

**[ REPUBLIC ACT NO. 1197, August 28, 1954 ]**

**AN ACT TO FURTHER AMEND REPUBLIC ACT NUMBERED SIX HUNDRED ONE, AS AMENDED BY REPUBLIC ACT NUMBERED ELEVEN HUNDRED SEVENTY-FIVE.**

*Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:*

SECTION 1. Section two of Republic Act Numbered Six hundred one, as amended by Republic

Act Numbered Eleven hundred seventy-five, is amended to read as follows:

"SEC. 2. The tax provided for in section one of this Act shall not be collected on foreign exchange used for the payment of the cost, transportation and/or other charges incident to importation into the Philippines of wheat flour, canned milk, canned beef, cattle, canned fish, cocoa beans, malt, stabilizer and flavors, vitamin concentrate; supplies and equipment purchased directly by the Government or any of its instrumentalities for its own exclusive use; machinery, equipment, accessories, and spare parts, for the use of industries, miners, mining enterprises, planters and farmers; and fertilizers when imported by farmers directly or through their cooperatives; articles or containers used, including materials for the manufacture of tin containers used by the importer himself in the manufacture or preparation of local products for consigns or export abroad; textbooks, reference books, and supplementary readers approved by the Board on Textbooks and/or established public or private educational institutions; paper imported by publishers for their exclusive use in the publication of books, pamphlets, magazines and news papers; carbides, explosives and dynamite for mining purposes; drugs and medicines, and medical and hospital supplies listed in the appendix of this Act; payment in respect of reinsurance; payment in respect of marine and aviation insurance; spare parts to be used in the repair of vessels of Philippine registry or airplanes and such other parts thereof as may be certified by the Hulls and Boilers Division of the Bureau of Customs or the Civil Aeronautics Administration, respectively, as essential to the maintenance of vessels or airplanes; payment of purchase price of vessels or ships of any kind or nature intended for Philippine registry, ninety per cent of the ownership of which belongs exclusively to Filipinos, or charter fees of airplanes and vessels of Philippine register; remittances by airlines of American registry operating between the Philippines and the United States of income in the Philippines to their head offices in the United States: *Provided*, That such airlines have been granted a permit to operate under the Air Transport Agreement between the United States and the Philippines prior to the