

## AN ACT AMENDING THE INTERNAL REVENUE LAW OF NINETEEN HUNDRED AND FOUR.

*Act No. 1338, April 27, 1905*

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

SECTION 1. Act Numbered Eleven hundred and eighty-nine, entitled "The Internal Revenue Law of Nineteen hundred and four," is hereby amended in the following particulars:

- Paragraph eight of section sixty-eight of said Act is hereby amended by adding at the end thereof the following words:

"Every person who sells or offers to sell, for himself or on commission, foreign or domestic distilled spirits or wines or fermented liquors to other persons for the purpose of resale, shall likewise be deemed to be a wholesale liquor dealer, or wholesale dealer in fermented liquors, as the case, may be, irrespective of the quantities of such distilled spirits, wines, or fermented liquors sold at one time."

- Paragraph twelve of section sixty-eight of said Act is hereby amended so as to read as follows:

"12. Every peddler of manufactured tobacco or distilled, manufactured, or fermented liquors, or both, when traveling with more than two horses, mules, or other animals, shall pay eighty pesos; when traveling by boat, or with two horses, mules, or other animals, shall pay forty pesos; when traveling with one horse, mule, or other animal, shall pay twenty-four pesos; when traveling on foot or by public conveyance, shall pay sixteen pesos. Every person who, for himself or on commission, sells or offers to sell and deliver manufactured tobacco, snuff, cigars, cigarettes, or distilled, manufactured, or fermented liquors, traveling from place to place in the town or country, shall be regarded as a peddler and subject to the license tax imposed in this paragraph. Every such peddler shall at all times have in his possession such license, which he shall produce upon the demand of any internal-revenue officer."

- Section seventy-four of said Act is hereby amended so as to read as follows:

"SEC. 74. There shall be levied and collected on all distilled spirits and manufactured liquors manufactured in the Philippine Islands for domestic sale or consumption a tax of twenty centavos on each liter of proof spirits, until January first, nineteen hundred and six, and thereafter a tax of twenty-live centavos on each such liter of proof spirits, to be paid by the distillery owners or persons having possession thereof before removal from the distillery or bonded warehouse. The tax on such spirits shall be collected on the whole number of proof liters, and shall be increased in proportion for any greater strength than the strength of proof spirit as declined in this article, and any fractional part of a liter, amounting to a half liter or over in a cask or package, shall be taxed as a liter, and any fractional part of a liter less than half a liter in a cask or package shall be exempt from the tax: Provided, That any package of spirits the total contents of which are less than a liter shall be taxed as one liter."

- Section eighty-seven of said Act is hereby amended so as to read as follows:

"SEC. 87. Persons engaged in the concoction or manufacture of liquors shall be subject to all the requirements in

this Act contained relating to distillers in regard to the registration of their establishments and the execution of bonds, and shall be subject to all of the regulations as to the manner of conducting their business and of the inspection thereof, the marking and numbering of all the casks and receptacles and packages, removal of spirits, payment of taxes, returns and reports of operations as are provided in this Act for the control of the operations of distillers and prevention of frauds on their part, and shall be subject to all the provisions of this Act imposing penalties, punishments, and forfeitures for noncompliance with the law."

- Section eighty-eight of said Act is hereby amended so as to read as follows:

"SEC. 88. Distilled spirits containing amyl or other higher alcohols (fusel oil), aldehyde, or methyl alcohol (wood alcohol) may lie removed from the place of their manufacture to some other distillery or to some rectifying establishment for the purpose of their rectification without the prepayment of the tax imposed in section seventy-four. But in all such cases the distiller removing such spirits and the rectifier receiving them shall file with the Collector of Internal Revenue a joint bond, in such form and in such amount as the Collector, with the approval of the Secretary of Finance and Justice, may require, conditioned for the future payment by the rectifier of the tax imposed in section seventy-four on each proof liter of such rectified spirits removed for domestic sale or consumption."

- Section one hundred and seven of said Act is hereby amended by changing the words "first day of July, nineteen hundred and five" in the third paragraph of said section to "first day of January, nineteen hundred and six."

- Section one hundred and nine of said Act is hereby amended by adding at the end thereof the following words :

"Provided, however, That matches imported by the Army or Navy of the United States, or sold within the Philippine Islands by a manufacturer of matches therein directly to the Army or Navy of the United States, shall be exempt from the payment of the taxes in this article mentioned."

