



Republika ng Pilipinas  
PANGASIWAAN NG DAUNGAN NG PILIPINAS  
(PHILIPPINE PORTS AUTHORITY)  
Marsman Bldg, South Harbor, Port Area,  
Manila, Philippines

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November 02, 1988

MEMORANDUM CIRCULAR  
No. 31 - 88

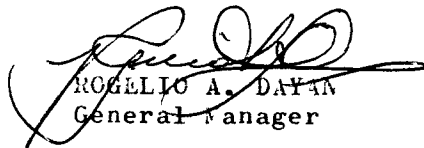
F O R : All the Port District Managers  
Port Management Office Managers  
Terminal Supervisors  
Finance Officers  
Shipping Companies  
Cargo Handling Operators  
Port Users and All Concerned

S U B J E C T : Value-Added Tax (VAT) on Port related  
Services Rendered to Foreign Vessel

In line with VAT Review Committee Ruling No. 083-88-465-88, dated October 11, 1988, clarifying the application of VAT Ruling No. 083-88 and Revenue Memorandum Circular No. 20-88, the cost of services rendered to foreign shipping lines which are paid for by its local agent out of the latter's freight collections are deemed inwardly remitted funds in accordance with Central Bank rules and regulations and, hence, the applicable VAT rate for such services is zero (0%) rate per cent pursuant to Section 102, (2) of the National Internal Revenue Code, as amended by Executive Order No. 273.

All prior orders or issuances inconsistent herewith are modified accordingly.

This circular shall take effect immediately and shall remain in full force and effect until sooner amended or revoked.

  
ROGELIO A. DAYAN  
General Manager