

[REPUBLIC ACT NO. 1511, June 16, 1956]

AN ACT TO AMEND PARAGRAPH (B) OF SECTION ONE HUNDRED EIGHTY-THREE, AND SECTION ONE HUNDRED NINETY OF COMMONWEALTH ACT NUMBERED FOUR HUNDRED AND SIXTY-SIX, OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED.

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

SECTION 1. Paragraph (B) of section one hundred eighty-three of Commonwealth Act Numbered Four hundred sixty-six, otherwise known as the National Internal Revenue Code, as amended, is hereby further amended to read as follows:

"(B) Sales tax on imported articles.—When the articles are imported, the percentage taxes established in sections one hundred eighty-four, one hundred eighty-five, and one hundred eighty-six of this Code shall be paid in advance by the importer, in accordance with regulations promulgated by the Secretary of Finance and prior to the release of such articles from customs' custody, based on the import invoice value thereof, certified to as correct by the Philippine Consul at the port of origin if there is any, including freight, postage, insurance, commission, customs duty, and all similar charges, plus one hundred *per centum* of such total value in the case of articles enumerated in section one hundred and eighty-four; fifty *per centum* in the case of articles enumerated in section one hundred and eighty-five; and twenty-five *per centum* in the case of articles enumerated in section one hundred and eighty-six. The tax imposed in this section shall not apply to articles to be used by the importer himself in the manufacture or preparation of articles subject to specific tax or those for consignment abroad and are to form part thereof.

"In case luxury articles brought or imported into the Philippines tax-free by persons, entities or agencies exempt from tax are subsequently sold in the Philippines to non-exempt private persons or entities, the sale or transfer shall be considered as an original transaction subject to percentage tax under this title. The tax due thereon shall be based on the market value thereof, and payable by the purchaser or transferee within thirty days from the date of such sale or transfer. If the tax is not paid within such period, the amount of the tax shall be increased by twenty-five *per centum*, the increment to be a part of the tax. The tax due on such articles shall constitute a lien on the article itself superior to all other charges or liens when in the hands of a possessor who acquired the same with knowledge, actual or constructive, that it was admitted