

# [ PRESIDENTIAL DECREE NO. 761, July 31, 1975 ]

## **AMENDING SECTION EIGHT HUNDRED SIX OF THE TARIFF AND CUSTOMS CODE OF THE PHILIPPINES, AS AMENDED, BY ALLOWING THE REGISTRATION OF VESSELS THE OWNERSHIP OF WHICH IS VESTED IN CORPORATIONS OR ASSOCIATIONS, AT LEAST SIXTY PERCENT OF THE CAPITAL STOCK OR CAPITAL OF WHICH BELONG TO CITIZENS OF THE PHILIPPINES, AND FOR OTHER PURPOSES.**

**WHEREAS**, there is a dearth of coastwise vessels to satisfy the needs of the country both as public carriers and as support facilities of enterprises duly registered, operating and doing business under Philippine laws; and

**WHEREAS**, the geographical conditions of the country make it imperative that the State give utmost encouragement and assistance to the expansion of shipping facilities and services hand-in-hand with its program of incentives to develop the other sectors of the country and other activities in order for it to attain and sustain the desired rate of growth towards economic self-sufficiency;

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

**SECTION 1.** Section 806 of the Tariff and Customs Code of the Philippines, as amended, is hereby amended to read as follows:

**Section 806.** *Certificate of Philippine Registry.*—Upon registration of a vessel of domestic ownership, and of more than fifteen tons gross, a certificate of Philippine registry shall be issued for it. If the vessel is of domestic ownership and of fifteen tons gross or less, the taking of the certificate of Philippine registry shall be optional with the owner.

"Domestic ownership", as used in this section, means ownership vested in citizens of the Philippines or corporations or associations of more than forty percent of the capital or capital stock of the association or corporation is conferred upon or allowed to be exercised by any person not a citizen of the Philippines."

**SEC. 2.** The above definition of "domestic ownership" notwithstanding, an enterprise duly registered with the Board of Investments, under R.A. 5186 or 6185, whether or not entirely owned by foreign nationals, may register its own vessels under the provisions of the section immediately preceding if such vessels are to be used exclusively to transport its own raw materials and finished products in Philippine waters as an incident to its manufacturing, processing or business activity registered with the Board of Investments and certified to by said Board as an essential element in the operation of the registered projects.

**SEC. 3.** Any provision of the law, decree, executive order, or rules and regulations to the contrary notwithstanding, the Maritime Industry Authority is hereby vested with the exclusive authority over the registration and documentation of Philippine vessels, as well as the issuance of all certificates, licenses or other documents necessary or incident to such registration and documentation.