

**[ EXECUTIVE ORDER NO. 250, June 02, 1995 ]**

**IMPLEMENTING THE RATIONALIZATION OF DUTY FREE STORES/OUTLETS AND THEIR OPERATIONS IN THE PHILIPPINES PURSUANT TO EXECUTIVE ORDER NO. 140 AND FOR OTHER PURPOSES**

WHEREAS, Executive Order No. 140, dated 30 November 1993, provides for the rationalization of duty free stores/outlets and their operations in the Philippines, in order to enhance their conformity with the generally observed practices in most countries and to avoid their possible adverse impact on local enterprises;

WHEREAS, to implement the rationalization, there is a need to modify policies and improve certain existing operational aspects of the duty free stores/outlets in the Philippines;

NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order, as follows:

*SECTION 1. Allowable Areas for Duty Free Shop Operation* - The moratorium on the establishment of duty free stores/outlets imposed by EO No. 140 is hereby lifted. Accordingly, duty free stores/outlets, whether operated by the government and/or private entities, may be established within the country's international ports of entry subject to the terms and conditions set forth in EO No. 46, as amended, and in the secured and fenced-in areas of special economic zones/freeports pursuant to the provisions of the Bases Conversion and Development Act of 1992 (RA 7227), establishing the Subic Special Economic Zone/Freeport Zone, Clark Special Economic Zone, John Hay Special Economic Zone, Poro Point Special Economic and Freeport Zone; RA 7922 (Establishing the Sta. Ana, Cagayan Special Economic Zone and Freeport); and RA 7903 (Creating the Zamboanga City Special Economic Zone and Freeport).

*SECTION 2. Phase Out of Certain Duty-Free Shops* - Duty free stores/outlets located outside said international ports of entry and special economic zones/freeports shall be phased out on December 31, 1995.

*SECTION 3. Purchase Limits* - The purchase limits for duty-free shopping shall be as follows:

- a) Tourists and Filipinos traveling to or returning from foreign destinations - One Thousand U.S. Dollar (US\$1,000) but not to exceed Ten Thousand U.S. Dollars (US\$10,000) in any given year;
- b) Overseas Contract Workers and Balikbayans as defined under RA 6768 - Two Thousand U.S. Dollars (US\$2,000);
- c) Residents, eighteen years of age and above, of special economic zones and/or freeports, and in the case of Clark Special Economic Zone, in