

MEMORANDUM CIRCULAR NO.32

TO : ALL MARINA – REGISTERED SHIP BUILDING AND /OR SHIP REPAIR ENTERPRISES

SUBJECT : FIRB RESOLUTION NO.3-86 RESTORATION OF THE TAX INCENTIVES UNDER P.D. NO.666

Pursuant be informed that the Fiscal Incentives Review Board , by virtue if FIRB Resolution No.3-86 dated 04 February 1986 , copy attached , has restored the tax and duty exemption privileges under P.D. No.666 and can now be availed of by MARINA – registered ship building and /or ship repair enterprises with valid subsisting certificate of registration and license .

In order to avoid any confusion and misinterpretation in the implementation of the said FIRB resolution , please be clarified that;

1. The ten years period of availment of the tax and duty exemption privileges fixed as condition by the FIRB resolution for restoration of sold 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 like wise 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that the period commencing 15 October 1984 to 3 February 1986 during which the tax and duty exemption privileges were withdrawn by virtue P.D. 1955 shall be excluded in counting the period of availment .
3. All Importations made prior to 04 February 1986 which have not be released from Custom custody shall , upon couple proof thereof submitted to MARINA , be recommended favorably to the Bureau of Customs.
4. All MARINA – registered ship buildings and/or ship repair enterprises which have committed violations of the Revised Rules and Regulations to Implement P.D. 666, more particularly on the shipyard Development Fund (SDF) requirements , shall not be qualified to avail the privileges.

Please be guided accordingly.

Manila, 10 March 1986.

PHILIP S. TUAZON
Administrator

APPROVED:

HERNANDO B. PEREZ
Minister of Transportation & Communications