

# [ PRESIDENTIAL DECREE NO. 1469, June 11, 1978 ]

## **AMENDING SECTIONS 187 AND 202 OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED, AND PROVIDING FOR THE REGISTRATION OF EXPORT PRODUCERS AND TRADERS WITH THE PHILIPPINE EXPORT COUNCIL.**

**WHEREAS**, the development and promotion of Philippine export is essential to economic growth;

**WHEREAS**, there are many export producers which lack the facilities and expertise necessary for direct exports;

**WHEREAS**, it is necessary to encourage these producers to sell to export traders by extending to them the tax benefits available to direct exporters under the National Internal Revenue Code, as amended:

**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 decree:

**SECTION 1.** Section 187 of the National Internal Revenue Code, as amended, is hereby amended by adding the following definition of words and phrases:

"(y) 'Registered export producer' shall mean any person, corporation, partnership, or other entity doing business in the Philippines, (1) registered with Philippine Export Council, (2) engaged in the manufacture, production or processing of articles or products for export in commercial quantity, and (3) directly exporting its products, or selling them (a) to a registered export trader that subsequently exports the said products, or (b) to another export producer who utilizes said products as direct materials or input in product subsequently manufactured or processed by them and thereafter exported or (c) to foreign tourists, when paid for acceptable foreign currency and actually brought out of the Philippines by the buyers upon their departures.

"(z) 'Registered export trader' shall mean any person, corporation, partnership or other entity doing business in the Philippines (1) registered with the Philippine Export Council and (2) who is engaged in the buying of Philippine-made products and subsequently exporting the same.

"(aa) 'Export sales' shall mean the Philippine port F. O. B. value, determine from invoices, bills of lading, inward letters of credit, landing certificates, and other commercial documents, of export products exported directly by a registered export producer or registered export trader, or the net selling price of export products sold by a registered export producer to another export producer, or registered export trader who subsequently exports the same, or the net selling price of export products in acceptable foreign currencies sold by a registered export producer or registered export trader to foreign tourists and foreign travelers. Sales of export products to another export producer or to a