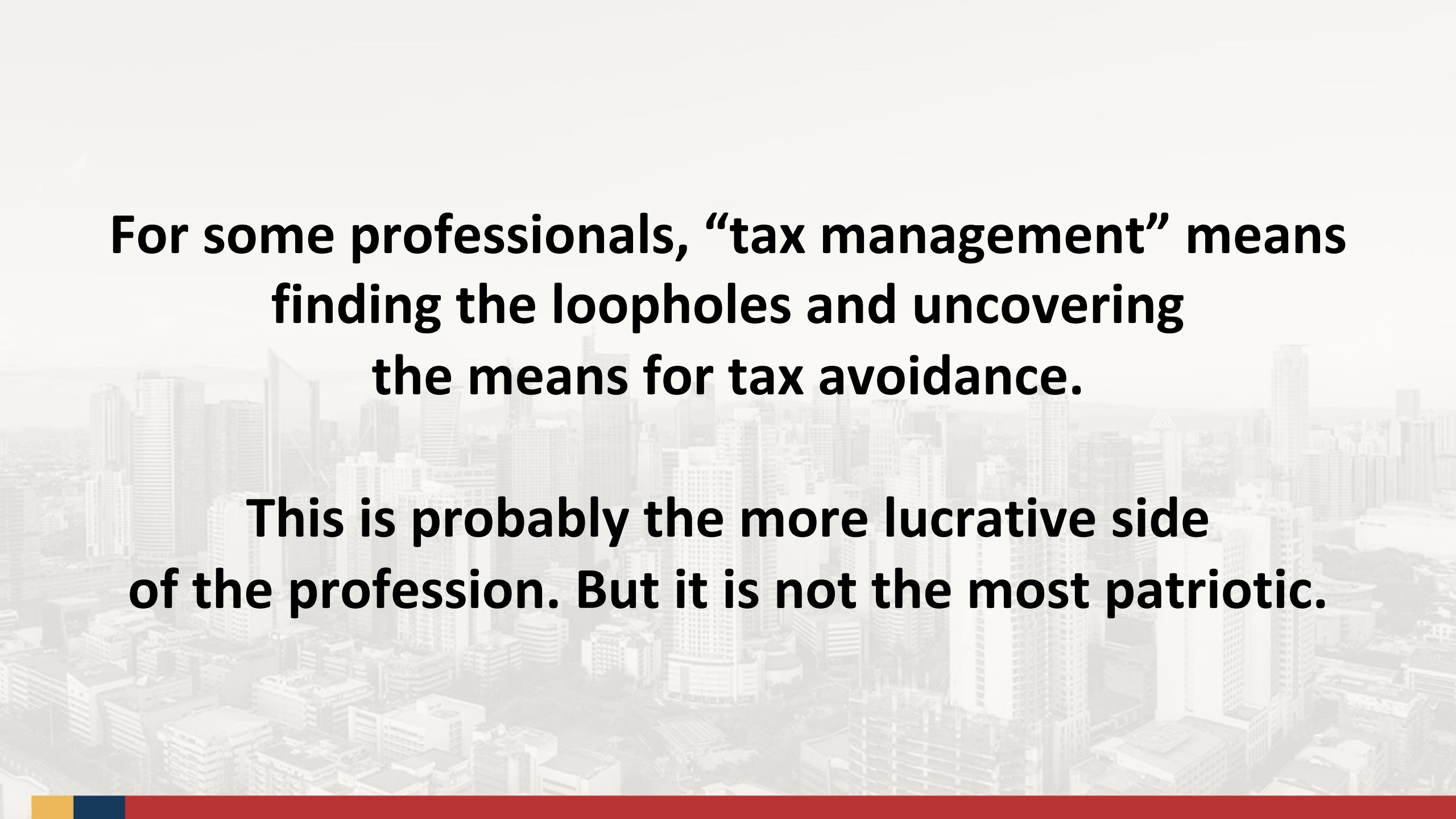




# MESSAGE

**CARLOS G. DOMINGUEZ**  
**Secretary of Finance**

*Tax Management Association of the Philippines Induction Ceremony  
and General Membership Meeting  
February 3, 2022*




**For some professionals, “tax management” means finding the loopholes and uncovering the means for tax avoidance.**

**This is probably the more lucrative side of the profession. But it is not the most patriotic.**

**The yawning discrepancy between the effective tax rate and the legal rate did not occur by happenchance. This is the result of expert “tax management.”**

|                                     | <b>Effective Tax Rate</b> | <b>Legal Rate</b> |
|-------------------------------------|---------------------------|-------------------|
| Value-added taxes                   | 5%                        | 12%               |
| Corporate Income Taxes (Pre-CREATE) | 9%                        | 30%               |

**This prevents the nation from collecting enough to invest in productive projects.**



**We urge TMAP to help the government fill in the revenue gap and not widen it further.**

**Tax management should mean raising funds sufficient to allow investment in public goods.**



# The Duterte administration has achieved a lot in helping create a better environment for doing business in the country.

