

QUESTIONS & ANSWERS Special Investor's Resident Visa Program

1. What is the Special Investor's Resident Program (SIRV)?

The SIRV is a program of the government in attracting foreign investments into the Philippines. The program requires investors to remit at least US\$75,000 into the country and invest subject capital in viable economic activities pursuant to Book V of the Omnibus Investments Code (Executive Order No. 226, as amended).

2. Who can avail of the program?

Any alien who is at least twenty-one (21) years of age, who meets the following qualifications:

- He has not been convicted of a crime involving moral turpitude;
- He is not afflicted with any loathsome, dangerous or contagious disease;
- He has not been institutionalized for any mental disorder or disability;
- He is willing and able to invest the amount of at least US\$75,000.00 in an eligible form of investment; and
- He is holder of a tourist (i.e. 9(a)) visa with at least one (1) month validity.

3. How does a foreign national remit his US\$75,000.00 to the Philippines?

The SIRV applicant first submits a letter indicating his intention to apply for SIRV to the Incentives Administration Service of the BOI. The BOI would then prepare an endorsement letter to the accredited depository bank (i.e. Development Bank of the Philippines (DBP), Makati branch) that the foreign national would submit to the said bank.

The SIRV applicant would be provided instructions on how to remit his money to the accredited depository bank. The bank would also assist the applicant in opening a time deposit account where the inward remittance would be deposited.

Should the inward remittance be sent through non-accredited correspondent banks, the minimum amount of remitted money should be immediately transferred to the accredited bank.

4. Can a foreign national who already invested in an existing or newly formed local corporations still be qualified to file his application under the SIRV Program?

Yes, application for SIRV of foreign investor who already made actual investment in business activities eligible under the SIRV program may be considered for evaluation subject to the following conditions:

- a) The foreign investor shows proofs, such as bank certifications, that he has remitted at least US\$75,000.00 within the previous twelve (12) months prior to the filing of application for SIRV. If his total inward remittance within the last twelve months is less than US\$75,000.00, he has to make additional inward remittances to complete the full amount. Reinvestments of income or dividends which he earned from the existing investments, which, otherwise, could have been remitted to his home country, can be considered as inward remittances provided such reinvestments were made during the last twelve months;
- b) He complies with the requirements provided under Book V of EO 226, as amended.

The foreign investor, because of the existence of his actual investments, may be issued Indefinite SIRV right away instead of the Probationary SIRV subject to the approval of the Board.

5. Who are considered as qualified dependents of SIRV applicants?

Only the spouse and the unmarried children under 21 years of age of the SIRV applicant can be considered as qualified dependents and therefore can also apply for an SIRV.

6. What are the allowable forms of investment under the SIRV Program?

For purposes of securing an SIRV, only investments/shares of stocks in existing, new or proposed corporations shall be allowed/ accepted as eligible forms of investment:

- a. Publicly- listed companies;
- b. Companies engaged in areas listed in the Investment Priorities Plan (IPP) of the Board of Investments. (The IPP is a list of priority areas of economic activities which the Government promotes for investments.);
- c. Companies engaged in the manufacturing and services sectors; or

The companies whose activities fall in any of the following major sectoral classifications found under the services sectoral classification lists which are based on the UN Central Product Classification shall be deemed in the service sectors for purposes of evaluating the qualification of SIRV applicants:

- a) Business services (such as BPO, consultancy, etc.);
 - b) Communication services;
 - c) Construction and related engineering services;
 - d) Distribution services;
 - e) Educational services;
 - f) Environmental services;
 - g) Financial services;
 - h) Health related and social services;
 - i) Tourism and travel related services;
 - j) Recreational, cultural and sporting services;
 - k) Transport services, and
 - l) Other services not included elsewhere.
- d. Government securities.

Ownership of shares of stock in corporations engaged in wholesale trading and investments in condominium units are no longer allowed.

7. Can a foreign national invest in a restaurant business?

No. A restaurant business is considered retail trading which is not included in the eligible forms of investment. Furthermore, it should be noted that businesses engaged in retail would be subject to the provisions of the Retail Trade Law.

8. Can the amount of the time deposit in the accredited depository banks be directly withdrawn in the name of the SIRV holder when the latter decides to convert his time deposit to investment?

No. The accredited bank, as authorized by the Board, shall issue a check payable only to the designated Corporation where investment will be made or to the stockbrokerage firm, in case of investments in publicly-listed companies.

9. Where can an SIRV applicant secure application forms and other additional requirements on SIRV?

An SIRV applicant can secure application forms and other additional requirements from any of the following:

- a) Incentives Administration Service located at the 2nd Flr., Board of Investments, #385 Senator Gil J. Puyat Avenue, Makati City, Metro Manila Philippines
- b) Download forms from www.boi.gov.ph

10. Where can an SIRV applicant file his application?

The SIRV applicant may file his application with the Incentives Administration Service at the Board of Investments.

