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 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that the period commencing 15 October 1984 to 3 February 1986 during which the tax and duty exemption privileges were withdrawn by virtue P.D. 1955 shall be excluded in counting the period of availment.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