division, City Treasurer's Office
  - c) City Engineering Office
- iv) Receive electronically the responses transmitted by the City Planning Office, Land Tax Division and the City Engineering Office.
- v) If all of the abovestated operating units confirm that the business application is compliant with city regulations, the authorized personnel in the Business Tax Division proceeds to:
  - a) Compute the taxes, fees and charges payable by the applicant
  - b) Prints out the assessment form and hands it to the applicant, with instructions to pay the amount at the Cash and Receipts Division
- vi) If any one of the three abovestated operating units finds that the business application is not compliant with city regulations, the Business Tax Division prints out the response forms and advises the applicant to come back when the deficiencies and/or other problems indicated have been resolved.

### b. *City Planning Office*

The following are the tasks of the authorized person in this Office:

- 1) Receives the electronic transmittal of the new business application form from the Business Tax Division
- 2) Responds to the application by indicating compliance with the zoning ordinance. If applicant does not have locational clearance yet, indicates the appropriate decision on this aspect on the remarks portion of the electronic response form, and then sends this response to the Business Tax Division, within 15 minutes from the time received;
- 3) If application for locational clearance is approved, prints out the appropriate locational clearance certificate, for pick up anytime by the applicant;

- 4) If application for locational clearance is not approved, indicates in the remarks portion of the electronic response form, the reason for disapproval.

*c. Land Tax Division, City Treasurer's Office*

The following are the tasks of the authorized person in this Division:

- 1) Receives the electronic transmittal of the new business application form from the Business Tax Division
- 2) Verifies if the indicated business location is up to date in the payment of appropriate real property taxes (RPT)
- 3) Approves the application if the RPT is up to date;
- 4) Disapproves the application if deficiencies exist in RPT payable, and indicates in the remarks portion of the electronic response form, the amount of RPT payable and for what period.

*d. City Engineering Office*

The following are the tasks of the authorized person in this Office:

- 1) Receives the electronic transmittal of the new business application form from the Business Tax Division
- 2) Verifies if indicated business location has a building and an occupancy permit; if yes, then inputs the building and occupancy permit numbers on the field provided in the electronic response form, and this becomes part of the data base of the business applicant;
- 3) If the indicated location has no building and/or occupancy permit, disapproves the application, with advice to the applicant to obtain the permits indicated.

*e. Business Permits and Licensing Office*

The following are the tasks of the authorized person in this Office:

- 1) Receives the electronic transmittal of the approved new business application form from the Business Tax Division;
- 2) Prints out the corresponding Mayor's Permit upon presentation by the applicant of the official receipt showing appropriate taxes, fees and charges fully paid.
- 3) Maintains an electronic data base on business registration applicants, through regular access to the shared data base managed by the City Assessor's ETRACS unit, on a read-only basis.

*f. City Health Department*

The following are the tasks of the authorized persons in this Department:

- 1) Receives the electronic transmittal of the new business application form from the Business Tax Division
- 2) Records the application in its own data base

- 3) Once the application has been issued Sanitary and Health Permits, indicates the permit numbers on the field provided for in the applicant data base, and transmits this data to the Business Tax Division, so that it becomes part of the shared data base
- 4) Makes available on the Puerto Princesa government website, at the City Hall front desk area, and in all its offices, copies of all guidelines and requirements for the issuance of Health and Sanitary Permits for new business applications
- 5) Acts, within one (1) working day of receiving complete requirements from the new business applicant, on the Health and Sanitary Permit applications
- 6) Processes within one (1) working day, laboratory tests required for new business applications.

*g. City Tourism Department*

The following are the tasks of the authorized person in this Division:

- 1) Receives the electronic transmittal of the new business application form from the Business Tax Division
- 2) Records the application in its own data base.
- 3) Makes available on the Puerto Princesa government website, at the City Hall front desk area, and in all its offices, copies of all guidelines and requirements for City Tourism approval of new business applications for tourism-related businesses as provided for in the 2011 Tourism Code of Puerto Princesa (Ordinance no. 495, s. 2011)
- 4) Responds with dispatch, all emails and other forms of query on applications for tourism-related new businesses
- 5) Schedules within one (1) hour of receiving complete requirements for tourism-related new business, appointments for inspection of these applicants' intended business location
- 6) Issues approval or disapproval, within one (1) working day after the inspection.

*h. City Assessors' Office*

The following are the tasks of the authorized persons in this Office:

1. The Enhanced Tax Revenue Assessment and Collection System (ETRACS) operating unit will be responsible for:
  - a) Developing, providing, and managing a fully operational computerized network for the business registration system for new applicants, that will allow the aforementioned Offices/ departments to render their required actions efficiently.

This will require:

- 1) Developing and maintaining the connectivity of the aforementioned Offices/ departments in an efficiently functioning and secure computerized network;
- 2) Providing security features in the system, such as the use of passwords, identifiers, tracking systems, and firewalls to prevent unauthorized entry and corruption of data;
- 3) Managing the shared data base, and allow access, on a read-only basis, to the other Offices/ departments linked to this network;

- 4) Providing training, advice, and other support needed by Offices/ departments linked to this network that will enable them to participate in this system efficiently.
  - b) Providing on a regular basis, as close to real time as possible, a full back up data system with the Management Information Systems Office, as a disaster risk recovery measure and as an added safeguard for the integrity of the data and the system.
- i) *Management Information Systems (MIS) Office*

The tasks of the authorized persons in this Office is to develop and manage parallel computer system development on the simplified new business registration system be to:

- a) Maintain the safety and integrity of the backups;
- b) Assure continuity of the processes as a disaster-risk recovery measure

### **Improvements**

Both the ETRACS unit and the MIS Office are responsible for introducing further improvements to the system, which will eventually electronically link all city government offices involved in the business registration process.

### **Supervision and Monitoring**

City Administrator, assisted by the members of the Ease of Doing Business Task Force created under Executive Order No. 19, series of 2012, shall oversee and monitor the implementation of this Executive Order, introducing further improvements wherever necessary.

All concerned offices such as the City Mayor's Office, City Planning Office, City Treasurer's Office, City Engineering Office, City Health Office, Business Permits and Licensing Office, City Legal Office, and other concerned offices shall coordinate with the City Administrator for the proper implementation of this Executive Order.

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