## Game-changing Reforms Pursued by the Duterte Administration



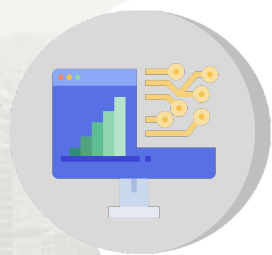
Establishment of the  
Anti Red-Tape  
Authority



Enactment of the Ease  
of Doing Business Act



Roll-out of the Build,  
Build, Build infrastructure  
program



Comprehensive shift to  
digitalization



Enactment of the  
amendments to the Retail  
Trade Liberalization Act



Implementation of the  
Real Estate Investment  
Trusts



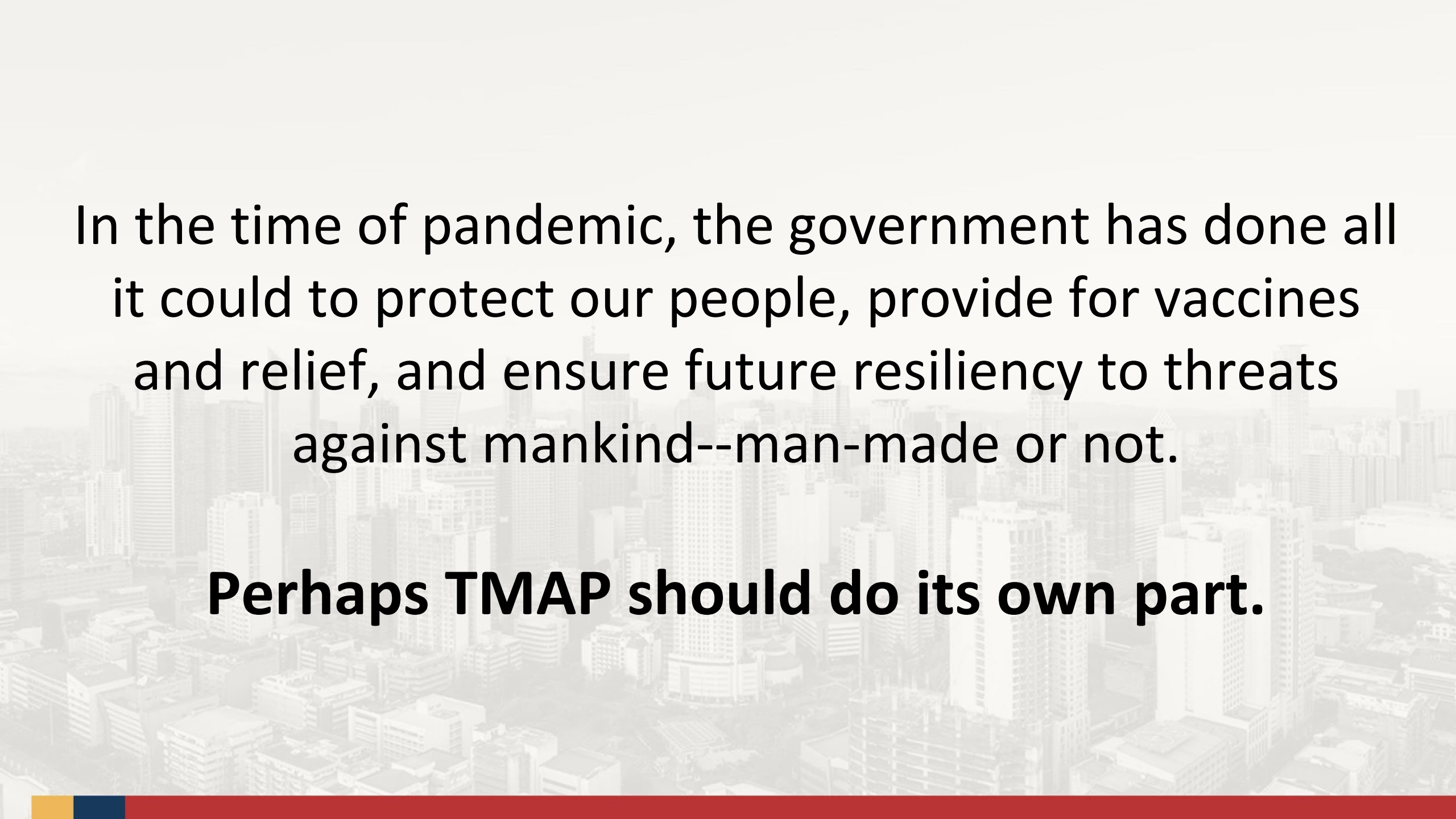
Enactment of Tax  
Reforms



Establishment of a  
national ID system



Implementation of  
Climate Change Mitigation  
and Adaptation projects  
on the ground


An aerial view of a city skyline, likely New York City, with numerous skyscrapers and buildings. The image is faded and serves as a background for the text. At the bottom of the image, there is a solid red horizontal bar.

In the time of pandemic, the government has done all it could to protect our people, provide for vaccines and relief, and ensure future resiliency to threats against mankind--man-made or not.

