

[REPUBLIC ACT NO. 4122, June 20, 1964]

AN ACT TO FURTHER AMEND SECTION ONE HUNDRED EIGHTY-FIVE OF COMMONWEALTH ACT NUMBERED FOUR HUNDRED AND SIXTY-SIX, OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED, AND FOR OTHER PURPOSES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section one hundred and eighty-five of Commonwealth Act Numbered Four hundred and sixty-six, as amended, is hereby further amended by deleting from subsection (g) thereof the following articles: phonographs, combination radio and phonograph sets, television sets combination radio and television sets, gramophones, and similar articles for reproducing music.

SEC. 2. A new section is hereby inserted between Sections one hundred eighty-five and one hundred eighty-six which shall read as follows:

"SEC. 185-B. Percentage tax on sales of phonogram combination radio and phonograph sets of all types, vision sets, combination radio and television sets, combination radio-phonograph-television sets, gramophones and similar articles. — There shall be levied, assessed, and collected, once only on every original sale, barter, exchange, or similar transaction intended to transfer ownership of, or title to, the articles hereinbelow enumerated a tax equivalent to thirty per centum of the gross selling price Or gross value in money of the articles so sold, bartered, exchanged or transferred, such tax to be paid by the manufacturer or producer: Provided, however, That where the articles hereinbelow enumerated are locally manufactured articles as hereinafter defined, the tax shall be seven per centum: Provided, further, That where the articles enumerated hereinbelow are manufactured from materials subject to tax under this section, the total cost of such materials shall be deducted from the gross selling price or gross value in money of such manufactured articles:

- a. Phonographs;*
- b. Combination radio and phonograph sets of all types;*
- c. Television sets;*
- d. Combination radio and television sets;*
- e. Combination radio-phonograph-television sets;*
- f. Gramophones; and*
- g. Similar articles for reproducing and/or recording music and sound, like tape recorders, etc.*

"The words locally manufactured articles mean articles manufactured in a manufacturing enterprise which processes physically and/or chemically