

[**PRESIDENTIAL DECREE NO. 1774, January 14,
1981**]

**FURTHER AMENDING PARAGRAPH (b) SECTION 20 OF THE
NATIONAL INTERNAL REVENUE CODE OF 1977 AS AMENDED.**

WHEREAS, in line with the accelerated energy program of Government, the ten-year program has been compressed to a five-year program to attain national energy self-reliance at the soonest feasible time;

WHEREAS, in the light of these developments, it is necessary to amend certain provisions of the National Internal Revenue Code of 1977, as amended, to make them more responsive to current conditions, and specifically to the petroleum, coal, geothermal and other energy operations presently being conducted in the Philippines.

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

SECTION 1. Section 20, paragraph (b) of the National Internal Revenue Code is hereby further amended to read as follows:

"(b) the term "Corporation" includes partnerships, no matter how created or organized, joint stock companies, joint accounts (cuentas en participacion), associations or insurance companies, but does not include general professional partnerships' and a joint venture or consortium formed for the purpose of undertaking construction projects or engaging in petroleum, coal, geothermal and other energy operations pursuant to an operating or consortium agreement under a service contract with the Government. General professional partnerships are partnerships formed by persons for the sole purpose of exercising their common profession, no part of the income of which, is derived from engaging in any trade or business."

SEC 2. Repealing Clause. — All other laws, decrees, regulations and orders inconsistent herewith are hereby modified or amended accordingly.

SEC. 3. Effectivity Date. — This Decree shall take effect upon approval.

Done in the City of Manila, this 14th day of January, in the year of Our Lord, nineteen hundred and eighty-one.

**(Sgd.) FERDINAND E.
MARCOS**
President of the Philippines

By the President:

**(Sgd.) JOAQUIN T.
VENUS, JR.**
Deputy Presidential