Starting a Business in the Philippines

A printable checklist for foreign founders — entity, SEC registration, permits, visas, banking and compliance. From the guide at jamescarstairs.com/blog/starting-a-business-philippines.

1. Choose the right entity

- ■ Domestic corporation / One Person Corporation (OPC) — 100% foreign ownership for most activities
- ■ Check your activity against the Foreign Investment Negative List
- ■ Domestic market: plan for USD 200,000 paid-up capital (USD 100,000 with 15+ Filipino staff or advanced tech)
- ■ Export enterprise (60%+ revenue exported): paid-up capital can be as low as PHP 5,000
- ■ Avoid nominee structures — the Anti-Dummy Law penalises them

2. Register with the SEC

- ■ Reserve your company name via the SEC eSPARC portal
- ■ Draft Articles of Incorporation and By-laws (or OPC equivalent)
- ■ Define your primary purpose narrowly — the BIR ties activities to this text
- ■ Submit through eSPARC, pay filing fees
- ■ Receive your Certificate of Incorporation (allow 2–4 weeks)

3. Local address, LGU and BIR

- ■ Sign a lease for a real business address
- ■ Barangay clearance from your barangay
- ■ Mayor's Permit / Business Permit from the city or municipal hall (renewed every January)
- ■ BIR registration: Certificate of Registration (Form 2303)
- ■ Register books of account; Authority to Print or accredited e-invoicing provider
- ■ Confirm your tax type: VAT or non-VAT / percentage tax
- ■ Register as an employer with SSS, PhilHealth and Pag-IBIG

4. Sort your visa

- ■ 9(g) Pre-Arranged Employment Visa — sponsored by your Philippine company
- ■ Alien Employment Permit (AEP) from DOLE
- ■ Or Special Investor's Resident Visa (SIRV) — USD 75,000 inward investment
- ■ Or SRRV if 35+ and you want residency flexibility

5. Open a corporate bank account

- ■ Bring SEC certificate, Mayor's Permit, BIR 2303, board resolution and signatory IDs
- ■ Compare BDO, BPI, Metrobank and Security Bank
- ■ Prepare source-of-funds documentation for the capital remittance
- ■ Allow 2–3 weeks for onboarding

6. Stay compliant

- Monthly: withholding tax (1601-C, 1601-E), VAT (2550M) or percentage tax, SSS/PhilHealth/Pag-IBIG
- Quarterly: income tax (1702Q), expanded withholding (1601-EQ), percentage tax (2551Q)
- Annually: BIR registration fee, audited financial statements, SEC General Information Sheet
- Renew the Mayor's Permit every January; file the inventory list
- Engage a competent local accountant from day one

Questions or want a second set of eyes on your structure? Get in touch at jamescarstairs.com — I answer every email personally.