

[REPUBLIC ACT NO. 5555, June 21, 1969]

AN ACT AMENDING THE FIRST PARAGRAPH OF SECTION FIFTEEN OF ARTICLE EIGHT OF REPUBLIC ACT NUMBERED ELEVEN HUNDRED AND THIRTY-FIVE, ENTITLED "AN ACT ESTABLISHING THE PHILIPPINE TOBACCO ADMINISTRATION, DEFINING ITS OBJECTIVES, POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES," AS AMENDED, PROVIDING THEREFOR FUNDS FOR ITS CAPITALIZATION.

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

SECTION 1. The first paragraph of Section fifteen, Article eight of Republic Act Numbered Eleven hundred and thirty-five, as amended by Republic Act Numbered Twenty-two hundred and thirty-three and Republic Act Numbered Forty-one hundred and fourteen, is hereby further amended to read as follows:

"SEC. 15. *Capitalization.*—To carry out the purpose of this Act, there is created a special fund to be known as the 'Tobacco Industry Promotion Fund' which shall be taken from the taxes derived from the tobacco industry to be made available as follows: ten million pesos, which is hereby appropriated for the fiscal year nineteen hundred sixty-four and nineteen hundred sixty-five, and thereafter, an annual appropriation of ten million pesos is authorized for a period of five years. The Commissioner of Internal Revenue shall segregate and credit to the Philippine Tobacco Administration ten million pesos every year from specific taxes collected on tobacco products manufactured out of the native leaf tobacco until the unreleased appropriations accruing to the Philippine Tobacco Administration are fully funded. The annual appropriation of ten million pesos herein provided shall be released and turned over by the Commissioner of Internal Revenue to the Philippine Tobacco Administration in four equal installments within twenty days after the end of every quarter of each fiscal year. There shall be allocated, out of such fund, for trading and marketing operations, the following: four million five hundred thousand pesos for the Cagayan Valley, five hundred thousand pesos for the Ilocos region, four hundred fifty thousand pesos for Central Luzon, fifty thousand pesos for Southern Luzon, one million pesos for Eastern Visayas, one million pesos for Western Visayas, six hundred thousand pesos for Northern Mindanao and nine hundred thousand pesos for Southern Mindanao, and one million pesos for the operating expenses: the Philippine Tobacco Administration : *Provided*, That if necessary to pay the amortization of outstanding loans and interests of the Administration, and/or of retirement benefits of officials and employees a portion, not exceeding five percent of the above allocations may be set aside annually for these two purposes: *Provided*,