

RECENT LEGISLATION

[REPUBLIC ACT No. 1823]

AN ACT EXEMPTING UNDER CERTAIN CONDITIONS PROFITS AND SURPLUS IMPROPERLY ACCUMULATED BY CORPORATIONS FROM THE ADDITIONAL CORPORATE INCOME TAX, AMENDING FOR THE PURPOSE SUBSECTION (a), SECTION TWENTY-FIVE OF THE NATIONAL INTERNAL REVENUE CODE.

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

SECTION 1. Subsection (a), section twenty-five of the National Internal Revenue Code, is amended to read as follows:

"SEC. 25. *Additional tax on corporations improperly accumulating profits or surplus.* (a) Imposition of tax.—If any corporation, except banks, insurance companies, or personal holding companies, whether domestic or foreign, is formed or availed of for the purpose of preventing the imposition of the tax upon its shareholders or members or the shareholders or members of another corporation, through the medium of permitting its gains and profits to accumulate instead of being divided or distributed, there is levied and assessed against such corporation, for each taxable year, a tax equal to twenty-five *per centum* of the undistributed portion of its accumulated profits or surplus which shall be in addition to the tax imposed by section twenty-four, and shall be computed, collected and paid in the same manner and subject to the same provisions of law, including penalties, as that tax: *Provided*, That no such tax shall be levied upon any accumulated profits or surplus, if they are invested in any dollar-producing or dollar-saving industry or in the purchase of bonds issued by the Central Bank of the Philippines."

SEC. 2. This Act shall take effect upon its approval.

Approved, June 22, 1957.

[REPUBLIC ACT No. 1885]

AN ACT AMENDING SECTIONS SEVEN HUNDRED SEVENTY AND SEVEN HUNDRED SEVENTY-ONE OF THE REVISED ADMINISTRATIVE CODE OF THE PHILIPPINES TO AUTHORIZE MEDICAL OFFICERS OF THE UNITED STATES VETERANS ADMINISTRATION IN THE PHILIPPINES TO PRACTICE MEDICINE.

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

SECTION 1. Sections seven hundred seventy and seven hundred seventy-one of the Revised Administrative Code are hereby amended to read as follows:

"SEC. 770. *Inhibition against practicing medicine by uncertificated persons.*—No person shall practice medicine in the Philippines without having previously obtained the proper certificate or registration issued by the Board of Medical Examiners as herein constituted, or the lawful Board which was its pre-

decessor, except as hereinafter stated in this section and in the next following section of this Act.

"A person shall be considered to practice medicine within the meaning of this section, who shall, for compensation or reward or even without the same diagnose, treat, operate, prescribe remedies for any human disease, injury, deformity, physical or mental condition or any ailment, real or supposed, regardless of the nature of the remedy or treatment used or recommended, or who shall, by means of signs, cards, advertisements, or in any other way either offer or undertake by any means or method to diagnose, treat, manipulate, adjust, operate, or prescribe for any human disease, pain, injury, deformity, physical or mental condition.

"This section shall not be construed to affect commissioned medical officers serving in the U.S. Army, Navy, or Public Health Service in the discharge of their duties or medical officers of the United States Veterans Administration, Manila Regional Office, in the discharge of their duties in accordance with governing rules and regulations of said U.S. Veterans Administration: *Provided, however,* That not more than three medical officers of the U.S. Veterans Administration shall be allowed this exemption, and that said medical officers of the U.S. Veterans Administration shall submit their names and qualifications to the Board of Medical Examiners for registration; or any one serving without professional fees as interns on the resident staff of any legally incorporated hospital; or the furnishing of medicine by authorized Government employees in Government free dispensaries; or any legally registered dentist exclusively engaged in practicing dentistry; or the application of massage whenever advised by duly registered physician who mechanically fits or sells lenses, artificial eyes; limbs or other apparatus or appliances, or is engaged in the mechanical examination of eyes, for the purpose of constructing or adjusting spectacles, eyeglasses, and lenses; or the furnishing of medical assistance gratuitously in case of emergency or in places where the services of a duly qualified physician, midwife, or nurse are not available or the administration of family remedies; or the practice of chiropody."

