

**[PPA MEMORANDUM CIRCULAR NO. 34-91,
September 02, 1991]**

**AMENDMENT TO PPA MEMORANDUM CIRCULAR NO. 56-90
ENTITLED "GUIDELINES ON THE REFUND OF EXCESS TAX
COLLECTED ON CARGO HANDLING CHARGES AND THE
STANDARD FORMULA ON THE COLLECTION OF CARGO
HANDLING CHARGES**

Rationale

PPA Memorandum Circular No. 56-90 dated December 31, 1990 and which took effect on May 1, 1991 prescribed the standard collection formula for cargo handling tariff where 4% Contractor's Tax imputed.

PPA Memorandum Circular No. 13-91 entitled "INTERIM INCREASES IN CARGO HANDLING CHARGES" dated May 2, 1991 and which took effect on May 20, 1991 prescribed the revised cargo handling rates on restructured tariff net of taxes. Upon its effectivity, therefore, all the cargo handling charges whether **restructured tariff or grocery list tariff** have no more built-in Contractor's Tax.

Amendment

Premises considered, Sec. IV parag. 1 of PPA Memorandum Circular No. 56-90 which provides for the collection formula **For Cargo Handling Tariff Where 4% Contractor's Tax is Imputed** is hereby deleted and declared no longer in effect.

Therefore, it is hereby emphasized that effective May 20, 1991, all collections of VATable cargo handling charges should be computed based on the prescribed tariff rate plus 10% Value Added Tax.

For your guidance.

Adopted: 2 Sept. 1991

(Sgd.) ROGELIO A DAYAN
General Manager



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