CompanyFormationWiki
The free encyclopedia of company formation
companyformationwiki.com

Company formation in the Philippines

From CompanyFormationWiki, the free encyclopedia of company formation · Last updated 25 November 2026

Company formation in the Philippines



Flag



Coat of arms

Common form	Domestic corporation (or One Person Corporation) [1]
Registry	Securities and Exchange Commission (SEC) [1]
Minimum capital	No statutory minimum, but foreign-owned companies selling to the domestic market generally need USD 200,000 [1]
Directors	1 to 15 directors [1]
Local director	A resident corporate secretary is required; foreign ownership limits apply in some sectors [1]
Corporate tax	25% (20% for smaller companies) [2]
VAT / sales tax	12% [2]
Typical timeline	Usually 1–3 weeks [1]
Tax treaties	Domestic rates and treaty list [7]
Currency	Philippine peso (PHP)

In short: To set up a company in the Philippines, most founders form a domestic corporation, registered with the Securities and Exchange Commission (SEC). [1] Minimum capital: no statutory minimum, but foreign-owned companies selling to the domestic market generally need USD 200,000. Corporate tax: 25% (20% for smaller companies). Registration: usually 1–3 weeks (as of November 2026).

Short guide. Tax figures come from PwC Worldwide Tax Summaries (reviewed 01 August 2026); company-law details summarise official guidance and can change. Confirm requirements with the Securities and Exchange Commission (SEC) before filing.

Companies in **the Philippines** are registered online with the **SEC**. Foreign ownership is capped in some sectors under the Foreign Investment Negative List, and the corporate secretary must be a resident Filipino citizen.

Business structures

Most founders in the Philippines form a domestic corporation, registered with the Securities and Exchange Commission (SEC). [1] **Other forms are listed below.**

- **Domestic corporation** – the usual company form for private businesses

Requirements

Minimum share capital in the Philippines (2026): no statutory minimum, but foreign-owned companies selling to the domestic market generally need USD 200,000. Directors required: 1 to 15 directors. Local resident director: a resident corporate secretary is required; foreign ownership limits apply in some sectors. [1]

- A company name that is available, checked with the registry.
- Share capital: no statutory minimum, but foreign-owned companies selling to the domestic market generally need USD 200,000.
- Directors: 1 to 15 directors.
- Local residency: a resident corporate secretary is required; foreign ownership limits apply in some sectors.
- A registered office address in the Philippines.
- Articles of association; standard templates are often available.

Registration process

Typical time to register a company in the Philippines (2026): usually 1–3 weeks. [1] The usual steps are:

1. Choose the company form and check that the name is available.
2. Prepare and sign the articles of association.
3. File the registration with the Securities and Exchange Commission (SEC).
4. Receive the company's registration number, and pay in the share capital where required.
5. Register for corporate tax and VAT or sales tax with the Bureau of Internal Revenue (BIR).

Taxation

The corporate tax rate in the Philippines in 2026 is 25% (20% for smaller companies). [2] Standard VAT or sales tax: 12%. [2]

Tax	Rate and notes
Corporate income tax	25% (20% for smaller companies)
VAT / indirect tax	12%
Withholding tax on dividends to non-resident companies	15 or 25%

Ongoing compliance

Annual compliance in the Philippines: Companies file annual financial statements and tax returns with the Bureau of Internal Revenue (BIR), and keep their details up to date with the Securities and Exchange Commission. [1]

Double tax treaties

The Philippines has a network of double tax treaties. A double tax treaty decides which country may tax cross-border income and usually caps the withholding tax the paying country can charge.

Domestic withholding tax on payments to non-resident companies

Dividends	Interest	Royalties
15 or 25%	20%	25%

The reduced rate for each partner country is set by the treaty concerned; PwC's withholding tax summary for the Philippines lists them.

Domestic rates from the PwC Worldwide Tax Summaries withholding tax quick chart (November 2026). Treaty benefits require proof of tax residence and are subject to anti-abuse rules.

Frequently asked questions

How long does it take to register a company in the Philippines?

Typical registration time in the Philippines: usually 1–3 weeks (as of November 2026), once all documents are ready. Opening a bank account and tax registrations can take longer.

What is the minimum share capital for a company in the Philippines?

Minimum share capital in the Philippines: no statutory minimum, but foreign-owned companies selling to the domestic market generally need USD 200,000 (as of November 2026).

What is the corporate tax rate in the Philippines in 2026?

The corporate tax rate in the Philippines in 2026 is 25% (20% for smaller companies). See the Taxation section for reduced rates and other taxes.

Can a foreigner own 100% of a company in the Philippines?

Yes, for most activities, though some sectors restrict foreign ownership or require approval. Local director rule in the Philippines: a resident corporate secretary is required; foreign ownership limits apply in some sectors.

What withholding tax applies to dividends paid from the Philippines?

The Philippines withholds 15 or 25% on dividends paid to non-resident companies under domestic law, often reduced by a tax treaty. See the Double tax treaties section.

Official registries and resources

- Securities and Exchange Commission (SEC)
- Bureau of Internal Revenue (BIR)

Figures as of November 2026. Rates, thresholds and procedures change; confirm with the official registry, the tax authority or a local adviser before filing.

See also

- Comparison of company formation by country
- Company formation in Singapore
- Company formation in Hong Kong
- Company formation in Japan
- Company formation in India
- All countries

References

Entries marked **Official** are the registry, government and tax authority sources for this country; footnote numbers in the infobox point to them.

1. Official Securities and Exchange Commission (SEC) . Government of the Philippines. Accessed November 2026.
2. Official Bureau of Internal Revenue (BIR) . Government of the Philippines. Accessed November 2026.
3. Philippines: Corporate – Taxes on corporate income (reviewed 01 August 2026) . PwC Worldwide Tax Summaries. Accessed November 2026.
4. Quick charts: Corporate income tax (CIT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
5. Quick charts: Value-added tax (VAT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
6. Quick charts: Withholding tax (WHT) rates . PwC Worldwide Tax Summaries. Accessed November 2026.
7. Philippines: Corporate – Withholding taxes . PwC Worldwide Tax Summaries. Accessed November 2026.

Source: https://companyformationwiki.com/company-formation/philippines/
Version: last updated 25 November 2026. Check the online version for later changes.

© 2026 CompanyFormationWiki. CompanyFormationWiki is a free encyclopedia of company formation, business structures and international tax across 222 jurisdictions. General information, not legal or tax advice. Confirm with the official registry, the tax authority or a qualified adviser before acting.