

[Act No. 2835, March 08, 1919]

AN ACT TO AMEND THE INTERNAL REVENUE LAW, CHAPTER FORTY OF THE ADMINISTRATIVE CODE, IN THE PART REFERRING TO THE TAXES ON PLAYING CARDS, CIGARS, CIGARETTES, AND INHERITANCES; TO AMEND LIKEWISE, ARTICLE TWELVE OF CHAPTER SIXTY-SIX OF THE SAME CODE, RELATIVE TO VIOLATIONS, AND FOR OTHER PURPOSES IN RELATION TO THE ADMINISTRATION OF SAID LAW.

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 fourteen hundred and twenty-four of Act Numbered Twenty-seven hundred and eleven is hereby amended by adding, at the end thereof, the following subsection (I) :

"(I) The conditions to be observed by revenue officers, provincial fiscals, and other officials respecting the enforcement of Article XI imposing a tax on inheritances, legacies, and other acquisitions mortis causa and such other rules and prohibition which the Collector of Internal Revenue may consider suitable for the enforcement of the said Article XI."

SEC. 2. Section fourteen hundred and fifty-two of Act Numbered Twenty-seven hundred and eleven is hereby amended by adding, at the end thereof, the following paragraph:

"No notary public or other officer authorized to administer oaths shall add his jurat or acknowledgment to any document subject to documentary stamp tax unless the proper documentary stamps are affixed thereto and canceled."

SEC. 3. Section fourteen hundred and sixty-four of Act Numbered Twenty-seven hundred and eleven is hereby amended by replacing subsections (w), (y), and (z) thereof by two new subsections, (w) and (y), so that said section shall read as follows:

"SEC. 1464. *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) Distillers of spirits, two hundred pesos.
- "(b) Brewers, two hundred pesos.
- "(c) Rectifiers of distilled spirits, two hundred pesos.
- "(d) Manufacturers of tobacco, twenty pesos.
- "(e) Manufacturers of cigars, twenty pesos.
- "(f) Wholesale liquor dealers :

- "1. In city of Manila, two hundred pesos.
- "2. In any other place, sixty pesos.

- "(g) Retail liquor dealers, forty-eight pesos.
- "(h) Retail vino dealers, eight pesos.

"(i) Wholesale dealers in fermented liquors, sixty pesos.
"(j) Retail dealers in fermented liquors, twenty pesos.
"(k) Retail dealers in tuba, basi, and tapuy, ten pesos.
"(l) Tobacco dealers, eight pesos.
"(m) Retail leaf tobacco dealers, twenty pesos.
"(n) Wholesale peddlers of manufactured tobacco, or of distilled, manufactured, or fermented liquor, or both, eighty pesos.
"(o) Retail peddlers of manufactured tobacco, or of distilled, manufactured, or fermented liquor, or both, sixteen pesos.
"(p) Business agents (agentes de negocios), forty pesos.
"(q) Proprietors of cockpits, two hundred pesos; and for each cock-fight (soltada), a tax of twenty-five centavos.
"(r) Proprietors of theaters, museums, cinematographs, and concert halls:

- "1. In city of Manila, two hundred pesos;
- "2. In any other place, one hundred pesos; or in this case, by the month, ten pesos.

"(s) Proprietors of circuses giving exhibitions in one or more places or provinces, two hundred pesos.
"(t) Proprietors of billiard rooms, for each table, ten pesos.
"(u) Owners of race tracks, for each day on which races are run on any tract, three hundred pesos.
"(v) Pawnbrokers, four hundred pesos.
"(w) Stockbrokers, real estate brokers, and commercial brokers, eighty pesos.
"(x) Money lenders, two hundred pesos.
"(y) Repackers of wines or distilled spirits, two hundred pesos."

SEC. 4. Section fourteen hundred and sixty-five of Act Numbered Twenty-seven hundred and eleven is hereby amended so far as subsections (f), (g), (h), (i), (j), and (x) are concerned, and a new subsection (z) is added thereto, so that said section shall read as follows:

"SEC. 1465. *Words and phrases defined.*—In applying the provisions of the preceding section words and phrases shall be taken in the sense and extension indicated below;

"(a) 'Distiller of spirits' comprises all who distill spirituous liquors by original and continuous distillation from mash, wort, wash, sap, or sirup through continuous closed vessels and pipes until the manufacture thereof is complete.

"(b) 'Brewer' comprises all persons who manufacture fermented liquors of any description for sale or delivery to others, but not including manufacturers of tuba, basi, or tapuy, or similar domestic fermented liquors whose daily production does not exceed two hundred gauge liters.

"(c) 'Rectifier' comprises every person who rectifies, purifies, or refines distilled spirits or wines by any process other than by original and continuous distillation from mash, wort, wash, sap, or sirup through continuous closed vessels and pipes until the manufacture thereof is

complete. Every wholesale or retail liquor dealer who has in his possession any still or mash tub, or who keeps any other apparatus for the purpose of distilling spirits or in any manner refining distilled spirits, and every person who without rectifying, purifying, or refining distilled spirits shall, by mixing such spirits, wine, or other liquor with any materials except water, manufacture any intoxicating beverage whatever, shall also be regarded as a rectifier and as being engaged in the business of rectifying.

"(d) 'Manufacturer of tobacco' includes every person whose business it is to manufacture tobacco or snuff, or who employs others to manufacture tobacco or snuff, whether such manufacture be by cutting, pressing, grinding, or rubbing any raw or leaf tobacco, or otherwise preparing raw or leaf tobacco or manufactured or partially manufactured tobacco and snuff or putting up for consumption scraps, refuse, or stems of tobacco resulting from any process of handling tobacco, or by working or preparing leaf tobacco, tobacco stems, scraps, clippings, or waste by sifting, twisting, screening, or by any other process.

