

**[ MIA MEMORANDUM CIRCULAR NO. 32, March 10, 1986 ]**

**RESTORATION OF TAX INCENTIVES UNDER P.D. NO. 666**

Please be informed that the Fiscal Incentives Review Board, by virtue of FIRB Resolution No. 3-86 dated 4 February 1986, has restored the tax and duty exemption privileges under P.D. No. 666 and can now be availed of by MARINA-registered shipbuilding or ship repair enterprises with valid and subsisting certificates of registration and license.

In order to avoid any confusion or misinterpretation in the implementation of the said FIRB resolution please be clarified that:

1. The ten-year period of availment of the tax and duty exemption privileges fixed as a condition by the FIRB resolution for the restoration of said privileges, which originally was applicable under **Section 1 (c) of P.D. No. 666** only to the exemption from the contractor's percentage tax has been made likewise applicable to the exemption from import duties and taxes under **Section 1(a)** of the above decree.
2. The ten-year period shall be reckoned from the date of original registration (not re-registration) with MARINA: provided, however, that the period commencing 15 October 1984 to 3 February 1986 during which the tax and duty exemption privileges were withdrawn by virtue of P.D. 1955 shall be excluded in counting the period of availment.
3. All importations made prior to 4 February 1986 which have not been released from Customs custody shall, upon ample proof thereof submitted to MARINA, be recommended favorably to the Bureau of Customs.
4. All MARINA-registered shipbuilding or ship repair enterprise which have committed violations of the Revised Rules and Regulations to Implement P.D. 666, mote particularly on the Shipyard Development Fund (SDF) requirements, shall not be qualified to avail of the privileges.

Please be guided accordingly.

Adopted: 10 March 1986

(SGD.) PHILIP S. TUAZON  
*Administrator*

(SGD.) HERNANDO B. PEREZ  
*Minister of Transportation and  
Communication*