- Section one hundred and twelve of said Act is hereby amended so that the first four lines of said section shall read as follows:

"The taxes provided in the preceding section shall be for the first six months immediately preceding the first day of January and the first day of July, respectively, and shall be due and payable on the first day of February and the first day of August, respectively."

- Paragraph six of section one hundred and sixteen of said Act is hereby amended so as to read as follows:

"Sixth. Except as limited by section one hundred and eighteen of this Act, on each certificate of damage, or otherwise, and on every other certificate or document issued by any captain of any port, marine surveyor, or other person acting as such, and on each certificate issued by a notary public, and on each certificate of any description required, by law, or by rules or regulations of a public office, or which is issued for the purpose of giving information, or establishing proof of a fact, and not otherwise specified in this Act, twenty centavos."

- Paragraph seven of section one hundred and sixteen is hereby amended by striking out therefrom the words "whether for services rendered, rent, or interest paid, or money received, by virtue of any contract or agreement"

- Paragraph eight of section one hundred and sixteen is hereby amended by adding at the end thereof the following words:

"Provided, That a receipt given by one employee to another employee or by an employee to the proprietor of a public or private warehouse for the storage of its own goods, wares, or merchandise, by any firm, company, or corporation, shall not be deemed to be a warehouse receipt."

- Paragraph nine of section one hundred and sixteen of said Act is hereby amended by changing clause (a) thereof to read as follows:

"(a) On each set of bills of lading or receipts, except charter part)', for any goods, merchandise, or effects to be exported from a port in the Philippine Islands to any foreign port, twenty centavos."

Said paragraph nine is also further amended by adding at the end thereof the following words:

"Provided, however, That bills of lading issued for shipments worth five pesos or less shall be exempt from documentary-stamp taxes."

- Paragraph thirteen of section one hundred and sixteen of said Act is hereby amended by changing the words "nine thousand pesos" in the last line of said paragraph, before the first proviso thereof, to "three thousand pesos."

- Section one hundred and eighteen of said Act is hereby amended by adding at the end thereof the following words:

"And the existing remedies for the enforcement of stamp taxes due prior to January first, nineteen hundred and five, are hereby continued in force and effect until said taxes are collected, notwithstanding anything in this Act contained, and such taxes shall be collected and the remedies provided by law enforced by the authorities authorized to collect such taxes and enforce such remedies prior to the passage of this Act: And provided further. That the following papers shall be exempt from documentary-stamp taxes, namely, certificates of oaths administered to any Government official, in his official capacity, or of acknowledgment by any Government official in the performance of his official duties; written appearances in any court by any Government official, in his official capacity; certificates of the administration of oaths to any person as to the authenticity of any paper required to be filed in court by any person or party thereto, whether the proceedings be civil or criminal: papers and documents filed in courts for the military, naval, Insular, provincial, or municipal governments, whether civil or criminal; affidavits of poor persons for the purpose of proving poverty; statements and other compulsory information required of persons or corporations by rules and regulations of the military, naval, insular, provincial, or municipal governments exclusively for statistical purposes and which are wholly for the use of the bureau in which the same are filed, and not at the instance of, or for the use or benefit of, the person filing the same; certified copies and other certificates placed upon documents, instruments and papers for the military, naval, Insular, provincial, or municipal governments, made at the instance and for the sole use of some other branch of the military, naval, insular, provincial, or municipal governments; and certificates of the assessed value of lands furnished by provincial or municipal treasurers to applicants for registration of the title to land in the Court of Land Registration whenever the assessed value of the land certified does not exceed one hundred dollars, in money of the United States."

- Section one hundred and twenty-one of said Act is hereby amended by adding at the: end thereof the following words:

"And the remedies for the enforcement of cedula taxes due prior , to January first, nineteen hundred and five, are hereby continued<sup>1</sup> in full, force and effect until said taxes are collected, notwithstanding anything in this Act contained, and such taxes shall be collected and the remedies provided by law enforced by the authorities authorized to collect such taxes and enforce such remedies prior to the passage of this Act: Provided, however. That the provincial board, of any province may, in its discretion, exempt any person or class of persons from the enforcement of cedula taxes due prior to January first. nineteen hundred and five, whenever in the opinion of the provincial board such action is wise and prudent in the interests of peace and contentment. Any action of the provincial board in accordance with this proviso shall be in the form of a resolution duly recorded."

