

AN ACT TO PROVIDE REVENUE FOR THE SUPPORT OF THE INSULAR, PROVINCIAL, AND MUNICIPAL GOVERNMENTS, BY INTERNAL TAXATION.

Act No. 1189, July 02, 1904

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

ARTICLE I.

GENERAL PROVISIONS AND OFFICERS OF INTERNAL REVENUE.

SECTION 1. The short title of this Act shall be "The Internal Revenue Law of Nineteen hundred and four.

SEC. 2. There shall be established a Bureau of Internal Revenue, the chief officer of which Bureau shall be known as the Collector of Internal Revenue. The shall be appointed by the Civil Governor, with the advice and consent of the Philippine Commission, and shall receive a salary at the rate of eight thousand pesos per annum.

The Bureau of Internal Revenue shall belong to the Department of Finance and Justice.

SEC. 3. The Collector of Internal Revenue under the direction of the Secretary of Finance and Justice, shall have general super-intendence of the assessment and collection of all taxes and excises imposed by this Act or by any Act amendatory thereof, and shall perform such other duties as may be required by law.

SEC. 4. The Collector of Internal Revenue shall from time to time and as often as lie deems necessary and not less than once each year, make and submit to the Secretary of Finance and Justice, for transmission to the Philippine Commission, a report of all the proceedings of the Bureau of Internal Revenue and collections and disbursements therein, specifying the source of each item of revenue and the classes of disbursements, will such recommendations as he may see fit to make, and likewise an estimate of the ' expenses of collecting the internal revenue for each province. The expenses of maintaining the office of the Collector of Internal Revenue, including all subordinates and employees of that office, shall be an insular expense to be borne by the Insular Government. But all expenses incurred by provincial treasurers, in pursuance of duties imposed upon them by this Act, shall lie borne by the-several provincial treasuries.

SEC. 5. The Collector of Internal Revenue shall prepare and distribute regulations, directions, and instructions. not in conflict with the provisions of this Act, pertaining to the assessment and collection of internal revenue, and shall provide the necessary forms, instruments, and implements for the purposes aforesaid, and shall distribute, in the manner in this Act provided, adhesive stamps and dies for expressing and denoting the several stamp taxes, or in the case of ad valorem taxes the amount thereof; such regulations, directions, and instructions may be general or local in character and when approved by the Secretary of Finance and Justice shall have the force and effect of law, until revoked or amended.

SEC. 6. The necessary adhesive stamps for the payment of taxes in this Act provided and the necessary blank cedula shall he printed under the direction of the Treasurer of the Philippine Islands in such designs, denominations, and amounts as the Collector of Internal Revenue shall designate, and shall remain in the custody

of the Treasurer of the Philippine Islands and he shall be responsible for them until disposed of as in this Act provided. The Collector of Internal Revenue shall make requisition from time to time upon the Treasurer for such number of blank cedula and such number and denomination of stamps as may be required, and shall distribute them to provincial treasurers or other collectors of internal revenue as the law requires. The Insular Treasurer and the Collector of Internal Revenue shall each make monthly reports to the Auditor of the number of blank cedillas and stamps received and issued during the preceding month and the number on hand at the close of the month.

SEC. 7. The Collector of Internal Revenue before entering upon the duties of his office shall execute a bond to the Insular Government in the sum of sixty thousand pesos, with sufficient surety or sureties, to be approved by and filed with the Insular Treasurer " conditioned for the faithful performance of the duties of his office and the due accounting for all stamps, cedulas, moneys, and other property that shall come into his possession by virtue thereof. The ' , Insular Treasurer may, from time to time, require that the bond shall be increased or decreased, according as the exigencies of the service require.

SEC. 8. Each provincial treasurer shall transmit to the Insular Treasurer on or before the fifth day of each calendar month all money collected by him during the preceding month on account of internal revenues, except as otherwise specifically provided in this Act. No money so collected, and by this Act properly belonging to the Insular Treasury, shall be retained by any provincial treasurer for the payment of salaries and expenses of his office nor for any other purpose.

SEC. 9. The bond of each provincial treasurer executed by him, as provided for in the Provincial Government Act and its amendments, shall stand as security that he shall faithfully perform the duties of his office as a collector of internal revenue according to law and shall justly and faithfully account for and hand over all public moneys which may come into his possession as such collector.

SEC. 10. The stamps for the payment of internal-revenue taxes issued to any provincial treasurer shall be charged to his account at the full face value thereof, and every provincial treasurer shall make a monthly return to the Collector of Internal Revenue of all stamps sold by him and account for the amount of taxes collected; and even provincial treasurer shall be credited with the full value of taxes collected and remitted by him. The returns herein required oil provincial treasurers shall be upon such forms as the Collector of Internal Revenue may prescribe.

SEC. 11. The Collector of Internal Revenue, with the consent of the Secretary of Finance and Justice, whenever in his judgment the good of the service so requires, may employ such number of competent persons as may be necessary to act as inspectors and revenue agents at an annual salary not exceeding four thousand ' pesos each, and he may at his discretion assign any such inspector or revenue agent to duty under the direction oil any officer of internal revenue or to such other special duty as he may deem necessary, and he may at any time assign any employee in the Bureau of Internal Revenue to perform the duties of inspector or revenue agent.

SEC. 12. Every such inspector or revenue agent shall, under the direction of the Collector of Internal Revenue, see that all laws and regulations relative to the collection of internal-revenue taxes are faithfully executed and complied with and shall aid in the prevention, detection, and punishment of any frauds thereto, and shall examine as to the efficiency of all officers of internal revenue. Ho shall report in writing to the Collector of Internal Revenue any neglect of duty, incompetency, delinquency, or malfeasance in office of any internal-revenue officer of which he may obtain knowledge, with a statement of all the facts in each case and any evidence sustaining the same. He may, by notice in writing, suspend from duty any gauger or storekeeper. In case of the suspension of any gauger or storekeeper he shall immediately notify the provincial treasurer of the proper province and the Collector of Internal Revenue and within three days hereafter report his action and his reasons therefor in writing to 11 if Collector of Internal Revenue. Should he discover any neglect of duty, incompetency, delinquency, or

malfeasance in office of any provincial treasurer in the performance of his duty as a collector of internal revenue, he shall immediately report the facts to the Collector of Internal Revenue and to the Insular Treasurer in writing; and the Collector of Internal Revenue immediately upon receipt of such report shall take all necessary steps to protect the revenue and shall transmit such report to the Secretary of Finance and Justice. All necessary traveling expenses which revenue agents and inspectors incur in the public service shall be paid monthly from Insular funds.

SEC. 13. There shall be appointed by the Collector of Internal Revenue, with the consent of the Secretary of Finance and Justice, such number of internal-revenue storekeepers as may be necessary, who shall, each receive such compensation, not to exceed ten pesos per day, as he shall determine with the approval of the Secretary of Finance and Justice.

SEC. 14. Every storekeeper shall take an oath faithfully to perform the duties of his office and shall give a bond to the Insular Government with sufficient surety or sureties, to be approved by the Insular Treasurer, for the faithful discharge of his duties, in such form and for such amount as the Insular Treasurer may prescribe. Storekeepers shall be assigned, by the Collector of Internal Revenue to such bonded or manufacturer's warehouse established by law as he may deem expedient, and any storekeeper may be transferred by the Collector of Internal Revenue from one warehouse to another.

SEC. 15. The Collector of Internal Revenue, with the consent of the Secretary of Finance and Justice, may appoint as many internal-revenue gaugers as he deems necessary for the service, who shall each take oath faithfully to perform his duties and shall give bond to the Insular Government for the faithful discharge of the duties assigned to him by law or regulations, which bond shall have sufficient surety or sureties and shall be approved by and filed with the Insular Treasurer, who shall fix the amount thereof. The duties of every such gauger shall be performed under the supervision of the provincial treasurer of the province to which he may be assigned, or of a collector of customs in charge of: exports and imports in any port of entry to which he may be assigned.

SEC. 16. Gaugers shall be entitled to receive such fees, to be determined by the quantity gauged, as may be proscribed by the Collector of Internal Revenue by general order; and said fees together with their actual and necessary traveling expenses shall be paid monthly from Insular funds.

SEC. 17. Every internal-revenue officer whose payment, charges, salary, or compensation is composed wholly or in part of fees, allowances, or rewards from whatever source derived, shall be required to render to the Collector of Internal Revenue under regulations to be approved by the Secretary of Finance and Justice, a statement under oath setting forth the entire amount of such fees, emoluments, or rewards of whatever nature or from whatever source received during the time for which said statement is rendered, and any false statement knowingly and willfully rendered shall be deemed willful perjury and punished in the manner prescribed by law for the crime of perjury; and any neglect or omission to render such statement shall be punished by a fine in a sum of not more than one thousand pesos."

SEC. 18. The Collector of Internal Revenue may, with the consent of the Secretary of Finance and Justice, impose the duties of storekeeper and gauger upon one officer where the amount of spirits or other article produced at the distillery or other manufactory is not sufficient, in his judgment, to warrant the employment of two officers to perform the separate duties of storekeeper and gauger. The compensation for said storekeeper and gauger shall be that of storekeeper only.

SEC. 19. It shall be the duty of every provincial treasurer, in case he finds sufficient evidence of a violation of the provisions of this Act, such that a criminal prosecution or proceeding for forfeiture ought to be instituted, to report

within ten days to the fiscal of the province a statement of all the facts and circumstances of the case within his knowledge, together with the name of the offender and the names of the witnesses. It shall likewise be the duty of every revenue agent or inspector to make such report to the provincial fiscal in cases of the character named in this section that may come to his knowledge in the performance of his duties; the revenue agent, inspector, or provincial treasurer, as the case may be, shall, at the time of making such report to the fiscal, forward a duplicate thereof to the Collector of Internal Revenue. It shall be the duty of the fiscal in such case to institute and conduct the prosecution, should the facts warrant the same.

SEC. 20. Every provincial treasurer and his authorized deputies and every inspector and revenue agent is authorized to summon witnesses, administer oaths, and to take evidence touching any part of the administration of the law with which he is charged or where such oaths or evidence are authorized by law to be taken. In pursuance of the provisions of this section the officer taking the testimony may issue a subpoena and enforce the attendance of witnesses in the manner provided in Chapter XVI of Act Numbered One hundred and ninety.

SEC. 21. Any officer of internal revenue may be specially authorized by the Collector of internal Revenue to seize any property which may be by law subject to seizure, but such special authority must be limited in respect to the time, place, kind, and class of property as the Collector of Internal Revenue may specify.

SEC. 22. Any officer of internal revenue who divulges to any person or makes known in any other manner than may be provided. by law any information derived by him in the performance of his official duties, the trade secrets, operation, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties shall be fined in a sum not more than two thousand pesos and be imprisoned for a term not less than one nor more than five years.

SEC. 23. Any internal-revenue officer who is or shall become interested, directly or indirectly, in the manufacture, sale, export, or import of tobacco, snuff, or cigars, or in the distilling, sale, import, export, rectification, or redistillation of distilled spirits, or in the manufacture, export, import, or sale of fermented liquors, shall be fined in a sum not less than one thousand pesos nor more than ten thousand pesos, at the discretion of the court.

SEC. 24. Every officer, employee, or agent appointed and acting under the authority of this Act—

First. Who is guilty of any extortion or willful oppression under color of law; or,

Second. Who knowingly demands other or greater sums than are authorized by law, or receives any fees, compensation, or reward except as by law prescribed for the performance of any duty; or,

Third. Who willfully neglects to give receipts for any sums collected in the performance of his duties, except for sums received for cedula or stamps sold, or to perform any of the duties enjoined on him by law; or,

Fourth. Who conspires or colludes with any other person to, defraud the revenues; or,

Fifth. Who willfully makes opportunity for any person to defraud the revenues; or,

Sixth. Who does or omits to do any act with intent to enable any other person to defraud the revenues; or.

Seventh. Who negligently or designedly permits the violation. of the law by any other person; or.

Eighth. Who makes or signs any false entries in any book, or makes or signs any false certificate in any case where he is required to make entry, certificate, or return; or,

Ninth. Who, having knowledge or information of the violation of any provision of this Act by any person, or of a fraud committed by any person on the revenues, fails to report in writing such knowledge or information to his

next superior officer and to the Collector of Internal Revenue; or.

Tenth. Who demands or accepts, or attempts to collect, directly or indirectly, as payment, gift, or otherwise, any sum of money or other thing of value for the compromise, adjustment, or settlement of any charge or complaint for any violation or alleged violation of law, except; as expressly authorized by law, shall be fined in a sum not less than four hundred pesos nor more than ten thousand pesos, or be imprisoned for a term not less than six months nor more than five years, or be punished by both line and imprisonment, in the discretion of the court. One-half of any fine so imposed shall be for the use of the Insular Government and the other half for the use of the informer, who shall be ascertained and stated in the judgment of the court.

a Provincial treasurers and their deputies and employees shall be deemed to be officers or agents acting under the authority of this Act

ARTICLE II.

SOURCES OF REVENUE.

SEC. 25. The following sources of revenue shall be included in the internal revenue for the Philippine Islands, and the taxes imposed shall be collected by the Collector of Internal Revenue through the provincial treasurers of the several provinces or their authorized deputies, or as otherwise provided, by law, and the revenue obtained therefrom shall be devoted to the support of the several provinces and of the Insular and municipal governments in the manner in this Act provided:

- Certain license tax.
- Tax on distilled spirits.
- Tax on fermented liquors.
- Tax on manufactured tobacco and snuff.
- Tax on cigars and cigarettes.
- Tax on matches.
- Tax on banks and bankers.
- Stamp taxes on specified objects.
- Poll or cedula personal tax.
- Tax on insurance companies.
- Tax on forestry products.
- Tax on valid perfected mining concessions granted prior to April eleventh, eighteen hundred and ninety-nine.
- Tax on business, manufacture, and occupation.

ARTICLE III.

ASSESSMENTS AND COLLECTIONS.

SEC. 26. Every provincial treasurer shall from time to time proceed himself, or cause his deputies to proceed, through every part of his province and inquire after and concerning all persons therein who are liable to pay a license tax and all persons owning or having the care and management of any object liable to pay any tax, and

shall make a list of such persons and shall enumerate . said objects in the manner and at the time provided herein or prescribed in regulations by the Collector of Internal Revenue.

SEC. 27. All taxes required by this Act to be paid upon the manufacture or sale of distilled spirits, rectified or manufactured liquor, imitations of wines, fermented liquors, manufactured tobacco and snuff, cigars, cigarettes, and matches, and upon the execution of bonds, debentures, certificates of stock and indebtedness, or other documents, instruments, or papers, certificates, receipts, contracts, insurance bonds, tickets, and other written instruments of every kind which are subject to tax, and upon all acts, pursuits, and trades subject to the taxes herein imposed, except the poll taxes, shall be paid by the affixture of internal-revenue stamps to be purchased, attached, and canceled in the manner hereinafter provided.

SEC 28. The payment of all taxes imposed by this Act on articles manufactured and removed from the place of production or manufacture or bonded warehouse, for sale or consumption in the Philippine Islands, shall be made at the time of such removal by the affixture of stamps to manufacturers' official invoice sheets and in the following manner:

- At the time of the initial assessment of all manufactures, assessment rolls shall be compiled in duplicate by each provincial treasurer, one copy of which he shall keep in his office subject to inspection and the other copy he shall transmit to the Collector of Internal Revenue for file in the Bureau of Internal Revenue. The different kinds of manufactures shall be listed separately on said rolls, and each separate list shall be numbered consecutively in the chronological order in which the manufactures contained therein are assessed or engage in such manufacturing business after the time of the initial assessment. No two manufactures in the same provincial district and of the same kind of articles shall be given the same assessment number.

