

REPUBLIC ACT NO. 7729

AN ACT REDUCING THE EXCISE TAX RATES ON METALLIC
AND NON-METALLIC MINERALS AND QUARRY
RESOURCES, AMENDING FOR THE PURPOSE SECTION
151(a) OF THE NATIONAL INTERNAL REVENUE CODE,
AS AMENDED

*Be it enacted by the Senate and House of Representatives of the
Philippines in Congress assembled:*

SECTION 1. SEC. 151(a) of the National Internal Revenue
Code, as amended, is hereby further amended to read as follows:

"SEC. 151. Mineral Products. – (a) Rates of Tax. – There
shall be levied, assessed and collected on mineral, mineral products
and quarry resources, excise tax as follows:

"(1) On coal and coke, a tax of Ten pesos (P10) per metric
ton.

"(2) On all non-metallic minerals and quarry resources,
a tax of two percent (2%) based on the actual market value of the
annual gross output thereof at the time of removal, in the case of
those locally extracted or produced; or the value used by the Bureau
of Customs in determining tariff and customs duties, net of excise
tax and value-added tax, in the case of importation.

"(3) On all metallic minerals, a tax based on the actual
market value of the gross output thereof at the time of removal,
in the case of those locally extracted or produced; or the value
used by the Bureau of Customs in determining tariff and customs
duties, net of excise tax and value-added tax, in the case of
importation, in accordance with the following schedule:

"(a) Copper and other metallic minerals:

"(i) On the first three (3) years upon the effectivity of this Act, one percent (1%);

"(ii) On the fourth and the fifth year, one and a half percent (1 1/2%); and

"(iii) On the sixth year and thereafter, two percent (2%).

"(b) Gold and chromite, two percent (2%).

"(4) On indigenous petroleum, a tax of fifteen percent (15%) of the fair international market price thereof, on the first taxable sale, such tax to be paid by the buyer or purchaser within 15 days from the date of actual or constructive delivery to the said buyer or purchaser. The phrase 'first taxable sale, barter, exchange or similar transaction' means the transfer of indigenous petroleum in its original state to a first taxable transferee. The fair international market price shall be determined in consultation with an appropriate government agency.

"For the purpose of this subsection, 'indigenous petroleum' shall include locally extracted mineral oil, hydrocarbon gas, bitumen, crude asphalt, mineral gas and all other similar or naturally associated substances with the exception of coal, peat, bituminous shale and/or stratified mineral deposits."

SEC. 2. The Secretary of Finance shall, upon the recommendation of the Commissioner of Internal Revenue, promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 3. All laws, decrees, orders, rules and regulations, or parts thereof, inconsistent with the provisions of this Act, are hereby repealed or modified accordingly.

SEC. 4. This Act shall take effect fifteen (15) days after its complete publication in the *Official Gazette* or in at least two (2) national newspapers of general circulation whichever comes earlier.

Approved, June 2, 1994.