

AN ACT TO AMEND CERTAIN PROVISIONS OF ACT NUMBERED TWENTY-SEVEN HUNDRED AND SEVENTY-SIX, ENTITLED, “AN ACT TO REGULATE THE CURRENCY SYSTEM OF THE PHILIPPINE ISLANDS AND TO ESTAB...

Act No. 2939, January 28, 1921

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/d8beef4ef4d0/>

Be it enacted by the Senate and the House of Representatives of the Philippines in Legislature assembled and by the authority of the same:

SECTION 1. Section one of Act Numbered Twenty-seven hundred and seventy-six is hereby amended by making sections sixteen hundred and twenty-one, paragraph (a), sixteen hundred and twenty-three, paragraph (f), sixteen hundred and twenty-four, and sixteen hundred and twenty-five of the Administrative Code, amended thereby, read as provided in the following sections:

SEC. 2. Paragraph (a) of section sixteen hundred and twenty-one of the Administrative Code, as amended by said section one of Act Numbered Twenty-seven hundred and seventy-six, shall hereafter read as follows:

"(a) To exchange on demand at the Insular Treasury in Manila for Philippine currency offered in sums of not less than ten thousand pesos or United States currency offered in sums of not less than five thousand dollars, drafts on the currency reserve fund deposited in the United States or elsewhere to the credit of the Insular Treasury, charging for the same a premium of three-quarters of one per centum for demand drafts and of one and one-eighth per centum for telegraphic transfers, and it is further made the duty of the Insular Treasurer to direct the depositaries of the funds of the Philippine Government in the United States to sell on demand, in sums of not less than ten thousand pesos, exchange against the currency reserve fund in the Philippine Islands, charging or paying for the same a premium of three-quarters of one per centum for demand drafts and of one and one-eighth per centum for telegraphic transfers, rendering accounts therefor to the Insular Treasurer and Insular Auditor. But the premium rate for drafts and telegraphic transfers in this paragraph mentioned may be temporarily increased or decreased by order issued by the Secretary of Finance should the conditions at any time existing, in his judgment, require such action, and the Governor-General, upon recommendation of the Secretary of Finance, may suspend for such time as he sees fit, the sale of exchange to any individual, firm, company or corporation, or he may require before selling any exchange, such proofs and affidavits as he deems sufficient that such exchange is needed in legitimate Philippine business and could not have been legitimately supplied by proceeds of Philippine exports."

SEC. 3. Paragraph (f) of section sixteen hundred and twenty-three of the Administrative Code, as amended by said section one of Act Numbered Twenty-seven hundred and seventy-six, shall hereafter read as follows:

"(f) When certificates mutilated or otherwise unfit for circulation shall be paid into the Insular Treasury, they shall not be reissued, but shall be retained in the Treasury for destruction, and, from time to time, when a sufficient amount shall have accumulated, the Secretary of Finance, and a committee of accountants to be designated by the Secretary of Finance shall, in the presence of the Treasurer and Auditor, after noting the amounts and denominations of such certificates, completely destroy the same by burning, and thereafter the Treasurer shall be credited on his accounts in accordance with this action. The credit allowed shall be based upon the written report

of the committee of accountants, attested by the Secretary of Finance, and the Auditor for the Philippine Islands."

SEC. 4. Section sixteen hundred and twenty-four of the Administrative Code, as amended by said section one of Act Numbered Twenty-seven hundred and seventy-six, shall hereafter read as follows:

"SEC. 1624. Currency Reserve Fund—How constituted.— For the maintenance of the parity of the Philippine silver peso with the gold peso and for the exchange of Treasury certificates authorized by article six there is constituted in the Insular Treasury a continuing and reimbursable special fund to be denominated the currency reserve fund, which shall be maintained from the following sources:

"(a) From the silver pesos and gold coin of the United pesos and sold coin, states received in exchange for the Treasury certificates sold.

"(b) Proceeds of certificates of indebtedness.

"(c) Profits of seigniorage made by the Insular Government in the purchase of silver bullion and the coinage therefrom as well as the profits derived from the recoinage of Philippine coins of greater weight and fineness than those prescribed herein, and the issue of the Philippine pesos and the subsidiary and minor coins.

