

[ **PRESIDENTIAL DECREE NO. 882, January 30, 1976** ]

**REGULATING THE TAX-FREE IMPORTATION OF GOVERNMENT AGENCIES INCLUDING GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS.**

**WHEREAS**, importations by certain government agencies, including government-owned or controlled corporation, are exempt from the payment of customs duties and compensating tax; and

**WHEREAS**, in order to reduce foreign exchange spending and to protect domestic industries, it is necessary to restrict and regulate such tax-free importations.

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

**SECTION 1.** All importations of any government agency, including government-owned or controlled corporations which are exempt from the payment of customs duties and internal revenue taxes, shall be subject to the prior approval of an Inter-Agency Committee which shall insure compliance with the following conditions:

- a. That no such article of local manufacture are available in sufficient quantity and comparable quality at reasonable prices;
- b. That the articles to be imported are directly and actually needed in and will be used exclusively by the grantee of the exemption of its operations and projects or in the conduct of its functions; and
- c. The shipping documents covering the importation are in the name of the grantee to whom the goods shall be delivered directly by customs authorities.

**SEC. 2.** To carry out the purpose of this Decree, an Inter-Agency Committee is hereby created which shall be composed of the following officials or their representatives:

Chairman \_\_\_\_\_ Secretary of Finance  
Members \_\_\_\_\_ Secretary of Industry  
Director General of the National Economic and Development Authority  
Governor of the Central Bank  
Commissioner of Customs

**SEC. 3.** The Committee shall have the power to regulate and control the tax-free importation of government agencies in accordance with the conditions set forth in Section 1 hereof, and the regulations to be promulgated to implement the provisions of this Decree: Provided, however, That any government agency or government-owned or controlled corporation, or any local manufacturer or business firm adversely affected by any decision or ruling of the Inter-Agency Committee may file