

[Commonwealth Act No. 523, May 10, 1940]

AN ACT TO AMEND SECTION TWO HUNDRED AND FIFTY-FIVE OF THE NATIONAL INTERNAL REVENUE CODE.

Be it enacted by the National Assembly of the Philippines:

Sec. 1. Section two hundred and fifty-five of Commonwealth Act Number Four hundred and sixty-six is mended-to read as-follows:

"Sec. 255. Tax on .insurance premiums. - There shall be collected from, every parson, company, or corporation (except purely cooperative companies or. associations) doing insurance business of any sort in the Philippines a tax of one per centum of the total premiums collected during the first ten years of his or its organization or establishment, irrespective of the place thereof, and one and one-half per centum of the total premiums collected thereafter, whether such premium are paid in money, notes, credits, or any substitute for money, but premiums refunded within-six months after payment on account of rejection of risk or returned for other reason to person insured shall not be included in the taxable receipts; nor shall any "tax;be paid upon reinsurance "by a company that has already paid-die tax; nor upon premiums collected or received by any-branch of a domestic corporation, from or association doing business outside the Philippines on account of any life insurance of the insured who is a nonresident, if any percentage tax on such premiums is imposed;by the-foreign country where the branch is established.

Cooperative companies or association, are such as are conducted by the members thereof with money collected from among-themselves and solely for their own protection and not for profit.

Sec. 2. This Act shall take effect as of January first, nineteen hundred and forty.

Approved, May 10, 1940.



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