

[**PRESIDENTIAL DECREE NO. 1997, November 07, 1985**]

GRANT OF ADDITIONAL INCENTIVES TO ACCELERATE THE COCONUT PRODUCTIVITY PROGRAM

WHEREAS, the current economic crisis amounts to a grave emergency which affects the stability of the nation and requires immediate action;

WHEREAS, as part of the national economic recovery efforts, it is necessary to accelerate the coconut productivity program by liberalizing the availment of incentives or assistance to those who would like to participate in and implement the coconut productivity program;

WHEREAS, it is also necessary to provide the necessary appropriation to enable Government to program 30,000 hectares a year for coconut planting/replanting;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution and laws, do hereby order and decree the following:

SECTION 1. Section 3 of P.D. 1972 is hereby amended to read as follows:

"In accordance with the general government policy of self-reliance and in order to encourage the private sector to devise and implement their own planting or replanting program, the Government through the Philippine Coconut Authority (PCA) hereby, adopts a supplementary program of financial assistance by appropriating funds from out of the revenue of the national government and/or local government and, as may be determined by the President from out of borrowings, so that 30,000 hectares could be programmed per year for planting or replanting. Government assistance can be given in the form of incentives, such as:

- a. Tax credits or duty rebates if the persons or entities which have paid taxes or duties have advanced invested funds in accordance with laws and implementing rules and regulations.
- b. Refunds of reasonable amounts actually spent invested by qualified persons or entities in projects that qualify under the coconut planting/replanting program of the Government.
- c. Tax and duty exemptions for capital equipment utilized in the development of such projects.
- d. Exemption from payment of: (i) donor's and donee's taxes on any amount contributed to the Program and/or the Project; and (ii) real property taxes on lands included in the Project as well as on all improvements introduced therein and all machinery and equipment therein located for a period of ten (10) years from date of approval of the Project.

The Project or any participating person or entity may acquire lands or interest therein, notwithstanding any prohibition or restrictions imposed by Commonwealth Act No. 141, as amended, otherwise known as the Public Land Act; Provided, the proposed owners qualify under nationality requirements of the Constitution of the Philippines."