- The Collector of Internal Revenue shall cause to be prepared a sufficient number of manufacturers' invoice books, each containing fifty invoice sheets, and a sufficient number of manufacturers' register books, and shall from time to time supply provincial treasurers with such number of sets of said books as may be required in each locality by manufacturers of distilled spirits, cigars, and oilier articles subject to the taxes imposed by this Act. Whenever any manufacturer shall have qualified himself as such by executing bond, registering his factory, and shall have complied with all the other requirements for engaging in such business as are prescribed in this Act, the provincial treasurer within whose district the manufactory is situated, or other internal-revenue officer whom said treasurer or the Collector of Internal Revenue shall assign to such duty, shall deliver to said manufacturer a set of books consisting of one register book and one invoice book, on each page of which shall be stamped the assessment number of said manufacturer and the paragraph number or name of the articles to be manufactured at said main factory; and each leaf in said books shall be authenticated by the stamp or seal of the Collector of Internal Revenue, and said books and the invoice sheet removed therefrom and the invoice stubs attached thereto as provided for herein shall be official or public records or documents within the meaning of the law and shall be so recognized by any tribunal before which they may be produced in evidence.

- There shall in addition be a fly leaf in each register and invoice book on which shall be entered at the time of delivery to each manufacturer the assessment number and date of delivery of the books, the name of the owner of the manufactory and of the manager thereof, and a certificate signed by the owner or manager, attested by the provincial treasurer or oilier internal-revenue officer delivering the books, to the effect that all of the provisions of the law and regulations governing the operations of his manufactory, the use of said register and invoice books, the affixing of stamps to invoices, and the manner of the shipment of goods from the manufactory, have been fully explained to such manufacturer or manager, that he fully understands the same and knows the penalties and punishments imposed for the disregard, thereof, and promising strict compliance therewith. Said books shall be prepared and printed at the expense of the Insular Government. Both the invoice and register book shall be kept

on the manufactory premises and shall at all hours of day and night be open to the inspection of any internal-revenue officer. The invoice sheets shall be numbered consecutively from one to fifty in the first book delivered to each manufacturer, fifty-one to one hundred in the second book, and so on indefinitely for all subsequent invoice books required by each manufacturer.

- Each invoice shall contain a full description of all taxable articles removed from any manufactory, date and hour of removal, name and residence of consignee, and a certificate to be signed by the owner or manager of the manufactory as to the truth and completeness of all entries made on such invoice sheet; on the outside edge of each invoice sheet there shall be a detachable notification' stub stamped with the assessment and invoice numbers to correspond with the invoice proper, and there shall be an inside stub to each invoice sheet from which the invoice shall be detachable and which shall be stamped with the same set of assessment and invoice numbers as are contained on the corresponding invoice and outside stub; between the invoice proper and the inside stub there shall be ruled two vertical lines forming a column of the width of an internal-revenue stamp and running from the top to the bottom of the sheet, and along the center of said column there shall be a dotted or broken line; both of the stubs shall have thereon forms for the entry in brief of all the data contained in the invoice proper and for the signature of the owner or manager of the manufactory; and all such invoice sheets and their corresponding stubs shall be substantially the same in form as the sample invoice sheet appearing at the end of this article, and on the back of the outside or notification stub there shall be a form for the entry of the denominative value and serial number of each stamp sold thereon, and on the back of the invoice' proper there shall be printed a tariff of the rates of taxes imposed, on the various articles by this Act and a brief of all the provisions of law of interest to manufacturers whose wares may be subject to said taxes.

- Before any owner or manager of a manufactory shall remove, any article from the manufactory premises or from any bonded warehouse provided in this Act he shall brand or otherwise mark in a permanent manner on each package to be removed his assessment number and the number of the next blank invoice sheet in his book, and shall make proper entry in all of the blank spaces in the next blank invoice in his book and in the stubs corresponding thereto; in the notification stub he shall fill in the proper number each of the stamps of the highest denominative values which can be utilized in the payment of the tax on the articles to be removed, shall sign said stub, detach it from the invoice proper, and send it to the provincial treasurer or his deputy within the province in which the manufactory is located, and shall affix stamps of the proper value securely and without lapping in the vertical column between the invoice proper and the inside stub, shall cancel each stamp by writing or stamping the date across each end thereof and next to the serial number thereon, and in such manner that part of the writing or stamping shall be on the stamp and part on the invoice or stub; he shall then enter in his register book on the "credit" side thereof and in the proper columns a full description of said goods, to include the day and hour of removal, invoice number, and contents of each package in both gauge and proof liters or in other count or measurement or quantity, as the case may be, the total value of stamps affixed to the invoice and where purchased, name of consignee and residence, and shall sign his name to said entry; he shall then remove the invoice proper from the stab by cutting along the dotted line through the stamps in such manner as to leave half of each stamp on the stub in the book, there to remain as a permanent record, and the other half of each stamp attached to the invoice proper, which shall at once be delivered to the carrier of the goods, or attached to the bill of lading when the goods go by rail or by boat: Provided. That goods may be removed from a manufactory without first paying the tax to such bonded warehouses, not exceeding one in each province, as may be authorized by the Collector of Internal Revenue, and the tax thereon shall be paid only when such goods are removed from said bonded warehouses. The Collector of Internal Revenue is authorized to issue such rules and regulations and to exact such bond as in his discretion may be necessary to secure the collection of the tax.

- At the time of the delivery of each such stamped invoice to a carrier it shall be the duty of the manufacturer to

inform such carrier that he is under legal obligation to retain such invoice in his possession continuously, along with the goods, until they are delivered to the consignee, and that it then becomes his duty to deliver said invoice, along with the goods, to said consignee, and that through failure so to do such carrier renders himself liable to fine, punishment, and forfeiture, as hereinafter provided: Provided, That in case a manufacturer shall remove his goods from the place of manufacture to a sales warehouse of his own he shall comply with all the requirements above stated except that which pertains to the delivery to the carrier or the attaching to the bill of lading of the proper invoice, but in this case the invoice shall accompany the goods and shall be at once delivered to the custodian of the warehouse.

- At the time of the original assessment of each and every manufactory there shall be entered on the "debit" side of each register book, as the first item therein and in the proper columns, a description of all stocks of goods subject to the tax on hand on the date of said assessment, and each package of said stock shall at the time of said initial assessment be given a serial number beginning with number one and each, number preceded by a zero, and said serial numbers shall as aforesaid be entered in the register book with the other description of said packages and their contents: and each manufacturer shall, from day to day, or on such days as his manufactory is in operation, enter in said register book on the "debit" side and in the proper columns thereof the day and number of hours, worked, the serial number of each package produced and description: of its contents and a statement of the denominative value and serial number of each stamp purchased on each day and where purchased; and each manufacture shall at the time of any removal of goods make the proper entries on the "credit" side of said register book in the manner provided in a previous paragraph of this section, and shall sign his name opposite each entry made, whether on the "debit" or "credit" side as aforesaid in said register book, and shall at the foot of each page certify to the truth and completeness of all entries made thereon. And each manufacturer shall promptly at the end of each month and not later than the fifth day of the next succeeding month make and transmit to the provincial treasurer of the district within which his manufactory is situate, a true and exact transcript of all entries made on both the "credit" and "debit" sides of his register book during the month last past, and shall strike a balance in said register book and on said transcript sheets showing the number of packages and their contents remaining on hand, if any, and said balance of stock shall be carried over as the first entry for the next succeeding month on the "debit" side of said register book. Each manufacturer shall at the foot of each transcript sheet certify to the truth and correctness of all of the entries thereon and as being exact copies of the original entries contained in his register book. The "debit" and "credit" pages of manufacturers' register books shall be substantially the same in form as the samples appearing at the end of this article, and the transcript forms provided for above shall be identical in form with said "debit" and "credit" pages and shall be supplied by the Collector of Internal Revenue to manufacturers through the respective provincial treasurers.

- Provincial treasurers and their deputies shall make entry in the proper columns in their monthly itemized statement of stamps sold, the manufacturer's name and assessment number and the denominative value and serial number of each stamp and date and hour of sale.

- Goods removed from manufactories in the Philippine Islands for export to foreign countries, and which by provisions contained in this Act are exempted from the payment of the internal-revenue taxes imposed herein, shall nevertheless be entered as are all other goods on the invoice sheets, the stubs, and in the register books; but such invoice sheets need not have internal-revenue stamps affixed thereto, but in lieu thereof the manufacturer shall write plainly across the face of the invoice proper and on both stubs and note in his register book the words "For export;" the notification stub shall be signed by the manufacturer with the stamp list unfilled, the inside stub shall be left attached to the book, and the invoice proper shall be sent along with the goods attached to the export bond provided for in this article, and the proper assessment and invoice numbers shall be branded or otherwise permanently marked on such goods removed for export in the same manner as though said goods were intended

for domestic consumption, and in addition on each package of such goods shall be' plainly branded or otherwise permanently marked the words "For export."

- In cases where the manufactory and warehouse are located outside the provincial capital strict compliance with the provisions herein relating to the use of invoice books, notification stubs on invoices and register books may be waived by the Collector of Internal Revenue in his discretion and upon the recommendation of a provincial treasurer or other revenue officer; but in all such j cases of exception to the general rule the Collector of Internal Revenue shall prescribe special rules and instructions to govern each ease, and the manufacturer interested shall give bond in such sum as the Collector of Internal Revenue shall prescribe conditioned for the faithful compliance with such special rules and instructions.

SEC. 29. The payment of all license taxes imposed by this Act for the sale of articles or on occupations shall be made by the affixture of internal-revenue stamps to license forms in the following manner:

- The Collector of Internal Revenue shall cause to be prepared and shall furnish through the respective provincial treasurers to all dealers in articles, or other persons whose occupations are subject to the license taxes imposed in this Act, a sufficient number of license forms, each of which shall be divided by a vertical and a horizontal line into four equal squares or spaces; across the face of each license form shall be printed or lithographed the figures denoting the calendar year for which it is issued, and in the upper left-hand division the words "January, February, March;" in the upper right-hand division the words "April, May, June;" in the lower left-hand division the words "July, August, September;" and in the lower right-hand division the words "October, November. December;" attached to each license there shall be four requisition coupons, one marked for each quarter.

- The provincial treasurer or other internal-revenue officer at the time of delivery of the license forms to the dealer or other person liable to pay the tax shall fill in the taxpayer's name, residence, and assessment number and annual tax, and shall date and sign his name and official title on said form and fill in the amount and denominative value of each stamp required in each of said four coupons in payment of the quarter's tax; or said assessment number and amount of quarter's tax may be printed or stamped in before issue from the Bureau of Internal Revenue. It shall be the duty of each license taxpayer promptly on the first day of each quarter to separate from his license the corresponding requisition coupon and transmit the same with the necessary purchase money to the provincial treasurer or his deputy within whose district he carries on his business or occupation, to secure the necessary stamps and affix the same in the proper division in his license form. All licenses shall be posted conspicuously in the taxpayer's place of business and no requisition coupon shall be detached therefrom until the tax for the quarter which it represents becomes due, and shall then only be detached for immediate transmission to the provincial treasurer or his deputy: Provided, That nothing herein contained shall be construed as prohibiting a dealer or other person from detaching two or more requisition coupons at the same time from his license form if done for the purpose of paying in advance two or more quarters of his license tax.

- All requisition coupons so received by provincial treasurers shall be retained by them, the serial numbers and denominative values of the stamps sold indorsed thereon, proper entry made thereof in the itemized monthly sale of stamps, and such coupons shall be transmitted by the provincial treasurer at the end of each month to the Collector of Internal Revenue. And all such license forms and their corresponding coupons shall be substantially the same in form as the sample license form appearing at the end of this article.

SEC. 30. Wholesale dealers shall keep a record of all purchases and sales of articles subject to the payment of a license tax by virtue of the provisions of this Act, and shall, whenever so required by any internal-revenue officer, furnish a, statement of each and every sale they may have made to any wholesale, or retail dealer, and The name and residence of said wholesale or retail dealer; and all dealers shall carefully preserve and deliver or transmit to

any internal-revenue officer, whenever so required, all invoices received by them from manufacturers, together with the fractional parts of stamps affixed thereto; and no dealer shall receive any article from a manufacturer unless the packages are each and every one of them properly branded or otherwise permanently marked, as required by this Act, and unless accompanied by an invoice properly made out, as required by the provisions of this section, with . stamps affixed sufficient in amount for the full payment of the tax imposed by this Act on such articles.

SEC. 31. All dealers licenses with tin' stamps attached thereto at the end of the calendar year for which they were issued, all manufacturers' invoices with the fractional part of the stamps attached, and all exhausted manufacturers' invoice books containing the stamped stubs, shall be gathered up by the internal-revenue officers or otherwise transmitted in such manner and at such times as the Collector of Internal Revenue shall by regulation provide, and shall be permanently filed in the Bureau of Internal Revenue.

SEC. 32. All license or other taxes imposed by this Act on a percentage basis of assessment shall be paid in such manner as the Collector of Internal Revenue, with the approval of the Secretary of Finance and Justice, may by regulation prescribe. All documentary taxes shall be paid' by the affixture and cancellation of stamps to documents the execution, registration, or certification of which is taxed by this Act.

SEC. 33. Any manufacturer and any dealer or other person subject to an occupation tax as provided herein, and anv carrier who willfully disregards any of the provisions of this Act with intent to defraud the insular revenues, or who willfully assists in, cooperates with, or conceals any such disregard on the part of another of any of the provisions of this Act with intent to defraud, shall, if the fraud is actually perpetrated. he punished in such manner and suffer such penalties, fines, and forfeitures as are else-where in this Act provided in such cases of fraud; and if no actual fraud is consummated, any person attempting its perpetration shall be fined in a sum not less than one hundred pesos nor more than two hundred pesos, in the discretion of the court; and any such person who, with no apparent malicious intent, but through willful and inexcusable carelessness fails to comply with any of the provisions of this Act and thus makes opportunity for others to commit fraud, or by such conduct hampers the expeditious enforcement of the law, or who with fraudulent intent is guilty of petty frauds or minor delinquencies, and who has not been a previous offender, may be fined administratively by the Collector of Internal Revenue, with the approval of the Secretary of Finance and Justice, in a sum not less than twenty pesos nor more than one hundred pesos: and payment of such fine, administratively imposed, may he enforced by proper action in court if not, paid upon demand.

SEC. 34. Every manufacturer of any of the articles made subject to the taxes imposed under Articles V to IX, inclusive, of this Act shall at the time of the original assessment, and all such manufacturers who may engage in such enterprises subsequent to the taking effect of this Act, shall, at the time of engaging in such enterprises, file with the treasurer of the province in which the manufactory is situated a bond, with surety or sureties to be approved by the provincial treasurer, in an amount equal, as nearly as can be estimated, to twenty per centum of the amount of taxes to be paid during an average year by such manufacturer on the output of his manufactory under the provisions of this Act. Every such bond shall be conditioned for the faithful compliance with all the provisions of this Act and with the regulations issued in accordance therewith and for the complete payment of all taxes lawfully accruing on the out put of such manufactory and of all fines and penalties imposed in accordance with the provisions of this Act: Provided, That in no event shall any such bond be required in an amount exceeding one hundred thousand pesos or less than two hundred pesos.

SEC. 35. All distilled spirits, manufactured or fermented liquors, Imitation of wines, snuff, and manufactured or partially manufactured tobacco, cigars, cigarettes, and matches manufactured or partially manufactured in the Philippine Islands before the time of the taking effect of this Act for sale or consumption in the Philippine Islands,

and which shall severally still be in the hands of the manufacturers thereof at the time of the taking effect of this Act, shall lie liable to the same taxes as are imposed herein on similar articles manufactured or partially manufactured after the time of the taking effect of this Act. The taxes on all such articles aforesaid in the possession of manufacturers at the time of the taking effect of this Act shall be paid in the same manner and "under the same regulations as are imposed and prescribed for the payment of taxes on similar articles manufactured or partially manufactured after the time of the taking effect of this Act.

