

**[DOF DEPARTMENT ORDER NO. 65-92, October
06, 1992]**

**PROCEDURAL GUIDELINES IN THE AVAILMENT BY PEOPLES
TELEVISION NETWORK INC. OF TAX EXEMPTION PRIVILEGE
UNDER TITLE IX, SECTION 21 OF R.A. NO. 7306**

Pursuant to the provisions of Republic Act No. 7306, otherwise known as the "People's Television Network Incorporated Act", the following procedural guidelines are hereby promulgated:

SECTION 1. Legal Basis. — Section 21 thereof provides:

"Section 21. Tax Exemptions on Importations. — The importations of equipment, apparatus and materials to be actually, directly and exclusively used in the operation of the Network, whether purchased from or donated by any foreign government and/or private entity shall be free from the payment of any and all forms of taxes, license fees and customs duties that may be levied upon them. Such equipment and apparatus shall include cameras, TV monitors and recorders, TV transmitters, electronic tubes, editing machines, and all such necessary equipment required for television broadcasting: *Provided*, That the subsequent importation of equipment, apparatus and materials shall be subject to review by the Department of Finance: *Provided, further*, That in the event the equipment, apparatus and materials are sold to non-tax exempt persons or entities, the buyers shall be considered the exporters and who shall then be subject to tax."

SECTION 2. Scope - This circular covers the procedural guidelines in the availment of the privileges provided for under Section 21 of R.A. No. 7306 granting exemptions from the payment of taxes, license fees and customs duties on the importations of equipment, apparatus, and materials to be actually, directly and exclusively used by the People's Television Network Inc.

SECTION 3. Definition of Terms - In applying the provisions of this circular the following words and phrases shall have the sense and meaning indicated below:

a. **Equipment** — a contrivance or tool actually, exclusively and directly needed by the People's Television Network Inc. in the operation of the Network such as cameras, machines, and all such necessary equipment required for television broadcasting.

b. **Apparatus** — any device actually and directly needed in the operation of its network activities.

c. **Spare Parts** — duplicate of any part of equipment/apparatus, needed as