- Section one hundred and twenty-two of said Act is hereby amended by adding at the end thereof the following words:

"Persons so convicted shall be required to labor for the period of imprisonment, either for the province or the municipality, upon public works in such manner as may be directed by the provincial board."

- Section one hundred and twenty-five of said Act is hereby amended by erasing therefrom the words "or she" after the words, "whenever he" and before the words "(a) appears in any court in any capacity whatever."

- Section one hundred and twenty-six of said Act is hereby, amended by changing the word "April" therein to the word "July," and by changing the words "four months" to the words "six months."

- Section one hundred and twenty-six is further amended by, inserting, immediately after the words by the company" and before the second proviso, the following words: "or for other reasons returned to the persons insured."

- Section one hundred and thirty-eight of said Act is hereby amended by adding at the end thereof the following words: : "And the remedies for the enforcement of industrial taxes due prior to January first, nineteen hundred and live, are hereby continued in full force and effect until said taxes are collected, anything in this Act to the contrary notwithstanding, and such taxes shall be collected and the remedies provided by law enforced by the authorities authorized to collect such taxes and enforce such remedies prior to the passage of this Act."

- Section one hundred and forty-three of said Act is hereby amended by adding, after the words "common carrier" in the second line thereof and before the words "shall pay a tax," the following words:  
"And every livery-stable keeper."

- Paragraph two of section one hundred and forty-four of said Act is hereby amended by adding at the end thereof the following words:

"Every merchandise broker or corredor shall pay eighty pesos. Every person, firm, or company whose occupation is to bring about sales of merchandise for other persons, or to bring proposed buyers and sellers together, for a compensation, shall be regarded as a merchandise broker or corredor."

- Paragraph five of section one hundred and forty-four of said Act is hereby amended by adding at the end thereof the following words:

"And provided further, That the municipal council of any municipality may by ordinance provide; that any cockpit maintained therein shall pay a higher license tax than that in this paragraph provided, and in such cases the additional license tax provided by such ordinance above that herein provided shall be collected in the same manner as herein specifically provided for and disposed of in the manner provided in this Act for the disposal of the receipts from license tax on cockpits."

- Paragraph eight of section one hundred and forty-four of said Act is hereby amended by adding at the end thereof the following words:

"Every procurador judicial or agente do negocios shall pay forty pesos."

- Paragraph eleven of section one hundred and forty-four of said Act is hereby amended by adding at the end thereof the following words:

"Provided, That the provincial board of any province may in its discretion reduce the per diem tax upon race tracks to any amount not less than twenty pesos, but this proviso shall not apply to the city of Manila."

- Paragraph (j) of section seventeen of Act Numbered One hundred and eighty-three, entitled "An Act to incorporate the city of Manila," as amended by paragraph (b) of section one hundred and forty-six of said Internal Revenue Law of Nineteen hundred and four, is hereby amended so as to read as follows:

- "To issue licenses fixing the amount of the license fee and prescribe the time and manner of revoking the same for the following: Hawkers, peddlers, hucksters, not. including hucksters or peddlers who sell only native vegetables, fruits, or foods, personally carried by the huckster or peddler, auctioneers, plumbers, barbers, embalmers, collecting agencies, mercantile agencies, shipping and intelligence offices, private detective agencies, advertising agents, tattooers, fortune tellers, jugglers, acrobats, hotels, clubs, restaurants, cafes, lodging houses, boarding houses, livery stables, boarding stables, laundries, cleaning and dyeing establishments, establishments for the storage of highly combustible or explosive materials, public warehouses, dance balls, circus and other similar parades, public vehicles, race tracks, horse races, bowling alleys, shooting galleries, slot machines, and merry-go-rounds."

(aa) Section one hundred and forty-six of said Act is hereby further amended by adding at the end thereof the following words:

"(f) Insurance companies and banks taxed by virtue of Articles X and XIII of this Act shall not be taxable under the Industrial Tax Law for the period from August first, nineteen hundred and four, to January first, nineteen hundred and five."

SEC. 2. All amendments herein contained relating to license taxes shall be effective on July first, nineteen hundred and five. In all other respects this Act shall take effect on May first, nineteen hundred and five.

Enacted, April 27, 1905.

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