SEC. 36. All taxes imposed under this Act. on distilled, rectified, or manufactured spirits, fermented liquors, matches, cigars, cigarettes, or manufactured or partially manufactured tobacco, manufactured in the Philippine Islands for domestic sale or consumption, shall be paid at the time of the removal of such articles from the manufactory, or other bonded warehouse.

No tax imposed under this Act on any of the articles enumerated in this section shall be collected on any portion of such articles as may be removed for the purpose of their exportation and which shall be actually so exported aboard some ocean-going ship and which shall not be relanded in the Philippine Islands.

The Collector of Internal Revenue shall issue all such rules and regulations as may be necessary to carry into effect the provisions of this section, and for such purpose shall require that such marks or labels shall be placed on the packages containing such goods, that such bonds shall be given by the owners of such articles, and that such bills of lading, certificates, and other evidence shall be furnished by the owners of such articles as may lie necessary to establish the fact that the said articles have, after removal from the manufactory or other bonded warehouse, been actually exported, and that no portion thereof has been sold or delivered for domestic consumption within the Philippine Islands. And upon the presentation of satisfactory proof as aforesaid, it shall lie the duty of the Collector of Internal Revenue to cancel the bond or bonds furnished by the owners of such articles conditioned on faithful compliance with the provisions of this section.

SEC. 37. All persons required to make returns or lists of objects charged with an internal-revenue tax shall state their valuation in Philippine currency, and all sums of money named in this Act shall be deemed to be in Philippine currency.

SEC. 38. Any officer of internal revenue may, in the discharge of his official duties, enter any building or place where any articles or objects subject to tax are made, produced, or kept, so far as it may be necessary for the purpose of examining said articles or objects; and any owner of such place or person having the agency or superintendency of same who refuses to admit such officer or to suffer him to examine such object? or articles, and any person who shall forcibly obstruct any officer of internal revenue, or who shall attempt or endeavor so to do. shall for every such offense be fined in a sum not more than two thousand pesos or be imprisoned for not exceeding two years, or be punished by both fine and imprisonment, in the discretion of the court.

SEC. 39. Every tax shall constitute a lien in favor of the Insular Government superior to all other charges or liens from the time it becomes due until paid by every such person from whom such tax shall be due upon all the property and rights to property used in the business in relation to which the tax assessed. The word "person" whenever used in this Act shall include firms, associations, and corporations.

SEC. 40. In the case of neglect or refusal to pay any taxes and penalties when due under the provision of this Act. the provincial treasurer may levy upon all property belonging to such person on which the said lien exists for the nonpayment and also for such further sums as shall be sufficient for the costs of such levy. The remedy by distraint and levy shall not be exclusive of the remedy by action in court, but shall be cumulative thereto.

SEC. 41. When distraint is made as aforesaid, the officer charged with the collection shall make or cause to be

made an account of the goods, effects, or credits distrained, a copy of which, signed by the officer making such distraint, shall be left with the owner or person in possession, of all such good, credits, or effects, at his dwelling or place of business, with some person of suitable age and discretion, with a note of the sum demanded and the time and place of sale; and the said officer shall forthwith cause a notification to be exhibited in not less than two public places in the municipality where the distraint is made, specifying the time and place of sale and the articles distrained. The time of sale shall not be less than ten days after notice to the owner or possessor of the property as above specified and the publication or posting of such notice. One place for the posting of such notice shall be at the office of the president of the municipality in which the property is distrained. At the time and place fixed in such notice the said officer shall sell the goods, chattels, credits, or effect so distrained, at public auction, to the highest bidder for cash : Provided That if prior to the sale payment is made to the proper officer charged with the collection of the tax, penalties, fees, and oilier charges, the goods, chattels, credits, or effects so distrained shall be restored to the owner.

SEC. 42. When property is seized upon distraint and sold, the proceeds of the sale shall, after deducting the expenses of the sale, be appropriated to the payment of the tax and penalties due. Any excess of the proceeds of the sale above payment of the expenses thereof and the tax and penalties due shall be returned to the owner of the property sold : Provided That nothing contained herein shall be construed as authorizing the return of any spirits, tobacco products, or other articles liable to forfeiture or illegally removed from any manufactory or bonded warehouse, or any part of the proceeds thereof when sold.

SEC. 43. When any property advertised for sale under distraint as aforesaid is of a kind subject to the tax and the tax has not been paid, and the amount bid for such property is not equal to the amount of the tax or is very much less than the actual market value of the articles offered for sale, the provincial treasurer may purchase the same in behalf of the Insular Government for the amount of taxes, penalties, and costs due thereon.

Property so purchased may be resold by the provincial treasurer under such regulations as may be prescribed by the Collector of Internal Revenue, and a distinct account of all expenses incurred in such sale shall be transmitted to the Collector of Internal Revenue, and the proceeds shall be paid into the Insular Treasury after defraying all lawful charges and expenses in connection with the custody and sale of the property: Provided. That when, any abandoned, condemned, or forfeited articles offered for sale by the provincial treasurer do not bring a price equal to the tax due and payable thereon, shall not be sold for consumption in the 'Philippine Islands; and upon application made to the Collector of internal Revenue he is authorized to order the destruction of such articles by the officer in whose custody and control the same may be at the time; and the Collector of Internal Revenue shall prescribe the necessary regulations for carrying into effect the provisions of this section and for making due record of the fact of such destruction.

SEC. 44. In all cases of sales as aforesaid the certificate of sale shall be conclusive evidence of the right of the officer to make such sale and shall transfer to the purchaser all the rights and privileges of such delinquent in and to the property sold as completely as if transferred or assigned by the person whose property was distrained and sold.

SEC. 45. When goods, chattels, or effects sufficient to pay the tax imposed upon any person are not found, the provincial treasurer or his deputy is authorized to collect the same by seizing and holding real estate in the manner prescribed for the seizure and sale of real estate for delinquent taxes in the Municipal Code and the amendments thereto.

SEC. 46. Whenever any property, personal or real, seized and sold by virtue of the foregoing provisions is not sufficient to satisfy the claim of the Government for which the distraint or seizure is made, the provincial treasurer

shall thereafter, and as often as may be necessary, proceed to seize and sell in like manner any other property liable to seizure belonging to the person against whom such claim exists, until the amount due, with all expenses, is fully paid.

SEC. 47. The Collector of Internal Revenue shall by general regulations determine the fees and charges to be allowed in all cases of distraint, and other seizures and shall have power to determine whether any expense incurred in making any distraint or seizure was necessary.

SEC. 48. The Collector of Internal Revenue shall have charge of all real estate which has been or shall be assigned, set off, or conveyed by purchase or otherwise to the Insular Government in payment of debts or taxes, penalties, or costs arising under the provisions of this Act, and, with the approval of the Secretary of Finance, and Justice, may at public auction, and at not less than twenty days' notice, sell and dispose of such real estate, and shall thereupon deposit the proceeds of such sales in the Insular Treasury and render account thereof to the Insular Auditor.

SEC. 49. The gross amount of all taxes received or collected under this Act shall be paid, except as otherwise provided in this Act, by the officer collecting the same into the Insular Treasury without any abatement or deduction on account of salary, compensation, or claims of any description, and a certificate of such payment, stating the name of the depositor and the specific account, on which the deposit was made, signed by the Insular Treasurer, shall be transmitted monthly to the Collector of Internal Revenue. All such funds collected within one calendar month shall be transmitted to the Insular Treasurer within the first five days of the succeeding month: Provided, That in the case of provinces in which the distance from the Insular Treasury of the officers receiving or collecting such revenues is such as to make compliance with the provisions of this section impracticable, the Insular Treasurer may extend the time for making such payments, as aforesaid, not exceeding in any case a period of one month.

SEC. 50. All suits to enforce the forfeiture of property which may be declared forfeited under the provisions of this Act or for the recovery of any sums which may be forfeited by law shall be brought in the name of the Government of the Philippine Islands and conducted by the provincial fiscal or the Attorney-General; but no suit for the recovery of taxes or of any fines, penalties, or forfeitures shall be commenced unless the Collector of Internal Revenue authorizes and sanctions the proceedings, and he shall prescribe such regulations for the observance of revenue officers, provincial fiscals, and other officials respecting suits arising under this Act in which the Government of the Philippine Islands is a party as may be deemed necessary for the just responsibility of such officers and the prompt collection of all revenues and debts due and accruing under this Act; and all judgments and moneys recovered and received for taxes, costs, forfeitures, and penalties shall be paid to the provincial treasurer or his authorized deputies as the taxes themselves are required to be paid.

SEC. 51. The Collector of Internal Revenue is authorized, subject to such regulations as may be prescribed by the Secretary of Finance and Justice, on appeal made to him to remit, remise, and pay back taxes erroneously or illegally received, or penalties imposed without authority, and all taxes that appear to be unjustly assessed or excessive in amount or in any manner wrongfully collected; also to repay to any provincial treasurer or his deputy the full amount of such sums of money as may be recovered against him in any court for any internal-revenue taxes collected by him, with the costs and expenses of suit; also to reimburse amounts paid for all damages and costs recovered against any revenue officer in any suit brought against him by reason of anything done in good faith in the performance of his official duty: Provided, That such damages and costs shall not be refunded unless the Collector of Internal Revenue shall have been notified of the pending action against the officer and shall have had ample opportunity to make defense against the same through the office of the Attorney-General and the Collector of Internal Revenue shall be satisfied that the recovery against the officer was not by reason of any

undue negligence on his part or willful oppression.

SEC. 52. No suit shall be maintained in any court for the recovery of any internal-revenue tax alleged to be excessive or collected without authority or of any sum alleged to be excessive or in any manner wrongfully collected, unless protest against such tax was made at the time of the payment thereof or within ten days thereafter nor until appeal shall have been duly made to the Collector of Internal Revenue and his decision has been bad thereon: Provided, That if such decision is delayed six months from the date of appeal then the suit may be brought without first having the decision of the Collector of Internal Revenue: And provided further, That no suit shall be maintained in any court for such recovery unless the same is brought within two years next after the cause of action accrued: And provided, further, That no courts shall have authority to grant an injunction restraining the collection of any taxes imposed by virtue of the provisions of this Act. but the remedy of the taxpayer who claims that he is unjustly assessed or taxed shall be by payment under protest of the sum claimed from him by the Collector of Internal Revenue and by action to recover back the sum claimed to have been illegally collected.

SEC. 53. The Collector of Internal Revenue, with the approval of the Secretary of Finance and Justice, may compromise any civil or criminal case arising under the provisions of this Act instead of commencing or prosecuting suit thereon, and, with the consent of the Secretary of Finance and Justice, he may compromise such case if action has been begun thereon.

SEC. 54. Wherever authority is given in this Act for the imposition of any fine or forfeiture administratively, any person aggrieved by the imposition of such fine or forfeiture may appeal therefrom to the proper Court of First Instance, and that court shall "have jurisdiction, after due hearing, to confirm the imposition of the fine or forfeiture or to reverse or modify the order in such respect as the law shall require and to enforce its judgment by proper process. Judgments of the Court of First Instance in such cases shall be certified to the Collector of Internal Revenue. Such appeal shall be taken within ten days after notice of the imposition of the fine or forfeiture.

SEC. 55. Any person who makes, sells, or uses any false or counterfeit stamp or cedula, or any die for printing or making stamps or cedillas, which is in imitation of or purports to be a lawful stamp, cedula, or die of the kind required by the provisions of this Act, or who erases the cancellation marks on any stamp or cedula previously used, or who alters the written or printed figures or letters or cancellation marks on any stamp or cedula previously used, or who has in his possession any such false, counterfeit, restored, or altered stamp, die, or cedula for the purpose of use or reuse of the same in the payment of any tax imposed in this Act or in securing any exemption or privilege conferred by the provisions of this Act, or who procures the commission of any of such offenses by another, shall for each such offense be fined in a sum " not less than two thousand pesos nor more than ten thousand pesos, and be imprisoned for a term not less than one year nor more than five years, at the discretion of the court.

SEC. 56. Any manufacturer, owner, or person in charge of any article made subject to the taxes imposed under Articles V to IX, inclusive, of this Act who removes or allows or procures the removal of any such articles for domestic sale or consumption from their place of manufacture or bonded warehouse wherein they have been legally deposited upon which the taxes imposed by this Act have not been paid in full prior to or at the time of such removal, and in the manner provided herein, shall for the first offense be punished by the forfeiture of all such articles so illegally removed and a sum equal to twice the taxes thereon, or, if such goods can not be seized, he shall forfeit an amount equal to the value of the goods and twice the taxes thereon; and every person willfully aiding or abetting in the removal of such articles, and every other person who knowingly conceals any such articles after their illegal removal, shall forfeit for every such offense a sum equal to twice the amount of taxes due and unpaid on any such articles so illegally removed. And every such manufacturer shall, before he is allowed to resume business, file with the provincial treasurer a bond in double the amount of his original bond, with

sufficient surety or sureties satisfactory to the Collector of Internal Revenue and under the same conditions as his original bond.

SEC. 57. In case of the commission of a second offense of the character described in the next preceding section by any of the persons therein named, the person committing the same shall be deemed to be guilty of a criminal offense and on conviction thereof shall be punished by imprisonment for not less than one month nor more than five years, and, if it be proven that the offense was committed by the owner or the manufacturer or by his connivance, all such articles illegally removed, the manufactory and the ground upon which it stands, and all machinery, stuck of goods, and other Si personal property which it contains, shall be declared by the judgment of the court as forfeited to the Insular-Government and shall be disposed of and the proceeds accounted for in the manner else-where prescribed in this Act.

SEC. 58. Any person who willfully fails to affix a stamp or stamps to any document at the time and in the manner required by Article XI of this Act shall be punished by a line in the sum of two hundred pesos, and the document to which the stamp or stamps should have been affixed shall be void until rendered valid by the affixture of the proper stamp or stamps thereto.

ARTICLE IV.

LICENSES.

SEC. 59. No person shall, after January first, nineteen hundred and five, engage in or carry on any business hereinafter mentioned until he has paid a license tax therefor in the manner hereinafter provided. The existing license laws are continued in force until January first, nineteen hundred and five.

SEC. 60. Every person engaged in any business or trade on which a license tax is imposed by law shall register with the provincial treasurer his name or style, place of residence, trade, or business, and the place where such trade or business is carried on. In case of a firm or company the names and residences of the various persons constituting the same shall also be registered.

SEC. 61. Any number of persons doing business in co-partnership in any one place shall be required to pay but one license tax.

SEC. 62. The payment of the license tax imposed shall not ' exempt any merchant or manufacturer also doing the same or another business in any other place from the payment of an additional license tax.

SEC. 63. Whenever more than one pursuit or occupation hereinafter described are carried on in the same place by the same p person at the same time, the tax shall' be paid for each pursuit or occupation according to the rates severally prescribed.

SEC. 64. All license taxes shall become due on the first day of January in each year or on commencing any trade or business on which a tax is imposed. In the former case the tax shall be reckoned for one year, in the latter case if shall be reckoned proportionately-from the first day of the quarter in which the liability for the license tax commenced to the first day of January following: Provided, That yearly license taxes may be paid in quarterly installments on the first day of January. April. July, and October: And provided further. That no license payment for a fraction of a year shall be for less than the sum required for three months.

SEC. 65. When any person who has paid the license lax for any trade or business dies, his wife or children, executor, administrator, or other legal representative may occupy the house or premises and in like manner carry on for the residue of the. term for which the tax is paid the same trade or business as the deceased before carried on in the same house; and upon the same premises, without the payment of any additional tax; and when any

person who has paid his license tax removes from the house or premises for which any trade or business was taxed to any other place he may carry on the trade or business specified in the provincial treasurer's register at the place to which he moves without the payment of an additional tax: Provided, That all cases of death, change, or removal as aforesaid, with tin: name of the successor to any person deceased or of the person making such change or removal, shall be registered with the provincial treasurer under regulations to be prescribed by the Collector of Internal Revenue.

