

[ **Act No. 3750, November 26, 1930** ]

**AN ACT AMENDING SECTION FORTY-TWO OF ACT NUMBERED TWENTY-FIVE HUNDRED AND EIGHT, THE RURAL CREDIT LAW, AND FOR OTHER PURPOSES.**

*Be it enacted by the Senate and House of Representatives of the Philippines in Legislature assembled and by the authority of the same:*

SECTION 1. Section forty-two of Act Numbered Twenty-five hundred and eight, the Rural Credit Law, is hereby amended to read as follows:

"SEC. 42. The associations created by this Act whose capital stock paid in does not exceed twenty thousand pesos shall enjoy the following exemptions and privileges, the provisions of existing law to the contrary notwithstanding.

"(a) They shall be exempt from the payment of all the registration fees established by Act Numbered Fourteen hundred and fifty-nine for the filing of their articles of incorporation, by-laws, and other documents provided for by this Act.

"(b) They shall not be subject to the payment of the taxes established by all Internal Revenue Laws, nor shall they be required to submit income tax declarations.

"(c) Persons making deposits with, or loans to the said associations, or persons borrowing money therefrom, shall also be exempt from the payment of any tax established by existing law or hereafter established for deposits or loans, and from the payment of any fees required by justices of the peace, in their capacity as ex-officio notaries public, for acknowledging documents relating to loans contracted in favor of the associations.

"(d) These associations shall likewise be exempt from the payment of all court fees payable to the Insular Government for actions brought under this Act, or to enforce the payment of obligations contracted in favor of the associations.

"(e) The registration of the securities required by the associations for loans upon real estate, property rights, or personal property, or of the deeds of title to any property acquired by an association in accordance with section fourteen of this Act, shall be exempt from the payment of the fees established by section one hundred and fourteen of Act Numbered Four hundred ninety-six, as amended by section seven of Act Numbered Sixteen hundred and forty-eight, by the tariff of the Mortgage Law of eighteen hundred and ninety-three, and by section fifteen of Act Numbered Fifteen hundred and eight on chattel mortgages.

"(f) The credits of said associations against members of the same for sums borrowed by them evidenced by the official forms used by said