



MALACANANG

Manila

EXECUTIVE ORDER NO. 21

AMENDING SECTION 128 OF THE NATIONAL INTERNAL REVENUE CODE,
AS AMENDED, BY REVISING THE SPECIFIC TAX RATES ON
PETROLEUM PRODUCTS.

WHEREAS, the recent rollbacks in the prices of petroleum products have resulted in a substantial loss of revenue due to the reduction in the ad valorem tax collections;

WHEREAS, considering the expected budgetary deficits for the current year, it becomes imperative to revise the specific tax rates on these products to recoup the aforementioned revenue loss;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Republic of the Philippines, do hereby direct and order that:

SECTION 1. Section 128 of the National Internal Revenue Code, as amended, is hereby further amended to read in its entirety as follows:

"SEC. 128. Manufactured Oils and Other Fuels. There shall be collected on refined and manufactured mineral oils and motor fuels, the following excise taxes which shall attach to the articles hereunder enumerated as soon as they are in existence as such:

"(a) For products subject to specific tax only:

"(1) Lubricating oils, per liter of volume capacity, four pesos and fifty centavos;

"(2) Processed gas, per liter of volume capacity, five centavos;

"(3) Greases, waxes and petrolatum, per kilogram, four pesos and fifty centavos; and

On denatured alcohol to be used for motive power, per liter of volume capacity, five centavos: \
Provided, That unless otherwise provided by special laws, if the denatured alcohol is mixed with gasoline, the excise tax on which has already been paid, only the alcohol content shall be subject to the tax herein prescribed. For purposes of this subsection, the removal of denatured alcohol of not less than one hundred eighty degrees proof (ninety per cent absolute alcohol) shall be deemed to have been removed from motive power, unless shown otherwise.

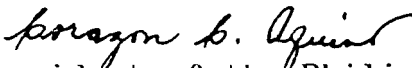
"(1) For products subject to both specific and ad valorem taxes:

	<u>Specific</u>	<u>Ad Valorem</u>
1) Naphtha, regular gasoline and similar product of distillation	P2.604/liter	
"(2) Premium and aviation gasoline	P2.489/liter	
"(5) Kerosene	P .628/liter	
"() Fuel oil commercially known as diesel fuel oil, and on similar fuel oils, having more or less the same generating capacity, and liquefied petroleum gas used for motive power	P .523/liter	
"(5) Thinners and solvents ..	P2.472/liter	
"(6) Liquefied petroleum gas except those used for motive power	P .697/liter or .247/kilogram	
"(7) Aviation Turbo Fue	P2.5671/liter	
"(t) Fuel oil commercially known as bunker fuel oil and oils having more or less the same generating power	P .511/liter	7%
"(9) Asphalts	P .581/liter	14%

"The ad valorem tax shall be based on the whole-sale posted price, net of specific and domestic ad valorem taxes on the oil products as approved by the Board of Energy."

SEC. 2. This Executive Order shall take effect beginning May 22, 1986.

Done in the City of Manila, this 19th day of June, in the year of Our Lord, nineteen hundred and eighty-six.


President of the Philippines

By the President:


JOKER P. ARROYO
Executive Secretary