"SEC. 771. *Persons exempt from registration.*—Registration shall not be required of the following classes of persons:

- (a) Physicians and surgeons from other countries called in consultation.
- (b) Medical students who are practicing medicine under the direct supervision of a duly registered physician.
- (c) Medical officers of the U.S. Army, U.S. Navy, or the U.S. Public Health Service, or the U.S. Veterans Administration while the latter are engaged in the discharge of their duties in accordance with governing rules and regulations of the veterans administration.
- (d) Foreigners employed as technical officers or professors in such special branches of medicine or surgery as may, in the judgment of the Secretary of (Public Instruction) Education, be necessary and indispensable in the Philippines.
- (e) In cases of epidemics or in municipalities where there is no legally qualified practicing physician, or when the circumstances require it, in the interest of the public health, the Director of Health may issue special authorizations, to all medical students who have completed the first three years of their studies, or to persons who have qualified in medicine, and to graduate or registered nurses, who may request it."

SEC. 2. This Act shall take effect upon its approval.

Approved, June 22, 1957.

[REPUBLIC ACT No. 1899]

**AN ACT TO AUTHORIZE THE RECLAMATION OF FORESHORE LANDS
BY CHARTERED CITIES AND MUNICIPALITIES.**

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

SECTION 1. Authority is hereby granted to all municipalities and chartered cities to undertake and carry out at their own expense the reclamation by dredging, filling, or other means, of any foreshore lands bordering them, and to establish, provide, construct, maintain and repair proper and adequate docking and harbor facilities as such municipalities and chartered cities may determine in consultation with the Secretary of Finance and the Secretary of Public Works and Communications.

SEC. 2. Any and all lands reclaimed, as herein provided, shall be the property of the respective municipalities or chartered cities; *Provided, however,* That the new foreshore along the reclaimed areas shall continue to be the property of the National Government.

SEC. 3. For the purpose of this reclamation, and of the construction, maintenance and repair of such wharves, piers, docking and other harbor facilities as may be provided in accordance with section one hereof, the municipalities and chartered cities are hereby authorized to contract indebtedness with any person, association, corporation, or lending institution. Upon proper application, a municipality or chartered city may, for the same purpose, likewise issue bonds in such amounts and under such terms and conditions as may be fixed by the Secretary of Finance. Such bonds shall be guaranteed by the Government of the Philippines and their issue, serving and liquidation shall be undertaken by the Central Bank of the Philippines.

SEC. 4. All lands reclaimed as herein provided, except such as may be necessary for wharves, piers and embankments, roads, parks and other public improvements, may be sold or leased under such rules and regulations as the municipality or chartered city may prescribe. All proceeds derived from such sale or lease, and all berthing and other fees and such other earnings as the municipality or chartered city shall derive from the use of the port facilities and improvements contemplated under this Act, shall be credited to a special fund which shall accrue in the first instance to the sinking fund hereafter provided. Any balance thereof in excess of periodic sinking fund requirements shall be available for other permanent public improvements of the municipality or chartered city.

SEC. 5. Upon application by a municipality or chartered city to issue bonds, the Secretary of Finance shall determine the borrowing and paying capacity of the applicant, the amount of the issue that may be authorized, and, in consultation with the Monetary Board of the Central Bank of the Philippines, the form, rate of interest, and redemption of said bonds. In the redemption of these bonds the Secretary of Finance may apply the lottery principle by which bonds, drawn by lot, may be redeemed before maturity.

SEC. 6. All loans contracted, and bonds issued, under this Act shall be payable, both as to the principal and interests, in Philippine currency or in the currency in which the principal has been originally received, which fact shall be acknowledged on the face of the note or certificate accomplished therefor, free from any tax or other public impost arising from currency conversion, any existing law to the contrary notwithstanding.