SEC. 66. Any person who carries on the business of a distiller, rectifier, wholesale liquor dealer, retail liquor dealer, manufacturer of tobacco, snuff, cigars, or cigarettes, or dealer in manufactured tobacco, without, having paid the license tax therefor as required by law, shall, besides being liable for the payment of the tax, for every such offense be fined in a sum not less than two hundred pesos nor more than two thousand pesos or be imprisoned for a term not more than six months, in the discretion of the court.

And any person who carries on any other business for which a license tax is imposed by law without having paid the license tax therefor as required by law shall, besides being liable to the payment of the tax, be fined in a sum not more than one thousand pesos or be imprisoned for a term not more than six months or be punished by both fine and imprisonment, at the discretion of the court.

SEC. 67. The payment of any tax imposed by this Act for carrying on any trade or business shall not be held to exempt any person from any tax, penalty, or punishment provided by law or ordinance in places where such business is prohibited or regulated by municipal law, nor shall the payment of any such tax be held to prohibit any municipality from placing a license tax upon the same trade or business for local or other purposes where the imposition of such tax for local or other purposes is now authorized by law and is not prohibited by the provisions of this Act.

SEC. 68. Annual license taxes shall be levied and collected as follows:

- Every brewer shall pay two hundred pesos. Every person who manufactures fermented liquors of any description for sale or deliver to others, except small manufacturers of tuba, blassi, or tapuy, or like domestic fermented liquors, shall be deemed a brewer.
- Every distiller of spirits shall pay two hundred pesos. Every person who by original and continuous distillation from mash, wort, wash, sap, or sirup through continuous closed vessels and pipes until the manufacture thereof is complete, distills spirituous liquors, shall be deemed a distiller of spirits: Provided. That distillers of spirits whose daily output does not exceed four hectoliters shall pay the sum of forty-eight pesos.
- Every rectifier of distilled spirits shall pay two hundred pesos. Every person who rectifies, purities, or refines distilled spirits or wines by any process other than by original and continuous distillation from mash, wort, wash, sap, or sirup through continuous closed vessels and pipes until the manufacture thereof is complete; and every wholesale or retail liquor dealer who has in his possession any still or mash tub, or who keeps any other apparatus for the purpose of distilling spirits or in any manner refining distilled spirits; and every person who without rectifying, purifying, or refining distilled spirits shall, by mixing such spirits, wine, or other liquor with any materials except water, manufacture any spurious imitation or compound liquors for sale under the name of whisky, brandy, gin, rum, cane spirits, wine spirits, cordials, wine bitters, anisado, or any other name, shall be regarded as a rectifier and as being engaged in the business of rectifying."
- Every retail dealer in liquors shall pay forty-eight pesos'. Every person who for himself or on commission sells or offers for sale foreign or domestic distilled spirits or wine in quantities of two decaliters or less at any one time shall be regarded as a retail dealer in liquors, except as next hereinafter provided.

- Every retail "vino" dealer shall pay eight pesos. Every person who for himself or on commission sells or offers for sale the domestic distilled spirit called "vino" or like domestic distilled spirit in quantities of two decaliters or less at any one time shall be regarded as a retail "vino" dealer.

- Every wholesale liquor dealer shall pay two hundred pesos. Every person who for himself or on commission sells or offers for sale foreign or domestic distilled spirits or wines in larger quantities than two decaliters at any one time shall be regarded as a wholesale liquor dealer: Provided, That no distiller or rectifier who has paid the license tax imposed in this section and given the required bond and who sells only distilled spirits of his own production in the original packages at the place of manufacture shall be required to pay the license tax imposed in this paragraph on account of such sales.

- Every retail dealer in fermented liquors shall pay forty pesos. Every person who for himself or on commission sells or offers for sale foreign or domestic fermented liquors in quantities of two decaliters or less at any one time shall be regarded as a retail dealer in fermented liquors, and the payment of a license tax as a wholesale or retail liquor dealer or the payment of any other license tax shall not relieve any person who sells fermented liquors from the payment of the license tax imposed in this paragraph: Provided, That dealers in tuba, bassi, tapuy, or like domestic fermented liquors shall be excepted from this requirement.

- Every wholesale dealer in fermented liquors shall pay sixty pesos. Every person who for himself or on commission sells or offers for sale foreign or domestic fermented liquors in larger quantities than two decaliters at any one time shall, be regarded as a wholesale dealer in fermented liquors: Provided, That no brewer who has given the required bond and paid the license tax imposed in paragraph one of this section and who sells only fermented liquors of his own production in the original-packages at the place of manufacture shall be required to pay the license tax imposed in this paragraph on account of such sales.

- Every dealer in manufactured tobacco shall pay eight pesos. Every person whose business it is for himself or on commission to sell or offer for sale manufactured tobacco, snuff, cigars, or cigarettes shall be regarded as a dealer in manufactured tobacco, and the payment of a tax as a wholesale or retail liquor dealer or the payment of any other license tax shall not relieve any person who sells manufactured tobacco, snuff, cigars, or cigarettes from the payment of this tax: Provided, That no manufacturer of tobacco, snuff, cigars, or cigarettes who has given the required bond and paid the license tax or taxes as the case may be, imposed in paragraphs ten and eleven of this section and who sells only manufactured tobacco or cigars of his own production in the original packages at the place of manufacture, shall be required to pay the license tax imposed in this paragraph on account of such sales.

- Even' manufacturer of tobacco shall pay twenty pesos. Every person whose business it is to manufacture tobacco or snuff, or who employs others to manufacture tobacco or snuff, whether such manufacture be by cutting, pressing, grinding, or rubbing any raw or leaf tobacco, otherwise preparing raw or leaf tobacco or manufactured or partially manufactured tobacco and snuff, or putting up for consumption scraps, refuse, or stems of tobacco resulting from any process of handling tobacco, or by working or preparing leaf tobacco, tobacco stems, scraps, clippings, or waste by sifting, twisting, screening, or by any other process, shall be regarded as a manufacturer of tobacco.

- Every manufacturer of cigars shall pay twenty pesos. Every person whose business it is to make or manufacture cigars or cigarettes for sale or who employs others to make or manufacture cigars or cigarettes for sale shall be regarded as a manufacturer of cigars: Provided, That every person who is employed to make cigars for other, either for pay, upon commission, or shares, or otherwise, from material furnished by others shall be regarded as a cigar maker and not as a manufacturer of cigars, and every cigar maker shall cause his or her name and residence to be registered, without previous demand, with the provincial treasurer of the province within which the cigar

maker shall be employed; and any manufacturer of cigars employing any cigar maker who shall have neglected or refused to make such registration shall lie fined ten pesos for each day that any cigar maker who neglects or refuses to register shall be employed by him: And provided further, That persons who manufacture cigars or cigarettes in their own homes for delivery 10 larger manufacturers and not for sale shall pay no license or other tax imposed in this Act, and that persons who manufacture cigars or cigarettes in their own homes exclusively for sale on the premises shall pay an annual license tax of eight pesos for such manufacture and sale and shall, under special regulations issued by tin: Collector of Internal Revenue, also pay the tax imposed in. Article VIII of this Act on all such cigars so manufactured and removed for domestic sale or consumption : And provided further, That the taxes imposed in Article VIII of this Act on cigars and cigarettes delivered as provided herein by cigar makers to the larger manufacturers shall be paid by the manufacturers receiving such cigars in the same manner and amount as the taxes are paid on cigars and cigarettes made on the manufactory premises.

- Every peddler of manufactured tobacco or distilled, manufactured, or fermented liquors when traveling with more than two horses, mules, or other animals shall pay eighty pesos; when traveling 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 lie 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.

SEC. 69. The payment of a license tax by any manufacturer of distilled spirits, manufactured liquors or wines, fermented liquors, cigars, cigarettes, snuff, or other manufactured tobacco shall not authorize "the sale by any such manufacturer of his products at the place of manufacture at retail, nor in any manner except in the original packages.

SEC. . 70. Nothing in this article shall be construed to impose a license tax on apothecaries or pharmacists as to wines or spirituous liquors which they use exclusively in the preparation or compounding of medicines.

ARTICLE V.

DISTILLED SPIRITS.

SEC. 71. "Distilled spirits, spirits of alcohol, and alcoholic spirits," within the intent of this Act, include all substances known as' ethyl alcohol, hydrated oxide of ethyl, or spirits of wine, which are commonly produced by the fermentation of grain, starch, molasses, or sugar, or of some sirup or sap, including all. dilutions or mixtures, and the tax shall attach to this substance as soon as it is in existence , as such, and whether it be subsequently separated as pure or impure spirits or be immediately or at any subsequent time transferred into any other substances either in process of original production or by any subsequent process.

SEC. 72. Proof spirits shall be held to be that alcoholic liquor which contains one-half its volume of alcohol of a specific gravity of seven thousand nine hundred and thirty-nine ten-thousandths at sixty degrees Fahrenheit of temperature.

SEC. 73. In all measurements of spirits a "liter" shall be held to be a liter of proof spirits, according to the standard prescribed in the preceding section; and the term "wine"" or "gauge liter" where used shall be held to indicate a liter of volume capacity regardless of proof.

SEC. 74. There shall be levied and collected on all distilled spirits manufactured in the Philippine Islands for domestic sale or consumption a tax of twenty centavos on each 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 gauge liters when below proof, and shall be increased in proportion for any greater strength than the strength of proof spirit as defined 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.

SEC. 75. Every person who manufactures any still, boiler, or other vessel to be used Tor the purpose of distilling, shall, before the same is removed from the place of manufacture, notify in writing the provincial treasurer of the province in which the still, boiler, or other vessel is to be used or set up. by whom it is to be used, its capacity, and the time when the same is to be removed from its place of manufacture; and no such still, boiler, or other vessel shall be set up without the permit in writing of said provincial treasurer for that purpose.

SEC. 76. Every distiller, when so required by the Collector of Internal Revenue, shall provide at his up expense a warehouse, to be situated on and to constitute, a part of his distillery premises and to be used only for the storage of distilled spirits of his own manufacture until the tax thereon shall have been paid; but no dwelling house shall be used for such purpose, except by special permit from the Collector of Internal Revenue or from the provincial treasurer, and no door, window, or other opening shall be permitted in the walls of such warehouse leading into the distillery, or into any other room or building; and such warehouse, when approved by the Collector of Internal Revenue, on the report of the provincial treasurer or other officer, is hereby declared to be a bonded warehouse. to be known as a distillery warehouse, and shall be under the direction and control of the treasurer of the province; and whenever the Collector of Internal Revenue shall so direct said distillery warehouse shall be in the custody of an internal-revenue storekeeper designated to that duty.

SEC. 77. Every distillery warehouse shall be in the joint custody -of the storekeeper, if one is assigned thereto, and of the proprietor thereof. it shall be kept securely locked, and shall at no time be unlocked or opened or remain opened unless in the presence of such storekeeper or other person who may be designated to act for him as provided by law.

SEC. 78. Every person engaged in distilling or rectifying spirits, and every wholesale liquor dealer, shall keep conspicuously on the outside of his place of business a sign exhibiting, in plain, large letters, the name and firm of the distiller, rectifier, or wholesale dealer, with the words "Registered distiller," "Rectifier of spirits," or "Wholesale liquor dealer," as the case may be.

SEC. 79. All distilled spirits shall be drawn from the receiving cistern into vessels of not less capacity than fifteen liters, and shall thereupon be gauged, proved, and marked by marking the package r containing such spirits, in a manner to be prescribed by the Collector of Internal Revenue, the quantity in wine or gauge liters and in proof liters contained in each cask, which shall be immediately " removed into the distillery warehouse.

SEC. 80. No distilled spirits on which the tax has been paid shall be stored or allowed to remain in any distillery, or distillery or other bonded warehouse, under penalty of the forfeiture to the Insular Government of all spirits so found.

SEC. 81. All distilled spirits found in the distillery warehouse in any cask or package containing fifteen liters or more without having thereon each mark required therefor by law, shall be forfeited to the Insular Government.

SEC. 82. No gauger shall employ any owner, agent, or superintendent of any distillery or distillery warehouse, or any person t in the service of such owner, agent, or superintendent, or any rectifier or wholesale liquor dealer, or any person in the service of such rectifier or wholesale liquor dealer, to use his brands or discharge any of the

duties imposed upon him by law.

SEC. 83. Every distiller or owner of distilled spirits removed as s aforesaid to the distillery warehouse shall, on the first day of each month or within four days thereafter, enter the same for deposit in said warehouse under such regulations as the Collector of Internal Revenue may prescribe. Such entry shall be in triplicate and shall " contain the name of the person making the entry, the designation of the warehouse where the deposit is made, and the date thereof, and shall be in the following form:

"Entry for deposit in distillery warehouse. Entry of distilled spirits deposited by, in distillery warehouse in the Province of..... Island of, on the day of, A. D. 19....."

Each entry shall specify the kind of spirits, the whole number , of casks, the marks and serial numbers thereon, the number of gauge liters and proof liters, and the amount of the tax on the spirits contained in such packages, which entry shall be signed by the distiller or the owner of the same. One copy of said " entry shall be retained in the office of the treasurer of the province', one copy shall lie sent to the storekeeper in charge of the warehouse to be retained and filed in the warehouse, and one copy shall be sent to the Collector of Internal Revenue to be filed in his office. The taxes upon the liquors covered by such entry shall" be paid within three years from the date of the entry.

SEC. 84. It shall be lawful for any revenue officer to detain any , package containing or supposed to contain distilled spirits when he has good reason to believe that the tax imposed by law has not been paid or that the same is being removed in violation of law, and every such cask or package shall be held by such officer in a safe place until it shall be determined whether the property so detained is liable by law to be proceeded against for forfeiture; but such summary detention shall not continue in any case longer than seven days without process of law or intervention of the officer to whom such detention is to be imported.

SEC. 85. Every storekeeper shall keep a warehouse book, which shall at all times lie open to the examination ol' any revenue officer, and shall enter therein an account of all. articles deposited in the warehouse to which he is assigned, indicating in every case the date of deposit, by whom manufactured or produced, the number and description of the package and its contents, the quantities therein, the marks and serial numbers thereon, by whom gauged, inspected, or weighed, and it' distilled spirits the number of gauge liters and proof liters; and before delivering any articles from, the warehouse such storekeeper shall enter in said book the date of the sale of the stamps by the provincial treasurer for payment of the tax on such articles, the number and description of the packages, the marks and serial numbers thereon, the date of delivery, to whom delivered and for what purpose, which purpose shall he specified in the permit or order for delivery, and in case of delivery of any distilled spirits the number of gauge liters and proof liters shall also be stated, and such further particulars shall be recorded in such warehouse book as may be prescribed by the Collector of Internal Revenue or found necessary for the identification of the packages and to insure the correct delivery thereof and prompt accountability therefor; and every storekeeper shall furnish daily to the treasurer of the province a';, return of all articles received in and delivered from the warehouse-during the day preceding that on which the return is made, and shall mail at the same lime a copy thereof to the Collector of Internal Revenue, and shall on the first .Monday of every month make a report in duplicate of the number of packages of all articles, with the respective description thereof as above provided, which remain in the warehouse at the date of his last report, of all articles received therein and delivered therefrom during the preceding month, . and of all articles remaining therein at the end of said month. He shall deliver one copy of such report to the provincial treasurer having control over the warehouse, to be recorded and filed in his office, and transmit, one copy to the Collector of Internal Revenue to be recorded and filed in his office.

