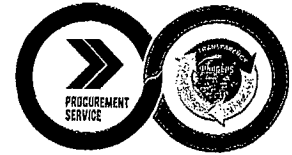




Republic of the Philippines
Department of Budget and Management
PROCUREMENT SERVICE
BIDS AND AWARDS COMMITTEE



General Bid Bulletin No. 13
December 28, 2017

Invitation for Bid No. 17-065-3

***Expansion of the Existing Depot at Baclaran and
Construction of a New Satellite Depot at Zapote for
Light Rail Transit (LRT) Line 1-South (Cavite) Extension Project***

Issued to revise, amend and/or clarify certain provisions in the Bidding Documents issued for this project.

A. CLARIFICATION

REFERENCE	BASES FOR CLARIFICATION/AMENDMENT/ INCLUSION
<u>CLARIFICATIONS IN THE BIDDING DOCUMENTS FROM PROSPECTIVE BIDDERS</u>	Please refer to the attached ANNEX "A-10" of this General Bid Bulletin for details.

All other portions of the Bidding Documents affected by these revisions, amendments and/or clarifications shall be made to conform to the same.

Revisions/amendments/clarifications made herein shall be considered an integral part of the Bidding Documents.

For the Bids and Awards Committee III


ENGR. EDWARD R. SADDI
Chairpersons

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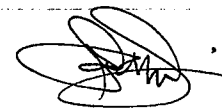
A. CLARIFICATION/AMENDMENT/INCLUSION**ANNEX "A-10"**

No.	Section No.	Page No.	Clause No. / Title	Clarification Request	Response
1			Item No.2 of GBB No.8	<p>Local Amount - Contractor shall bill and the Employer shall pay VAT of 12% of the whole Local Amount of the Contract Price without regard to the VAT paid or payable by the Contractor. Please confirm if our understanding is correct.</p> <p>Foreign Amount - for components under foreign portion, the Contractor will make the importation but the Employer will pay the custom duties and 12% VAT directly to the relevant government agencies.</p> <p>For this purpose, according to No.2 of GBB No.8, the Employer will issue a Letter of Notification to the relevant Government Agency that all duties and taxes of all imported materials and equipment will be shouldered by the Employer upon issuance of Notice to Proceed.</p> <p>Can you tell us the actual procedure from the issuance of letter of Notification and Notice to Proceed, until release of goods by Bureau of Customs, and also, can you provide a sample of the</p>	<p>Yes, the Bidder's understanding is correct for the VAT on the local amount. The Contractor is responsible in filing the tax returns on the specified date required by the Bureau of Internal Revenue to avoid penalties. DOTR is not liable in any penalties incurred by the Contractor for late filing.</p> <p>The process on how the VAT will be dealt with by the Employer, will be discussed during the Contract Negotiation with the Employer's Finance Department.</p> <p>BIR does not compute penalty for late payment of Employer (DOTr). As long as return is filed on time there will be no penalties. Consolidation of taxes will be done upon project completion. All taxes concerning the</p>



				<p>said documents being utilized for a similar project in the past or present?</p> <p>Tax implication – If the Contractor is required by Tax authorities to pay VAT and custom duties in a post-transaction audit, will the Employer indemnify the Contractor for deficiency taxes and duties (on importations and purchase of materials and equipment), including penalties?</p>	<p>Foreign amount will be shouldered by the Employer. Further discussion will be done during the Contract Negotiation.</p>
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For the Bids and Awards Committee III



ENGR. EDWARD R. SADDI

Chairperson