

[REPUBLIC ACT NO. 2698, June 18, 1960]

**AN ACT AMENDING PARAGRAPH (g) OF SECTION THIRTY OF
COMMONWEALTH ACT NUMBERED FOUR HUNDRED AND SIXTY-
SIX, AS AMENDED, OTHERWISE KNOWN AS THE NATIONAL
INTERNAL REVENUE CODE.**

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

SECTION 1. Paragraph (g) of Section thirty of Commonwealth Act Numbered Four hundred and sixty-six, as amended, is hereby amended to read as follows:

"(g) Depletion of oil and gas wells and mines:

"(1) *In general.*—Based on the following percentages, there shall be a depletion allowance based on the gross but in no case to exceed fifty *per centum* of the net income or of the net profit, whichever is lower: *Provided, however,* That the percentage depletion allowance based on gross income shall be the percentage of the gross income after an amount equal to any rents or royalties paid or incurred by the taxpayer in respect to the property has been deducted therefrom:

A. Twenty-seven and one-half per cent for oil and gas wells;

B. Twenty-three per cent for mines of

1. Chromite, copper, gold, iron, manganese, mercury, nickel, and silver; and
2. Anorthosite (to the extent that alumina and aluminum compounds are extracted therefrom), anti-mony, asbestos, bauxite, beryl, bismuth, brucite, cadmium, celestite, coal, cobalt, columbium, corundum, fluorspar, germanium, graphite, ilmenite, kyanite, lead, lignite, lithium, marble, mercury, mica, molybdenum, olivine, platinum and platinum group metals, quartz crystals (radio grade), rutile, talc, tantalum, thorium, tin, titanium, tungsten, uranium, vanadium, zinc, and zircon; and

C. Fifteen per cent for mines of

1. Ball, brick, china, sagger, and tile clay, bentonite, mollusk shells (including clam sheila and oyster shells), peat, perlite, pumice, scoria, shale, sodium chloride, and wollastonite.
2. If from brine wells—bromine, calcium chloride and magnesium chloride.