

[Act No. 2432, December 23, 1914]

AN ACT AMENDING ACT NUMBERED TWENTY-THREE HUNDRED AND THIRTY-NINE, THE INTERNAL REVENUE LAW OF NINETEEN HUNDRED AND FOURTEEN, BY IMPOSING INCREASED AND ADDITIONAL TAXES, AND FOR OTHER PURPOSES.

By authority of the United States, be it enacted by the Philippine Legislature, that:

SECTION 1. Subsection (i) of section six of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"(i) The condition under which alcohol intended for use in the arts and industries may be withdrawn free of the tax imposed in section fifty-eight hereof, and dealt in, the character and quantity of the denaturing material to be used, the manner in which the process of denaturing shall be effected, the bonds to be given, the books and records to be kept, the entries to be made therein, the reports to be made to the Collector of Internal Revenue, and the signs to be displayed in the business or by the person for whom such denaturing is done or by whom such alcohol is dealt in."

SEC. 2. Section twenty-one of Act Numbered Twenty-three hundred and thirty-nine is hereby amended by adding at the end thereof the following subsection:

" (j) Ad valorem tax on the output of mines."

SEC. 3. Section twenty-nine of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"SEC. 29. *Secondary certificate in lieu of destroyed cedilla certificate.*—The Collector of Internal Revenue, upon presentation to him of satisfactory proof in the form of an affidavit of the actual destruction or loss of a cedula certificate by accident, fire, or other casualty and without any fraud or negligence on the part of the taxpayer, shall issue gratuitously a secondary certificate showing the number of the original certificate and its date, together with the other information contained therein, which secondary certificate may be used in lieu of the original certificate for all purposes."

SEC. 4. Section thirty-eight of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"SEC. 38. *Liability in general to percentage taxes.*—The percentage tax is due from those engaged in the businesses subject thereto when the amount of their receipts or the value of their sales, as the case may be, is two hundred pesos or more a quarter. All such persons are likewise subject to the fixed privilege tax payable in advance, imposed in section forty-five, subsection (p) hereof; but if at the end of the quarter it is found that the amount of a person's receipts or the value of his sales has reached the point which subjects him to the percentage tax, he will be allowed a credit equivalent to one quarter's fixed tax on the percentage

tax due from him. In any case the amount of his business must be reported quarterly as required in the next succeeding section."

SEC. 5. The first two paragraphs of section forty of Act Numbered Twenty-three hundred and thirty-nine are hereby amended to read as follows:

"SEC. 40. *Percentage tax on merchants sales.*—All merchants not herein specifically exempted shall pay a tax of one per cent on the gross value in money of the commodities, goods, wares, and merchandise sold, bartered, or exchanged by them, such tax to be based on the actual selling price or value at which the things in question are disposed of, whether consisting of raw material or of manufactured or partially manufactured products and whether of domestic or foreign origin.

"Persons engaged in public market places in the sale exclusively of domestic food products at retail, and retail dealers in tuba and its similars and retail leaf tobacco dealers are exempt from this tax."

SEC. 6. Section forty-two of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"SEC. 42. *Percentage tax on printers and publishers.*— Printers and publishers shall pay a tax equivalent to one per cent of their gross receipts; but persons engaged in the publication or printing and publication of any newspaper, magazine, review, or bulletin appearing at regular intervals and having fixed prices for subscription and sale shall not be taxed on receipts from sales of, subscription to, or advertisements in such publication; but this exemption shall not apply to any publication the principal purpose of which is the publication of advertisements."

SEC. 7. Section forty-three of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"SEC. 43. *Percentage tax on contractors, warehousemen, and others.*— Contractors, warehousemen, proprietors of 'ousemen' dockyards, and persons selling light, heat, or power, as well as persons engaged in conducting telephone or telegraph lines, or exchanges, and keepers of hotels and restaurants shall pay a tax equivalent to one per cent of their gross receipts."

SEC. 8. Section forty-four of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"SEC. 44. *Percentage tax on carriers and keepers of stables and garages.*—Keepers of livery stables and garages, transportation contractors, persons who transport passengers or freight for hire, and common carriers by land or water, except owners of boats taxed under the laws administered by the Bureau of Customs, shall pay a tax equivalent to one per cent of their gross receipts."