SEC. 7. Bonds issued under this Act shall be exempt from taxation, which fact shall be stated on the face of the certificates which shall be issued in accordance with this Act.

SEC. 8. Should the receipts accruing under section four be insufficient to service adequately bonds issued under this Act, the sinking fund deficiency shall be made good by the general funds of the municipality or chartered city in such manner that the annual contribution shall be sufficient to redeem at maturity the bonds issued under this Act. The sinking fund shall be under the custody of the Central Bank of the Philippines which shall invest the same in such manner as the Monetary Board shall approve.

SEC. 9. The provisions of existing law to the contrary notwithstanding, municipalities and chartered cities are hereby authorized and empowered to execute by administration any reclamation work or any construction authorized in section one hereof: *Provided*, That all such works shall be prosecuted on the basis of plans and specifications approved by the Director of Public Works: *And provided, further*, That the District or City Engineer concerned shall certify every statement of accomplished work that the same is in accordance with the approved plans and specifications.

SEC. 10. This Act shall take effect upon its approval.

Approved, June 22, 1957.

[REPUBLIC ACT No. 2000]

LIMITED ACCESS HIGHWAY ACT

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

SECTION 1. *Declaration of policy.*—The Congress hereby finds, determines, and declares that this Act is necessary for the immediate preservation of the public peace, health and safety, and for the promotion of the general welfare.

SEC. 2. *Definition of limited access facility.*—For the purpose of this Act, a limited access facility is defined as a highway or street especially designed for through traffic, and over, from, or to which owners or occupants of abutting land or other persons have no right or easement or only a limited right or easement of access, light, air, or view by reason of the fact that their property abuts upon such limited access facility or for any other reason. Such highways or streets may be parkways, from which trucks, busses, and other commercial vehicles shall be excluded; or they may be free ways open to use by all customary forms of street and highway traffic.

SEC. 3. *Authority to establish limited access facilities.*—The Department of Public Works and Communications is hereby authorized to plan, designate, establish, regulate, vacate, alter, improve, maintain, and provide limited access facilities for public use wherever it is of the opinion that traffic conditions, present or future, will justify such special facilities: *Provided*, That within provinces, cities and towns, the establishment of such limited access facilities insofar as they affect provincial, city and municipal streets and plazas shall have the consent of provincial board, city or municipal council as the case may be.

SEC. 4. *Design of limited access facility.*—The Department of Public Works and Communications is authorized to so design any limited access facility and to so regulate, restrict, or prohibit access as to best serve the traffic for which such facility is intended; and its determination of such design shall be final. In this connection, it is authorized to divide and separate any limited access

facility into separate roadways by the construction of raised curbing, central dividing sections, or other physical separations, or by designating such separate roadways by signs, markers, stripes, and the proper lane for such traffic by appropriate signs, markers, stripes, and other devices. No person shall have any right of ingress or egress to, from or across limited access facilities to or from abutting lands, except at such designated points at which access may be permitted, upon such terms and conditions as may be specified from time to time.

SEC. 5. Acquisition of property and property rights.—For the purposes of this Act, the Department of Public Works and Communications may in pursuance of existing law recommend the acquisition of public property and property rights for limited access facilities and service roads, including rights of access, air, view, and light by gift, devise, purchase or condemnation in the same manner as such units are now or hereafter may be authorized by law to acquire such property or property rights in connection with highways and streets within their respective jurisdictions. All property rights acquired under the provisions of this Act shall be in fee simple. In connection with the acquisition of property or property rights for any limited access facility or portion thereof, or service road in connection therewith, the national, provincial, city, or municipal government may, in its discretion, acquire an entire lot, block, or tract of land, if by so doing, the interests of the public will be best served, even though said entire lot, block, or tract is not immediately needed for the right-of-way proper.

