



PHILIPPINE CONSULATE GENERAL

P R E S S R E L E A S E

PR-CBR- -2008

10 February 2008

**RP TO PURSUE ALL APPROPRIATE REMEDIES
IN NEW YORK TAX CASE – AMBASSADOR GAA**

WASHINGTON DC - The Philippine Government notes the summary judgment of the United States District Court for the Eastern District of New York which dismissed a substantial portion of the tax claims of the City of New York against the Philippines.

Our Government's position has been validated that the premises used for consular purposes, such as the restaurant that used to showcase Filipino culture at the Philippine Center in New York, are exempt from taxation.

The Court has found tax liabilities on the portions previously used by the Philippine National Bank which primarily served the official transactions of the Philippine Consulate General and the Philippine Government in the United States and also on the office used by the Philippine Airlines, a Government controlled corporation at that time, that was officially mandated to promote tourism to the Philippines. These findings appear inconsistent with the spirit of international law that we expected in our customary dealings with foreign nations.

We are closely studying the Order issued by the Court and discussing with our lawyers all appropriate means to address our remaining concerns.- END -