

AN ACT FOR THE BENEFIT OF LABOR, DECLARING DEBTS FOR SALARIES AND WAGES EARNED AND INDEMNITIES DUE TO THE LABORER PREFERENTIAL CLAIMS, AND AMENDING SECTION SEVEN HUNDRED AND THI...

Act No. 3960, December 02, 1932

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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. Section seven hundred and thirty-five of Act Numbered One hundred and ninety, entitled the Code of Civil Procedure, is hereby amended to read as follows:

"SEC. 735. Order of payment if estate insolvent.—If the assets which can be appropriated for the payment of debts are not sufficient for that purpose, the executor or administrator shall after paying the necessary expenses of administration, pay the debts against the estate in the following order:

"1. The necessary funeral expenses;

"2. The expenses of the last sickness;

"3. What is owing to the laborer for salaries and wages earned and for indemnities due to him, for the last year;

"4. Debts due to the United States;

"5. Taxes and assessments due to the Government, or any branch or subdivision thereof;

"6. Debts due to the province;

"7. Debts due to other creditors."

SEC. 2. This Act shall take effect on its approval.

Approved, December 2, 1932.

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