

# [ PRESIDENTIAL DECREE NO. 439, April 22, 1974 ]

## PROVIDING FOR TAX HOLIDAYS FOR OVERSEAS FILIPINOS AS CONTEMPLATED IN LETTER OF INSTRUCTION NUMBERS 105 AND 163

**WHEREAS**, the Homecoming Program for Overseas Filipinos under Letter of Instruction No. 105, issued 31 July 1973, otherwise known as the Balikbayan Program has been an overwhelming success and in compliance with numerous requests and petitions for extension, the same has been extended to 31 August 1974 to enable more of our overseas countrymen and their families or their descendants to visit or settle in their motherland; and

**WHEREAS**, it is desirable to grant additional incentives to the temporary tax holiday benefits under Letter of Instruction Nos. 105 and 163;

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

**SECTION 1.** Provisions of Section 105 of the Tariff and Customs Code, as amended, to the contrary notwithstanding, professional instruments and implements, tools of trade, occupation or employment, wearing apparel, domestic animals, and personal and household effects belonging to persons coming to settle in the Philippines or Filipinos and/or their families and descendants who are now residents or citizens of other countries, such parties hereinafter referred to as Overseas Filipinos, in quantities and of class suitable to the profession, rank or position of the person importing them, for their own use and not for barter or sale, accompanying such persons, or arriving within a reasonable time, in the discretion of the Collector of Customs, before or after the arrival of their owner, which arrival shall not be later than August 31, 1974, upon the production of evidence satisfactory to the Collector of Customs that such persons are actually coming to settle in the Philippines, that change of residence was bona fide and that the privilege of free entry was never granted to them before or that such person qualifies under the provisions of Letter of Instruction Nos. 105 and 163m and that the articles are brought from their former place of abode, shall be exempt from the payment of customs duties and taxes: *Provided*, That vehicles, vessels, aircraft, machineries and other similar articles for use in manufacture, shall not be classified hereunder.

**SEC. 2.** Provisions of Sections 184, 184-A, 185-B, 186, 186-A, and 186-B of the National Internal Revenue Code, as amended, to the contrary notwithstanding, Overseas Filipinos as herein defined who are coming to settle permanently in the Philippines may purchase locally manufactured vehicles, household appliances, professional instruments and other tools of trade, occupation or employment, free of internal revenue taxes: *Provided*, That

- a. Such items are purchased from authorized dealers and are brand new;
- b. In the case of vehicles, that the same are registered under the Progressive Car Manufacturing Program;
- c. In the case of household appliances, professional instruments and other tools of trade, occupation or employment, that the same are locally manufactured and/or assembled;
- d. That the purchases are made locally and in United States currency;