

**[ BATAS PAMBANSA BLG. 4, August 26, 1978 ]**

**AN ACT PROVIDING FOR THE UPWARD REVISION OF THE SPECIFIC TAXES ON ALCOHOLIC BEVERAGES AND AMENDING, FOR THE PURPOSE, SECTIONS 145 AND 147 OF THE NATIONAL INTERNAL REVENUE CODE OF 1977, AS AMENDED.**

*Be it enacted by the Batasang Pambansa in session assembled:*

SECTION 1. Sections 145 and 147 of the National Internal Revenue Code of 1977 are hereby amended to read 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 domestically from locally produced raw materials, per proof liter, one peso and twenty centavos: *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, seventy-eight centavos;

"(b) If imported or produced from imported raw materials, 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 substances 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 dilution 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, except compounded liquors taxed under Section 146 of this Code.

"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. 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, sixty centavos: *Provided*, That if the fermented liquor is imported, the tax shall be increased by one hundred *per centum*."

SEC. 2. This Act shall take effect upon its approval.