

[ Act No. 704, March 27, 1903 ]

**AN ACT AMENDING ACT NUMBERED FIVE HUNDRED AND FIFTY-FOUR, CONFERRING A FRANCHISE UPON THE MANILA RAILWAY COMPANY, LIMITED, TO CONSTRUCT A BRANCH RAILROAD FROM GUIGUINTO TO CABANATUAN, BY REQUIRING THE COMPANY TO PAY ONE AND ONE-HALF PER CENTUM OF ITS GROSS EARNINGS TO THE INSULAR GOVERNMENT.**

*By authority of the United States, be it enacted by the Philippine Commission, that:*

SECTION 1. Act Numbered Five hundred and fifty-four, entitled "An Act conferring a franchise upon the Manila Railway Company, Limited, to construct and operate a railroad from Guiguinto, on the present line of the Manila and Dagupan Railroad, to Cabanatuan, in the Province of Nueva Ecija, an estimated distance of seventy-one kilometers," is hereby amended by adding thereto the following sections:

"SEC. 37. The Manila Railway Company shall pay into the Treasury of the Insular Government as compensation for the granting of this franchise one and one-half per centum upon its gross income received by it from the passenger and freight traffic upon said branch railway from Guiguinto to Cabanatuan. Where receipts either from freight traffic or passenger traffic shall include transportation over part of the main line and the branch herein authorized, the receipts for traffic on the branch line shall be determined in proportion to the mileage. Said percentage of gross receipts shall be due and payable by the Manila Railway Company monthly, and a shall be in lieu of all taxes upon the privileges, earnings, income, and franchises of said railroad company, from other tax and assessment upon which said railway company is hereby expressly exempted for twenty years from the passage of this Act.

"SEC. 38. The Manila Railway Company, Limited, shall keep a record of all its receipts for the carriage of freight and passengers over the line herein authorized, which shall be subject to the inspection of the authorities of the Insular Government, who shall audit and approve the accounts of the company at the end of each month before the payment of the percentage tax. The amounts when audited and approved as herein provided shall be conclusive evidence of the liability of the company under the provisions of section thirty-seven."

SEC. 2. The Manila Railway Company, Limited, within sixty days after the passage hereof, shall file with the Civil Governor its acceptance of this amendment of the franchise, and its agreement to comply herewith.

SEC. 3. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An Act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 4. This Act shall take effect on its passage.