

**[ REPUBLIC ACT NO. 6450, June 17, 1972 ]**

**AN ACT EXEMPTING FROM CERTAIN TAXES THE SOUTHEAST  
ASIAN REGIONAL CENTER FOR GRADUATE STUDY AND  
RESEARCH IN AGRICULTURE, AND FOR OTHER PURPOSES.**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. The provisions of existing laws to the contrary notwithstanding, the Southeast Asian Regional Center for Graduate Study and Research in Agriculture (SEARCA), located at the Municipality of Los Banos, Province of Laguna, shall be exempt from the payment of compensating taxes, duties and fees provided under existing laws and regulations. This exemption shall extend to goods imported or exported on a non-commercial basis by the Regional Center exclusively in its name and for its own use; *Provided*, That such exemptions shall not apply to articles which are subject to specific tax under Title IV of the National Internal Revenue Code and articles which are subject to percentage tax under Section one hundred eighty-four in relation to Section one hundred ninety of the same Code, except motor vehicles under Tariff Heading Numbered 87.02 A of Republic Act Numbered One thousand nine hundred thirty-seven acquired for the direct and exclusive use of SEARCA and only in such number as shall be necessary, economical and inexpensive: *Provided, however*, That non-Filipino citizens or non-resident aliens who are experts in their respective fields and are serving in the staff of the Regional Center shall be exempt from the payment of income tax on all salaries, wages or other income derived solely and by reason of service under the Regional Center.

SEC. 2. All gifts, bequests, donations and contributions which may be received by the Southeast Asian Regional Center for Graduate Study and Research in Agriculture from any source duly acknowledged by an official receipt or any proper document issued by the University of the Philippines whatsoever, or which may be granted by this Center to any individual or non-profit organization for educational or scientific purposes, shall be exempt from the payment of the taxes imposed under Title III of the National Internal Revenue Code.

SEC. 3. Any person who fraudulently takes advantage of the provisions of this Act to avoid the payment of taxes, duties and fees imposed under any existing law, regulation, or ordinance shall be punished by a fine equivalent to ten times the amount of all taxes, duties and fees due but in no case less than ten thousand pesos: *Provided*, That if the offender who committed the violation is an alien, he shall, after appropriate proceedings, be deported.

SEC. 4. The Secretary of Finance shall promulgate the necessary rules and regulations for the effective implementation of this Act. These rules shall include that the Regional Center shall, whenever it makes any importation or exportation under this Act, inform the Bureau of Internal Revenue and the Bureau of Customs