

AMENDING SECTION 124 OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED

PRESIDENTIAL DECREE NO. 1119, April 15, 1977

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/cfbc023887cc/>

WHEREAS, manufacturers of oil products are allowed at present to remove and transfer oil products from the refinery to bonded warehouses without the prepayment of specific tax, and the tax due thereon becomes payable only upon removal of the products from the bonded warehouse;

WHEREAS, the present procedure requires too much manpower and too much paperwork; and

WHEREAS, for purposes of economy and administrative efficiency, simplified procedure should be instituted by allowing oil companies to pay specific taxes on locally manufactured oil products within a prescribed period from the date of removal from the place of production;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby order and decree the following:

SECTION 1. Section 124 of Commonwealth Act No. 466, as amended, otherwise known as the National Internal Revenue Code, is hereby further amended to read as follows:

"Sec. 124. Payment of specific tax on domestic products. — Specific tax on domestic products shall be paid by the manufacturer, producer, owner, or person having possession of the same; and, except as otherwise especially allowed, such taxes shall be paid immediately before removal from the place of production; PROVIDED, HOWEVER, THAT SPECIFIC TAXES ON LOCALLY MANUFACTURED PETROLEUM PRODUCTS LEVIED UNDER SECTIONS 142, 144 AND 145 OF THIS TITLE, EXCEPT LUBRICATING OIL AND GREASE, SHALL BE PAID WITHIN FIFTEEN (15) DAYS FROM THE DATE OF REMOVAL THEREOF FROM THE PLACE OF PRODUCTION.

"IF THE SPECIFIC TAX ON PETROLEUM PRODUCTS IS NOT PAID WITHIN THE TIME SPECIFIED ABOVE, THE AMOUNT OF TAX SHALL BE INCREASED BY TWENTY-FIVE PER CENTUM THE INCREMENT TO BE A PART OF THE TAX AND THE ENTIRE AMOUNT SHALL BE SUBJECT TO INTEREST AT THE RATE OF FOURTEEN PER CENT PER ANNUM.

"LOCALLY MANUFACTURED PETROLEUM PRODUCTS PRODUCED AND STOCKED BY THE PHILIPPINE NATIONAL OIL COMPANY PURSUANT TO THE NATIONAL POLICY OF MAINTAINING ADEQUATE STRATEGIC FUEL RESERVES SHALL BE EXCLUDED FROM THESE PROVISION AND MAY CONTINUE TO REMAIN BONDED."

SECTION 2. This Decree shall take effect thirty (30) days from promulgation hereof.

DONE in the City of Manila, this 15th day of April, in the year of Our Lord, Nineteen Hundred and Seventy-Seven.

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

By the President:

(Sgd.) JUAN C. TUVERA
Presidential Executive Assistant

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.