

**[ REPUBLIC ACT NO. 594, February 16, 1951 ]**

**AN ACT TO AMEND CERTAIN SECTIONS OF THE NATIONAL  
INTERNAL REVENUE CODE RELATING TO PRIVILEGE TAXES ON  
BUSINESS.**

*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 by Republic Act Numbered Two hundred fifty-three, 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 article 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."

SEC. 2. Section one hundred eighty-four of Commonwealth Act Numbered Four hundred and sixty-six, as amended by Republic Act Numbered Five hundred eighty-eight is hereby further amended to read as follows:

"SEC. 184. *Percentage tax. on sales of jewelry, automobiles, toilet preparations, and others.*-There shall be levied, assessed, and collected, once only on every original sale, barter, exchange, or similar transaction for nominal or valuable considerations intended to transfer ownership of, or title to, the articles herein below enumerated a tax equivalent to fifty *per centum* of the gross value in money of the articles so sold, bartered, exchanged, or transferred, such tax to be paid by the manufacturer or producer: *Provided*, That where the articles are manufactured out of materials subject to tax under this section, the total cost of such materials, as duly established, shall be deductible from the gross selling price or gross value in money of the manufactured articles:

"(a) Automobile chassis and bodies, the selling price of which exceed five thousand pesos but does not exceed seven thousand pesos: *Provided*, That where the selling price of an automobile exceeds seven thousand pesos the same shall be taxed at the rate of seventy-five *per centum*, of such selling price. A sale of automobile shall, for the purpose of this section, be considered to be a sale of the chassis and of the body together with parts and accessories with which the same are usually equipped;

"(b) All articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with, precious metals or imitations thereof or ivory (not including surgical instruments, silver-plated wares, frames or mountings for spectacles or eyeglasses, and dental gold or gold alloys and other precious metals used in filling, mounting or fitting of the teeth); opera glasses, and lorgnettes;

"(c) Perfumes, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair-dressings hair restoratives, hair dyes, and any similar substance, article, or preparations, by whatsoever name known or distinguished, except tooth and mouth washes, dentrifices tooth paste, and talcum or medicated toilet powders; and any of the above which are used or applied or intended to be used or applied for toilet purposes: *Provided*, That the tax herein imposed shall not apply to toilet preparations on which the specific tax established in section one hundred and twenty-seven has been paid;

"(d) Dice and mahjong sets;

"(e) Beauty parlor equipment and accessories; and

"(f) Polo mallets and balls; golf bags, clubs and balls; and chess and checker boards and pieces."

SEC. 3. Section one hundred eighty-five of Commonwealth Act Numbered Four hundred and sixty-six as last amended by section two of Republic Act Numbered Five hundred and eighty-eight, is hereby further amended to read as follows:

"SEC. 185. *Percentage tax on sales of automobiles, sporting goods, refrigerators, and others.*-There shall be levied, assessed, and collected once only on every original sale, barter, exchange, or similar transaction intended to transfer ownership of, or title to, the articles herein below enumerated, a .tax equivalent to thirty *per centum* of the gross selling price or gross value in money of the articles so sold, bartered, exchanged or transferred, such tax to be paid by the manufacturer or producer: *Provided*, That where articles are manufactured out of materials subject to tax under this section and section one hundred and eighty-six, the total cost of such materials, as duly established, shall be deductible from the gross selling price or gross value in money of the manufactured articles:

"(a) Automobile chassis and bodies, the selling price of which does not exceed five thousand pesos. A sale of automobile shall, for the purposes of this section, be considered to be a sale of the chassis and of the body together with parts and accessories with which the same are usually equipped;

"(b) Watches and clocks, the value of which exceeds fifty pesos each;