

[PRESIDENTIAL DECREE NO. 746, July 15, 1975]

FURTHER AMENDING REPUBLIC ACT NUMBERED SEVENTEEN HUNDRED AND EIGHTY-NINE AS AMENDED, OTHERWISE KNOWN AS THE REPARATIONS LAW.

WHEREAS, it is the declared policy of the government to assist in the development of the shipping industry in the country;

WHEREAS, in order to accelerate the development of the shipping industry, the availment of reparations goods by private end-users involved in shipbuilding should be facilitated and the requirements for such availment be relaxed;

WHEREAS, it has been realized that certain requirements of the Reparations Law are too cumbersome for the shipping industry at their present stage of development;

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 as part of the law of the land:

SECTION 1. A new paragraph after the third paragraph of Section 12 of Republic Act Numbered 1789, as amended, is hereby including to read as follows:

"In case the private end-user is a Filipino citizen or entity wholly owned by Filipino citizens engaged in shipbuilding and duly registered with the Board of Investments, the balance payable in installments for capital goods and complementary services disposed of on credit basis shall be subject to an interest rate of three (3%) per cent per annum: *Provided*, That the mortgage to the Commission of the capital goods disposed of to said persons or entities engaged in shipbuilding shall constitute sufficient collateral for the same."

SEC. 2. All laws, decrees, rules and regulations inconsistent herewith are hereby repealed or amended accordingly.

SEC. 3. This Decree shall take effect immediately.

Done in the City of Manila, this 15th day of July, in the year of Our Lord, nineteen hundred and seventy-five.

(Sgd.) FERDINAND E. MARCOS
President
Republic of the
Philippines

By the President:

(Sgd.) ALEJANDRO MELCHOR
Executive Secretary
