

**[ REPUBLIC ACT NO. 48, October 03, 1946 ]**

**AN ACT TO AMEND CERTAIN ADMINISTRATIVE PROVISIONS OF  
COMMONWEALTH ACT NUMBERED FOUR HUNDRED AND SIXTY-  
SIX, 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. Section sixteen of Commonwealth Act Number Four hundred and sixty-six is hereby amended to read as follows:

*"SEC. 16. Authority of officers to administer oaths and take testimony.—*The Collector of Internal Revenue, the Deputy Collector of Internal Revenue, chiefs and assistant chiefs of divisions, special deputies of the Collector, internal-revenue agents, agent's assistants and examiners, provincial, or city treasurers and their deputies, and any other employee of the Bureau thereunto specially deputed by the Collector shall have power to administer oaths and to take testimony in any official matter or investigation conducted by them touching any matter within the jurisdiction of the Bureau."

SEC. 2. Section one hundred and sixty of Commonwealth Act Number Four hundred and sixty-six is hereby amended to read as follows:

*"SEC. 160. Information to be given by manufacturers or importers of any apparatus or mechanical contrivance specifically for the manufacture of articles subject to specific tax and importers, manufacturers or sellers of cigarette papers in bobbins.—*Manufacturers and importers of any apparatus or mechanical contrivance specifically for the manufacture of articles subject to specific tax shall, before any such apparatus or mechanical contrivance is removed from the place of manufacture or from the customhouse, give: written information to the Collector of Internal Revenue as to the nature and capacity of the same, the time when it is to be removed, and the place for which it is destined, as well as the name of the person by whom it is to be used; and such apparatus or mechanical contrivance shall not be set up nor dismantled or transferred without a permit in writing from the Collector of Internal Revenue."A written permit from the Collector of Internal Revenue for importing", manufacturing or selling of cigarette paper in bobbins or rolls is required before any person shall engage in the importation, manufacture, or sale of the said articles. No permit to sell said articles shall be granted unless the name and address of the prospective buyer is first submitted to the Collector of Internal Revenue and approved by him. Records showing the stock of the said articles and the disposal thereof by sale to persons with their respective addresses as approved by the

Collector of Internal Revenue shall be kept by the seller, and records showing stock of said articles and consumption thereof shall be kept by the buyer, subject to inspection by Internal Revenue officers."

SEC. 3. Section one hundred and seventy of Commonwealth Act Number Four hundred and sixty-six is hereby amended to read as follows:

"SEC. 170. *Unlawful practices relative to payment of specific taxes.*—Any person who, without express authority from the Collector of Internal Revenue, makes, imports, sells, uses, or possesses any die for printing or making internal revenue stamps, labels, tags, or playing cards shall be punished by a fine of not less than three hundred pesos nor more than five thousand pesos or by imprisonment for a term of not less than three months nor more than five years, or both."Any person who erases the cancellation marks on any internal-revenue stamp which has been previously used or who alters the written or printed figures or letters or cancellation marks on any internal-revenue stamp previously used, or who has in his possession any false, counterfeit, restored, or altered internal-revenue stamp, label, or tag for the purpose of using- the same in the payment of specific taxes or in securing any exemption or privilege conferred by this Title, or who procures the commission of any such offense by another, shall be fined in a sum of not less than one thousand pesos nor more than five thousand pesos or imprisoned for a term of not less than one year nor more than five years, or both."Any person who gives away or accepts from another, or who sells, buys, or uses any container on which the stamps or labels are not utterly destroyed shall for each such offense be fined in a sum of not less than fifty pesos nor more than five hundred pesos or imprisoned for a term not exceeding seven months, or both."Any internal-revenue officer may destroy any emptied container upon which an internal-revenue stamp or official tax-paid label is found still undestroyed."

SEC. 4. Section one hundred and seventy-two of Commonwealth Act Number Four hundred and sixty-six is hereby amended to read as follows:

"SEC. 172. *Forfeiture of goods illegally stored or removed.*—All articles subject to a specific tax which -are stored or allowed to remain in a distillery, distillery warehouse, bonded warehouse, or other place where made, after the tax thereon has been paid, shall be forfeited; and all such articles unlawfully removed from any such place or from customs custody, or brought into or received in this country not through the Bureau of Customs without the payment of the required tax shall likewise be forfeited."

SEC. 5. Section one hundred and seventy-six of Commonwealth Act Number Four hundred and sixty-six is hereby amended to read as follows:

"SEC. 176. *Shipment of liquor or tobacco under false name or brand.*—Any person who ships, transports, or removes spirituous or fermented liquors, wines, or tobacco or any manufactured products of tobacco under any other than the proper name or brand known to the trade as designating the kind and quality of the contents of the cask or package containing 'the same, or causes such act to be done, shall be subject to a

fine of five hundred pesos, and in 'addition the article or articles so transported or removed shall be forfeited."

SEC. 6. Section one hundred and eighty of Commonwealth Act Number Four hundred and sixty-six is hereby amended to read as follows:

"SEC. 180. *Time for payment of fixed taxes.*—The yearly fixed taxes are due on the first of January of each year, and, if tendered in semi-annual installments, on or before the twentieth of January and July, or if in quarterly installments, on or before the twentieth of January, April, July, and October. But any person first beginning a business or occupation must pay the tax before engaging therein."

SEC. 7. Section one hundred and eighty-three of Commonwealth Act Number Four hundred and sixty-six is hereby amended to read as follows:

"SEC. 183. *Payment of percentage taxes—Quarterly report of earnings or value of output.*—The percentage taxes on business shall be payable at the end of each calendar quarter in the amount lawfully due on the business transacted during each quarter; and it shall be the duty of every person conducting a business on which a percentage tax is imposed under this Title, within twenty days after the end of each calendar quarter, to make a true and complete return of the amount of the gross sales, receipts, or earnings, or gross value of output actually removed from the factory or mill warehouse, during the preceding calendar quarter and pay the tax due thereon: *Provided*, That it shall be the duty of any person retiring from a business subject to the percentage tax to notify immediately the nearest internal-revenue officer thereof and, within 'ten days after closing his business, file his return or declaration, and pay the tax due thereon."If the percentage tax on any business is not paid within the time prescribed above the amount of the tax shall be increased by twenty-five *per centum*, the increment to be a part of the tax."In case of willful neglect to file the return within the period prescribed herein, or in case a false or fraudulent return is willfully made, there shall be added to the tax or to the deficiency tax, in case any payment has been made on the basis of such return before the discovery of the falsity or fraud, a surcharge of fifty *per centum* of its amount. The amount so added to any tax shall be collected at the same time and in the same manner and as part of the tax unless the tax has been paid before the discovery of the falsity or fraud, in which case the amount so added shall be collected in the same manner as the tax."

SEC. 8. Section one hundred and ninety of Commonwealth Act Numbered Four hundred and sixty-six, as amended by section four of Commonwealth Act Numbered Five hundred and three, is hereby further amended to read as follows:

"SEC. 190. *Compensating tax.*—All persons residing or doing business in the Philippines, who purchase or receive from without the Philippines any commodities, goods, wares, or merchandise, excepting those subject to specific taxes under Title IV of this Code, shall pay on the total value thereof at the time they are received by such persons, including freight, postage, insurance, commission, and all similar charges, a compensating tax equivalent to the percentage tax imposed under this Title on original