

[REPUBLIC ACT NO. 953, June 20, 1953]

AN ACT TO PROVIDE FOR THE REGISTRATION OF, WITH THE COLLECTOR OF INTERNAL REVENUE, AND THE IMPOSITION OF FIXED AND SPECIAL TAXES UPON ALL PERSONS WHO PRODUCE, IMPORT, MANUFACTURE, COMPOUND DEAL IN, DISPENSE, SELL, DISTRIBUTE, OR GIVE AWAY OPIUM, MARIHUANA, OPIUM POPPIES, OR COCA LEAVES, OR ANY SYNTHETIC DRUGS WHICH MAY HEREAFTER BE DECLARED HABIT FORMING BY THE PRESIDENT OF THE PHILIPPINES, THEIR SALTS, DERIVATIVES OR PREPARATIONS, AND FOR OTHER PURPOSES.

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

SECTION 1. This Act shall be known as the Narcotic Drugs Law.

SEC. 2.

- a. On or before January twenty of each year every person who with prior authority from the Collector of Internal Revenue imports, manufactures, produces, compounds, sells, deals in, dispenses, or gives away opium, marihuana, opium poppies, coca leaves, or any synthetic drugs which may hereafter be declared habit forming by the President of the Philippines, or any compound, manufactured salt, derivative, or preparation thereof, shall register with the Collector of Internal Revenue his name or style, place of business and place or places where such business is to be carried on, and pay the fixed taxes hereinafter provided:
- b. Every person who on the first of January nineteen hundred and fifty-two, is engaged in any of the activities above enumerated, or who between such date and the passage of this Act first engaged in any of such activities, shall within thirty days after the passage of this Act make like registration, and shall pay the proportionate part of the tax for the period ending December thirty-one, nineteen hundred and fifty-two.
- c. Every person who first engages in any of such activities after the passage of this Act shall immediately make like registration and pay the proportionate part of the tax for the period ending on the thirty-first day of December
- d. Importers, manufacturers, producers, or compounders, lawfully entitled to import, manufacture, produce, or compound any of the aforesaid drugs, seventy-two pesos a year; wholesale dealers, lawfully entitled to sell and deal in any of the aforesaid drugs, thirty-six pesos a year; retail dealers, lawfully entitled to sell and deal in any of the aforesaid drugs, twelve pesos a year; physicians, dentists, veterinary surgeons, and other practitioners law fully entitled to distribute, dispense, give away, or administer any of the aforesaid drugs to patients upon whom they in the course of their professional practice are in attendance, shall pay six pesos a year; persons not registered as an

importer, manufacturer, producer, or compounder and lawfully entitled to obtain and use in a laboratory any of the aforesaid drugs for the purpose of research, instruction, or analysis shall pay six pesos *per annum*, but such persons shall keep such special records, relating to receipts, disposals, and stocks on hand of the aforesaid drugs as the Collector of Internal Revenue, with the approval of the Secretary of Finance, may by regulation require. Such special records shall be open at all times to the inspection of any duly authorized officer, agent or employee of the Bureau of Internal Revenue.

- e. Every person who imports, manufactures, compounds, or otherwise produces for sale or distribution any of the aforesaid drugs shall be deemed to be an importer, manufacturer, or producer.
- f. Every person who sells or offers for sale any of said drugs in the original stamped packages, as hereinafter provided, shall be deemed a wholesale dealer.
- g. Every person who sells or dispenses from original stamped packages, as hereinafter provided, shall be deemed a retail dealer: *Provided*, That the office, or if none, the residence, of such person shall be considered for the purpose of this Act his place of business; but no employee of any person who has registered and paid the fixed tax as herein required, acting within the scope of his employment, shall be required to register and pay the fixed tax provided by this section: *Provided, further*, That officials and employees of the national, provincial, city, or municipal governments or any of the political subdivisions thereof who in the exercise of their official duties engage in any of the activities herein described, shall not be required to register, nor pay the fixed tax, nor stamp the aforesaid drugs as hereinafter prescribed, but the right to this exemption shall be evidenced in such manner as the Collector of Internal Revenue, with the approval of the Secretary of Finance, may by regulations prescribe.
- h. It shall be unlawful for any person required to register under the provisions of this Act to import, manufacture, produce, compound, sell, deal in, dispense, distribute, administer, or give away any of the aforesaid drugs without having registered and paid the fixed tax as imposed by this section.
- i. The word "person" as used in this Act shall be construed to mean and include a partnership, association, company, or corporation, as well as a natural person.
- j. There shall be levied, assessed, collected, and paid upon opium, coca leaves, or any synthetic drugs which may hereafter be declared habit forming by the President of the Philippines, any compound, salt, derivative, or preparation thereof, produced in or imported into the Philippines, and sold, or removed for consumption or sale, an internal revenue tax at the rate of five centavos per thirty grams, and any residue of less than thirty grams in a package shall be taxed as thirty grams, such tax to be paid by the importer, manufacturer, producer, or compounder thereof, and to be represented by appropriate stamps, to be provided by the Collector of Internal Revenue with the approval of the Secretary of Finance; and the stamps herein provided shall be so affixed to the bottle or other container as to securely seal the stopper, covering, or wrapper thereof.
- k. There shall be levied, collected, and paid upon all transfers of marihuana and/or opium poppies, which are required to be carried out in pursuance of written order forms, taxes at the following rates:
 - 1. Upon each transfer to any person who has paid the fixed tax and registered under section two of this Act, two pesos per thirty grams of

marihuana and/or opium poppies or fraction thereof.

