[Act No. 2761, February 23, 1918]

AN ACT TO AMEND SECTIONS ELEVEN HUNDRED AND SEVENTY-TWO, ELEVEN HUNDRED AND SEVENTY-SIX, AND TWELVE HUNDRED AND TWO OF THE ADMINISTRATIVE CODE.

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 eleven hundred and seventy-two of the Administrative Code is hereby amended to read as follows:

"SEC. 1172. *Certificate of Philippine register.*—Upon registration of a vessel of domestic ownership, and of more than fifteen tons gross, a certificate of Philippine register shall be issued for it. If the vessel is of domestic ownership and of fifteen tons gross or less, the taking of the certificate of Philippine register shall be optional with the owner.

"Domestic ownership,' as used in this section, means ownership vested in some one or more of the following classes of persons: (*a*) Citizens or native inhabitants of the Philippine Islands; (*b*) citizens of the United States residing in the Philippine Islands; (*c*) any corporation or company composed wholly of citizens of the Philippine Islands or of the United States or of both, created under the laws of the United States, or of any State thereof, or of the Philippine Islands, provided some duly authorized officer thereof, or the managing agent or master of the vessel resides in the Philippine Islands.

"Any vessel of more than fifteen gross tons which on February eighth, nineteen hundred and eighteen, had a certificate of Philippine register under existing law, shall likewise be deemed a vessel of domestic ownership so long as there shall not be any change in the ownership thereof nor any transfer of stock of the companies or corporations owning such vessel to persons not included under the last preceding paragraph."

SEC. 2. Section eleven hundred and seventy-six of the same Act is hereby amended to read as follows:

"SEC. 1176. *Investigation, into character of vessel.*—No application for a certificate of Philippine register shall be approved until the collector of customs is satisfied from an inspection of the vessel that it is engaged or destined to be engaged in legitimate trade and that it is of domestic ownership as such ownership is defined in section eleven hundred and seventy-two of this Code.

"The collector of customs may at any time inspect a vessel or examine its owner, master, crew, or passengers in order to ascertain whether the vessel is engaged in legitimate trade and is entitled to have or retain the certificate of Philippine register."

SEC. 3. Section twelve hundred and two of the same Act is hereby amended to read as follows: