

[ **REPUBLIC ACT NO. 42, October 01, 1946** ]

**AN ACT TO AMEND SECTIONS ONE HUNDRED AND EIGHTY-TWO, ONE HUNDRED AND NINETY-THREE, SUBSECTIONS (O), (R), AND (S) OF SECTION ONE HUNDRED AND NINETY-FOUR AND SECTION TWO HUNDRED AND ONE OF COMMONWEALTH ACT NUMBERED FOUR HUNDRED AND SIXTY-SIX.**

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

SECTION 1. Section one hundred and eighty-two of Commonwealth Act Numbered Four hundred and sixty-six is hereby amended to read as follows:

"SEC. 182. *Fixed tax upon business.*— Unless otherwise provided, every person engaging in a business on which the percentage tax is imposed shall pay in full a fixed annual tax of ten pesos for each calendar year or fraction thereof in which such person shall engage in said business.

"Every person who is not required to pay the percentages tax prescribed in sections one hundred and eighty-four, one hundred and eighty-five, and one hundred and eighty-six shall pay in full for each calendar year or fraction thereof in which such person shall engage in business a fixed annual tax based upon his gross annual sales during the preceding calendar year, as follows:

"Six pesos, if the amount of the gross annual sales exceeds two thousand pesos but does not exceed ten thousand Pesos;

"Fifteen pesos, if the amount of the gross annual sales exceeds ten thousand pesos but does not exceed twenty-five thousand pesos;

"Thirty pesos, if the amount of the gross annual sales exceeds twenty-five thousand pesos but does not exceed fifty thousand pesos;

"Seventy-five pesos, if the amount of the gross annual sales exceeds fifty thousand pesos but does not exceed one hundred thousand pesos;

"One hundred fifty pesos, if the amount of the gross annual sales exceeds one hundred thousand pesos but does not exceed two hundred thousand pesos;

"Three hundred pesos, if the amount of the gross annual sales exceeds two hundred thousand pesos but does not exceed five hundred thousand pesos; and

"Four hundred fifty pesos, if the amount of the gross annual sales exceeds five hundred thousand pesos: *Provided*, That if a merchant is engaged in two or more businesses, one or more of which is subject to, and the others exempt from, the percentage tax, he shall pay the graduate fixed annual tax, provided above, based on the sales not subject to the percentage tax under this Title.

"This tax shall be payable before the person subject to the same begins to engage in the business, and thereafter within the regulation period in the month of January during which the other fixed privilege taxes may be paid without penalty.

"The following shall be exempt from the tax imposed in this section:

"(a) Persons whose gross quarterly sales do not exceed four hundred fifty pesos.

"(b) All persons engaged in public market places exclusively in the sale at retail of domestic meat, fruits, vegetables, game, poultry, fish, and other domestic food products.

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

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

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

"(f) Owners of bancas."

SEC. 2. Section one hundred and ninety-three of Commonwealth Act Numbered Four hundred and forty-six is hereby amended to read as follows:

"SEC. 193. *Amount of tax on business.*— Fixed taxes on business shall be collected as follows, the amount stated being for the whole year, when not otherwise specified:

"(a) Brewers, one thousand pesos.

"(b) Distillers of spirits, one hundred pesos, if the annual production does not exceed fifty thousand gauge liters; two hundred pesos, if the annual production exceeds fifty thousand gauge liters but does not exceed one hundred gauge liters; four hundred pesos, if the annual production exceeds one hundred thousand gauge liters but does not exceed two hundred fifty thousand gauge liters; and six hundred pesos, if the annual production exceeds two hundred fifty thousand gauge liters; rectifiers of distilled spirits, compounders, and re-packers of wines or distilled spirits, four hundred fifty pesos.

"(c) Wholesale peddlers of distilled, manufactured, or fermented liquors, one hundred fifty pesos.

"(d) Wholesale peddlers of manufactured tobacco, fifty pesos.

"(e) Retail peddlers of distilled, manufactured, or fermented liquor, one hundred pesos.