SEC. 6. Preference of condemnation cases.—Court proceedings necessary to acquire property or property rights for purposes of this Act shall take precedence over all other cases not involving the public interest in all courts, to the end that the cases of limited access facilities may be expedited.

SEC. 7. New and existing facilities; grade crossing eliminations.—The Department of Public Works and Communications may designate and establish limited access highways as new and additional facilities or may designate and establish an existing street or highway as included within the limited access facility. The Department of Public Works and Communications shall have authority to provide for the elimination of intersection at grade of limited access facilities with existing national and provincial roads, and city and town or barrio streets, by grade separation or service road, or by closing off such roads and streets at the right-of-way boundary line of such limited access facility; and after the establishment of any limited access facility, no highway or street which is not part of said facility shall intersect the same at grade. No city, town, or barrio street, provincial or national highways, or other public way shall be opened into or connected with any such limited access facility without the consent and previous approval of the Department of Public Works and Communications, having jurisdiction over such limited access facility. Such consent and approval shall be given only if the public interest shall be served thereby.

SEC. 8. Local service roads.—In connection with the development of any limited access facility, the Department of Public Works and Communications, the city, municipal or provincial governments are authorized to plan, designate, establish, use, regulate, alter, improve, maintain and vacate local service roads and streets any existing road or street, and to exercise jurisdiction over service roads in the same manner as is authorized over limited access facilities under the terms of this Act, if in their opinion, such local service roads and streets are necessary or desirable. Such local service roads or streets shall be of appro-

priate design, and shall be separated from the limited access facility proper by means of all devices designated as necessary or desirable by the proper authority.

SEC. 9. *Financing.*—Whenever a limited access facility has been planned, designed, and established under the provisions of this Act, the complete financing of the construction thereof shall be provided by Congress in the annual Public Works Appropriation Act, under such long-term financing plans as may be found proper and feasible so as to expedite the construction in order that it can be completed in an estimated period of not more than three years. The initial expenditures for investigating, surveying, planning and designing the limited access facilities shall be carried under such financial arrangements as can now be adequately provided under the provisions of Republic Act Numbered Nine hundred seventeen, including the acquisition of property and property rights for such limited access facilities and service roads as provided under section five hereof. In addition to the existing available sources of funds under Republic Act Numbered Nine hundred seventeen, the Department of Public Works and Communications may avail of the financing arrangements authorized under Act Numbered Three thousand five hundred, as amended by Republic Acts Numbered One thousand four hundred two and One thousand four hundred thirty-five, and Republic Numbered One thousand, to take care of the initial expenditures for the acquisition of rights-of-way, construction of stream-crossing facilities, and such contiguous sections of the limited access highways as can adequately be met from continuing appropriations under these Acts, and from savings in the expenditure of the proceeds from the issue of bonds under Republic Act Numbered One thousand previously authorized by Congress for national road improvements and construction in the provinces and cities traversed by such limited access highway facilities.

For the purposes of this section, section six of Republic Act Numbered Nine hundred seventeen, otherwise known as the Philippine Highway Act of Nineteen hundred fifty-three, is hereby amended to provide a new paragraph, immediately after paragraph (d) thereof, to be known as paragraph (e) to read as follows:

“(e) *Highway Engineering Fund.*—One per centum of the Highway Special Fund shall be set aside and made available until expended for engineering, statistical and economic investigation, studies and planning, including the design, preparation of advance plans, working drawings and specifications, and undertaking such other procedure preliminary to actual construction of highways, limited access highways and facilities included, including expenditures for salaries and wages and other expenses of necessary technical personnel engaged to undertake the work hereinabove mentioned.”

