

[PRESIDENTIAL DECREE NO. 1672, February 07, 1980]

INCREASING THE RATES OF SPECIFIC TAX ON PETROLEUM PRODUCTS BY FURTHER AMENDING SECTION 153 OF THE NATIONAL INTERNAL REVENUE CODE OF 1977, AS AMENDED.

strong>WHEREAS, the recurring increase in crude oil prices has required a re-assessment of the costs earmarked for economic development programs of the third world countries including the Philippines;

WHEREAS, in order to meet the resulting escalation in the costs of vital materials, equipment and labor for on-going and already-programmed national development projects of the country, there is an imperative need to raise additional revenues for infrastructure projects being funded to a great extent by collections of specific tax on petroleum products.

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

SECTION 1. Section 153 of the National Internal Revenue Code of 1977, as amended, is hereby further amended to read as follows:

"SEC. 153. *Specific tax on manufactured oils and other fuels.* — On refined and manufactured mineral oils and motor fuels, there shall be collected the following taxes which shall attach to the articles hereunder enumerated as soon as they are in existence as such:

"(a) Kerosene, per liter of volume capacity, seven centavos;

"(b) Lubricating oils, per liter of volume capacity, eighty centavos;

"(c) Naphtha, gasoline and all other similar products of distillation, per liter of volume capacity, ninety-one centavos: *Provided*, That, on premium and aviation gasoline, the tax shall be one peso per liter of volume capacity;

"(d) On denatured alcohol to be used for motive power, per liter of volume capacity, one centavos: *Provided*, That, unless otherwise *provided* for by special laws, if the denatured alcohol is mixed with gasoline, the specific tax on which has already been paid, only the alcohol content shall be subject to the tax herein prescribed. For the purposes of this subsection, the removal of denatured alcohol of not less than one hundred eighty degrees proof (ninety per centum absolute alcohol) shall be deemed to have been removed for motive power, unless shown to the contrary;

"(e) Processed gas, per liter of volume capacity, three centavos;

"(f) Thinners and solvents, per liter of volume capacity, fifty-seven centavos;