



NOTICE

TO : ACCREDITED AND PREVIOUSLY ACCREDITED MICROFINANCE NGOS

SUBJECT : **SURVEY ON THE 2% PREFERENTIAL TAX TREATMENT OF MICROFINANCE NGOS**

Whereas, Republic Act No. 10693, otherwise known as the "Microfinance NGOs Act," instituted a 2% preferential tax rate to provide financial relief and operational support to accredited microfinance non-governmental organizations (MF-NGOs);

Whereas, the Microfinance NGO Regulatory Council (MNRC) is committed to supporting the microfinance sector through policies and regulatory measures;

Whereas, it is imperative to assess the effectiveness of this preferential tax rate on the financial health and operational capacities of the beneficiary MF-NGOs;

Whereas, data collected from such assessments will inform future policy-making and legislative initiatives aimed at further bolstering the microfinance sector;

Whereas, understanding the utilization patterns of the preferential tax rate and the reasons behind its usage or non-usage is crucial for enhancing the effectiveness of support mechanisms;

Now, therefore, the Microfinance NGO Regulatory Council invites all accredited and previously accredited MF-NGOs to participate in a comprehensive survey.

Objectives of the Survey:

1. **Assessment:** To evaluate how the 2% preferential tax rate has affected the financial performance and operational efficiency of accredited MF-NGOs.
2. **Utilization Analysis:** To ascertain whether the preferential tax rate has been utilized by the MF-NGOs and to understand the reasons for its usage or non-usage.
3. **Informing Future Legislation:** To collect data that will assist in the formulation of future policies and legislation aimed at further supporting the microfinance sector.
4. **Operational Insights:** To identify the benefits and challenges faced by MF-NGOs as a result of the preferential tax rate, enabling us to improve our support

mechanisms.

5. **Sectoral Development:** To gather insights that will contribute to the overall development and sustainability of the microfinance sector.

Participation Requested: We kindly request all accredited and previously accredited MF-NGOs to participate in this survey. Your valuable input will provide critical insights that will help shape the future of microfinance support in our country.

The survey form may be accessed through the following link:

<https://forms.gle/jnFEwNFRMpMx7ipM9>

Please submit your responses on or before the closing date: **22 July 2024.**

Your cooperation and timely response are highly appreciated. Should you have any questions or need further assistance, please do not hesitate to contact the MNRC Secretariat at mnrc_secretariat@sec.gov.ph.

Thank you for your continued commitment to supporting the microfinance sector.

01 July 2024.