

be considered allowable deductions on the income of the donor or giver for income tax purposes; and other transactions undertaken by it in pursuance of its purposes as provided in section 4 hereof shall be free from any and all taxes.

Sec. 9. From and after the passage of this Act, it shall be unlawful for any person within the jurisdiction of the Philippines to falsely and fraudulently call himself out as, or represent himself to be, a member of or an agent for the Science Foundation of the Philippines; and any person who violates any of the provisions of this Act shall be punished by imprisonment of not to exceed six months or a fine not exceeding five thousand pesos, or both, in the discretion of the court.

§53. 10. This Act shall take effect upon its approval.

Approved, June 20, 1952.

(REPUBLIC ACT NO. 896)

AN ACT TO DECLARE THE POLICY ON ELEMENTARY EDUCATION IN THE PHILIPPINES

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. This Act shall be known as the "Elementary Education Act of 1953."

Sec. 2. In pursuance of the aim of all schools expressed in section five, Article XIV of the Constitution, and as amplified by subsequent legislation, it shall be the main function of the elementary school to develop healthy citizens of good moral character, equipped with the knowledge, habits, and ideals needed for a happy and useful home and community life.

Sec. 3. To put into effect the educational policy established by this Act, the Department of Education is hereby authorized to revise the elementary-school system on the following basis: The primary course shall be composed of four grades (Grades I to IV) and the intermediate course of three grades (Grades V to VII). Pupils who are in the sixth grade of the time this Act goes into effect will not be required to complete the seventh grade before being eligible to enroll in the first year of the secondary school: *Provided*, That they shall be allowed to elect to enroll in Grade VII if they so desire.

Sec. 4. The Secretary of Education may, with the approval of the President, authorize, in the primary grades, the holding of one class, morning and afternoon, under one teacher. In the intermediate grades, classes may be authorized on the basis of two classes under three teachers or of three classes under five teachers. Where there is not enough number of children to meet the minimum requirements for organizing one-grade or two-grade combined classes, the Secretary of Education may authorize the organization of classes with more than two grades each.

Sec. 5. It shall be compulsory for every parent or guardian or other person having custody of any child to enroll such child in a public school, the next school year following the seventh birthday of such child, and such child shall remain in school until the completion of an elementary education: *Provided, however*, That this compulsory attendance shall not be required in any of the following cases: First, when the child enrolls in or transfers to a private school; Second, when the distance from the home of the child to the nearest public school offering the grade to which he belongs exceeds three kilometers or the said public school is not safely or conveniently accessible to the child; Third, when such child is mentally or physically defective in which case a certificate of a duly licensed physician or competent health worker shall be required; Fourth, when, on account of indigence, the child cannot afford to be in school; Fifth, when the child cannot be accommodated because of excess enrolment; and Sixth, when such child is being regularly instructed by its parent or guardian or private tutor, if qualified to teach the several branches of study required to be taught in the public schools, under conditions that will be prescribed by the Secretary of Education.

§53. 6. There is hereby authorized to be appropriated out of any funds in the National Treasury not otherwise appropriated, such sums as may be necessary to carry out the purposes of this Act.

§53. 7. All acts or parts of acts inconsistent with the provisions of this Act are hereby repealed.

§53. 8. This Act shall take effect upon its approval.

Approved, June 20, 1953.

It's high time you think of your income tax.

Let's, you forget there are new regulations governing this tax and for your benefit this paper is printing here the latest dope there is to it from the bureau of internal revenue. Here goes:

"In connection with the filing of the 1953 income tax returns of both individuals and corporations, the following are being released for the information and guidance of the taxpayers concerned:

1. Rates of individual income tax—The rates on individual income tax for the year 1953 have reverted to the 1949 rate as provided for under Republic Act No. 82 which took effect on January 1, 1946, because the effectivity of the rates provided under Republic Act No. 590, which were enforced from January 1, 1950 to December 31, 1952, has not been extended by Congress. The rates applicable to income of individuals during the year 1953 are as follows:

"For the 1st P200	3%
"P2,000 to P4,000	6%
"P4,000 to P6,000	9%
"P6,000 to P10,000	13%
"P10,000 to P20,000	17%
"P20,000 to P30,000	22%
"P30,000 to P40,000	26%
"P40,000 to P50,000	28%
"P50,000 to P60,000	30%
"P60,000 to P70,000	32%
"P70,000 to P80,000	34%
"P80,000 to P90,000	36%
"P90,000 to P100,000	38%
"P100,000 to P150,000	40%
"P150,000 to P200,000	42%
"P200,000 to P300,000	44%
"P300,000 to P400,000	46%
"P400,000 to P500,000	48%
"P500,000 to P700,000	50%
"P700,000 to P1,000,000	52%
"P1,000,000 to P2,000,000	55%
"P2,000,000 up	60%

"2. Personal exemption—The personal exemption for single individual is P1,800 and for a married person or head of a family, P3,000. The additional exemption for each child below 21 years of age is P600. No proportional exemption is allowed except when the status of the taxpayer changes during the taxable year by reason of his death.

