

[Commonwealth Act No. 511, December 12, 1939]

AN ACT TO CARRY OUT THE PROVISIONS OF SECTION SIXTY-SEVEN OF THE CONGRESS OF THE UNITED STATES APPROVED MARCH TWENTY-FOUR, NINETEEN HUNDRED AND THIRTY-FOUR, AS AMENDED BY PUBLIC ACT NUMBERED THREE HUNDRED OF THE CONGRESS OF THE UNITED STATES, APPROVED AUGUST SEVEN, NINETEEN HUNDRED AND THIRTY-NINE REGARDING EXPORT TAXES, BY PROVIDING FOR THE IMPOSITION AND COLLECTION OF AN EXPORT TAX ON PHILIPPINE ARTICLES EXPORTED TO THE UNITED STATES AND THE DISPOSITION OF THE FUNDS DERIVED FROM SAID TAX.

Be it enacted by the National Assembly of the Philippines:

SECTION 1. Pursuant to the provisions of Public Act Numbered One hundred and twenty-seven of the Congress of the United States, approved March twenty-four, nineteen hundred and thirty-four as amended by Public Act Numbered Three hundred of the Congress of the United States, approved August seven, nineteen hundred and thirty-nine, hereinafter referred to as the Act of Congress of March twenty-four, nineteen hundred and thirty-four, as amended, during the period beginning January first, nineteen hundred and forty-one and ending July third, nineteen hundred and forty-six, there shall be levied, assessed, and collected an export tax upon philippine articles shipped from the Philippines to the United States, as follows:

- a. During the period January first, nineteen hundred and forty-one through December thirty-first, nineteen hundred and forty-one, the export tax on every such article shall be five *per centum* of the United States duty; on each succeeding January first thereafter, the export tax shall increased progressively by an additional five *per centum* of the United States duty, except that during the period January first, nineteen hundred and forty-six, through July third, nineteen hundred and forty-six, the export tax shall remain at twenty-five *per centum* of the United States duty.
- b. In assessing and collecting the export taxes on Philippine embroideries, said taxes shall be computed in accordance with the formula specified in subsection (a) of this section, except that in determining the taxable value of any such article, an allowance shall be made equal to the cost - cost, insurance, and freight the Philippines - of any cloth of United States origin used in the production thereof.

SEC. 2. The following Philippine articles shall be exempt from the export tax imposed herein:

- a. Cigars (exclusive of cigarettes, cheroots of all kinds, and paper cigars and cigarettes including wrappers):
- b. Scrap tobacco, and stemmed and unstemmed filler tobacco described in paragraph Six hundred and two of the Traffic Act of nineteen hundred and thirty of the United States;