2. Upon each transfer to any person who has not paid the fixed tax and registered under section two of this Act, two hundred pesos per thirty grams of marihuana and/or opium poppies or fraction thereof.

Such tax shall be paid by the transferee at the time of securing each order form and shall be in addition to the price of such form. Payment of the tax shall be represented by appropriate stamps to be provided by the Collector of Internal Revenue and said stamps shall be affixed by the Collector of Internal Revenue or his representatives to the original order form.

- l. The tax imposed by this section shall be in addition to any import duty imposed on the aforesaid drugs.
- m. It shall be unlawful for any person to purchase, sell, dispense, or distribute any of the aforesaid drugs except in the original stamped package or from the original stamped package; and the absence of appropriate tax-paid stamps from any of the aforesaid drugs shall be *prima facie* evidence of a violation of this section by the person in whose possession same may be found; and the possession of any original stamped package containing any of the aforesaid drugs by any person who has not registered and paid the fixed taxes as required by this section shall be *prima facie* evidence of liability to such special tax: *Provided*, That the provisions of this paragraph shall not apply to any person having in his or her possession any of the aforesaid drugs which have been obtained from a registered dealer in pursuance of a prescription, written for legitimate medical uses, issued by a physician, dentist, veterinary surgeon, or other practitioner registered under this Act; and where the bottle or other container in which such drugs may be put up by the dealer upon said prescription bears the name and registry number of the druggist, serial number of prescription, name and address of the patient, and name, address, and registry number of the person writing said prescription; or to the dispensing, or administration, or giving away of any of the aforesaid drugs to a patient by a registered physician, dentist, veterinary surgeon, or other practitioner in the course of his professional practice, and where said drugs are dispensed or administered to the patient for legitimate medical purposes, and the record kept as required by this Act of the drugs so dispensed, administered, distributed, or given away.
- n. All the provisions of existing laws relating to the engraving, issuance, sale accountability, cancellation, and destruction of tax-paid stamps provided for in the National Internal Revenue Code are in so far as necessary, hereby extended and made to apply to stamps provided by this section.
- o. All unstamped packages of the aforesaid drugs found in the possession of any person, except as herein provided, shall be subject to seizure and forfeiture, and all the provisions of the National Internal Revenue Code relating to searches, seizures, and forfeitures of unstamped articles are hereby extended to and made to apply to the articles taxed under this Act and the persons upon whom these taxes are imposed.
- p. Importers, manufacturers, compounders, and wholesale dealers shall keep such books and records and render such returns in relation to the transactions in the aforesaid drugs as the Collector of Internal Revenue, with the approval of the Secretary of Finance, may by regulations require.
- q. A license to deal in narcotic drugs, shall be issued only to a person who, in the opinion of the Secretary of Finance or his duly authorized representative, is

determined to be a person (1) of good moral character (2) who complies with such additional requirements as the Secretary of Finance or his duly authorized representative shall prescribe as reasonably necessary for the control of the traffic in narcotic drugs; and (3) who has such experience in manufacturing, compounding, and marketing other medicinal drugs as to render reasonably probable the orderly and lawful distribution of narcotic drugs especially in case he deals in the importation, exportation, manufacturing, compounding or wholesaling of such drugs.

- r. The Collector of Internal Revenue, with the approval of the Secretary of Finance, shall make all needful rules and regulations for carrying the provisions of this Act into effect.

SEC. 3. It shall be unlawful for any person to sell, barter, exchange, or give away any of the aforesaid drugs except in pursuance of a written order of the person to whom such article is sold, bartered, exchanged, or given, on a form to be issued in blank for that purpose by the Collector of Internal Revenue. Every person who shall accept any such order, and in pursuance thereof shall sell, barter, exchange, or give away any of the aforesaid drugs, shall preserve such order for a period of five years in such a way as to be readily accessible to inspection by any officer, agent or employee of the Bureau of Internal Revenue duly authorized for that purpose, and the other officials named in section six of this Act. Every person who shall give an order as herein provided to any other person for any of the aforesaid drugs shall at or before the time of giving such order, make or cause to be made a duplicate thereof on a form to be issued in blank for that purpose by the Collector of Internal Revenue, and in case of the acceptance of such order shall preserve such duplicate for said period of five years in such a way as to be readily accessible to inspection by the officers, agents, employees, and other officials hereinafter mentioned. Nothing contained in this section shall apply—

- a. To the dispensing or distribution of any of the aforesaid drugs to a patient by a physician, dentist, or veterinary surgeon registered under this Act in the course of his professional practice only: *Provided*, That such physician, dentist, or veterinary surgeon shall keep a record of all such drugs dispensed or distributed, showing the amount dispensed or distributed, the date, and the name and address of the patient to whom such drugs are dispensed or distributed; and such record shall be kept for a period of five years from the date of dispensing or distributing such drugs, subject to inspection, as provided in this Act.
- b. To the sale, dispensing, or distribution of any of the aforesaid drugs by a dealer to a consumer under and in pursuance of a written prescription issued by a physician, dentist, or veterinary surgeon registered under this Act: *Provided, however*, That such prescription shall be dated as of the day on which signed and shall be signed by the physician, dentist, or veterinary surgeon who shall have issued the same: *And provided, further*, That such dealer shall preserve such prescription for a period of five years from the day on which such prescription is filled in such a way as to be readily accessible to inspection by the officers, agents, employees, and other officials hereinbefore, mentioned.
- c. To the sale, exportation, shipment or delivery of any of the aforesaid drugs by any person within the Philippines to any person in any foreign country, regulating their entry in accordance with such regulations for importation thereof into such foreign country as are prescribed by said country, such