

[EXECUTIVE ORDER NO. 923, November 08, 1983]

**AMENDING SECTIONS 145, 146, 147, 157 AND 177 OF TITLE IV
(SPECIFIC TAX) OF THE NATIONAL INTERNAL REVENUE CODE,
AS AMENDED.**

WHEREAS, certain sections in Title IV of the Tax Code on specific taxes provide for preferential tax treatment of domestic over imported products;

WHEREAS, in view of the Government's commitment to regional and international agreements on tariff and trade and as part of the overall rationalization of the structure of protection granted to domestic products, the protective element in the indirect tax system should be gradually eliminated;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution and by Section 290-B of the National Internal Revenue Code of 1977, as amended, do hereby direct and order that:

SECTION 1. Section 145 of the National Internal Revenue Code, as amended, is hereby amended as follows:

"Sec. 145. Specific tax on distilled spirits. – On distilled spirits there shall be collected, subject to the provisions of Section one hundred thirty-nine of this Code, except as hereinafter provided, specific taxes as follows:

"(a) If produced from sap of nipa, coconut, cassava, camote or buri palm or from the juice, syrup, or sugar of the cane, provided such materials are grown commercially in the country where the distilled spirits are produced, per proof liter, three pesos: Provided, That if produced in a pot still or other similar primary distilling apparatus, by a distiller producing not more than one hundred liters a day, containing not more than fifty per centum of alcohol by volume, per proof liter, one peso and fifty-six centavos;

"(b) If imported or produced from imported raw materials or from raw materials other than (a) hereof, per proof liter thirty-five pesos.

"This tax shall be proportionally increased for any strength of the spirits taxed over proof spirits, and the tax shall attach to this substance as soon as it is in existence as such, whether it be subsequently separated as pure or impure spirits, or be immediately or at any subsequent time transformed into any other substance either in the process of original production or by any subsequent process.

"Spirits or distilled spirits" is the substance known as ethyl alcohol, ethanol or spirits of wine, including all dilutions and mixtures thereof, from whatever source by

whatever process produced, and shall include whisky, brandy, rum, gin and vodka, and other similar products or mixtures including compounded liquors and all other preparations, except toilet preparations, of which excluding water distilled spirits is the chief ingredient.

"Proof spirits" is liquor containing one-half of its volume of alcohol of a specific gravity of seven thousand nine hundred and thirty-nine ten thousandths at fifteen degrees centigrade. A proof liter means a liter of proof spirits."

SEC. 2. Section 146 of the National Internal Revenue Code, as amended, is hereby amended as follows:

"Sec. 146. Specific tax on wines. – On wines, there shall be collected, per liter of volume capacity, the following taxes:

"(a) Sparkling wines, regardless of proof, eighteen pesos; if imported twenty-six pesos and fifty centavos;

"(b) Still wines containing fourteen per centum of alcohol or less, three pesos; if imported, four pesos and forty centavos;

"(c) Still wines containing more than fourteen per centum of alcohol, six pesos; if imported, eight pesos and eighty centavos; and

"Fortified wines containing more than twenty-five per centum of alcohol shall be taxed as distilled spirits."

SEC. 3. Section 147 of the National Internal Revenue Code, as amended, is hereby amended as follows:

"Sec. 147. Specific tax on fermented liquors. – On beer, lager beer, ale, porter, and other fermented liquors (except tuba, basi, tapuy and similar domestic fermented liquors), there shall be collected, on each liter of volume capacity, one peso and fifty centavos."

SEC. 4. Section 157 of the National Internal Revenue Code, as amended, is hereby amended as follows:

"Sec. 157. Specific tax on cinematographic films. – There shall be collected, once only, on cinematographic films, including television films, regardless of width, a tax amounting to thirty-five centavos per linear meter.

"If the films are imported, the tax shall be forty-five centavos per linear meter.

"Educational films or cinematographic films used for visual education, whether manufactured in the Philippines or imported, shall be exempt from the tax prescribed in this section.

"This tax shall not be collected on any tax-paid cinematographic films subsequently returned to the Philippines or on any negative film or unprinted positive film, and on any reversal film used in amateur photography of sixteen millimeters or less, and any tax heretofore paid on cinematographic films so returned, or on any negative