

AN ACT PROVIDING FOR THE APPORTIONMENT AND DISPOSITION OF INTERNAL-REVENUE TAXES COLLECTED IN THE PHILIPPINE ISLANDS ON AND AFTER AUGUST SIXTH, NINETEEN HUNDRED AND NINE.

Act No. 1964, August 11, 1909

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Whereas the Congress of the United States, by an Act approved on August fifth, nineteen hundred and nine, entitled "'An Act to provide revenue, equalize duties and encourage the industries of the United States, and for other purposes," provided "that from and after the passage of this Act, all internal revenues collected in or for account of the Philippine Islands shall accrue intact to the General Government thereof and be paid into the Insular Treasury, and shall only be allotted and paid out therefrom in accordance with future Acts of the Philippine Legislature; subject, however, to section seven of the Act of Congress approved July first, nineteen hundred and two, entitled 'An Act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes : ' Provided, That, until action by the Philippine Legislature approved by Congress, internal revenues paid into the Insular Treasury as hereinbefore provided shall be allotted and paid out by the Philippine Commission : "

Now, therefore,

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

SECTION 1. The proceeds of the following taxes collected on and after the sixth day of August, nineteen hundred and nine, shall be for the exclusive benefit of the municipality wherein the same are assessed and collected:

License taxes on theaters, museums, cockpits, and concert halls, pawnbrokers, circuses, and billiard rooms.

SEC. 2. The proceeds of the poll or cedula personal tax collected on and after August sixth, nineteen hundred and nine, shall be one-half: for the benefit of the provincial government and one-half for the benefit of the municipal government wherein the same are assessed and collected: Provided, however, That the proceeds of the poll or personal cedula tax collected within the Moro Province, and to be apportioned to the provincial and municipal governments therein, shall accrue to the treasury of the Moro Province, without division, and shall constitute a part of the general fund of the Moro Province to be expended in the discretion of the legislative council for provincial, district, and municipal purposes: And provided further, That in those provinces wherein the price of cedulas shall have been increased according to the provisions of the Provincial Government Act, as amended by Act Numbered Sixteen hundred and fifty-two, the additional amount collected by virtue thereof shall be applied to the purposes therein specified.

SEC. 3. Of the revenues accruing to the Insular Treasury by virtue of the provisions of Act Numbered Eleven hundred and eighty-nine, as amended, on and after August sixth, nineteen hundred and nine, ten per centum shall be set apart for the benefit of the provincial governments for general provincial purposes, and twenty per centum shall be set apart for the municipal governments for general municipal purposes in accordance with law and for school purposes as provided in Act Numbered Eleven hundred and eighty-nine, as amended, and for the purposes

of this Act the city of Manila. Manila shall be considered to be both a province and a municipality, and shall receive the apportionment pertaining both to a province and a municipality as hereinafter prescribed: Provided, however, That no province or municipality shall receive in any fiscal year for account of such percentage a greater amount than that received during the fiscal year ending June thirtieth, nineteen hundred and nine: And provided further, That to such province or provinces as shall, through their provincial boards, accept for one or more section forty-five, Act Numbered Eighty-three, as amended, there shall be allotted, from the revenues accruing to the Insular Treasury by virtue of the provisions of Act Numbered Eleven hundred and eighty-nine, as amended, not only the ten per centum hereinbefore mentioned for general provincial purposes, but also, for each calendar year during which said acceptance continues in effect, ten per centum of said revenues to be paid into the "road and bridge funds" of such provinces, said ten per centum to be apportioned according to their respective populations among the provinces so accepting section forty-five of Act Numbered Eighty-three, as amended : Provided, however, That the total sum to be apportioned among such provinces shall not exceed in any fiscal year the amount distributed among them during the fiscal year ending June thirtieth, nineteen hundred and nine. And for the foregoing purpose the city of Manila, in its status as a province, shall be represented by its Municipal Board, and such expenditure of funds as may accrue to it by virtue of its acceptance of section forty-five, as aforesaid, shall be used exclusively for the construction, repair, and maintenance of its streets, highways, roads, and bridges. In the case of provinces, the "road and bridge funds" shall be used, first, in the repair and maintenance of improved roads, second, in the improvement of roads and bridges now existing, and third, in the construction, repair, improvement, and maintenance of new roads and bridges.

The amounts by this section set aside shall be apportioned among the several provinces and municipalities in proportion to their respective populations as shown by the official census last taken before the making of such apportionment, and shall be returned to the cities of Manila and Baguio and to the provincial treasurers quarterly for disbursement and payment to the proper municipalities by warrant drawn by the Collector of Internal Revenue and countersigned by the Insular Auditor, and for this purpose a permanent appropriation of the sums so required is hereby made: Provided, That of the twenty per centum of the revenues set apart for the benefit of the several municipal governments, one-half thereof shall be utilized solely for the purposes of the maintenance of free public primary schools in the respective municipalities, including the payment of teachers, the building of schoolhouses, and other expenditures appertaining to the maintenance of the public schools: And provided further, That the amount to be apportioned for the Moro Province and the municipalities therein shall accrue to the treasury of the Moro Province without division and shall constitute a part of the general funds of the Moro Province to be expended in the discretion of the legislative council for provincial, district, and municipal purposes: And provided further, That in every province organized under the Provincial Government Act which contains non-Christian inhabitants, such proportion of the internal revenue which by law accrues to the municipalities of said province as the number of non-Christian inhabitants bears to the total population of said province shall be set aside in the provincial treasury as a fund to be known as the "non-Christian inhabitants' fund." and such fund shall be expended by the provincial board upon advance approval of the Secretary of the Interior, for the benefit of such non-Christian inhabitants: And provided further, That in every province organized under the Special Provincial Government Act, such part of the internal revenue as would by the Internal Revenue Law accrue to municipalities, except the city of Baguio, shall be set aside as a fund to be known as the "township and settlement fund," Expenditure of and shall be expended by the provincial board, upon advance approval of the Secretary of the Interior, for the benefit of the municipalities, townships, and settlements of said province. The approval of an expenditure by the Secretary of the Interior shall be final in the settlement of the accounts.

SEC. 4. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An Act prescribing the order of procedure by the Commission in the

enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 5. This Act shall take effect on its passage.

Enacted, August 11, 1909.

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