**Perhaps TMAP should do its own part.**

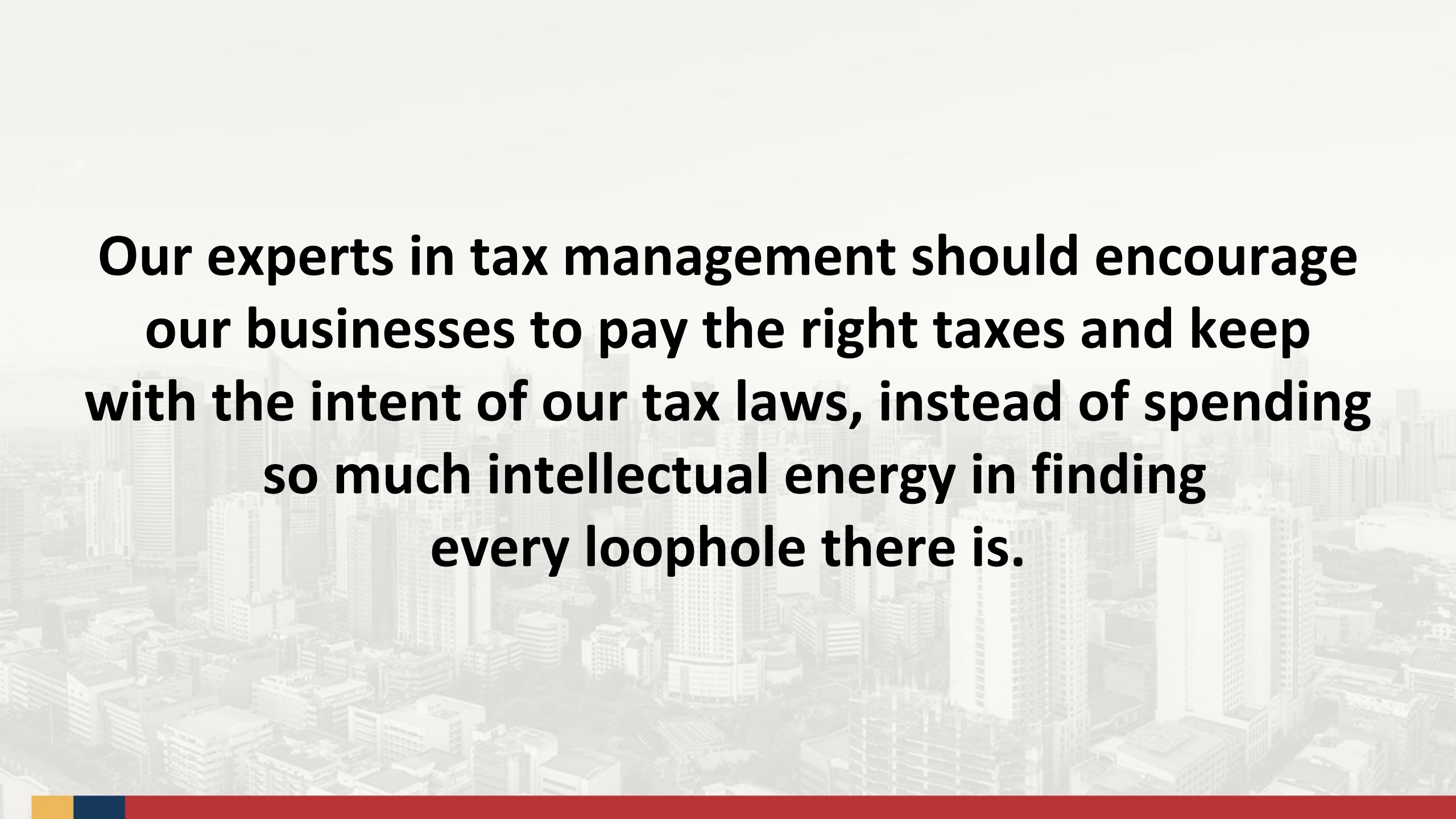
An aerial view of a city skyline, likely Manila, Philippines, with numerous high-rise buildings and a dense urban layout. The image is semi-transparent, allowing the text to be clearly visible over it. At the bottom left, there is a small graphic element consisting of three colored squares: yellow, blue, and red.

**We call on you to step up and help build taxpayers' trust, provide revenues for our socio-economic programs, invest in technology, innovate your processes, and focus on protecting the environment.**



**More importantly, inculcate in the companies you represent their duty to contribute to the cause of creating a more comfortable life for the Filipino people.**





**Our experts in tax management should encourage our businesses to pay the right taxes and keep with the intent of our tax laws, instead of spending so much intellectual energy in finding every loophole there is.**

An aerial view of a city skyline, likely Manila, Philippines, with numerous high-rise buildings and a hazy atmosphere. A semi-transparent white rectangular box is overlaid on the image, containing the main text.

**In this time of difficulty,  
there is virtue in putting patriotism first.**

**By doing so, we help build a better and stronger  
economy that the Filipino people deserve.**



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