"(d) Profits from the sale of exchange by the Insular Government between the Philippine Islands and the United States.

"(e) Proceeds of forfeitures of silver coin or bullion the exportation or importation of which is attempted or effected contrary to law.

"(f) Interest or other profit from investment or deposit made from the currency reserve fund.

"(g) Premiums arising from the sale of interisland telegraphic transfers and demand drafts sold in Manila on provincial treasurers.

"(h) Other receipts derived by the Insular Government from the exercise of its functions, of furnishing a convenient and stable currency for the Islands.

"With the approval of the Secretary of Finance, the Treasurer of the Philippine Islands may substitute for any part of the money paid into the currency reserve fund, gold coin of the United States equal in value, and the said Secretary of Finance is, under the approval of the Governor-General, empowered to sell Government silver when the public welfare so requires.

"The currency reserve fund shall be held in the Treasury at Manila or may in part, at the discretion of the Governor-General and upon the recommendation of the Secretary of Finance, on terms accepted by the former, be kept on deposit with branches of the Philippine Treasury in the United States; and the Governor-General is hereby authorized, upon recommendation of the Secretary of Finance, to designate such depositaries of the Philippine Government in the United States among member banks of the federal reserve system as he may deem advisable to be branches of the Philippine Treasury: Provided, however, That not more than twenty per cent of the currency reserve fund shall be deposited with any single branch depositary in the United States, except the bank where the Treasurer of the Philippine Islands keeps his deposits in current account in connection with his exchange operations.

"The currency reserve fund shall not at any time be less in amount than sixty per cent of the nominal value of the Treasury certificates in circulation up to a total circulation of one hundred twenty million pesos, and one hundred per cent of such circulation in excess of one hundred twenty million pesos, increased by the proceeds of such certificates of indebtedness as may be sold as hereinafter provided, and if at any time, and for whatever reason, it shall fall below the limit herein fixed, the amount necessary to bring it up to the required minimum shall be considered automatically appropriated out of any funds in the Insular Treasury or thereafter paid in not appropriated to meet the payment of the interest, sinking fund and principal of the public debt; and amounts

thus automatically appropriated shall be transferred forthwith by the Insular Treasurer to the currency reserve fund: Provided, That amounts invested in silver or gold bullion or advanced for the purchase of same for coinage into Philippine currency, or preservation in said form, may lawfully be counted as part of said fund: And provided, further, That, when necessary to increase the currency reserve fund in the United States, the Governor-General, with the consent of the presiding officers of both Houses of the Legislature, may order temporary certificates of indebtedness issued within the conditions of section six of the Act of Congress of March second, nineteen hundred and three, entitled 'An Act to establish a standard of value and to provide for a coinage system in the Philippine Islands.'

"Any surplus in the currency reserve fund above the minimum established, including all investments of the same, is hereby transferred to the general fund in the Treasury, and any surplus hereafter accumulated in excess of twenty-five per cent of the minimum established may be transferred to the general fund entirely or in part, upon recommendation of the Secretary of Finance approved by the Governor-General."

SEC. 5. Section sixteen hundred and twenty-five of the Administrative Code, as amended by said section one of Act Numbered Twenty-seven hundred and seventy-six, shall hereafter read as follows:

"SEC. 1625. Application of the currency reserve fund to payment of certificates of indebtedness.—As the public interest permits, the Secretary of Finance, with the approval of the Governor-General, may direct the payment from the currency reserve fund of the principal and interest of all or any part of the certificates of indebtedness at any time outstanding or the purchase of such certificates prior to maturity."

SEC. 6. All Acts or part of Acts inconsistent with the provisions of this Act are hereby repealed.

SEC. 7. Upon the express or implicit approval of this Act by the President of the United States, as provided in the Act of Congress approved on August twenty-ninth, nineteen hundred and sixteen, entitled "An Act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those Islands," the Governor-General shall so announce forthwith by means of a proclamation, and this Act shall take effect on the date of such proclamation.

Approved, January 28, 1921.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.