"(e) 'Manufacturer of cigars' includes those whose business it is to make or manufacture cigars or cigarettes for sale or who employ others to make or manufacture cigars or cigarettes for sale; but the term does not include artisans or apprentices employed to make cigars or cigarettes from material supplied by the employer, the latter being lawfully engaged in the manufacture of cigars and cigarettes.

" (f) 'Wholesale liquor dealer' comprehends every person who for himself or on commission sells or offers for sale wines or distilled spirits (other than denatured alcohol) in larger quantities than five liters at any one time, or who sells or offers the same for sale for the purpose of resale irrespective of quantity.

"(g) 'Retail liquor dealer' includes every person, except a retail vino dealer, who for himself or on commission sells or offers for sale wine or distilled spirits (other than denatured alcohol) in quantities of five liters or less at any one time and not for resale.

"(h) 'Retail vino dealer' includes every person who for himself or on commission sells or offers for sale only domestic distilled spirits in quantities of five liters or less at any one time and not for resale.

"(i) 'Wholesale dealer in fermented liquors' means anyone who for himself or on commission sells or offers for sale fermented liquors in larger quantities than five liters at any one time or who sells or offers for sale such fermented . liquors (excluding tuba, bust, tapuij, and similar domestic fermented liquors) for the purpose of resale, regardless of quantity.

" (j) 'Retail dealer in fermented liquors' includes every person, except retail dealers in tuba, basi, and tapuy, who for himself or on commission sells or offers for sale fermented liquors in quantities of five liters or less at any one time and not for resale.

"(k) 'Retail dealer in tuba, basi, or tapuij' includes every person who for himself or on commission sells or offers for sale tuba, basi, or tapuij, or similar domestic fermented liquor, in quantities of less than two decaliters at any one time.

"(l) 'Tobacco dealer' comprehends every person who for himself or on commission sells or offers for sale cigars, cigarettes, or manufactured tobacco.

"(m) 'Retail leaf tobacco dealer' includes every person who for himself or on commission sells leaf tobacco or offers the same for sale to any person except" a registered dealer in leaf tobacco or a manufacturer of cigars, cigarettes, or manufactured tobacco; but the term does not include a planter or producer so far as concerns the sale of leaf tobacco of his own production.

"(n) 'Peddler' means any person who either for himself or on commission travels from place to place in town or country and sells his goods or offers to sell and deliver the same.

"Whether a peddler is a wholesale peddler or a retail peddler of a particular commodity, shall be determined from the definitions of wholesale dealer and retail dealer, as above given, in connection with the particular commodity peddled. A wholesale peddler of manufactured tobacco is one who sells for the purpose of resale.

"(o) 'Theater' includes every edifice used for the purpose of operatic and dramatic or other representations, plays, or performances, for admission to which entrance money is received.

"(p) 'Circus' includes every building, tent, or area where feats of horsemanship or acrobatic sports are exhibited, but does not include traveling circuses performing in streets and squares or in buildings not intended for amusement purposes.

"(q) 'Billiard room' includes every building or place, open to the public, where games of billiards or pool are played, with or without charge.

"(r) 'Proprietor' of a circus, theater, museum, cinematograph, cockpit, concert hall, or billiard room means the person or persons having a proprietary interest in the conducting thereof.

"(s) 'Owner of a race track' comprises every person who owns, leases, or controls a track where horses are entered and races are run as a public exhibition, whether or not money is bet on the result of such races.

"(t) 'Pawnbroker' includes all persons whose business or occupation it is to take or receive by way of pledge or pawn, any goods, wares, or merchandise or any kind of personal property whatever, except agricultural products, as security for the repayment of money loaned thereon.

"No bank paying the special tax imposed on banks or their resources shall be required to pay the privilege tax imposed on stockbrokers, real-estate brokers, pawnbrokers, or money lenders.

"(u) 'Stockbroker' includes all persons whose business it is, for themselves or others, to negotiate purchases or sales of stocks, bonds, exchange, bullion, coined money, bank notes, promissory notes, or other securities.

"(v) 'Money lender' includes all persons who make a practice of lending money for themselves or others at interest.

"(w) 'Real estate broker' includes all persons whose business it is, for themselves or others, to negotiate purchases or sales of lands, buildings, or interest therein, or to negotiate loans secured by lands, buildings, or interest therein, or to rent real estate for others or to collect rents thereon.

"(x) 'Commercial broker,' includes all persons, other than commission merchants and salaried employees, whose business it is to bring about sales or purchases of merchandise for other persons, or to bring proposed buyers and sellers together or to negotiate i freights or other business for the owners of vessels, or for the shippers or consignors or consignees of freight carried by vessels, for a compensation.

"(y) 'Business agent' ('agente de negocios') includes all persons who act as agents of others in the transaction of business with any public officer, as well as those who conduct collecting, advertising, employment, or private detective agencies.

" (z) 'Repacker of wines or distilled spirits' includes all persons who remove wines or distilled spirits from the original container for repacking and selling the same at wholesale."

SEC. 5. Section fourteen hundred and sixty-six of Act Numbered Twenty-seven hundred and eleven is hereby amended to read as follows:

"SEC. 1466. *Percentage tax on stock, real estate, and commercial brokers.*—Stock, real estate, and commercial brokers shall pay a percentage tax equivalent to four per centum of the gross compensation received by them in excess of five hundred pesos per quarter.

"The Collector of Internal Revenue shall be authorized to prescribe, by regulation, the records to be kept by stock, real estate, and commercial brokers subject to the tax. These records shall be considered public and official documents for all purposes.

"The records kept by said brokers may be used as evidence to determine the amount of the percentage tax due by them and the Collector of Internal Revenue may assess and collect the tax due on the compensation earned in accordance with said records.