

AN ACT CONFERRING UPON MUNICIPAL COUNCILS GENERAL AUTHORITY TO LEVY TAXES SUBJECT TO CERTAIN LIMITATIONS.

Act No. 3422, December 08, 1927

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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. A municipal council shall have authority to impose municipal license taxes upon persons engaged in any occupation or business, or exercising privileges in the municipality, by requiring them to secure licenses at rates fixed by the municipal council, and to collect fees and charges for services rendered by the municipality, and shall otherwise have power to levy for public local purposes just and uniform taxes other than percentage taxes and taxes on specified articles: Provided, That it shall be beyond the power of the municipal council to impose the following taxes, charges, and fees:

- (a) Cedula tax;
- (b) Documentary stamp tax;
- (c) Taxes on the business of persons engaged in the printing and publication of any newspaper, magazine, review, or bulletin appearing at regular intervals and having fixed prices for subscription and sale and which is not published primarily for the purpose of publishing advertisements;
- (d) Taxes on persons operating telephones and telegraph lines or exchanges, broadcasting or wireless stations, sugar centrals, rice mills, coconut oil factories, tanning industries, hemp grading establishments, and on persons selling light, heat, or power and engaged in the installation of gas, or electric light, heat, or power.
- (e) Taxes on the business of transportation contractors and persons engaged in the transportation of passengers or freight by hire, and common carriers by land or water;
- (f) Taxes on the business of wholesale dealers in liquors and fermented liquors; tobacco dealers; wholesale peddlers of distilled, manufactured, or fermented liquors; wholesale peddlers of manufactured tobacco; stock, real estate, and commercial brokers; distillers of spirits, brewers, rectifiers of distilled spirits; manufacturers of tobacco; manufacturers of cigars and cigarettes; and repackers of wines or distilled spirits;
- (g) Taxes on customs and immigration brokers; lawyers, medical practitioners; land surveyors, architects, public accountants, and civil, electrical, mechanical or mining engineers, dental surgeons, opticians, photographers, engravers, and professional appraisers or connoisseurs of tobacco and other domestic or foreign products; chemists, embalmers, registered nurses, piano tuners, and piano repairers who do not carry on their trade in their own shops or establishments; insurance agents and subagents, veterinarians, pharmacists, midwives, and cirujanos ministrantes in medicine or dentistry;
- (h) Specific taxes on things manufactured or produced in the Philippine Islands, or imported from the United States or foreign countries;

- (i) Taxes of any kind on banks, insurance companies, and persons paying a franchise tax;
- (j) Charges on forest products;
- (k) Taxes on mines and mining concessions;
- (l) Taxes on inheritances, legacies, and other acquisitions mortis causa;
- (m) Taxes on income of any kind whatsoever;
- (n) Fees for testing, sealing, and licensing of weights and measures;
- (o) Taxes on dealers in, and individual holders of, firearms, dynamite, powder, detonators, fuses, or other high explosives and their components; and fees for the issuance of hunting permits;
- (p) Taxes on premiums paid by owners of property who obtain insurance directly with foreign insurance companies;
- (q) Taxes or fees on the taking of marine mollusca, or the shells of such, and fees for the issuance of pearling boat and pearl diver's licenses;
- (r) Taxes or fees for the privilege of fishing, collecting, or gathering sponges from the sea bottom or reefs and for prospecting for sponges in any waters of the Philippine Islands;
- (s) Taxes or fees for the registration of motor vehicles and for the issuance of all kinds of licenses or permits for the driving thereof;
- (t) Customs duties and all kinds of customs fees, charges and dues;

SEC. 2. The approval of the Secretary of the Interior and the Secretary of Finance shall be secured whenever the rates of municipal taxes fixed or imposed by ordinance of the municipal council by virtue of the provisions of this Act exceed fifty per centum of the rates of fixed internal revenue privilege taxes regularly imposed by the Insular Government upon the same businesses or occupation except on cockpits, cockfights, hotels, restaurants, cafes, refreshment parlors, theaters, cinematographs, concert halls, museums, circuses, billiard rooms, race tracks, and retail dealers in vino liquors, and fermented liquors, tuba, basi, and tapuy, procuradores judiciales and pawnbrokers, and any tax or fee on livery stables, garages, and other places or establishments where public vehicles and other conveyances are kept for hire: Provided, however, That the municipal council shall have no authority, without the approval of the Secretary of the Interior and the Secretary of Finance, to impose fixed municipal license taxes on businesses not excepted in this Act or otherwise covered by the provisions of this section and subject to the fixed annual tax imposed in section fourteen hundred and fifty-seven of the Administrative Code of nineteen hundred and seventeen, as amended, if the tax on each business is in excess of twenty-five pesos per annum.

SEC. 3. Section twenty-three hundred and seven of Act Numbered Twenty-seven hundred and eleven, and all acts or parts of acts inconsistent with the provisions of this Act are hereby repealed.

SEC. 4. This Act shall take effect on January first, nineteen hundred and twenty-eight.

Approved, December 8, 1927.

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