SEC. 10. *Unlawful use of limited access facilities: penalties.*—It is unlawful for any person (1) to drive a vehicle over, upon, or across any curb, central dividing section, or other separation or across any curb, central dividing section, or other separation or dividing line on limited access facilities; (2) to make a left turn, a semi-circular, or U-turn except through an opening provided for that purpose in the dividing curb section, separation, or line; (3) to drive any vehicle except in the proper lane provided for that purpose and in the proper direction and to the right of the central dividing curb, separation section, or line; (4) to drive any vehicle into the limited access facility from a local service road except through an opening provided for that purpose in the dividing curb or dividing section or dividing line which separate such service road from the limited access facility proper. Any person who violates

any of the provisions of this section shall, upon arrest and conviction, be punished under the penal provisions of the Philippine Highway Act of Nineteen hundred fifty-three and the Revised Penal Code.

SEC. 11. *Separability clause.*—If any section, provision, or clause of this Act shall be declared invalid or inapplicable to any person or circumstance, such invalidity or inapplicability shall not be construed to affect the portions not so held or persons or circumstances not so affected. All laws or portions of laws inconsistent with the policy and provision of this Act are hereby repealed to the extent of such inconsistency in its application to limited access facilities provided for in this Act.

SEC. 12. This Act shall take effect immediately upon its approval.

Approved, June 22, 1957.

[REPUBLIC ACT No. 2056]

AN ACT TO PROHIBIT, REMOVE AND/OR DEMOLISH THE CONSTRUCTION OF DAMS, DIKES OR ANY OTHER WORKS IN PUBLIC NAVIGABLE WATERS OR WATERWAYS AND IN COMMUNAL FISHING GROUNDS, TO REGULATE WORKS IN SUCH WATERS OR WATERWAYS AND IN COMMUNAL FISHING GROUNDS, AND TO PROVIDE PENALTIES FOR ITS VIOLATION, AND FOR OTHER PURPOSES.

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

SECTION 1. Any provision or provisions of law to the contrary notwithstanding, the construction or building of dams, dikes or any other works which encroaches into any public navigable river, stream, coastal waters and any other navigable public waters or waterways as well as the construction or building of dams, dikes or any other works in areas declared as communal fishing grounds, shall be ordered removed as public nuisances or as prohibited constructions as herein provided: *Provided, however,* That the Secretary of Public Works and Communications may authorize the construction of any such works when public interests or safety so requires, or when it is absolutely necessary for the protection of private property.

SEC. 2. When it is found by the Secretary of Public Works and Communications, after due notice and hearing, that any dam, dike or any other works now existing or may hereinafter be constructed encroaches into any public navigable river, stream, coastal waters and any other public navigable waters or waterways, or that they are constructed in areas declared as communal fishing grounds, he shall have the authority to order the removal of any such works and shall give the party concerned a period not to exceed thirty days for the removal of the same: *Provided,* That fishpond constructions or works on communal fishing grounds introduced in good faith before the areas were proclaimed as fishing grounds shall be exempted from the provisions of this Act, provided such constructions or works do not obstruct or impede the free passage of any navigable river, stream, or would not cause inundations of agricultural areas: *Provided, further,* That should the party concerned fail to comply with the order of the Secretary of Public Works and Communications within the period so stated in the order, such removal shall be effected by the Secretary of Public Works and Communications at the expense of the said party within ten days following the expiration of the period given the party concerned: *Provided, furthermore,*

That the investigation and hearing to be conducted by the Secretary of Public Works and Communications under this section shall be terminated and decided by him within a period which shall not exceed ninety days from the time he shall have been notified in writing or a written complaint shall have been filed with him by any interested party apprising him of the existence of a dam, dike or any other works that encroaches into any public navigable river, stream, coastal waters or any other public navigable waters or waterways, and in areas declared as communal fishing grounds: *Provided, still furthermore,* That the failure on the part of the Secretary of Public Works and Communications without justifiable or valid reason to terminate and decide a case or effect the removal of any such works, as provided for in this section, shall constitute an offense punishable under section three of this Act: *And provided, finally,* That the removal of any of such works shall not impair fishponds completed or about to be completed which do not encroach or obstruct any public navigable river or stream and/or which would not cause inundations of agricultural areas and which have been constructed in good faith before the area was declared communal fishing grounds.