11. What are the documents required for SIRV application?

The following documents are required for SIRV application (three (3) sets):

- a) Application form filled up and duly notarized, with recent ID pictures
- b) Accomplished Personal History Statement Form (PHSF) from National Intelligence Coordinating Agency (NICA) (including dependents over 14 years old)
- c) Police Clearance from the applicant's country or place of residence, competent to give information about the criminal record that applicant may have, duly authenticated by the Philippine Embassy; or Certification of no criminal liability by the INTERPOL Division of the National Bureau of Investigation (NBI)
- d) Medical Certificate from any government hospital or health facility or any licensed and accredited hospital or health facility in the applicant's home country certifying that the applicant is physically fit. The Medical Certificate should be validated by the Bureau of Quarantine prior to the filing of SIRV application for those whose application are filed at the Board of Investments.
- e Certification from the Development Bank of the Philippines (DBP) as to the amount inwardly remitted by the applicant and its conversion to pesos.
- f) Birth Certificate/Family Registry/Household Registry authenticated by the Philippine consulate or embassy located in the applicant's home country or the applicant's embassy in the Philippines. If the dependent child was born in the Philippines, original birth certificate issued by the National Statistics Office.
- g) If applicable, marriage contract authenticated by the Philippine consulate/embassy located in the applicant's home country or the applicant's embassy in the Philippines.

12. How much is the application fee?

The application fee is the equivalent of US\$300.00 in local currency for the principal applicant and another US\$300.00 for each dependent.

13. When is the SIRV holder required to convert his peso time deposit to investments?

The Probationary SIRV shall be valid for a period of six (6) months (i.e. 180 days). The SIRV holder is required to convert his peso time deposits into investments within the validity period of the probationary SIRV.

It is suggested that the SIRV holder convert his peso time deposits into investments at least (30) days before the expiration of his Probationary SIRV to allow time for the preparation of the documentary requirements for conversion of Probationary to Indefinite SIRV.

It should be noted that investments made beyond the six-month period (i.e. 180 days) for Probationary SIRV would be subject to payment of the penalty for late investment equivalent to P1,000 + P100 / day late as stated in no. 12(e) of the Deed of Undertaking.

14. Does an SIRV applicant's time deposit earn interest?

The SIRV applicant's time deposit shall earn interest based on the rates approved by the DBP, less appropriate tax thereof.

15. In cases of decision not pursue with the application or investments, how can a foreign national withdraw his/her inward remittance/time deposit?

The foreign national can voluntarily withdraw his inward remittance/time deposit by filing a request for withdrawal with the Incentives Administration Service and submitting a copy of the passport.

16. Upon issuance of the Probationary SIRV, what is required from the SIRV holder?

Upon issuance of the probationary SIRV, the SIRV holder is required to undergo a briefing to be conducted by the Incentives Administration Service. During the briefing, the SIRV holder is required to sign the Interview Form.

17. How can the probationary SIRV be converted into an Indefinite SIRV?

The probationary SIRV can be converted into an Indefinite SIRV only upon submission to the BOI by the applicant of all the required documents to prove actual investment. The Board, from time to time, may require submission of other proofs of Investment, as it may deem necessary.

18. How long is the processing of SIRV application?

- o For application for Probationary SIRV
 - BOI – 7 working days
 - BI – minimum of 10 working days
- o For conversion from Probationary to Indefinite SIRV
 - BOI – 7 working days
 - BI – minimum of 10 working days

It is recommended that the SIRV applicant and his dependents not leave the country until the SIRV is implemented in his passport. Otherwise, the SIRV may be subject to revalidation.

19. Who can be issued with an SIRV Identification (SIRV ID) Card?

Pursuant to Rule XXI Section 7 of the implementing rules and regulations of Book V of EO 226, as amended, the BOI shall issue Special Investor's Resident Visa Identification Card (SIRV ID) only to SIRV holders (including his dependents) with actual investments, valid for one (1) year, renewable yearly.

The applicants may secure SIRV ID Application Forms from the SIRV Center, 2nd Flr, Incentives Administration Service or downloaded from the BOI website and will be scheduled for appointment for the picture and signature taking and fingerprint scanning.

20. Can an SIRV ID have a validity period longer than one (1) year?

The SIRV ID shall be valid for three (3) years, renewable every three (3) years for SIRV holders whose investments are in any of the following:

- a. Companies registered with the Board of Investments (BOI), Philippine Economic Zone Authority (PEZA), Subic Bay Metropolitan Authority (SBMA), Clark Development Authority (CDA) and other Economic zones; or
- b. Condominiums (SIRV holders under the old rules) and shares of stocks in publicly- listed corporations with annotation of a lien on Condominium Certificate of Titles/Stock Certificates.

