

**[LETTER OF INSTRUCTION No. 1467, June 14,
1985]**

TO: THE MINISTER OF FINANCE
COMMISSIONER OF CUSTOMS
COMMISSIONER OF INTERNAL REVENUE
ALL CONCERNED

WHEREAS, domestic manufacturers of articles, materials or supplies requires for the construction of the Asian Development Bank building would not be in a position to compete with foreign suppliers to the said project, in view of the exemption of the Asian Development Bank from import duties and taxes;

WHEREAS, the President is empowered by virtue of P.D. No. 1816 to modify and/or revise fiscal incentive statutes in order to make them responsive and meaningful to changing times;

WHEREAS, pursuant to this authority, Executive Order No. 765, Series of 1982 was promulgated authorizing every domestic manufacturer who has been awarded the bid to supply articles, materials or supplies for government projects financed out of the proceeds of foreign loans to at tax credit equivalent to the sales, compensating and specific taxes and duties on imported supplies, raw materials and semi-manufactured components used in the manufacture, processing or production of the articles, materials or supplies, subject of an international competitive bidding: Provided, that the tax credit shall accrue to the manufacturer only after actual sales of said articles, materials or supplies to the government agency implementing the project;

WHEREAS, Executive Order No. 765, Series of 1982 would not apply to domestic manufacturers of articles, materials or supplies for the Asian Development Bank building as said project is not a government project financed out of the proceeds of a foreign loan to the Philippines;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Republic of the Philippines, do hereby order and direct:

1. That the provisions of Executive Order No. 765, Series of 1982 be extended to all domestic manufacturers who will be awarded bids to supply articles, materials and supplies in the construction of the Asian Development Bank building.
2. The Minister of Finance shall issue the rules and regulations on the implementation of this Letter of Instruction.

Done in the City of Manila this 14th day of June in the year of Our Lord nineteen hundred and eighty-five.

(Sgd.) FERDINAND E. MARCOS
President of the Philippines
