

[Act No. 2892, February 24, 1920]

AN ACT TO AMEND SECTIONS FOURTEEN HUNDRED AND THIRTY-FIVE AND FOURTEEN HUNDRED AND FIFTY-EIGHT OF THE ADMINISTRATIVE CODE CONFERRING UPON THE COLLECTOR OF INTERNAL REVENUE CERTAIN POWERS NECESSARY FOR THE COLLECTION OF THE TAXES, AND FOR OTHER PURPOSES.

Be it enacted by the Senate and House of Representatives of the Philippines in Legislature assembled and by the authority of the same:

SECTION 1. Section fourteen hundred and thirty-five of the Administrative Code is hereby amended to read as follows :

"SEC. 1435. *Power of Collector of Internal Revenue in making assessments.*—When a report required by law as a basis for the assessment of any tax shall not be forthcoming within the time fixed by law or regulation, or when there is reason to believe that any such report is false, incomplete or erroneous, the Collector of Internal Revenue shall assess the proper tax on the best evidence obtainable.

"When it shall come to the knowledge of the Collector of Internal Revenue that a taxpayer is retiring from the business subject to taxation or intends to leave the Philippine Islands, or remove his property therefrom, or hide or conceal his property, or perform any act tending to obstruct the proceedings for collecting the tax for the past or current quarter or year or render the same totally or partly inefficient, unless such proceedings are begun immediately, the Collector of Internal Revenue shall declare the tax period of such taxpayer due at any time and shall send the taxpayer a notice of such decision, together with a request for the immediate payment of the tax for the tax period so declared due and the tax for the preceding year or quarter, or such portion thereof as may be unpaid, and said taxes shall be due and payable immediately and shall be subject to all the penalties hereafter prescribed, unless paid within the time fixed in the request of the Collector of Internal Revenue."

SEC. 2. Section fourteen hundred and fifty-eight of the same Code is likewise amended, to read as follows:

"SEC. 1458. *Payment of percentage taxes—Quarterly a report of earnings.*—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 subject to such tax, within the same period as is allowed for the payment of the quarterly installments of the fixed taxes without penalty, to make a true and complete return of the amount of the receipts or earnings of his business during the preceding quarter and pay the tax due thereon : *Provided, however,* That it shall be the duty of any person retiring from a business subject to the percentage tax before the expiration of the calendar quarter to notify the nearest internal-revenue