SEC. 86. Every storekeeper assigned to any distillery warehouse, in addition to the duties required of him as storekeeper in charge of the warehouse, shall keep in a book to be provided for that purpose, in the manner prescribed by the Collector of Internal Revenue, a daily account of all the meal and vegetable products or other substances brought into said distillery or on said premises to be used for the purpose of producing spirits and from whom procured and when delivered to said distillery, the kind and quality of all fuel and from whom purchased, of all repairs made on said distillery and by whom and when made, the name and residence of each person employed in or about the distillery, of all materials put into the mash tub or otherwise used for the production of spirits, of the time when any fermenting tub is emptied of any ripe mash or beer, recording the same by the number painted on said tub, and of all spirits drawn oil from the receiving cistern and the time when the same were drawn off.

SEC. 87. On all distilled spirits which may be changed in form either before or after rectification by the addition of coloring matter, except as hereinafter provided, flavoring extracts, or other kinds of liquor or other ingredients except water, and where the same is intended for human consumption, there shall be levied and collected on each liter of the finished product manufactured in the Philippine Islands for domestic sale or consumption, a tax of ten centavos. and this tax shall be distinct from and in addition to the tax per proof liter imposed by this Act on all distilled spirits used in the compounding of all such concocted or manufactured liquors.

Person engaged in the concoction or manufacture of liquors t as declined in this section shall be subject to all the requirements t 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 bf subject to all the provisions of this Act imposing penalties, punishments, and forfeitures for noncompliance with the law.

SEC. 88. On all distilled spirits containing amyl or other higher alcohols (fusel oil), aldehyde, or methyl alcohol (wood alcohol) in the proportion of four or more parts in one thousand, which may lie removed from the distillery for domestic sale or consumption exclusively for manufacturing or industrial purposes, and not intended for use as beverages, there shall be levied and collected a tax of ten centavos on each liter of proof spirits; and on all such spirits as may be; removed from the place of their manufacture to some other distillery or to some rectifying establishment for the purpose of their rectification, and to reduce the amyl alcohol or other poisonous substances to four or less parts in one thousand, there shall be levied and collected, when rectified and the poisonous substances removed as aforesaid, an additional tax of ten centavos on each proof liter of such rectified spirits removed for domestic sale or consumption as beverages.

It shall he the duty of every internal-revenue officer to report to the Collector of Internal Revenue all cases where distilled spirits: suspected to contain the poisonous substances aforesaid, in the proportion, of four or more parts in one thousand, are removed from the place of their manufacture for domestic sale or consumption as beverages, and such revenue officer shall send with his report a sample of such suspected spirits. If, from an analysis made at the .Bureau of Government Laboratories, it shall appear that any such spirits actually contain any of the aforesaid poisonous substances in the proportion of four or more parts in one thousand, it shall be the duty of the Collector of Internal Revenue to direct that all spirits distilled at the distillery in which the spirits so analyzed were produced shall promptly at the time of their production be colored by the addition thereto of methylene blue or other coloring matter approved by the Collector of Internal Revenue in the proportion of not less than one part of coloring matter to five thousand of spirits; and thereafter all such spirits found on the manufactory premises uncolored, and all such spirits colored or uncolored removed from the manufactory for domestic sale or

consumption as beverages, shall be seized and forfeited to the Insular Government, and every person guilty of such illegal removal or sale of such spirits shall be punished in the manner 'elsewhere provided in this Act for similar offenses.

The Collector of Internal Revenue shall notify the Commissioner of Public Health of all cases where spirits containing such poisonous substances are produced or seized because of their illegal removal for domestic sale or consumption as I leverages.

SEC. 89. When any judgment or forfeiture in any case of seizure is recovered against any distillery used or fit for use in the production of distilled spirits because no bond has been given, or against any distillery used or fit for use in the production of spirits having a registered producing capacity of less than six hundred liters a day, for any violation of law of any nature, every still, doubler, worm tub, mash tub. and fermenting tub therein. may be so destroyed as to prevent the use of the same or any part thereof for the purpose of distilling, or sold as in the case of other forfeited property, in the discretion of the Collector of Internal Revenue.

SEC. 90. Whenever seizure is made of any distilled spirits found elsewhere than in a distillery warehouse or other warehouse for. distilled spirits authorized by law, or found in any store or in any place of business of a rectified, or of a wholesale liquor dealer, or other place, or in transit therefrom or thereto, which have not been received into or sent out therefrom in conformity to law and in regard to which any entry required by law to be made in the books of the owner of such spirits, or of a storekeeper, wholesale dealer, or rectifier has not been made in the lime and in the manner required, or in respect to which the owner having possession, control, or charge of such spirits has omitted to do any act required to be done, or has done or committed any prohibited act in regard to such spirits, the burden of proof shall fall upon the claimant of such spirits to show that no fraud has been committed, and that all the requirements of law in relation to the payment: of the taxes thereon have been complied with.

ARTICLE VI.

FERMENTED LIQUORS.

SEC. 91. On all beer, lager beer. ale. porter, and other fermented liquor by whatever name called, except tuba, bassi, and tapuy, which may be brewed or manufactured in the Philippine Islands for domestic sale or consumption, there shall be levied and collected a tax of four centavos on each liter, which shall be paid by the owner, agent, or superintendent of the brewery or premises on which such fermented liquors are. Manufactured.

SEC. 92. Any brewer may remove or transport or cause to be removed or transported from his brewery or other place of manufacture to a bonded warehouse, used by him exclusively for the storage or sale in bulk of fermented liquor of his own manufacture, any quantities of such fermented liquors not Jess than one thousand liters at one removal, without paying the tax thereon at the time of removal from the place of manufacture, under a permit which shall upon application be granted by the treasurer of the proving in which such liquor is manufactured and under such regulation as the Collector of Internal Revenue may prescribe, and thereafter the manufacturer of such fermented liquor shall pay the tax in the same manner and under the same penalty and liability as when paid at the brewery, as provided in Ibis Act. and such permits shall be affixed to every package so removed, and shall be canceled or destroyed in such manner as the Collector of Internal Revenue may prescribe.

SEC. 93. When any fermented liquor has become sour or otherwise damaged so as to be unfit for use as such, brewers may sell and remove the same without the payment of the tax thereon to any place where such liquor is to be used for manufacturing purposes, in casks or other packages, unlike those ordinarily used for fermented liquors, containing each not less than one hundred and seventy-live liters and having a note of their contents marked thereon; but such removal shall be made only after a special permit " has been secured from the provincial

treasurer and in accordance with such regulations as may be prescribed by the Collector of Internal Revenue.

SEC. 94. The ownership or possession by any person of any fermented liquor, or its sale or removal from the brewery or warehouse or other place where it was made, upon which the tax imposed by this Act has not been paid, shall render such liquor liable to seizure and forfeiture wherever found; but this provision shall not be applicable to fermented liquors removed under permit in the manner provided in this article.

ARTICLE VII.

MANUFACTURER TOBACCO AND SNUFF.

SEC. 95. Every person before commencing or before continuing the manufacture of tobacco and snuff shall furnish without previous demand therefor to the treasure of the province wherein the manufacture is to be carried on a statement in duplicate setting forth the place, and if in a city the street and number of the street, where the manufacture is to be carried on: the number of cutting machines, presses, snuff mills, or other machines; the name, kind, and quantity of the articles manufactured or proposed to be manufactured, and, when the same are manufactured by him as agent for any other person or to be sold and delivered to any other person under special contract, the name and destination and business of occupation of the person for whom said articles are to be manufactured or to whom they are to be delivered.

SEC. 96. Every manufacturer of tobacco and snuff shall place and keep on the outside of the building wherein his business is carried on, so that it can be distinctly seen, a sign giving his full name, business, and assessment number.

SEC. 97. It shall be the duty of every farmer or planter producing leaf tobacco and of every dealer in leaf tobacco or any material used in the manufacture of tobacco or snuff, on demand of any internal-revenue officer to render a true and complete statement of the quantity and amount of such leaf tobacco or other material sold or delivered to any person named in such demand : and in case of refusal or neglect to render such statement or if there is cause to believe such statement to be incorrect or fraudulent, the provincial treasurer or other revenue officer shall make an examination of such persons, books, and papers as may be necessary to determine the facts in the case; and any such dealer in leaf tobacco or other material who refuses to render a statement, or who renders a false or incomplete statement, shall for each offense be fined in a sum not exceeding four hundred pesos.

SEC. 98. All manufactured tobacco and snuff shall be put up and prepared by the manufacturer for sale or removal for sale or consumption only in such packages as the Collector of Internal Revenue shall by general regulations prescribe: Provided, That fine-cut snuff, the refuse of fine-cut chewing tobacco, refuse, scraps, cuttings, clippings, and sweepings of tobacco may be sold in bulk as raw material by one manufacturer directly to another manufacturer without the payment, of the tax thereon.

SEC. 99. Every manufacturer of tobacco and snuff shall print or securely affix on each package containing tobacco or snuff manufactured by or for him a label on which shall be printed the proprietor's name or manufacturer's name, the assessment number of the manufactory, the province and island in which it is situated.

SEC. 100. The Collector of Internal Revenue may in any case allow snuff and smoking tobacco manufactured before the taking effect of this Act and which has not been packed in the prescribed packages to be labeled and sold in the original packages.

SEC. 101. On all tobacco and snuff manufactured or partially manufactured in the Philippine Islands and sold or removed for domestic consumption or sale there shall be levied and collected the following taxes:

On snuff manufactured of tobacco, or of any substitute for tobacco, ground, dry, damp, pickled, scented, or

otherwise, of all descriptions, when prepared for use. a tax of thirty-two centavos on each kilogram; and snuff flour shall be taxed as snuff and shall be put up in packages and labeled and the tax paid thereon in the same manner as snuff.

On all chewing and smoking tobacco, fine-cut Cavendish, plug or twist, cut or granulated, of every description and on all tobacco twisted by hand or reduced into a condition to be consumed in any manner other than by the ordinary mode of drying and curing; and on all tobacco prepared or partially prepared for sale or consumption, even if prepared without the use of any machine or instrument and without being pressed or sweetened ; and on all fine-cut shorts and refuse, scraps, clippings, cuttings, and sweepings of tobacco a tax of forty-eight centavos on each kilogram.

SEC. 102. Every dealer in manufactured tobacco who has on hand more than ten kilograms of such tobacco, and every dealer in snuff who has on hand more than five kilograms of snuff on the date of the taking effect of this Act, whether manufactured in the Philippine Islands or imported prior to that date, shall make and deposit with the treasurer of the province on the first day of each month a true and complete inventory of any such tobacco and snuff, respectively, then remaining on hand. The provincial treasurer shall make and transmit, to the Collector of internal Revenue an abstract of the several inventories so filed in his office.

SEC. 103. Every peddler of tobacco, snuff, or cigars traveling with a wagon shall affix or keep on the same in a conspicuous place a sign giving his full name, business, province, and assessment number.

ARTICLE VIII.

CIGARS AND CIGARETTES.

SEC. 104. Every cigar or cigarette manufacturer shall place and keep on the outside of the building within which, his business is carried on, and so that it can be distinctly seen, a sign, with letters thereon giving his full name, business, and assessment number.

SEC. 105. All cigars and cigarettes shall be packed only in such boxes or packages as the Collector of Internal Revenue shall by general regulations prescribe.

SEC. 106. Every manufacturer of cigars or cigarettes shall securely affix, by pasting on every box or package containing cigars or cigarettes manufactured by or for him, a label on which shall be printed, together with the proprietor's or manufacturer's name, the assessment number of the manufactory and the province and island in which it is situated.

SEC. 107. On all cigars and cigarettes, manufactured in the Philippine Islands for domestic sale or consumption, there shall be levied and collected the following taxes, to be paid by the manufacturer thereof:

On cigars of all descriptions made of tobacco, or of any substitute therefor, two pesos on each thousand where the manufacturer's wholesale price is twenty pesos per thousand or less; four pesos on each thousand, where the manufacturer's wholesale price is fifty pesos per thousand or more than twenty pesos per thousand", six pesos on each thousand where the manufacturer's wholesale price exceeds fifty pesos per thousand.

On all cigarettes made of tobacco, or of any substitute therefor, weighing not more than two kilograms per thousand, sixty-seven centavos per thousand: Provided, That after the first day of July nineteen hundred and five, there shall be levied and collected on each thousand of such cigarettes, one peso per thousand.

On all cigarettes made of tobacco, or of any substitute therefor, weighing more than two kilograms per thousand, two pesos on each thousand : Provided, That the taxes imposed in this section shall not accrue nor be collected on handmade cigars or cigarettes prepared by the actual consumer thereof exclusively for his own individual

consumption and not for sale, barter, or gift to other consumers.

ARTICLE IX.

TAX ON MATCHES.

SEC. 108. On all matches, whether safety, sulphur, or friction matches or fusees, of whatever material made or by whatever name known, which are manufactured or partially manufactured in the Philippine Islands, or which are imported from other countries for domestic sale or consumption, there shall be levied and collected a tax of forty centavos on each gross of boxes containing not more than one hundred and twenty sticks to the box; and there shall be levied and collected on each gross of boxes containing over one hundred and twenty sticks to the box a proportionate additional tax.

SEC. 109. The taxes imposed in this article on matches imported . from other countries for domestic sale or consumption in the Philippine Islands shall be collected, and the proceeds thereof accounted for, by such customs employee or employees as may be designated in the various ports by the Collector of Customs and under such rules and regulations as may be prescribed by the Collector of Internal Revenue. The proceeds of such taxes shall be accounted for as internal revenue and not, as customs receipts.

ARTICLE X.

BANKS AND BANKERS.

SEC. 110. Every incorporated or other bank, and every person, association, or company having a place of business where credits are opened by the deposit or collection of money or currency subject to be paid or remitted upon draft, check, or order, or where money is advanced or loaned on stocks, bonds, bullion, bills of exchange, or promissory notes, or where stocks, bonds, bullion, bills of exchange, or promissory notes are received for discount or for sale, shall be regarded as a bank or banker.

SEC. 111. There shall be levied, collected, and paid as hereinafter provided:

First. A tax of one-eighteenth of one per centum each month upon the average amount of deposits of money, subject to payment by check or draft, or represented by certificates of deposit or otherwise, whether payable on demand or at some future day, made with any person, bank, association, company, or corporation engaged in the business of banking.

Second. A tax of one-twenty-fourth of one per centum each month upon the capital employed by any bank, association, company, corporation, or by any person engaged in the business of banking: Provided, That the words "capital employed" shall not include money borrowed or received from time to time in the usual course of business from any person not a partner of or interested in said bank, association, or firm: And Provided further, That no tax shall be imposed upon the capital employed by any bank, association, company, corporation, or any person engaged in the business of banking whose sole business is loaning money on real-estate, security: And Provided further, That the amount of capital used by a bank within the Philippine Islands, when such bank is a branch of a bank incorporated under laws of the United States or a foreign country, shall, for the purpose of assessment under this article, be determined in the following manner: The total amount of the capital of the bank shall be ascertained, and, likewise, the total amount of the earnings of the bank accruing during the preceding six months, and also the total amount of the earnings accruing from the bank's business conducted in the Philippine Islands; and such a proportion of the total capital of the bank shall be deemed to have been employed in the Philippine Islands as the earnings in the Philippine Islands bear to the total earnings of the bank.

Third. A tax of one-twelfth of one per centum each month upon the average amount of circulation issued by any

bank, association, corporation, company, or person engaged in the business of banking, including as circulation all notes and other obligations calculated or intended to circulate or to be used as money, but not including that in the vault of the bank or redeemed and on deposit for said bank; and an additional tax of one per centum each month upon the average amount of such circulation issued as aforesaid beyond the amount of the paid-in capital of any such bank, association, corporation, or person: Provided, That the additional tax of one per centum each month upon the average amount of such circulation issued beyond the amount of the paid-in capital of any such bank, association, corporation, or person shall not be imposed; prior to January first, nineteen hundred and live.

