

# [ PRESIDENTIAL DECREE NO. 753, July 27, 1975 ]

## INCREASING THE SPECIFIC TAX RATES ON CIGARETTES BY AMENDING SECTION 137 (b) OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED.

**WHEREAS**, the need for additional revenues for accelerated national development has rendered it imperative for the government to tap source from which the needed funds might be equitably derived;

**WHEREAS**, an increase in the tax rates on cigarettes packed in twenties is a good source of additional revenue; and

**WHEREAS**, in line with the goals of the New Society, the time has come to promote our own local brands of cigarettes as a means of attaining a real national identity for our own products and at the same time, conserve our dollar resources by reducing to a minimum foreign exchange remittances in the form of royalty payments to foreign brand owners having licensing agreements with the local cigarette manufacturers;

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

**SECTION 1.** Section 137 (b) of the National Internal Revenue Code, as amended, is hereby further amended to read as follows:

**"SEC. 137. *Specific tax on Cigars and Cigarettes.***—On cigars and cigarettes, there shall be collected the following taxes:

"(a) Cigars—

"(b) Cigarettes—

"1. On cigarettes packed in thirties, the retail price of which per pack does not exceed sixty centavos, on each thousand, three pesos;

"2. On cigarettes packed in thirties, the retail price of which per pack exceeds sixty centavos but does not exceed eighty centavos, on each thousand, five pesos;

"3. On cigarettes packed in thirties, the retail price of which per pack exceeds eighty centavos but does not exceed one peso and ten centavos, on each thousand, eight pesos;

"4. On cigarettes packed in thirties, same shall be packed in round shape only, consisting of thirty sticks for every package or seven hundred fifty sticks for every roll, the latter wrapped in one secondary container;

"5. On cigarettes packed in twenties, the retail price of which per pack does not exceed one peso and ten centavos, on each thousand, ten pesos;