21. What are the annotations in the Condominium Certificate of Title/ stock certificates in publicly-listed corporations of SIRV holders?

Annotation on the Condominium Certificates of Title of SIRV holders who are owners of Condominiums (under the old rules) is optional.

Under Section 5 of Rule XXII of the implementing rules and regulations of Book V of EO 226, as amended, the annotation of stock certificates issued to SIRV holders is **MANDATORY**.

The annotation states that the owner is a holder of the Special Investor Resident Visa and that the same shall not be sold, transferred, or conveyed without prior BOI approval.

22. What is the use of the SIRV ID Card?

The SIRV ID Card shall be a basis for seeking exemption from securing the Special Return Certificate (SRC) and Emigration Clearance Certificate (ECC) from the Bureau of Immigration (BI) for purposes of travel abroad and presented in lieu of the BI Alien Certificate of Registration (ACR) / I-card.

The SIRV ID Card **MUST** be presented to BI officials on exit and upon entry to the Philippines.

23. How much is the fee for the issuance of an SIRV ID Card?

The SIRV holder and his dependents will be required to pay Php2,000.00 per person for the issuance of the SIRV ID Card.

24. What are the procedures for the renewal of an SIRV ID Card?

Prior to the expiration of his SIRV ID Card, an SIRV holder shall file a **sworn report** with the BOI Board, supported by the following documents (present original for verification):

For Investments in Corporation and/or Partnership

- o Copy of latest Audited Financial Statements filed with the BIR
- o Copy of the latest Income Tax Return filed with the BIR with official receipt of income tax payment
- o Copy of the latest General Information Sheet (GIS) filed with SEC (for corporations only)
- o Business /Mayor's Permit for the current year and Official Receipt
- o Copy of the individual tax return of the SIRV holder filed with the BIR with official receipt of income tax payment, if applicable
- o Copies of used official receipts being used by the enterprise (for those engaged in wholesale trading)
- o Contract of Lease/Title of Land/Building being occupied by the business
- o Copy of Title of Land/Building and Stocks Certificate being held by the enterprise (if any, especially for holding companies, real estate developers as being reported in the company's Balance Sheet)

For Investments in Condominium

- o Copy of Condominium Certificate of Title (including annotation page, if any)
- o Copy of Real Property Tax for the current year

For Investments in Publicly Listed Corporations- PSE

- o Copy of Stock Certificates & Certification from stock transfer office (including annotation page)
- o Buy Invoice/Official Receipts (if there's change of stocks being held)

25. What are the grounds for the cancellation/revocation of SIRV and SIRV ID Card?

The following can be grounds for cancellation/revocation:

- a. Failure to file on time the required documents/reports enumerated in Question No. 24 shall subject an SIRV holder to a fine/penalty and may constitute a ground for the cancellation of his visa and/or his name's inclusion in the Bureau of Immigration's blacklist/watchlist. Furthermore, his SIRV identification card shall not be renewed;
- b. Failure to meet the minimum qualification requirement, which is the maintenance of the minimum US\$75,000.00 (PhP equivalent) investment at all times;

- c. Fraudulent misrepresentation on the part of the applicant or his authorized agent relative to the submitted documents/information in support of his/her application;
- d. Submission of falsified or spurious documents in support of his/her application/report; or
- e. Conviction of crime involving moral turpitude and/or violation of existing laws

26. Is there any residency obligation, i.e. a requisite period of physical presence in the Philippines for the SIRV holders to maintain the Indefinite status?

None. However, the SIRV holder is required to submit annual reports to the BOI either personally or through an authorized representative. He will not be deprived of the privilege to stay for an indefinite period as long as the investments subsist and he is updated in the submission of annual reports.

27. Will the SIRV automatically expire upon the holder's non-compliance of certain requirements?

No. Non-compliance with any of requirements would not cause the SIRV to automatically expire. The SIRV would be formally notified about any such findings and would be given the opportunity to address the issues. However, continued non-response to the notification letters may lead to eventual cancellation of the SIRV especially in cases enumerated in Question 25 above.

28. What happens if a dependent child reaches the age of 21?

Children over the age of 21 are no longer considered as valid dependents of SIRV holders. The SIRV of such children would no longer be honored. It is recommended that the SIRV principal holder requests for the cancellation (if the child out of the country) or downgrading (if the child is within the country) of dependent's SIRV at least one (1) month prior to the child's 21st birthday. The child should secure another visa independent of the SIRV principal (e.g. study visa, employment visa, his own SIRV, etc.) if he wishes to continue residing in the Philippines.

