

**[ ERC RESOLUTION NO. 08, S. 2009, March 23, 2009 ]**

**RESOLUTION AUTHORIZING COMMISSIONER ALEJANDRO Z. BARIN TO SIGN THE ORDER FOR AND BY AUTHORITY OF THE COMMISSION DENYING THE REQUESTS OF ELECTRIC COOPERATIVES (ECs) FOR THE EXEMPTION FROM THE PAYMENT OF PERMIT FEES PURSUANT TO SECTION 39 (A) OF PRESIDENTIAL DECREE NO. 269**

WHEREAS, on various dates, the Commission issued several Decisions approving the capital expenditures projects of electric cooperatives (ECs);

WHEREAS, in the said Decisions, the ECs were directed, among others, to pay appropriate permit fees within the period prescribed by the Commission;

WHEREAS, some ECs requested for the exemption from the payment of the Commission's permit fees invoking to Section 39 (a) of Presidential Decree 269 (P.D. 269), otherwise known as the "National Electrification Decree";

WHEREAS, Section 39 (a) of P.D. 269 provides that:

"Section 39. Assistance to Cooperative; Exemption from Taxes, Imposts, Duties, Fees; Assistance from the National Power Corporation. – Pursuant to the national policy declared in Section 2, the Congress hereby finds and declares that the following assistance to cooperative is necessary and appropriate:

(a) Provided that it operates in conformity with the purposes and provisions of this Decree, cooperative (1) shall be permanently exempt from paying income taxes, and **(2) for a period ending on December 31; of the thirtieth full calendar year after the date of a cooperative's organization or conversion hereunder, or until it shall become completely free of indebtedness incurred by borrowing, whichever event first occurs, shall be exempt from the payment (a) of all National Government, local government and municipal taxes and fees, including franchise, filing, recordation, license or permit fees or taxes and any fees, charges, or costs involve d in any court or administrative proceeding in which it may be a party,** and (b) of all duties or imposts on foreign goods acquired for its operations, the period of such exemption for a new cooperative formed by consolidation, as provided for in Section 29, to begin from as of the date of the beginning of such period for the constituent consolidating cooperative which was most recently organized or converted