

THE MUNICIPAL AUTONOMY LAW

Second National Assembly)
First Session) B. No. 1072

[Commonwealth Act No. 472]

AN ACT REVISING THE GENERAL AUTHORITY OF MUNICIPAL COUNCILS AND MUNICIPAL DISTRICT COUNCILS TO LEVY TAXES, SUBJECT TO CERTAIN LIMITATIONS.

Be it enacted by the National Assembly of the Philippines:

SECTION 1. A municipal council or municipal district council shall have authority to impose municipal license taxes upon persons engaged in any occupation or business, or exercising privileges in the municipality or municipal district by requiring them to secure licenses at rates fixed by the municipal council, or municipal district council, and to collect fees and charges for services rendered by the municipality or municipal district and shall otherwise have power to levy for public purposes, and for school purposes, including teachers' salaries, just and uniform taxes other than percentage taxes and taxes on specified articles.

SEC. 2. Until higher rates of municipal license taxes are fixed, the municipal license taxes on the following businesses shall be as appearing opposite each, the amounts stated being for the whole year, unless otherwise specified:

(a) Retail dealers in tuba, basi, and tapuy, five pesos;

(b) Proprietors of cockpits, two hundred pesos; and for each cockfight (soldada), twenty-five centavos;

(c) Proprietors of theaters, museums, cinematographs, and concert halls, one hundred pesos; or, by the month, ten pesos;

(d) Proprietors of circuses giving exhibitions in one or more places or provinces, two hundred pesos; or, by the month, twenty pesos;

(e) Proprietors of billiard rooms, for each table, ten pesos;

(f) Pawnbrokers, four hundred pesos.

SEC. 3. It shall be beyond the power of the municipal council and municipal district council to impose the following taxes, charges, and fees:

(a) Cedula tax;

(b) Documentary stamp tax;

(c) Taxes on the business of persons engaged in the printing and publication of any newspaper, magazine, review, or bulletin appearing at regular intervals and having fixed prices for subscription and sale and which is not published primarily for the purpose of publishing advertisements;

(d) Taxes on persons operating telephones and telegraph lines or exchanges, broadcasting or wireless stations, and on persons selling light, heat, or power and engaged in the installation of gas, or electric light, heat, or power;

(e) Taxes on the business of transportation contractors and persons engaged in the transportation of passengers or freight by hire, and common carriers by land or water;

(f) Taxes on the business of wholesale dealers in liquors and fermented liquors; tobacco dealers, wholesale peddlers of distilled, manufactured, or fermented liquors; wholesale peddlers of manufactured tobacco, stock, real estate, and commercial brokers; distillers of spirits, brewers, rectifiers of distilled spirits; manufacturers of tobacco; manufacturers of cigars and cigarettes; and repackers of wines or distilled spirits;

(g) Taxes on customs and immigration brokers, lawyers, medical practitioners, land surveyors, architects, public accountants, and civil, electrical, mechanical or mining engineers, dental surgeons, opticians, photographers, engravers, and professional appraisers or connoisseurs of tobacco and other domestic or foreign products, chemists, registered nurses, insurance agents and subagents, veterinarians, pharmacists, midwives.

(h) Specific taxes on things manufactured or produced in the Philippines, or imported from the United States or foreign countries;

(i) Taxes of any kind on banks, insurance companies, and persons paying a franchise tax;

(j) Charges on forest products;

(k) Taxes on mines and mining concessions;

(l) Taxes on estates, inheritances, gifts, legacies, and other acquisitions *mortis causa*;

(m) Taxes on income of any kind whatsoever;

(n) Fees for testing, sealing, and licensing of weights and measures;

(o) Taxes on dealers in, and individual holders of, firearms, dynamite, powder, detonators, fuses or other high explosives and their components; and fees for the issuance of hunting permits;

(p) Taxes on premiums paid by owners of property who obtain insurance directly with foreign insurance companies;

(q) Taxes or fees on the taking of marine mollusca, or the shells of such, and fees for the issuance of pearling-boat and pearl diver's licenses;

(r) Taxes or fees for the privilege of fishing, collecting, or gathering sponges from the sea bottom or reefs and for prospecting for sponges in any waters of the Philippines;

(s) Taxes or fees for the registration of motor vehicles and for the issuance of all kinds of licenses or permits for the driving thereof;

(t) Customs duties, registration, wharfage, tonnage, and all other kinds of customs fees, charges, and dues.

