

[EXECUTIVE ORDER NO. 891, April 11, 1983]

PRESCRIBING THE MANNER OF IMPLEMENTATION OF THE TERMS AND CONDITIONS OF THE DONATIONS TO THE REPUBLIC OF THE PHILIPPINES BY EDUARDO M. COJUANGCO, JR.

WHEREAS, the Government encourages the private sector to give donations to the Government or any of its agencies or instrumentalities to finance, provide for, or be used in undertaking its government purposes, projects, and priority activities;

WHEREAS, various properties were donated to the Republic of the Philippines (the "Republic") for the use of the Ministry of Human Settlements, Board of Investments, Armed Forces of the Philippines, Philippine Air Force and Philippine Coconut Authority to assist them in attaining their respective purposes, projects and priority activities under the terms of the Deed of Donation dated April 11, 1983 executed by and between the Republic and Eduardo M. Cojuangco, Jr. (the "Deed of Donation");

WHEREAS, it is necessary to ensure the immediate implementation of the donation and compliance with the undertakings of the Republic in said deed;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by law, do hereby direct and order as follows:

1. The donation of the properties specified in the Deed of Donation under the terms thereof is hereby accepted on behalf of the Republic of the Philippines and the respective Government agencies and instrumentalities designated as donee beneficiaries. The terms and conditions of the Deed of Donation are hereby incorporated by way of reference and made integral part of this Executive Order.
2. Pursuant to the provisions of Section 30 (h) (2) (A) and Section 123 (a) (2) of the National Internal Revenue Code, all the donations under the Deed of Donation are hereby ordered deductible in full for income tax purposes and fully exempt from the donor's tax. The priority programs, projects and activities for which the donations are to be utilized by the Ministry of Human Settlements, Board of Investments, Armed Forces of the Philippines, Philippine Air Force, and Philippine Coconut Authority are hereby declared to be part of, and in accord with, the National Priority Plan of NEDA, and such government agencies are hereby declared and deemed included in the list of qualified donee institutions to receive such donations.
3. The cash donations and condonations referred to in the Deed of Donation shall be fully deductible for income tax purposes to the extent of the values of the properties as specified in the Deed of Donation, which values shall be conclusive and binding for such purposes. The condonations shall not be included in the gross income of the donors pursuant to Section 50 of Revenue Regulations No. 2, and the cash donations and condonations shall be deducted from the donors' taxable income in the year in which such donations or condonations are made. The donors, in claiming