

[Act No. 3292, December 02, 1926]

AN ACT PRESCRIBING THE BOOKS OF ACCOUNT TO BE KEPT BY CORPORATIONS, COMPANIES, PARTNERSHIPS, AND PERSONS WHO ARE OR MAY BE REQUIRED BY LAW TO PAY INTERNAL-REVENUE TAXES, AND REQUIRING THE PAYMENT OF AN INSPECTION FEE BY THOSE WHO DO NOT KEEP THEIR BOOKS OF ACCOUNT IN ENGLISH, SPANISH, OR A NATIVE DIALECT, PRESCRIBING PENALTIES FOR VIOLATIONS OF ITS PROVISIONS, 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. All corporations, companies, partnerships, or persons required by law to pay internal-revenue taxes shall keep a journal and a ledger, or their equivalents: *Provided, however,* That those whose gross quarterly sales or receipts do not exceed five thousand pesos shall, at their option, be exempt from the requirements of keeping the books above mentioned, but unless they do keep the same, they must keep the internal-revenue sales and purchase books and other records prescribed by the Bureau of Internal Revenue and any other additional data that the Secretary of Finance or the Collector of Internal Revenue may require by rules and regulations and which may be necessary for the accurate determination of the amount of taxes due the Government.

SEC. 2. All such corporations, companies, partnerships, or persons, who keep their books of account in a language other than English, Spanish, or a native dialect, shall pay to the Bureau of Internal Revenue a fee for the inspection and other services rendered in connection with the proper understanding of the contents of said books at the rate of one centavo for each and every page, of not more than seven hundred and fifty square centimeters and a proportionate additional fee on the excess over seven hundred and fifty square centimeters, of such books of account inspected or examined by said Bureau for purposes of taxation: *Provided, however,* That the inspection fee herein provided shall be collected only once upon original inspection or examination, and shall be payable within ten days after notice and demand therefor by the Collector of Internal Revenue or any of his duly authorized deputies or representatives, and if payment is not made within the period herein prescribed, the amount of the fee shall be increased by fifty per centum, the increment to be a part of the fee: *Provided, further,* That all corporations, companies, partnerships, or persons who keep a true and complete translation of such books in English, Spanish, or any native dialect shall be exempt from the payment of the inspection fee herein provided.

SEC. 3. Nothing provided in this Act shall be so construed as to modify or annul the provisions of existing laws empowering the Secretary of Finance and the Collector of Internal Revenue to make rules and regulations for the keeping of records of account books by persons or entities subject to the payment of taxes.

SEC. 4. All the books of account of such corporations, companies, partnerships, or persons shall be preserved by them for a period of at least five years from the date of the last entry in each book and shall be subject to examination and