"3. Requirement for filing — All citizens and resident aliens having a gross income of P1,800 or more for the year 1953 are required to file income tax returns on or before March 1, 1954.

"4. Corporations—Corporations are required to pay for the year 1953 the rate of 20% on the first P100,000 net income and 28% on the excess over P100,000 of their net income. These rates have been extended up to December 31, 1954 by Republic Act No. 868.

"5. Withholding taxes on non-resident aliens and non-resident foreign corporations—The rates of withholding taxes are 24% for non-resident foreign corporations and 12% for non-resident alien individuals, unless the income of the latter from Philippine sources exceeds P16,500 in which case the graduated rates under Section 21 of the National Internal Revenue Code will be applied.

"6. Claiming the 10% optional standard deduction—In lieu of all deductions allowed by law, an individual other than a non-resident alien may claim an optional standard deduction of 10% of the gross income of P1,000—whichever is the lesser. The standard optional deduction cannot exceed P1,000. Only one kind of deduction can be claimed, either the itemized deduction or the optional. Both cannot be claimed. If both are claimed, whichever is greater will be allowed.

"Taxpayers are requested to file their income tax returns as early as possible and not to wait for the last day for filing the same in order to avoid the rush and crowd and in order to help the Bureau in processing their returns earlier. Likewise, it is

(Continued on page 94)

MEMORANDUM OF THE CODE COMMISSION

(Continued from the January Issue)

ARTICLE 522—Justice Reyes proposes that the words “after judicial summons” should be eliminated, because a possessor, originally in good faith, may become aware of the unlawfulness of his possession even before judicial summons, and if he persists in holding out against the person legally entitled to the possession, he should be liable for the deterioration or loss of the thing.

The reason for adding the words “after judicial summons” is based on the following opinions of Manresa:

“x x x. El art. 457 solo tiene en esta parte una explicacion posible. El Código llama poseedor de buena fe al que la ha tenido hasta el momento del litigio, aun suponiendo que por la citacion pierda ese caracter, cosa discutible: sigue llamandole poseedor de buena fe para distinguirle de que siempre la tuvo mala o la perdio anteriormente. El art. 457 se refiere a ese poseedor de buena fe, que, ante el despecho o la con conviccion de perder lo que se habia acostumbrado a mirar como suyo, intencionalmente destruye la cosa, la oculta, deteriora, etcetera, en el periodo que media desde la citacion hasta la entrega, cuando ya puede sostenerse que se poseedor de mala fe. Alguna razon hay, porfue esta mala fe dudosa es obra de una ficcion, pues, en realidad, hasta que la sentencia se hace firme, el poseedor puede seguir creyendo que la cosa es suya; tal vez por eso solo pena el art. 457 en, ese caso, el dolo, la intencion injusta, el proposito de perjudicar.”

ARTICLE 562—Justice Reyes states that the description of “usufruct” misses two fundamental characteristics, namely; that it is a real right, and that it is of temporary duration.

These qualities are perfectly well-known and understood. At any rate, they are more properly to be dealt with in a treatise and not in a civil code.

The emphasizing of the form and substance, which is also done in Art. 467 of the old Civil Code, is necessary because the usufructuary in the enjoyment of the property right go so far as to impair the form and substance of the thing. This abuse is all too frequent. Therefore, it is necessary to make an express limitation to that effect. Of course, title or the law may dispense with this condition, and so a statement to that effect is made in this article.

ARTICLE 587—Justice Reyes states that by translating “caucion juratoria” as merely a promise under oath, the idea of the Code of 1889 is left truncated and unintelligible.

It being evident that this Art. 587 has been taken from Art. 495 of the old Civil Code, and inasmuch as the “caucion juratoria” has a historic and established meaning in connection with said source (Art. 495 of the old Code), there is no need of stating in detail the meaning the promise under oath.