SEC. 9. Subsections (j), (I), (m), (p), (q), and (u) of section forty-five of Act Numbered Twenty-three hundred and thirty-nine are hereby amended to read as follows, and the following new subsection to be known as subsection (bb), is hereby added at the end of said section forty-five:

"(j) Retail dealers in fermented liquors, twenty pesos;
"(I) Tobacco dealers, twelve pesos;
"(m) Retail leaf tobacco dealers, twenty pesos;
"(p) Merchants (except retail dealers in tuba and its similars and in leaf tobacco), common carriers, printers and publishers, contractors, warehousemen, and others subject to the payment of the percentage tax on business, eight pesos;
"(q) Proprietors of cockpits, two hundred pesos; and for each cockfight (*soltada*), a tax of twenty-five centavos;
"(u) Owners of race tracks, for each day on which races are run on any track, three hundred pesos;
"(bb) Manufacturers of and wholesale dealers in motor spirits, mineral oils, and lubricating oils, eight pesos."

SEC. 10. The fourteenth and fifteenth paragraphs of section forty-six of Act Numbered Twenty-Three hundred and thirty-nine, defining "Wholesale tobacco dealer" and Retail tobacco dealer" are hereby repealed and the first two paragraph following are substituted therefor; and said section forty-six is further amended by adding at the end thereof the third paragraph following:

"Tobacco dealer' comprehends every person who for himself or on commission sells or offers for sale cigars, cigarettes, or manufactured tobacco.

"Retail leaf tobacco dealer' includes every person who for himself or on commission sells or offers for sale to persons other than registered dealers in leaf tobacco and manufacturers of cigars, cigarettes, or manufactured tobacco, leaf tobacco.

"Planters or producers of leaf tobacco are excepted from this tax with regard to leaf tobacco of their own production.

"Manufacturer and wholesale dealer in motor spirits and and mineral oils' includes all persons who sell any of the articles made subject to the specific tax by section seventy-two (a) of this Act in quantities of four hundred liters or more at one time, and the manufacturer or importer of such articles."

SEC. 11. Subsections (c) and (e) and the last paragraph of section fifty-three of Act Numbered Twenty-three hundred and thirty-nine are hereby amended to read as follows:

"(c) pharmacists, opticians, and dental surgeons, forty pesos;
"(e) Procuradores judiciales, agentes de negocios, and insurance agents, forty pesos;
" 'Agente de negocios' includes all persons who act as agents of others in the transaction of business with any public officer, as well as those who conduct collecting, advertising, employment, or private detective agencies."

SEC. 12. Paragraph (a) of section fifty-eight of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"(a) If produced from sap of the nipa, coconut, or buri palm, or from the juice, sirup, or sugar of the cane, per proof liter, thirty-five centavos;"

SEC. 13. Section sixty-one of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"SEC. 61. *Exemption in favor of domestic denatured alcohol.*—Domestic alcohol of not less than one hundred and eighty degrees proof (ninety per cent absolute alcohol) when denatured, be withdrawn from a registered distillery or bonded warehouse without the payment of the specific tax prescribed in section fifty-eight hereof for the purpose of being used for fuel, light, or power, or for use generally in the arts and industries."

SEC. 14. Section sixty-four of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"SEC. 64. *Specific tax on fermented liquors.*—On beer, lager beer, ale, porter, and other fermented liquors (except tuba, bassi, tapuy, and similar domestic fermented liquors) there shall be collected, on each liter of volume capacity, six centavos."

SEC. 15. Section sixty-seven of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"SEC. 67. *Specific tax on products of tobacco.*—On manufactured products of tobacco, except cigars, cigarettes, and tobacco specially prepared for chewing so as to be unsuitable for consumption in any other manner, but including all other tobacco twisted by hand or reduced into a condition to be consumed in any manner other than by the ordinary mode of drying and curing; and on all tobacco prepared or partially prepared for sale or consumption, even if prepared without the use of any machine or instrument and without being pressed or sweetened; and on all fine-cut shorts and refuse, scraps, clippings, cuttings, and sweepings of tobacco, there shall be collected, on each kilogram, sixty centavos.

"On tobacco specially prepared for chewing so as to be unsuitable for use in any other manner, on each kilogram, forty-eight centavos."

SEC. 16. Section sixty-nine of Act Numbered Twenty-three hundred and thirty-nine is hereby amended to read as follows:

"SEC. 69. *Specific tax on cigars and cigarettes.*—On cigars and cigarettes (except handmade cigars and cigarettes prepared by the consumer for his own consumption and so used) there shall be collected the following taxes:

"(a) Cigars, six pesos per thousand;

"(b) Cigarettes:

"1. Weighing not more than two kilograms per thousand, on each thousand, one peso and twenty centavos;