

Subject matter — Problem of Peace and Order Situation in Central Luzon (Executive)

Present — Chairman Sen. Laurel
Sen. Aquino
Sen. Perez
Sen. Kalaw

Status — To be continued

The PRESIDENT. To the Archives.

The SECRETARY:

COMMITTEE REPORTS
(Committee Report No. 303)

Mr. President:

The Committee on Banks and Currencies, to which was referred: S. No. 541 — 7th C.R.P., introduced by Senator Antonino, entitled:

"AN ACT AUTHORIZING INDIVIDUAL DEPOSITORS TO OPEN DOLLAR ACCOUNTS IN PRIVATE AND GOVERNMENT BANKS, AND FOR OTHER PURPOSES."

has considered the same and has the honor to report it back to the Senate with the following recommendation:

THAT IT BE APPROVED WITHOUT AMENDMENT.

Respectfully submitted:

(Sgd.) LORENZO G. TEVES
Chairman
Committee on Banks and Currencies

The Honorable
The President of the Senate
Manila

The PRESIDENT. To the Calendar of Ordinary Business.

The SECRETARY:

(Committee Report No. 304)

Mr. President:

The Committee on Education, to which was referred: S. No. 535 — 7th C.R.P., introduced by Se-

nator Tolentino, entitled:

"AN ACT TO REQUIRE GOVERNMENT APPROVAL OF TUITION AND/OR OTHER FEES CHARGED AND/OR COLLECTED BY PRIVATE EDUCATIONAL INSTITUTIONS; AND

S. No. 540 introduced by Senators Kalaw and Tolentino, entitled:

"AN ACT GRANTING THE SECRETARY OF EDUCATION THE AUTHORITY TO REGULATE TUITION AND OTHER SCHOOL FEES OF PRIVATE EDUCATIONAL INSTITUTIONS AND FOR OTHER PURPOSES,

has considered the same and has the honor to report them back to the Senate with the following recommendation:

THAT THEY BE CONSOLIDATED AND THAT S. NO. 540 BE APPROVED WITHOUT AMENDMENT.

Respectfully submitted:

(Sgd.) EVA ESTRADA KALAW
Chairman
Committee on Education

The Honorable
The President of the Senate
Manila

The PRESIDENT. To the Calendar of Ordinary Business.

The SECRETARY:

BILLS ON FIRST READING

S. No. 543 by Senator Tolentino, entitled:

AN ACT TO AMEND ARTICLE 190, AND TO PROVIDE A NEW ARTICLE KNOWN AS ARTICLE 190-A, OF THE REVISED PENAL CODE, IN ORDER TO PROVIDE HIGHER PENALTIES FOR THE UNLAWFUL PREPARATION, DELIVERY AND ADMINISTRATION OF PROHIBITED DRUGS AND THE MAINTENANCE OF DRUG DENNS.

The PRESIDENT. To the Committee on Codes and Constitutional Amendments.

The Majority Floor Leader.

SUSPENSION OF THE SESSION

Senator TOLENTINO. Mr. President, I move that we suspend the session for a few minutes.

The PRESIDENT. Any objection? (*Silence*)
There being none, the session is suspended for a few minutes.

It was 10:02 a.m.

RESUMPTION OF THE SESSION

At 10:18 a.m. the session was resumed with the President of the Senate, Hon. Gil J. Puyat, presiding

The PRESIDENT. The session is resumed.

CONSIDERATION OF SENATE BILL NO. 143
(Continuation)

Senator TOLENTINO. Mr. President, I ask that we resume consideration of Senate Bill No. 143, being sponsored by the distinguished chairman of the Committee on Economic Affairs, Senator Diokno.

The PRESIDENT. Resumption of the consideration of Senate Bill No. 143 is now in order.

The sponsor may proceed.

SPONSORSHIP SPEECH OF SENATOR DIOKNO
(Continuation)

Senator DIOKNO. Mr. President, we have distributed this morning the final version, I hope, of this measure which incorporates proposals and suggestions made on the floor of this Chamber on July 3, 1970 by different members, as well as, thereafter, by other members who submitted proposals to the Committee.

The most important changes are:

First of all, the inclusion of the incentives for exporters who export not goods but services. This was proposed by the distinguished gentleman from

Rizal. This is, Mr. President, at present a relatively small industry but we expect that with the incentives given it will grow. In effect, a registered service exporter, as defined in the bill, is one who engages in rendering technical, professional or other services which are paid for in foreign currency expatriated to the Philippines — that is on page 3 — including, but not limited to, the fields of law, accounting, management, valuation and appraisal, engineering, construction, geodetic, surveying, pharmacy, nursing and entertainment, or in exporting television, motion picture or musical recordings made or produced in the Philippines, either directly or through export traders.

We have included, Mr. President, the export of television, motion picture or musical recordings as a service export because that is the classification made by the Monetary Board. This is not considered an export of a commodity, of a service.

The incentives given to registered service exporters will be found on pages 17 and 18. In essence, they are:

"Every registered service exporter shall, for the first five years from registration, be entitled to deduct from its taxable income an amount equivalent to 20 per cent of the increment of its total export fees repatriated to the Philippines during the year in which the incentive is claimed over its total export fees in 1969; and thereafter, and until the tenth year after registration, to a similar deduction based on the increment of repatriated annual total export fees over its average annual total export fees during the preceding five years."

Because of the difference between a firm that merely renders services and one that exports TV or motion pictures or recording, we have to this second group added exemptions equivalent to a tax credit equivalent to the amount of specific and sales taxes and duties paid by it on the raw materials and supplies and sales taxes and duties paid by it on the raw materials and supplies used in producing the film or recording that is exported and have exempted from payment of Customs duties and compensating taxes importations of