ARTICLE 611—Justice Reyes suggests that this article be amended to provide expressly that “successive usufructs shall not exceed the limits fixed by Art. 863.”

Although the amendment is not absolutely necessary because, as Manresa says, a successive usufruct “casi exclusivamente se constituye por ultima voluntad” and therefore the limitations fixed by Art. 863 in almost all cases of successive usufruct applies, and although the principle of Art. 863 is applicable by analogy in cases of successive usufructs created inter vivos, nevertheless for purposes of clarification in the rare cases of successive usufruct created inter vivos, the proposal of Justice Reyes is accepted by the Code Commission.

ARTICLE 613—Justice Reyes proposes that in lieu of “immovable,” the term should be “immovable estate.” The proposed amendment would not improve the wording, if such improvement is neces-

sary, but no improvement or change is necessary because it is self-evident that an “immovable” by destination, such as machinery or, by analogy, like real rights over immovable property, can not be dominant or servient estates.

ARTICLE 621—Justice Reyes thinks that the words “forbade, by an instrument acknowledged before a notary public” is unpleasantly vague. He says that, in the first place, it gives no clear idea of the content of the instrument to be notarized.

Our comment is that the rest of the sentence under discussion clearly shows the content of the instrument. The whole sentence says, “x x x from the day on which the owner of the dominant estate forbade, by an instrument acknowledged before a notary public, the owner of the servient estate, from executing an act which would be lawful without easement.”

Furthermore, Justice Reyes asks, “How is the servient to know of the prohibition?” He, therefore, suggests that document must be served upon the owner of the servient estate.

Our observation is that there is no necessity for any express provision that the instrument should be served because the words “the owner of the dominant estate forbade” perforce require that the instrument be served. How can it be reasonably conceived that there could be a prohibition unless it is conveyed to the owner of the servient estate?

ARTICLE 624—Justice Reyes recommends that the word “continued” on line 4 should read “be exercised.” His reason is that while both estates belong to the same owner, there can be no easement.

It is true, strictly speaking, that there is no easement under Art. 613, which requires that there be two owners. However, this is a special kind of an easement which is created by a special situation. It will be noted, in this connection, that the first two lines of Art. 624 refer to “the existence of an apparent sign of easement between two estates established or maintained by the owner of both.” There is no intention in the Article to imply that an ordinary easement exists, because it is expressly stated that the easement is between the two estates established or maintained by the owner of both. Therefore, the Code Commission does not agree with the proposed amendment.

ARTICLE 626—Justice Reyes makes these observations: “Why limit the easement to the tenement (not immovable, see comment to 613) originally contemplated? So long as the burden is not increased (as it is prohibited by Art. 627) what does it matter that the dominant estate is enlarged?”

As already stated, the article under consideration is not taken from any provision of the old Civil Code. It does not apply to a case where, for example, in an easement of right of way, the dominant estates is enlarged. It is an embodiment of the following observations by Manresa:

“Solo puede usarse la servidumbre para utilidad del predio o de la parte de predio en cuyo favor fue establecida, y en el modo y forma que resulte del titulo, de la costumbre en el caso de posesion y prescripcion, cuando esta sea admisible, o de la ley que limita la servidumbre a lo estrictamente necesario para el destino y el conveniente uso del predio dominante con el menor dano posible para el sirviente. Asi, en terminos generales, el que tiene derecho a tomar agua para el riego de toda su finca o una parte de ella, no puede destinurla al riego de otra finca o de otra porcion.” (Vol. 4, p. 573).

ARTICLE 657—Justice Reyes suggests a redrafting of this article as follows:

“Existing easements of right of way for the passage of and disapproval will be stamped on such requests upon presentation to this Office.

“The filing of the 1953 4th quarterly return on withholding tax, Form W-1, together with the filing of the alphabetical list of employees, and of Form W-3 will be on or before January 31, 1954.

“The last day for filing of income tax returns covering all incomes earned in 1953 is March 1, 1954.

(Sgd.) SILVERIO BLAQUERA
Deputy Collector of Internal Revenue”

PAY YOUR INCOME . . . (Continued from page 93)

informed that the inventory list as required be filed within thirty (30) days after the close of the taxable period of the taxpayer. With reference to the granting of extensions of time within which to file income tax returns, the general public is also informed that the Bureau is adopting a strict policy on such extensions and only in meritorious case will such extensions be granted. The requests for extensions shall be filed directly with the Chief of the Income Tax Division in duplicate and the approval