SEC. 4. The approval of the Secretary of Finance shall be secured:

(1) Whenever the rates of municipal license taxes fixed or imposed by ordinance of the municipal council or municipal district council by virtue of the provisions of this Act exceed the rates of fixed internal revenue privilege taxes regularly imposed by the National Government upon the same businesses or occupation, except on hotels, restaurants, cafés, refreshment parlors, race tracks, and retail dealers in vino liquors and fermented liquors, and any tax or fee on livery stables, garages, and other places or establishments where public vehicles and other conveyances are kept for hire;

(2) Whenever the rate of fixed municipal license taxes on businesses not excepted in this Act or otherwise covered by the preceding paragraph and subject to the fixed annual tax imposed in section one hundred eighty-two of the National Internal Revenue Law, is in excess of fifty pesos per annum; and

(3) Whenever the municipal license tax on any business, occupation, or privilege the rate of which is not limited above is increased by more than fifty *per centum*.

Hawkers, peddlers, hucksters, piano tuners, piano repairers who do not carry on their trade in their own shops or establishments, and proprietors of circuses, who have secured licenses at the rates fixed by ordinance in any municipality or municipal district shall not

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FRANCISCO A. PERFECTO

Congressman from Catanduanes

POWERS AND DUTIES OF RURAL COUNCILS

"Each barrio or rural subdivision with a barrio lieutenant shall also have four rural councilmen who shall be appointed in the same manner as the barrio lieutenants. These rural councilmen shall be duly qualified electors of the place. Their chairman shall be the barrio lieutenant or, in his absence or inability, the substitute lieutenant. They shall serve without compensation. Their term of office shall be fixed in their appointment. The officer who appointed them may, however, remove them or suspend them from office, for cause. They shall, together with the barrio lieutenant and substitute lieutenant, form an organization which shall be known as rural council and shall have the following duties and powers: (a) to represent the barrio or portion of barrio where it is located, in cases in which such representation is not incompatible with the personality of the municipal council; (b) to hold a regular session once a month; (c) to make their own rules of procedure which shall be approved by the councilor of the place before they take effect; (d) to submit to the municipal council, through said councilor, such suggestions or recommendations as they may see fit for improvements in their place or for the welfare of the inhabitants thereof; (e) to provide for the publication by town crier or such other means as they may see fit, of new laws and municipal ordinances they may consider as important; (f) to organize at least three times a year civic lectures tending to generalize information concerning the duties and rights of citizenship; and (g) to offer to the Government the cooperation necessary locally for the success of measures of general interest. The rural councilmen may hold their sessions in the public school building of the place during hours when there are no classes,

or in any house or lot in the barrio the provisional or permanent use of which may be granted to them for said purpose free of charge; and shall elect from among their number a secretary who shall prepare short minutes of the proceedings of the council and draft the recommendation or suggestions to be submitted by the same to the municipal council, in either of the official languages of the country or in the local dialect." — *Act No. 3861 of the Philippine Legislature, Approved Nov. 13, 1931; See Sec. 2219½, Revised Administrative Code.*

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be required to take out licenses in any other municipality or municipal district through which they may travel for business, unless the term for the renewal of such licenses shall have expired.

SEC. 5. Acts Numbered Thirty-four hundred and twenty-two, Thirty-seven hundred, Thirty-seven hundred and ninety, Thirty-eight hundred and thirty-three, and Four thousand and nineteen, are repealed.

SEC. 6. This Act shall take effect on its approval.

Approved, June 16, 1939.