Fourth. The deposits in associations or companies known as provident institutions, savings banks, savings funds, or savings' institutions, having no capital stock and which do no other business than receiving deposits to be loaned or invested for the sole benefit of the parties making such deposits and without profit or compensation to the association or company shall be exempt from this tax on so much of their deposits as such institutions have invested in securities satisfactory to the Insular Treasurer, and on all deposits, not exceeding four thousand pesos, made in the name of any one person.

SEC. 112. The taxes provided in the preceding section shall be for the 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 August and the first day of February, respectively: but such taxes shall be calculated at the rate per month, as provided in said section, so that the tax for six months shall not be less than the aggregate would be if such taxes were collected monthly. If any tax is not paid within fifteen days after the same is due it shall become delinquent at once and there shall be added to such tax a, [tensity of fifteen per centum of the tax. and the Collector of Internal Revenue shall proceed to collect such tax and penalties by distraint, and in the manner prescribed in Article III of this Act.

SEC. 113. Whenever the outstanding circulation of any bank, association, corporation, company, or person, is reduced to an amount not exceeding five per centum of the chartered or declared capital existing at the time the same was issued, said circulation shall be free from taxation; and whenever any bank which has ceased to issue notes for circulation deposits with the Insular Treasurer, in lawful money, the amount of its outstanding circulation to be redeemed at par, under such regulations as the Insular Treasurer may prescribe, it shall be exempt from any tax upon said circulation.

SEC. 114. A true and complete return of the monthly amount of circulation, of all deposits, and of all capital, as aforesaid, for the previous six months, shall be made and rendered in duplicate on the fifteenth day of July and on the fifteenth day of January of: each year by each one of such banks, associations, corporations, companies, or persons, with a declaration annexed thereto under the oath of such person or of the president, cashier, or manager of such bank, association, corporation, or company, in such form and manner as may be prescribed by the Collector of Internal Revenue, that the same contains a true and faithful statement of the amounts subject to taxes as aforesaid; and one copy of such return shall be transmitted to the treasurer of the province in which such bank, association, corporation, or company is situated, or in which such person has his place of business, and one copy shall be transmitted to the Collector of Internal Revenue.

SEC. 115. In default of the returns provided in the preceding section the amount of the circulation, deposits, and capital, as aforesaid, shall be estimated by the Collector of Internal Revenue upon the best information which he can obtain; and for each such refusal or neglect to make such return and payment any such bank, association, corporation, company, or person so in default shall forfeit and pay the sum of four hundred pesos.

ARTICLE XI.

STAMP TAXES ON SPECIFIED OBJECTS.

SEC. 110. There shall be levied, collected, and paid for and in respect to the several bonds, debentures, or certificates of stock and of indebtedness, and other documents, instruments, matters, and things mentioned and described in this section, or for or in respect to the vellum, parchment, or paper upon which such instruments, matters, or things or any of them shall be written or printed "by any person or persons who shall make, sign, or issue the same, on and after January first, nineteen hundred and five, the several taxes following:

First. (a) On all bonds, debentures, and certificates of indebtedness issued by any association, company, or corporation, on each two hundred pesos or fractional part thereof, of the face value of such document, twenty centavos; (b) on every original issue,-whether on organization or on reorganization, of certificates of stock by any such association, company, or corporation, on each two hundred pesos, or fractional part thereof, of the face value of such certificates, twenty centavos; (c) on all sales, or agreements; to sell, or memoranda of sales, or deliveries, or transfer of shares or certificates of stock in any association, company, or corporation, or by any assignment, in blank, or by any delivery, or by any paper, or agreement, or memorandum, or other evidence of transfer or sale, whether entitling the holder in any manner to the benefit of such stock, or to secure the future payment of money, or for the future transfer of any stock, on each two hundred pesos, or fractional part thereof, of the face value of such sale, or agreement, or memorandum of sale or transfer, four centavos; (d) on all certificates of profits, or any certificate or memorandum showing interest in the property or accumulations of any association, company, or corporation, and on all transfers of such certificates or memorandum, on each two hundred pesos, or fractional part thereof, of the face value of such certificate or memorandum, two centavos.

In case of a sale where the evidence of transfer is shown only by the books of the company the stamp shall be affixed to such books; and in case the change of ownership is by transfer certificates the stamp shall be affixed to the certificate: and in case of an agreement to sell, or when the transfer is by delivery of the certificate assigned in blank, there shall be made and delivered by the seller to the buyer a bill or memorandum of such sale to which the stamp shall be affixed: and every such bill or memorandum of sale, or agreement to sell, shall show the date thereof, the name of the seller and of the purchaser, the amount of the sale, and matter or thing to which it refers.

Second, (a) On each bank check, draft, or certificate of deposit, not drawing interest, or order for the payment of any sum of money drawn upon or issued by any bank, trust company, or any person or persons, companies, or corporations at sight or on demand, two centavos; (b) on all bills of exchange between points within the Philippine Islands, drafts and certificates of deposit drawing interest, or order for the payment of any sum of money otherwise than at sight or on demand, and on all promissory notes, except bank notes issued for circulation, and on each renewal of any such note, on each two hundred peso- or fractional part thereof, of the face value of any such bill of exchange, draft, certificate of deposit,- or note, two centavos; (c) on all foreign bills of exchange and letters of credit (including orders by telegraph or otherwise, for the payment of money issued by express or steamship companies or by any person or persons drawn in but payable out of the Philippine Islands, in a set of three or more according to the custom of merchants and bankers, on each two hundred pesos, or fractional part thereof, of the face value of any such bill of exchange or letter of credit, four centavos: and when the amounts of any such bills of exchange or letters of credit are expressed in terms of foreign currency this tax shall be paid on the equivalent of such amounts in money of the United States according to the standard of values fixed by the United States Government: Provided, That checks, drafts, and all bills of exchange issued in payment of any debt, obligation, or liability, or in fulfillment of any contract of the Government of The United States, or the Insular Government, or of a provincial or municipal government, shall be exempt from the payment of this tax.

Third, (a) On all policies of insurance, or other instruments by whatever name the same may be called, whereby any insurance shall be made or renewed upon any life or lives, on each two hundred pesos or fractional part thereof, of the amount insured by any such policy, ten centavos; (b) on all policies of insurance or other-instruments by whatever name the same may be called, by which insurances shall be made or renewed upon properly of any description, including rents or profits, against, peril by sea or on inland waters, or by fire or lightning, on each four pesos, or fractional part thereof, of the amount of premium charged, two centavos; (c) on all policies of insurance or bond or obligation of the nature of indemnity for loss, damage, or liability made or renewed by any person, association, company, or corporation transacting the business of accident, fidelity, employers' liability, plate glass, steam boiler, burglar, elevator, automatic sprinkler, or other branch of insurance (except life, marine, inland, and fire insurance), and on all bonds, undertakings, or recognizances conditioned for the performance of the duties of any office or position, for the doing or not doing of anything therein specified, and on all obligations guaranteeing the validity or legality of any bonds or other obligations issued by any province, municipality, or other public body or organization, and on all obligations guaranteeing the title to any real estate, or guaranteeing any mercantile credits, which may be made or renewed by any such person, association, company, or corporation, on each four pesos, or fractional part thereof, of the premium charge, two centavos.

Fourth. On all policies of annuities, or other instrument by whatever name the same shall be called, whereby an annuity may be made, transferred, or redeemed, on each two hundred pesos, or fractional part thereof, of the capital of the annuity, or should this be unknown, then on each two hundred pesos or fractional part thereof, of thirty-three and one-third times the annual income, ten centavos: Provided, That the provisions of this paragraph shall not apply to any fraternal or beneficiary society or order or farmer's purely local cooperative company or association or employees' relief association operated on the lodge system or local cooperation plan, organized and conducted solely by the members thereof for the exclusive benefit of its members and not for profit.

Fifth. On each bond for indemnifying any person or persons, firm, or corporation who shall have become bound or engaged as surety for the payment of any sum of money or for the due execution or performance of the duties, of any office or position or to account for money received by virtue thereof, and on all other bonds of any description, except such as may be required in legal proceedings, or which are not otherwise provided for in this section, fifty centavos.

Sixth, (a) 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, twenty centavos; (b) on each certificate issued by a notary public, twenty centavos; (c) on each certificate of any description required by law and not otherwise specified in this Act, twenty centavos.

Seventh. On each receipt or other memorandum for money paid, whether for services rendered, rent, or interest-paid, or money received by virtue of any contract or agreement, when the amount paid exceeds thirty pesos, four centavos: Provided, That the word "receipt" shall be construed to include every ticket, check, or receipt for the price of carriage issued by any railroad, steamboat company, or other common carrier, except as hereinafter provided: And provided further, That receipts given by insular, provincial, or municipal employees for their salaries or any part thereof shall be exempt: And provided further, That receipts issued by any tax collector or any government employee, whether in the employ of the Insular Government, of a province, or municipality, for money paid on account of taxes, deposits, purchase or sale of real estate or personal property, or for services rendered by the Government and due or to be paid into a public treasury, shall be exempt.

Eighth. On each warehouse receipt for any goods, merchandise, or property of any kind held in storage in any public or private warehouse or yard, twenty centavos.

Ninth. (a) On each 'copy of 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, ten centavos; (b) on each copy of every set of bills of lading or receipts, except charter party, for any goods, merchandise, or effects shipped from one port or place in the Philippine Islands to another port or place in said Islands, two centavos.

It shall be the duty of every railroad or steamboat company, express company, corporation, or person acting as a common carrier, to issue to the shipper or consignor, or to his agent, or to the person from whom any goods are accepted for transportation, a bill of lading, manifest, or other evidence of the receipt and forwarding of any goods, merchandise, or effects for each shipment received for carriage and transportation, whether in hulk or in boxes, bales, packages, bundles, or not so inclosed and included.

Tenth, (a) On each passage ticket or any receipt for money paid for passage by any vessel other than on a vessel belonging to the Insular Government or the Government of the United States from any port in the Philippine Islands to a port in the United States or to any foreign port, if said passage costs not more than sixty pesos, one peso; (b) on each passage ticket as aforesaid costing more than sixty pesos and not more than one hundred and twenty pesos, two pesos: (c) on each passage ticket as aforesaid costing more than one hundred and twenty pesos, three pesos.

Eleventh, (a) On each power of attorney or proxy for voting at any election for officers of any incorporated company or association, except railroad companies or associations organized for charitable or literary purposes or to manage public cemeteries, twenty centavos; (b) on each power of attorney to sell and convey real estate, or to rent and lease the same, to receive or to collect the rent therefrom, to sell or transfer any stocks, bonds, or securities, or to collect any dividends or interests therein, or to perform any and all other acts not herein before specified, twenty centavos: Provided, That no stamps shall be required upon any papers necessary for use in the collection of claims from, or by, the Insular Government, or from, or by, any provincial or municipal government.

Twelfth. On each lease, agreement, memorandum, or contract for the hire, use, or rent of any land or tenements, or portions thereof, (a) if executed for a period of time not more than one year, twenty centavos; (b) if executed for a period of time more than one year and not more than three years, fifty centavos (c) if executed for a period of time more than five years, one peso.

Thirteenth. On every mortgage or pledge of lands, estate, or property, real or personal, heritable or movable, whatsoever, where the same shall be made as a security for the payment of any definite and certain sum of money lent at the time or previously due and owing or forborne to be paid being payable. and on any conveyance of land, estate, or property whatsoever in trust, or to be sold or otherwise converted into money, which shall be and intended only as security, either by express stipulation or otherwise. when the amount for which the mortgage or deed of trust is given is not less than one thousand pesos nor more than three thousand pesos, fifty centavos, and on each three thousand pesos or fractional part thereof, in excess of nine thousand pesos, fifty centavos additional : Provided, That upon each and every assignment or transfer of any mortgage, lease, or policy of insurance, or the renewal or continuance of any agreement, contract, or charter by altering or otherwise, a stamp tax shall be levied, collected, and paid at the same rate as that imposed on the original instrument: And provided further, That whenever any bond or note shall be secured by a mortgage or deed of trust but one tax shall be collected upon such papers and such tax shall be at the highest rate imposed in this section on such mortgage or bond or note as the case may be.

Fourteenth. On all conveyances, deeds, instruments, or writings whereby any lands, tenements, or other realty sold shall be granted, assigned, transferred, or otherwise conveyed to the purchaser or purchasers, or to any other

person or persons designated by such purchaser or purchasers, when the true consideration or value received for such realty is more than two hundred pesos, but not more than one thousand pesos, fifty centavos; and for each additional one thousand pesos or fractional part thereof, of such consideration, fifty centavos: Provided, That in sales of encumbered property the tax shall be collected on the net amount of the consideration after deducting the amount of the encumbrance: And provided further, That original certificates under the Land Registration Act and patents to lands granted under the Public Land Act shall be exempted from the payment of this tax.

The tax imposed in this paragraph shall be paid and assessed on the complete and full amount of money or other valuable consideration actually paid or delivered in exchange for such lands, tenements, or other realty; and the Collector of Internal Revenue, provincial treasurers, and other revenue officers, when there is good reason to believe that a fraud has been perpetrated on the revenues through the declaration of a fictitious consideration in any such conveyance, deed, instrument, or writing, shall from the real-estate assessment rolls, or from any other reliable source, assess the lands, tenements, or other realty at their true market value and the tax on such conveyance, deed, or instrument shall be assessed and collected on such true market value of the realty conveyed; and any person who, with the intent to defraud the revenues, places a fictitious valuation on any realty conveyed and subject to the tax imposed in this paragraph, or any valuation which shall be less than the actual amount of money or other valuable thing received or delivered in payment for such realty, shall, in addition to the payment of the tax assessed on the actual consideration received or true market value of the realty conveyed, forfeit and pay a sum equal to twice the amount of such tax.

Fifteenth. The fees prescribed in section one hundred and four-teen of the Land Registration Act. and the amendments thereto, shall be paid in the amounts and to the officials provided by said Act and its amendments, and shall be accounted for as provided in said Act.

Sixteenth. On every charter party, contract, or agreement for the charter of any ship, vessel, or steamer, or any letter or memorandum or other writing between the captain, master, or owner. or other person acting as agent of any ship, vessel, or steamer and any other person or persons for or relating to the charter of any such ship, vessel, or steamer, and on any renewal or transfer of such charter, contract, agreement, letter, or memorandum, (a) if the registered gross tonnage of the ship, vessel, or steamer is not more than three hundred tons, six pesos; (b) if the registered gross tonnage is more than three hundred tons but not more than six hundred tons, ten pesos; (c) if the registered gross tonnage is more than six hundred tons, twenty pesos.

Seventeenth. The fees prescribed in sections two hundred and eighty-four and three hundred and ninety-two of the Philippine Customs Administrative Act and the amendments thereto shall be paid in the amounts, in the manner, and to the officials provided by the Customs Administrative Act, and shall be accounted for as customs collections, as provided in the Customs Administrative Act.

Eighteenth. The fees and taxes prescribed in Act Numbered Six hundred and twenty-four, entitled "An Act. prescribing regulations governing the location and manner of recording mining claims, and the amount of work necessary to hold possession of a mining claim, and the provisions 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. as amended, shall be paid in the amounts and to the officials provided by said Act, and shall be accounted for as provided in said Act.,

SEC. 117. The acceptor or acceptors of any bill of exchange or order for the payment of any sum of money drawn or purporting to be drawn in any foreign country but payable in the Philippine Islands, shall, before paying or accepting the same, place thereupon a stamp in payment of the tax upon such document in the same manner as is required in this Act for the stamping of inland bills of exchange or promissory notes, and no bill of exchange shall

be paid nor negotiated until such stamp shall have been affixed thereto.

