

# [ PRESIDENTIAL DECREE NO. 392, February 17, 1974 ]

## **INCREASING THE SPECIFIC TAX ON KEROSENE, LUBRICATING OIL, GASOLINE, BUNKER FUEL OIL AND DIESEL FUEL OIL AND IMPOSING SPECIFIC TAX ON OTHER REFINED AND MANUFACTURED MINERAL OILS BY AMENDING SECTIONS 142, 144 AND 145 OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED. [\*]**

**WHEREAS**, in order to accelerate the economic and social development of the country, the Government must provide the construction and improvement of highways, roads, bridges and other infrastructures;

**WHEREAS**, the expected tax revenues based on the present rates of specific taxes are still inadequate to carry on the present program of highway improvement and development;

**WHEREAS**, notwithstanding the last increase in the rate of specific tax on gasoline, the tax on gasoline in the Philippines is still one of the lowest in the world as revealed in a comparative study of the gasoline taxes in several countries/cities;

**WHEREAS**, in order to improve and simplify tax administration, it is desirable to adopt a uniform tax treatment for all refined and manufactured petroleum products; and

**WHEREAS**, the increase in tax on motor fuels and oil is consistent with the present policy to conserve fuel;

**NOW, THEREFORE, I, FERDINAND E. MARCOS**, President of the Philippines, by virtue of the powers in me vested by the Constitution as Commander-in-Chief of all the Armed Forces of the Philippines, and pursuant to Proclamation No. 1081, dated September 21, 1972, and General Order No. 1, dated September 22, 1972, do hereby order and decree the following:

**SECTION 1.** Sections 142, 144 and 145 of the National Internal Revenue Code, as amended, 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:

- (a) Kerosene and aviation turbo jet fuel, per liter of volume capacity, five centavos;
- (b) Lubricating oils, per liter of volume capacity, thirty centavos;
- (c) Naphtha, gasoline and all other similar products of distillation, per liter of volume capacity, twenty-five centavos;
- (e) Process gas, per liter of volume capacity, two centavos;
- (f) Thinners and solvents, per liter of volume capacity, fifteen centavos;
- (g) Liquefied petroleum gas, per kilogram, nine centavos;
- (h) Asphalts, per kilogram, five centavos; and
- (i) Greases, waxes and petroleum, per kilogram, thirty-five centavos."