

# [ PRESIDENTIAL DECREE NO. 1122, April 21, 1977 ]

## **INCREASING THE SPECIFIC TAX ON GASOLINE, AVIATION TURBO JET FUEL, DIESEL FUEL OIL, SOLVENTS AND THINNERS BY FURTHER AMENDING SECTIONS 142 AND 145 OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED**

**WHEREAS**, notwithstanding the last increase in the specific tax rates on petroleum products, the price thereof in the Philippines is still one of the lowest in Asia as revealed in a recent survey;

**WHEREAS**, the prevailing global crisis in oil has rendered it imperative for the government to adopt stronger measures which would discourage the wasteful consumption thereof; and

**WHEREAS**, the increase in the tax component of the price of some petroleum products is an effective measure of oil conservation and would further provide an equitable source of additional revenues for economic development.

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

**SECTION 1.** Sections 142 and 145 of Commonwealth Act No. 466, as amended, otherwise known as the National Revenue Code, are hereby further amended to read as follows:

"Sec. 142. *Specific tax on manufactured oils and other fuels.* — On refined and manufactured mineral oils and motor fuels, there shall be collected the following taxes which shall attach to the articles hereunder enumerated as soon as they are in existence as such:

(a) Kerosene, per liter of volume capacity, seven centavos;

(b) Lubricating oils, per liter of volume capacity, sixty-five centavos;

(c) Naptha gasoline and all other similar products of distillation, per liter of volume capacity, fifty centavos; Provided, however, That on premium on and aviation gasoline the tax shall be fifty-five centavos per liter of volume capacity;

(d) On denatured alcohol to be used for motive power, per liter of volume capacity, one centavo; Provided That, unless otherwise provided for by special law, if the denatured alcohol is mixed with gasoline, the specific tax on which has already been paid, only the alcohol content shall be subject to the tax herein prescribed. For the purposes of this subsection, the removal of denatured alcohol of not less than one hundred eight degrees proof (ninety per centum) absolute alcohol shall be deemed to have been removed for motive power, unless shown to the contrary;

(e) Process gas, per liter of volume capacity, two centavos;

(f) Thinners and solvents, per liter of volume capacity, FORTY centavos;