SEC. 118. After the taking effect of this Act no instrument, paper, or document required by law to be stamped and which has been signed or issued without being duly stamped, nor any copy of such instrument, paper, or document shall be recorded nor shall it nor any record or transfer thereof be admitted or used as evidence in any insular court until a legal stamp or stamps denoting the amount of the tax shall have been affixed thereto as prescribed by law: Provided. That on all bonds, debentures, certificates of stock, or certificates of indebtedness issued in any foreign country there shall be paid, the same tax as is required by law on similar instruments when issued, sold, or transferred in the Philippine Islands: and the party to whom any such bond, debenture, or certificate is issued or by whom it is transferred or sold shall, before selling or transferring the same, affix the stamp or stamps in payment of the tax thereon: And provided further. That the existing stamp taxes shall be continued in force until January first, nineteen hundred and five.

SEC. 119. All bonds, debentures, or certificates of indebtedness issued by the Insular Government or by any provincial or municipal government shall be exempt from the payment of the stamp taxes required by this Act.

ARTICLE XII.

POLL OR CEDULA PERSONAL TAX.

SEC. 120. Every male inhabitant, of the Philippine Islands over eighteen years of age and under sixty years of age, except members of the non-Christian tribes, unless otherwise provided by law, soldiers and sailors of the United States Army and Navy, civilian employees of the military branch of the United States Government in the Philippine Islands, consular and diplomatic representatives and officials of foreign powers in the Philippine Islands, paupers, insane persons, imbeciles, and persons serving a sentence of more than one year in a public prison, shall annually pay a poll or cedula personal tax by purchasing a certificate of registration as hereinafter provided: Provided, That it shall be the duty of provincial treasurers to issue certificates of registration to males eighteen years of age and under or sixty years of age and over, to females of any age, and to all other persons specifically exempted, who may request such certificates and pay the price imposed in the next succeeding section.

SEC. 121. Certificates of registration shall be sold by all provincial treasurers, or their authorized deputies, on and after the first Monday in January, nineteen hundred and five, and prior to the last Saturday in April in each year thereafter, at the uniform price of one peso, mid on and after the last Saturday in April until the first Monday in January, next following, at the uniform price of two pesos. This tax shall be deemed to be delinquent after the last Saturday in April: Provided, That persons not resident in the Philippine Islands prior to the last Saturday in April, of any year, but who enter and reside in the Islands after that time, shall pay only one peso for a certificate of registration upon application made within twenty days after their arrival in the Islands : And provided ; further, That the existing laws relating to the cedula tax are continued in force until January first, nineteen hundred and five.

SEC. 122. Any person liable to the tax imposed herein who has not purchased, a certificate of registration and who is delinquent in such purchase, who shall, on demand of the provincial treasurer, willfully refuse to purchase such certificate, shall be subject to the collection of the tax by either of the two following methods: First, the provincial treasurer may enforce the collection of the tax by the seizure of any personal property of the taxpayer and the sale of the same in accordance with the provisions for the sale of personal property in the collection of taxes under the Municipal Code, and no exemption shall be allowed in favor of a person liable to pay such tax; second, the provincial treasurer may, in his discretion, enforce the collection of the tax and the penalty, after the same shall remain delinquent for fifteen days, by causing the delinquent to be prosecuted before the president of

the municipality in which the delinquent shall reside, for such delinquency, and upon conviction the person so delinquent shall be sentenced to imprisonment for ten days, and such imprisonment shall be deemed a satisfaction of the tax and penalty and entitle the person so convicted, at the expiration of his imprisonment, to the certificate as though the tax and penalty had been paid in money.

SEC. 123. Any person who uses, attempts to use, or has in his possession with intent to defraud the revenue, deceive the courts, or mislead any revenue officer or other person, any certificate of registration issued to any other person, shall be fined in the sum of two hundred pesos.

SEC. 124. Whenever it becomes necessary in any province to employ special deputies to sell certificates of registration and when it is shown to the satisfaction of the Collector of Internal Revenue that such certificates can not be sold by the provincial treasurer, or his deputies, of any province without serious detriment to the other work of his office or unnecessary expense to the Government, the Collector of Internal Revenue may, with the consent of the Secretary of Finance and Justice, authorize such provincial treasurer to appoint special deputies for the sale of certificates of registration during the first four months of the year, and every such special deputy shall be paid at a rate not exceeding ten centavos for each certificate sold, by him, and no such special deputy shall be employed for a period exceeding one hundred and twenty days: Provided, That this provision is made for the purpose of economy, and if it shall appear to the satisfaction of the Collector of Internal Revenue and the Secretary of Finance and Justice that these certificates can be sold with less expense in some other manner such special deputies shall not be appointed.

SEC. 125. The certificate of registration provided for in this article may be used for purposes of identification, admitted in evidence, and used for all the purposes to which the "cedulas personales" were put under the Spanish laws. Any person required by law to possess a certificate of registration who does not possess one for the proper year shall not be allowed to vote in any election for public officers in the Philippine Islands. The certificates of registration shall be presented by the holder thereof whenever he or she (a) appears in any court in any capacity whatever, (b) transacts any business with any public officer or officer, (c) pays any taxes or receives money from any public funds, (d) acknowledges any document before a notary public, (e) assumes any public office whether by appointment or by election, (f) receives any license, certificate, or permit from any public authority. No contract, deed, or other document acknowledged before a notary public shall be valid or be recognized by any court unless the notary shall have certified thereon that the certificates of registration of all of the parties thereto have been presented to him and shall have entered in such certificate the number, place of issue, and date of each such certificate.

ARTICLE XIII.

TAXATION OF INSURANCE COMPANIES.

SEC. 126. There shall be levied and collected on every insurance company or agency thereof doing business in the Philippine Islands a tax equal to one per centum of the total premiums or other considerations received and collected in the Philippine Islands after the taking effect of this Act during each calendar year and whether said premiums were paid in money, notes, credits, or any substitutes for money; and every such company or agency shall, on or before the first day of April in each year, pay to the treasurer of the province in which the place of business is situated the tax due for the calendar year last preceding: Provided, That insurance companies need not include in their total premiums collected, and upon which the tax is to be levied, any premiums returned to be parties insured within four months of the payment thereof on account of the rejection of the risk by the company: And, provided further, That upon all reinsurance by a company which has already effected the insurance and paid the tax, the tax upon such reinsurance shall be one-half of one per centum of the premium instead of one per

centum.

SEC. 127. For the purposes of this Act the term "insurance company" shall be taken to include any person, partnership, association, or corporation insuring persons or their successors against loss or damage by sea or on inland waters, by fire or lightning, by storm or wind, by flood or drought, by death, by accident of any kind, by any criminal act by error or flaw in title or deed, by act or omission of employee or employee of explosions of any kind, by breakage of machinery, or against loss or damage arising in any other manner; also any person, partnership, association, or corporation whose business it is to guarantee the fidelity of the incumbent of any office or position of trust in the public service, or in private relations, or to guarantee the legality of bonds or other obligations, titles, or credits: Provided, That the provisions of this article shall not apply to any purely cooperative insurance company or association carried on by the members thereof with money collected solely from the members and solely for their own protection and not conducted for private profit.

SEC. 128. Every insurance company as aforesaid liable to the payment of a tax under this article shall, on or before the first day of April in each year, render a statement, in writing, in such form as the Collector of Internal Revenue shall prescribe, containing an account of the conditions of its business during the calendar year last preceding, the entire amount of all premiums and other considerations received during such year, whether in money, notes, credits, or other substitutes for money, and containing further such information as the Collector of Internal Revenue may require.

SEC. 129. In case of the failure of any insurance company subject to the tax imposed in this article to render a statement as required, the Collector of Internal Revenue shall assess any such insurance company for the amount of premiums he believes it to have received and shall levy and collect the tax thereon; and in all other cases he shall levy and collect the tax on the basis of the premiums reported.

ARTICLE XIV.

TAX ON FOREST PRODUCTS.

SEC. 130. From and after January first, nineteen hundred and live, there shall be paid on any timber, firewood for commercial use, gums, resins, and other forest products cut or gathered from all public forests and forest reserves in the Philippine Islands, the respective taxes imposed on such products in this article. The payment of all such taxes shall be made in the manner prescribed in Article III of this Act and in accordance with such special rules and regulations as the Collector of Internal Revenue, under the authority of the Secretary of Finance and Justice, may prescribe.

The demarcation, protection, management, reproduction, occupancy, and use of all public forests and forest reserves shall be in accordance with the provisions of the Forest Act and of all laws and regulations now in force or which may hereafter be enacted or prescribed. The Chief of the Bureau of Forestry shall, under the authority of the Secretary of the Interior, prescribe all necessary regulations governing the use of all public forests and forest reserves and shall be charged through his subordinates with the enforcement of the laws and regulations regarding the demarcation, protection, management, and reproduction of all public forests and forest reserves and of their use or occupancy by any person, firm, association, or corporation; and all forestry inspectors, rangers, and other officials of the Bureau of Forestry shall in addition be charged with the classification and appraisal of all forest products cut, gathered, or removed from the public forests and forest reserves and shall cooperate with the internal-revenue officials in securing the full payment of the internal-revenue taxes imposed on such products and with the enforcement of the provisions of this article.

SEC. 131. For the purposes of this Act the various provinces in the Philippine Islands are divided into two classes:

Class A shall include the Provinces of Abra, Bataan, Batangas, Benguet, Bulacan, Capiz, Cavite, Cebu, Ilocos Norte, Ilocos Sur, Iloilo, La Laguna, Nueva Ecija, Pampanga, Pangasinan, Rizal, Romblon, Sorsogon, Tarlac, Union, and Zambales.

Class B shall include the Provinces of Albay, Ambos Camarines, Antique, Bohol, Cagayan, Isabela, Lepanto-Bontoc, Leyte, Masbate, Mindoro, Misamis, Moro, Negros Occidental, Oriental, Nueva Vizcaya, Paragua, Samar, Surigao, and Tayabas.

For the purposes of this Act the various native trees are divided into four groups:

The first group shall include acle, batieulin, betis, camagon, ebony, ipil, lanete, mancono, molave, narra, tindalo, and yacal.

The second group shall include alupag, aranga, banaba, ban-salaguin, banuyo, batitanan, bolongeta, calamansanay, calantas, dungon, guijo, macaasin, malacadios, mangaehapuy, palo maria, supa, teak, and tucan-calao.

The third group shall include agolio, amuguis, anubing, apitong, batino, bitanhol, cahimpit, catmon, cupang, dalinsi, dita, dungonlate, malacmalac, maiapapaya, malasantol, mayapis, nato, palosa-pis, panao, saeat, santol, tamayuan, and tanguic.

The fourth group shall include anahao, anam, apuit, bacao, balacat, balinhasay, batcte, bayoc, bonga, bulao, lauan, malaanonang, nmlabalae, inalabonga, mangasinoro, manicnic, pagatpat, and pagsainguin.

SEC. 132. On each cubic meter of timber which may be cut in any public forest or forest reserve in any of the provinces of the Philippine Islands for domestic sale or consumption, or for export, there shall be paid, within thirty days from date of the receipt by the owner or his agent of the order of payment of the Government charge on the same, into the Insular Treasury, as provided by existing law, the following sums:

- On all timber included in the first group cut in any province included in Class A, five pesos; when cut in any province included in Class B, two pesos and fifty centavos.
- On all timber included in the second group cut in any province included in Class A, three pesos; when cut in any province included in Class B, one peso and fifty centavos.
- On all timber included in the third group cut in any province included in Class A, one peso and fifty centavos; when cut in any province included in Class B, one peso.
- On all timber included in the fourth group and on all non-enumerated timber cut in any province included in Class A, one peso; when cut in any province included in Class B, fifty centavos: Provided, That when timber cut in provinces included in Class A has been selected for felling by duly authorized forest officials, the rates on such timber shall be only such as are fixed in this section on timber cut in provinces included in Class B: And provided further, That the taxes imposed in this section on ebony and camagon shall be charged on said timbers when, presented for measurement and appraisal with the sapwood still attached, and the number of cubic meters in each piece of timber so measured shall include the sapwood attached to the same: and when ebony or camagon timber from which the sapwood has been stripped is presented for measurement and appraisal, there shall be assessed and collected the following sums:
 - On each cubic meter of ebony cut in any province included in Class A, thirteen pesos and fifty centavos; when cut in any province included in Class B, six pesos.
 - On each cubic meter of camagon cut in any province included in Class A, eight pesos; when cut in any province included in Class B, four pesos and fifty centavos.

The volume of all round timber shall be ascertained by multiplying the area of the small end by the length of the

log. The volume of all squared timber shall be ascertained by multiplying the average cross section by the length, to which twenty-five per centum shall be added for loss in squaring. The volume of all sawn timber shall be ascertained by multiplying the average cross section by the length, to which fifteen per centum shall be added for loss in sawing.

All timber included in the preceding section in the third and fourth groups and all nonenumerated timber cut in any province, known in the market under the name of "raja," and which shall not exceed one and one-half meters in length and fifteen centimeters in diameter, shall be classed as firewood, and the following taxes shall be collected thereon:

- On all firewood consisting of "rajas" from sixty centimeters to one and one-half meters in length, and from seven centimeters to fifteen centimeters in diameter, one peso for each one thousand "rajas."
- On all firewood consisting of pieces of timber less than sixty centimeters in length and less than seven centimeters in diameter, ten centavos per cubic meter: Provided, That whenever in the opinion of the Chief of the Bureau of Forestry the preservation and use of the public forests and forest reserves shall render necessary the removal of the tops of fallen timber, said tops when removed in accordance with the regulations prescribed, by the Chief of the Bureau of Forestry, shall be exempted from the payment of any tax imposed in this section on timber or firewood or other forest products.
- On all gums and resins and other forest products gathered or removed from any province there shall be paid on the actual market value thereof ten per centum.

The Collector of Internal Revenue and the Chief of the Bureau of Forestry shall, upon the passage of this Act and from time to time thereafter, make a joint assessment of the actual market value of the various products on which taxes are imposed in this section; said assessments shall be made from the most reliable data available and shall be published in the Official Gazette for the information of taxpayers.

SEC. 133. All the provisions of the Forest Act not inconsistent with the provisions of this article are hereby preserved in full force and effect.

ARTICLE XV.

TAX ON VALID PERFECTED MINING CONCESSIONS GRANTED PRIOR TO APRIL ELEVENTH, EIGHTEEN HUNDRED AND NINETY-NINE.

SEC. 134. On all valid perfected mining concessions granted prior to April eleventh, eighteen hundred and ninety-nine, there shall be levied and collected on and after January first, nineteen hundred and five, the following taxes:

- On each claim containing an area of sixty thousand. square meters, an annual tax of one hundred pesos; (b) and at the same rate proportionately on each claim containing an area in excess of, or less than, sixty thousand square meters.
- On the gross output of each mine an ad valorem tax equal In three per centum of the actual market value of such output.

SEC. 135. All license taxes shall be paid annually, in advance, and all ad valorem taxes on the value of the output of the mines shall be assessed and paid before the removal of any such products from the locality where they are stored after being mined, and for the purpose of establishing a uniform basis for the assessment of this tax the Collector of Internal Revenue and the Chief of the Bureau of Public Lands shall, upon the passage of this Act and from time to time thereafter, make a joint assessment of the actual market value of the various products of the

mines in the Philippine Islands subject to the taxes imposed herein; such assessment shall be made from the most reliable data available and shall lie published in the Official Gazette for the information of tax-payers.

SEC. 136. The officials of the Bureau of Public Lands and of the Mining Bureau shall cooperate with the internal-revenue officials for the purpose of securing a complete assessment and payment of the taxes imposed in this article.

SEC. 137. Any concessionaire, his agent, assignee, or representative, who fails to pay the license tax imposed by this Act or who removes any products of his mine from the locality where they are stored at the mine without previous payment of the ad valorem tax imposed in this article on such products shall forfeit his concession to the mining right and all of the products illegally removed.

ARTICLE XVI.

TAX ON BUSINESS, MANUFACTURE, AND OCCUPATION.

