

[PRESIDENTIAL DECREE NO. 2007, January 03, 1986]

AMENDING CERTAIN PROVISIONS OF PRESIDENTIAL DECREE NO. 1994 AND INCREASING THE SPECIFIC TAX ON CIGARETTES.

WHEREAS, there is an imperative need to simplify the system of taxation and make more efficient the collection of internal revenue taxes;

WHEREAS, there is an urgent need for additional tax revenue in support of our national economic recovery Program;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree:

SECTION 1. Section 126 of the National Internal Revenue Code, as amended by Presidential Decree No. 1994, is hereby further amended to read as follows:

"SEC. 126. *Cigars and cigarettes.* —There shall be collected on cigars and cigarettes, the following taxes:

"(a) *Cigars.*—

"(1) When the manufacturer's or importer's wholesale price, less the amount of the tax does not exceed thirty pesos per thousand, on each thousand two pesos and thirty centavos;

"(2) When the manufacturer's or importer's wholesale price, less the amount of the tax exceeds thirty pesos but does not exceed sixty pesos per thousand, on each thousand, four pesos and sixty centavos; and

"(3) When the manufacturer's or importer's wholesale price, less the amount of the tax, exceeds sixty pesos per thousand, on each thousand, seven pesos.

"(b) *Cigarettes packed in thirties.* — "(1) When the retail price per pack does not exceed two pesos and forty centavos, on each thousand, five pesos;

"(2) When the retail price per pack exceeds two pesos and forty centavos, but does not exceed two pesos and ninety centavos, on each thousand, nine pesos;

"(3) When the retail price per pack exceeds two pesos and ninety centavos, on each thousand, thirteen pesos and fifty centavos.

"(c) *Cigarettes packed in twenties.* — "(1) When the retail price per pack does not exceed four pesos and fifty centavos, on each thousand, eighteen pesos;