

AN ACT TO AMEND CERTAIN SECTIONS OF COMMONWEALTH ACT NUMBERED FOUR HUNDRED AND SIXTY-SIX, OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED.

REPUBLIC ACT NO. 2376, June 20, 1959

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Paragraph (C) of section one hundred eighty-two of .Commonwealth Act Numbered Four hundred sixty-six is hereby amended to read as follows:

"(C) Exceptions.—The following shall be exempt from the tax imposed in this section:

"(1) Persons whose gross monthly sales or receipts do not exceed two hundred pesos.

"(2) All Filipinos in public market places selling at retail all forms or kinds of food products, meat, fruits vegetables, game, poultry, fish and other raw and/or cooked food products: Provided, That the term public market shall include tabu, talipapa and other barrio markets.

"(3) Peddlers and sellers at fixed stands and other similar selling places engaged exclusively in the sale at retail of domestic meat, fruits, vegetables, game, poultry, fish, and similar domestic food products, whose total stock in trade in any one day does not reach a retail value of one hundred pesos.

"(4) Producers of commodities of all classes working in their own homes, consisting of parents and children living as one family, when the value of each day's production by each person capable of working is not in excess of five pesos.

"(5) Owners of animal drawn two-wheeled vehicles.

"(6) Owners of bancas.

"(7) Persons employed in any branch of the service of the Government of the Philippines whose entire professional services are devoted exclusively thereto or are applied under its direction, or persons devoting their entire professional services to any religious, educational, or charitable institution, or hospital, sanitarium, or, to any similar establishment, not conducted for private gain, in respect to the tax imposed by paragraph (B) of this section."

SEC. 2. Section one hundred eighty-eight of the same Act, as amended, is further amended to read as follows:

"SEC. 188. Transactions and persons not subject to percentage tax.—In computing the tax imposed in sections one hundred eighty-four, one hundred eighty-five, and one hundred eighty-six, transactions in the following commodities shall be excluded:

"(a) Articles subject to tax under Title IV of this Code.

"(b) Agricultural products and the ordinary salt whether in their original form or not when sold, bartered, or exchanged in this country by the producer or owner of the land where produced, as well as all kinds of fish and its by-products when sold, bartered, or exchanged by the Sherman or fishing operator whether in their original state or not.

"(c) Minerals and mineral products when sold, bartered, or exchanged by the lessee, concessionaire, or owner of the mineral land from which removed.

"(d) Articles subject to tax under section one hundred eighty-nine of this Code.

"(e) Article shipped or exported abroad by the manufacturer or producer, irrespective of any shipping

arrangement that may be agreed upon which may influence or determine the transfer of ownership of the articles so exported.

"The following shall be exempt from the percentage taxes imposed in sections one hundred eighty-four, one hundred eighty-five and one hundred eighty-six:

"(a) Persons whose gross monthly sales or receipts do not exceed two hundred pesos.

"(b) All Filipinos in public market places selling at retail all forms or kinds of food products, meat, fruits vegetables, game, poultry, fish and other raw and/or cooked food products.

"(c) Peddlers and sellers at fixed stands and other similar selling places engaged exclusively in the sale at retail of domestic meat, fruits, vegetables, game, poultry, fish, and similar food products, whose total stock in trade in any one day does not reach a retail value of one hundred pesos.

"(d) Producers of commodities of all classes working in their own homes, consisting of parents and children living as one family, when the value of each day's production by each person capable of working is not in excess of five pesos.

"(e) Persons importing articles under the contract for the exclusive use of the Armed Forces of the Philippines."

SEC. 3. Section one hundred ninety-one of the same Act, as amended, is further amended to read as follows:

"SEC. 191. Percentage tax on road, building, irrigation, artesian well, waterworks, and other construction work contractors, proprietors or operators of dockyards, and others.—Road, building, irrigation, artesian well, waterworks, and other construction work contractors; filling contractors; demolition and salvage work contractors; arrastre contractors; persons engaged in the installation of gas or electric light, heat, or power; persons selling water, light, or power, except those paying a franchise tax; proprietors or operators of dockyards, mine drilling apparatus, smelting plants, engraving plants, plating establishments, plastic lamination establishments, vulcanizing and recapping establishments; establishments for washing and/or greasing of motor vehicles, battery charging planing or surfacing and recutting of lumber; sawmills under contract to saw and/or cut logs belonging to others; drycleaning or dyeing establishments, steam laundries, laundries using washing machines; photographic studios, telephone or telegraph lines or exchanges, broadcasting or wireless stations; funeral parlors, shops for the construction or repair of bicycles of vehicles of any kind, mechanical devices, instruments, apparatus, or furniture of any kind, shoe repairing by machine or any mechanical contrivance, and tailor shops; beauty parlors, dressmakers, milliners, hatters, keepers of hotels, lodging houses, stevedores, warehousemen; plumbers, smiths; house or sign painters; lithographers, publishers, except those engaged in the publication or printing and publication of any newspaper, magazine, review or bulletin which appears at regular intervals, with fixed prices for subscription and sale, and which is not devoted principally to the publication of advertisements; printers and bookbinders, business agents and other independent contractors, except persons, associations and corporations under contract for embroidery and apparel for export as well as their agents and contractors shall pay a tax equivalent to three per centum of their gross receipts.

"Keepers of restaurants, refreshment parlors and other eating places, except those inside public market places, and caterers, shall pay a tax of three per centum of their gross receipts. Keepers of bars and cafes where wines or liquors are served shall pay a tax of seven per centum of their gross receipts: Provided, however, That two sets of sales or commercial invoices or receipts serially numbered in duplicate shall be separately prepared and issued, one for each sale of food or refreshment served and another for each sale of wine or liquor served, the originals of which shall be issued to the purchaser or customer. Where such establishments are maintained within the premises or compound of a race track or jai-alai or are accessible to patrons of such race track or jai-alai by means of a connecting door or passage, the keepers of such, establishments shall pay a tax of twenty per centum of their gross receipts. Where the establishment is maintained within the premises of a cabaret or night club, or is accessible to patrons thereof by means of a connecting door or passage, the keeper of the establishment shall pay a tax of ten per centum of the gross receipts."

SEC. 4. This Act shall take effect upon its approval: Provided, however, That all taxes heretofore unpaid or uncollected from persons in public market places selling food products as exempted under this Act are hereby condoned.

Approved, June 20, 1959.

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