SEC. 138. During the calendar year beginning January first, nineteen hundred and five, and during each succeeding year, there shall be levied and collected on the various business and manufacturing enterprises and on the occupations engaged in or conducted in the Philippine Islands the various taxes in the amounts specifically set forth and enumerated in the succeeding sections of this article: Provided. That except as in this Act otherwise specially provided nothing in this Act contained shall be deemed to be a repeal of Act Numbered Eighty-two, the Municipal Code, and the amendments thereto, and Act Numbered One hundred and eighty-three, entitled "An Act to incorporate the city of Manila," and the amendments thereto, or of any taxation provisions therein contained: And provided further,. That the laws now in force providing for the collection of the industrial taxes shall continue in force until January first, nineteen hundred and five.

SEC. 139. Except as hereinafter specifically exempted, there shall be paid by each merchant and manufacturer a tax at the rate of one-third of one per centum on the gross value in money of all goods, wares, and merchandise sold, bartered or exchanged for domestic consumption in the Philippine Islands, and this tax shall be paid whether such commodities consist of raw materials or manufactured or partially manufactured products, and whether of domestic production or imported. This tax shall be assessed on the actual selling price at which every such merchant or manufacturer disposes of his commodities, and shall be paid at the end of each quarter in the sum lawfully due on the gross amount in money of the sales made by every such merchant or manufacturer during each such quarter. And each such merchant or manufacturer shall, on the first day of January, nineteen hundred and five, or on the date thereafter on which any such merchant or manufacturer engages in any such mercantile or manufacturing pursuit, pay a tax of two pesos.

SEC. 140. Every person who on his own account, or on commission for another, is engaged in the sale, barter, or exchange of foreign or domestic goods, wares, or merchandise of any and all kinds for domestic consumption, and whether such goods, wares, or merchandise consist of raw materials or of manufactured or partially manufactured products, shall be considered as a merchant within the meaning of this article.

SEC. 141. Every person who by physical or chemical process alters the exterior texture or form or inner substance of any raw material or manufactured or partially manufactured product in such manner as to prepare it for a special use or uses to which it could not have been put in its original condition, or who by any such process alters the quality of any such raw material or manufactured or partially manufactured product so as to reduce it to marketable shape or prepare it for any of the uses of industry, or who by any such process combines any such raw material or manufactured or partially manufactured products with oilier materials or products of the same or of different kinds and in such manner that the finished product of such process of manufacture can be put to a special use or uses to which such raw material or manufactured or partially manufactured products in their

original condition could not have been put, and who in addition alters such raw material or manufactured or partially manufactured products, or combines the same to produce such finished products for the purpose of their sale or distribution to others and not for his own use or consumption, shall be considered as a manufacturer within the meaning of this article. Persons, associations, or corporations engaged in the manufacture and sale of electric light, power, or heat, or in conducting telephone or telegraph lines or exchanges, or in the building or repair of ships or boats, or in conducting dockyards, shall also be regarded as manufacturers within the meaning of this article.

SEC. 142. The following persons shall be exempted from the payment of the taxes imposed in section one hundred and thirty nine.

- Agriculturists, on all products of their own production sold by them.
- Exporters, on the raw material and manufactured or partially manufactured products actually exported by them.
- Manufacturers and merchants engaged exclusively in the manufacture or sale of distilled, rectified, or manufactured spirits or liquors, fermented liquors, cigars, cigarettes, and other tobacco products, or matches. Merchants engaged in the sale of any or all of the articles enumerated in this paragraph and also in the sale of other commodities shall pay the tax imposed in this article only on the gross sales of such other commodities and not on any of the articles enumerated in this paragraph.
- Stores belonging to any branch of the Insular Government or of the Government of the United States, and sold or issued exclusively to soldiers or sailors of the United States Army or Navy, or to civilian employees, or issued for the exclusive use in any hospital, sanitarium, or charitable institution conducted by the Government or by private persons, and not conducted for private profit or gain.
- Manufacturing plants conducted by the Government of the United States, the Insular Government, or local governments, the products from which are for general sale, use, or distribution, or for the exclusive use of such governments.
- Carpenters, brick masons, tinsmiths, joiners, plumbers, and other mechanics and artisans, and all other persons who work by contract, by the piece, or by the day for others and who have no shop and keep no stock for sale or distribution of articles manufactured by them.
- Persons whose manufactures consist solely in harvesting and getting into proper condition for their own use or for sale the products of the lands owned or occupied by them, such as the cutting and drying of copra, and threshing of rice.
- Butchers and bakers and all persons engaged in market places in the sale exclusively of fruits, vegetables, game, poultry, fish, and similar domestic products at retail.
- Peddlers and small booth keepers the gross value of whose annual sales does not exceed five hundred pesos.

SEC. 143. Every person, association, or corporation engaged in business as a common carrier shall pay a tax equal in amount to one per centum of the gross receipts from such business, and such tax shall be paid at the end of each quarter and shall be assessed and collected, as far as may be practicable, in the same manner as the taxes imposed in this article on merchants and manufacturers are assessed and collected. And each such person, association, or corporation so engaged in business as a common carrier shall, on the first day of January, nineteen hundred and live, or on the date thereafter on which an a such common carrier engages in such business, pay a tax of two pesos: Provided, That any person, association, or corporation which under the terms of its charter or franchise is

obligated to the payment of a specific tax to the exclusion of all other taxes shall be exempted from the payment of the tax imposed in this section on common earners: And provided further, That owners of carabaos, carts, wagons, carromatas, , and similar vehicles, or of cascoes or similar small craft, whose, annual gross receipts from the business done do not exceed the sum of two thousand pesos, shall not be deemed common carriers within the intent of this section: And provided further, That the tax imposed by this section shall not be levied or collected upon any common carrier taxable under the provisions of Acts Numbered Two hundred and thirty and Three hundred and fifty-five, or the amendments thereto.

SEC. 144. Annual occupation license taxes shall be paid in the amounts hereinafter specified, in advance, in quarterly or annual payments at the option of each person, association, or corporation subject thereto:

- Every stockbroker shall pay eighty pesos. Every person, firm, . or company whose business it is, for themselves, or others, to negotiate purchases or sales of stocks, bonds, exchange, bullion, coined money, bank notes, promissory notes, or other securities shall be regarded as a stockbroker.

- Every real-estate broker shall pay eighty pesos. Every person, firm, or company whose business it is for themselves or others to negotiate purchases or sales of lands, buildings, or interest therein, or to negotiate loans seen red by lands, buildings, or interest therein, or to rent real estate for others or to collect rents thereon, shall be regarded as a real-estate broker.

- Every custom-house broker shall pay eighty pesos. Every person, firm, or company whose occupation it is, as the agent of others, to arrange entries or other custom-house papers, or transact business at any port of en fry relative to the importation or exportation of goods, wares, or merchandise, shall be regarded as a customhouse broker.

- Every pawnbroker shall pay two hundred pesos. Every person, firm, or company whose business or occupation it is to take or receive by way of pledge or pawn, any goods, wares, or merchandise or any kind of personal property whatever, except agricultural products, as security for the repayment of money loaned thereon, shall be regarded as a pawnbroker.

No banker who is faxed upon his capital and deposits by virtue of other provisions of this Act shall be subject to pay the taxes imposed in this article upon stockbrokers, real-estate brokers, or pawnbrokers.

- Every proprietor of a theater, museum, cockpit, or concert hall shall pay two hundred pesos. Every edifice used for the purpose of operatic and dramatic or other representations, plays, or performances for admission to which entrance money is received, not including halls rented or used occasionally for concerts or theatrical representations, shall be regarded as a theater: Provided, That whenever any such edifice is under lease on the taking effect of this Act the tax shall he paid by the lessee, unless otherwise stipulated by the parties to said lease.

- Every proprietor of a circus shall, pay two hundred pesos. Every building, tent, or area whore feats of horsemanship and acrobatic sports are exhibited shall be regarded as a circus: Provided, That but one license tax shall be exacted after the taking effect of this Act. "from the same proprietor for the same circus. although exhibitions are given in more than one province: And provided further, That traveling circuses and theater companies performing in streets and squares or in buildings not intended for amusement purposes, shall be exempt from the payment of the tax imposed in this paragraph.

- Every proprietor of a billiard room shall pay ten pesos for j each table. Every building or place where games of billiards or pool arc played, and that are open to the public with or without charge, shall be regarded as a billiard room.

- Every lawyer, registered medical practitioner, civil, mechanical or mining engineer, land surveyor, or architect shall pay fifty pesos: Provided, That every dental surgeon shall pay forty pesos: And provided further, That an undergraduate in medicine (cirujano ministrante) shall pay ten pesos only.

- Every chiropodist, manicurist, photographer, lithographer, j engraver, and professional appraiser or connoisseur of tobacco and other domestic or foreign products shall pay forty pesos.

- Every veterinarian, farrier, and proprietor of a shop where bicycles or vehicles of any and all kinds are repaired shall pay twenty pesos: Provided, That officials and employees of the Insular Government, or of the provincial or municipal governments, or persons in the military, naval, or civil service of the United States, and whose entire professional services are devoted exclusively to such governments or under their direction, shall be exempted from the payment of the taxes imposed in this paragraph and in the two immediately preceding paragraphs: And provided further, That the exemption herein conferred shall extend also to such persons as may devote their entire professional services, with or without pay, to any religious, eleemosynary, educational, or charitable institution, hospital, sanitarium, or similar institution conducted entirely or in part by the Insular, provincial, or municipal governments, or entirely or in part by private individuals, and not conducted for private gain or profit.

- Every owner of a race track shall pay, for each day on which races are run on such track, sixty pesos. Every person who owns, leases, or controls a track where horses are entered and races are run as a public exhibition, whether money is bet or not on the result of such races, shall be regarded as the owner of a race track.

SEC. 115. Every person subject to the payment of a specific occupation license tax who is delinquent in the payment of such tax for the period of ten days or more shall, in addition to the payment of the tax due, be fined administratively in a sum equal to the amount of his license tax for the period of one quarter; and any such person who refuses or fails to pay such delinquent tax and fine when required to do so, shall for each refusal or failure be fined administratively in a sum equal to the amount of his license tax for the period of one year.

Every merchant, manufacturer, or common carrier subject to the payment of a percentage tax on the gross receipts from sales or services, who fails or refuses to make a true and complete return of the amount of such receipts or earnings or who fails to pay the full and entire amount of taxes due on such receipts or earnings shall, in addition to the payment of the tax due, for the first offense be fined administratively in a sum equal to five times the amount of the tax due and unpaid; and every such merchant, manufacturer, or common carrier detected in the commission of a second similar offense shall be punished by a fine not exceeding the amount of the tax due and unpaid plus the sum of one thousand pesos, or by imprisonment for a term not exceeding one year, or both, in the discretion of the court.

ARTICLE XVII.

DISTRIBUTION OF TAXES AND REPEAL OF EXISTING PROVISIONS.

SEC. 146. (a) All existing laws, ordinances, orders, and regulations, whether enacted or made under the Spanish regime or under the Military Government in the Philippine Islands or by the Insular Government whereby taxes are imposed upon any of the persons, objects, or occupation taxed under the provisions of this Act, and all industrial taxes and stamp taxes imposed under the Spanish regime and heretofore in force in these Islands, are hereby repealed except as otherwise specially provided in this Act, and the taxes imposed by this Act are substituted in lieu thereof.

(b) Paragraphs (j) and (k) of section seventeen of Act Numbered One hundred and eighty-three, entitled "An Act to incorporate the city of Manila," are hereby amended so as to read as follows:

"(j) To issue licenses fixing the amount of the license fee and prescribing the time and manner of issuing or

revoking same for the following: Hawkers, peddlers, huckster auctioneers, plumbers, hotels, restaurants, cafes, lodging houses, public vehicles, race, tracks, horse races, and livery stables.

"(k) To make regulations for the conducting of the business of the following: All the persons named in paragraph (j) of this section, and also pawnbrokers, dealers in second-hand merchandise, junk dealers, public ferries, billiard tables, i healers, theatrical performances, circuses, and all other performances and places of amusement, and the keeping, preparation, and sale of meat, poultry, fish, butter, cheese, lard, vegetables, bread, and oilier provisions."

(c) Nothing herein contained shall be deemed to repeal any provisions of law requiring stamps or other taxes by virtue of Acts Numbered Two hundred and thirty. Three hundred and fifty-five, One thousand and forty-live, and Eleven hundred and forty-seven.

(d) Nothing herein contained shall be deemed to repeal Act Numbered Fifty-nine, entitled "An Act regulating the sale of intoxicating liquors within the city of Manila and its attached barrios."

(e) That portion of paragraph (h) of section forty-three of Act Numbered Eighty-two, called the Municipal Code, which authorizes municipalities to exact licenses for billiard tables, theatrical performances, circuses, and cockpits, is hereby repealed.

SEC. 147. Of the taxes assessed and collected by virtue of the provisions of this Act the following shall inure to the Insular Treasury and be devoted wholly to the purposes of the Insular Government, except such portion thereof" as is in this article set apart for the use and benefit of the provincial and municipal governments:

First. All stamp taxes.

Second. All license taxes except licenses for the maintenance of theaters, museums, cockpits, concert halls, pawnbrokers, circuses, and billiard rooms.

Third. All taxes on the manufacture and sale of distilled spirits, including taxes on the distillation and refining or rectifying thereof, on the manufacture and sale of imitation wines and liquors.

Fourth. All taxes on fermented liquors and the manufacture and sale thereof.

Fifth. All taxes on tobacco and snuff and the manufacture and sale thereof.

Sixth. All taxes on cigars and cigarettes and the manufacture and sale thereof.

Seventh. All taxes on the manufacture of matches.

Eighth. All taxes on banks and bankers.

Ninth. All taxes on insurance companies.

Tenth. All taxes on forestry products.

Eleventh. All taxes on valid perfected mining concessions granted prior to April eleventh, eighteen hundred and ninety-nine.

Twelfth. All taxes on business, manufacture, and occupation.

SEC. 148. The proceeds of the following taxes 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. 149. The proceeds of the poll or cedula personal tax shall lie one-half for the benefit of the provincial

government and one-half for (lie benefit of the municipal government wherein the same arc assessed and collected.

SEC. 150. Of the revenues accruing to the Insular Treasury by virtue of the provisions of this Act, ten per centum shall be set apart for the benefit of the provincial governments for general provincial purposes, and fifteen per centum shall be set apart for the municipal governments for general municipal purposes in accordance with law. The amounts thus set aside shall be apportioned among the several provinces and municipalities in proportion to their respective populations as shown by the census of nineteen hundred and three and shall be returned by settlement warrant to the provincial treasurers and the city of Manila quarterly, after January first, nineteen hundred and five, for disbursement and for payment to the proper municipalities. Such return shall be made as soon after the close of each quarter as the accounts of the collections for said quarter shall have been settled and adjusted by the Auditor, and for this purpose a permanent appropriation of the sums so required is hereby made: Provided, That of the fifteen per centum of the revenues set apart by this section for the benefit of the several municipal governments, one-third 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. For the purposes of this Act the city of Manila shall be deemed as a municipality and as a province, so that in the apportionment to the several provinces and municipalities it shall receive on a basis of twenty-five per centum.

SEC. 151. Wherever in this Act it is prescribed that a duty shall be performed by the provincial treasurer and his deputies, the duty so imposed on the provincial treasurer and his deputies shall be performed in the city of Manila by the City Assessor and Collector and his deputies: Provided, That the cost to the city of Manila of collections under this Act, aside from the-salary of the City Assessor and Collector, shall be reimbursed to the city of Manila from the Insular Treasury.

SEC. 152. Until the Collector of Internal Revenue shall have the proper books, stamps, and forms ready for distribution, the methods provided for the administration of this Act shall not he required; and he is empowered to make such temporary regulations and arrangements for the collection of the taxes imposed by this Act as will not unduly embarrass or interrupt the business of the persons affected thereby.

SEC. 153. This Act shall take effect on the first day of August, nineteen hundred and four.

Enacted, July 2, 1904.

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