

TAX ON AMMUNITION

Early this year, the Department of Finance presented to the National Assembly for consideration an omnibus tax bill which, among other provisions, imposed a specific tax of one centavo (₱0.01) per cartridge. Alarmed by the seeming extent of this provision in its efforts to popularize marksmanship among civilians, the Board of Directors of the National Rifle & Pistol Association immediately appointed Messrs. Felix Cortes and Carlos Quirino as a committee to inquire into the exact terms of the proposed tax.

The Committee immediately called on Major-General Basilio J. Valdes, chief of staff of the Philippine Army, who expressed surprise over the proposed item in the tax bill and in no uncertain terms said that a one-centavo tax on all cartridges would cripple target-shooting among the civilian population. He was vehemently against the imposition of a tax on cartridges to be used for target shooting, and favored a more moderate tax on other kinds of cartridges.

“You can quote me on this,” declared the Army’s chief of staff, an enthusiastic supporter of the movement to encourage marksmanship among our civilian population.

Brigadier General Guillermo B. Francisco, chief of the Philippine Constabulary, was likewise against any hindrance to target shooting by the imposition of prohibitive taxes.

Their objection was simple. If a .22 caliber long rifle bullet costs one centavo, the tax of an extra centavo would mean a 100% tax on the cartridge used most in target shooting! Such a tax would have been disastrous to devotees of target shooting throughout the Islands! The cost of practice for the various national and international competition would be doubled, and because the expenses are all borne by the private individual, the result would be that practice would have to be cut in half. And in target shooting, like all other sports, practice makes perfect.

The outlook, indeed, appeared gloomy—at least for a few days, until a visit to the Department of Finance revealed that the omnibus tax bill under consideration by the Committee on Ways and Means of the National Assembly exempted .22 caliber cartridges from the tax!

However, the Committee — later backed by the NRPA Board of

Directors—deemed the one-centavo tax onerous for this reason: a center-fire revolver cartridge costing 5 centavos would have to pay a tax of 25%, a figure they considered too high; whereas, a high power rifle cartridge costing 15 centavos would pay only between 6 to 7%, a figure nearer to reason and the pocketbook of target shooters. For this reason, the Board, through its president, Mr. Dalmacio Pekson, wrote a letter to Committee of Ways and Means asking for a percentage tax of 5% rather than a one-centavo tax.

Mr. Francisco Lavides, chairman of the Committee on Ways and Means, accepted the suggestion and inserted the change in the proposed bill. Previous to this, tax officials found no objection to the NRPA's proposals of changing the one-centavo tax to 5% tax on cartridges other than caliber .22.

Unfortunately, the letter of the NRPA did not state the reason for the amendment, and the Committee, in reporting the bill to the Assembly, left the old provision intact.

Fortunately for gun-lovers throughout the Islands, they found staunch friends in Assemblymen Dizon, Moldero, Zulueta, Afable, Camacho, Vera, Gumañan and many others, who, in a last minute effort on the floor of the Assembly, succeeded in getting the amendment approved without any further opposition. Credit for this is due to the initiative and able presentation of our side by the Vice-President of the Association who, in mutual consultation with the members of the Assembly, succeeded in convincing them of the necessity for such amendment.

The omnibus tax bill was approved by the Assembly, subsequently by the President of the Philippines, and went into effect July 1, 1939.

Insofar as shooters are concerned, the new law makes only two changes. The initial and annual fees contained in Commonwealth Act No. 195 are maintained under the new tax law, (Section 290) except that control is transferred from the Chief of Staff of the Philippine Army to the Chief of the Constabulary. This was natural, in view of

(Continued on page 5)



JOIN THE RED CROSS



(Continued from page 3)

the separation of the Constabulary from the Army. Under the previous arrangement that came into existence with the birth of the Commonwealth Government, the Provost Marshall, who was in charge of the Constabulary, was also in charge of the licensing of firearms.

Section 185 of the new law deals on the tax on cartridges as follows:

Sec. 185. Percentage tax on sales of automobiles, sporting goods, refrigerators, musical instruments, and others—There is levied, assessed, and collected once only on every original sale, barter, exchange, or similar transaction intended to transfer ownership of, or title to, the articles hereinbelow enumerated, a tax equivalent to **five per centum** of the gross selling price. . . :

(g) Cartridges or other forms of ammunition, (except those for caliber .22 firearms): Provided, however, That no tax shall be collected on cartridges or other forms of ammunition sold and delivered directly to the Philippine Constabulary or Philippine Army for their actual use or issue.

This is the history of the new tax on ammunition and cartridges. The National Rifle and Pistol Association takes great pride in having cooperated with national officials in the drafting of a small portion of the omnibus tax bill, and in having protected the interests of its members and the shooting fraternity in general—all to the larger interests of encouraging marksmanship in the Philippines and helping the development of our plans for National Defense.

INVESTORS AND HOME-LOVERS,

Act now while our prices are low.

See the beautiful homesites of the following subdivisions of the

MAGDALENA ESTATE INC.

"NEW MANILA"

"SAN JUAN SUBDIVISION"

"ESPAÑA SUBDIVISION"

"CAMP MURPHY"

These lots are sold without down payment and the buyer is allowed possession after first monthly installment is paid. — CASH, Big Discount.

JUAN YSMAEL & CO., INC.

348 Echague—Tel. 2-23-40 and 2-21-54

Sundays: 20 Broadway — Tel. 6-87-25