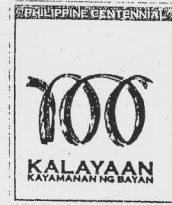




Republic of the Philippines
DEPARTMENT OF FINANCE
Roxas Boulevard Corner Vito Cruz Street
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ATTN: JULIE

**REVISED IMPLEMENTING RULES AND REGULATIONS
TO REPUBLIC ACT NO. 7656, "AN ACT REQUIRING
GOVERNMENT-OWNED AND/OR CONTROLLED CORPORATIONS
TO DECLARE DIVIDENDS UNDER CERTAIN CONDITIONS
TO THE NATIONAL GOVERNMENT, AND FOR OTHER PURPOSES"**

Pursuant to Section 7 of Republic Act No. 7656, which was approved on 09 November 1993, the following rules and regulations are hereby promulgated to implement the provisions of the said Act:

Section 1. Title. - These guidelines shall be known as the "Revised Implementing Rules and Regulations to Republic Act No. 7656", hereinafter referred to as the Rules.

Section 2. Declaration of Policy. - It shall be the policy of the State that in order for the National Government to realize additional revenues, government-owned and/or controlled corporations, without impairing their viability and the purposes for which they have been established, shall share a substantial amount of their net earnings to the National Government.

Section 3. Definition of Terms. - As used in these Rules, the term:

- (a) "Act" refers to Republic Act No. 7656.
- (b) "National Government" refers to the entire machinery of the central government, as distinguished from the different forms of local governments.
- (c) "Government-Owned and/or Controlled Corporations (GOCC)", hereinafter also referred to as GOCCs, refers to corporations organized as a stock or non-stock corporation vested with functions relating to public needs, whether governmental or proprietary in nature, and owned by the National Government directly or through its instrumentalities either wholly or, where applicable as in the case of stock corporations, to the extent of at least fifty-one percent (51%) of its capital stock. This term shall also include financial institutions owned or controlled by the National Government, but shall exclude acquired asset corporations as defined in the next paragraph, state universities, and colleges.
- (d) "Acquired Asset Corporation" refers to a corporation: (1) which is under private ownership, the voting or outstanding shares of which were: (i) conveyed to the Government or to a government agency, instrumentality or corporation in satisfaction of debts whether by foreclosure or otherwise, or (ii) duly acquired by the Government through final judgment in a sequestration proceeding; or (2) which is a subsidiary of a government corporation organized exclusively to own and manage, or lease, or operate specific physical assets acquired by a government financial institution in satisfaction of debts incurred therewith, and



"Tulong-tulong sa pagsulong!"