SEC. 3. Any person who shall violate the provisions of this Act or who shall fail to comply with a lawful order of the Secretary of Public Works and Communications within the period given him in the said order for the removal of any works, shall be punished by imprisonment of not less than six months or more than six years and a fine of not less than five hundred pesos or more than six thousand pesos. In the case of any Secretary of Public Works and Communications, in addition to the fine and imprisonment herein provided, he shall suffer the penalty of perpetual absolute disqualification to hold any public office.

SEC. 4. All Acts or parts of Acts, Executive Orders, rules and regulations which are inconsistent with the provisions of this Act are hereby repealed.

SEC. 5. This Act shall take effect upon its approval.

Approved, June 13, 1958.

[REPUBLIC ACT No. 2070]

AN ACT TO PROVIDE FOR NATIONAL TAX CENSUS

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

SECTION 1. Every resident of the Philippines over eighteen years of age, every guardian of minors and executor or administrator of estates and every corporation, joint stock company, partnership, joint account or association, whether domestic or resident, joint account or association, whether domestic or resident foreign, shall within one hundred days from the effective date of this Act, and during the month of January of each succeeding year, file with the city or municipal treasurer in such form as the Commissioner of Internal Revenue, with the approval of the Secretary of Finance shall prescribe, without charge to such resident, corporation, joint stock company, partnership, joint account or association, a statement under oath showing: in the case of a corporation, joint stock company, partnership, joint account or association: (1) the name of the business or businesses engaged in, (2) form of organization, (3) name and nationality of President, (4) name and nationality of manager thereof and (5) list of stockholders, partners or members of associations with their respective holdings; in the case of individuals: (1) name, (2) age, (3) sex,

(4) nationality (if alien, the number of the Alien Registration Certificate), and aliases used, or authorized to be used, if any, (5) address, (6) occupation, (7) place of business, (8) wife's or husband's name, age, sex, occupation and place of business, and (9) the members of his family, age and sex; and in both cases: (1) real property owned, stating the nature thereof, location and assessed value thereof, and the annual gross income therefrom during the preceding year, (2) property held under lease stating also the nature, location and assessed value thereof and the annual income during the preceding year, (3) businesses subject to tax giving the nature and location thereof and the annual gross receipts or earnings during the preceding year, (4) stocks in corporation or shares in partnerships or associations, (5) professions or occupations, stating the kind and location thereof and the annual salaries or gross receipts or earnings during the preceding year, and (6) such other information as may be necessary to determine his or its tax liability. This statement shall be prepared in quadruplicate. One copy shall be retained by the city or municipal treasurer who shall transmit the original and two copies to the Regional Director concerned, who shall send the original to the Commissioner of Internal Revenue and a copy to the Director of the Census and Statistics.

The Commissioner of Internal Revenue may, in meritorious cases, grant a reasonable extension of thirty days for filing the statement required in this Act.

SEC. 2. Each city or municipal treasurer and Regional Director shall keep and maintain an appropriate national tax register of the persons residing in his jurisdiction based upon the data and information given in the statement required in section one hereof. The register should also show at any time the taxes due and taxes paid by the taxpayer concerned. The national tax register shall be revised and kept up to date as verification, investigation or additional information may disclose or require. It shall be available for use by any internal revenue or other tax collecting officer as aid in the collection of taxes.

SEC. 3. The Regional Directors are hereby authorized to require the assistance of city or municipal treasurers, public school officials, teachers and other employees assigned in the cities and municipalities within their jurisdiction and it shall be the duty of said treasurers, public school officials, teachers and other employees to render assistance to the Regional Directors in the preparation and periodic revision of the national tax registers. For the preparation or revision of the national tax registers, they shall receive additional compensation at the rate of five centavos per register form accomplished. They shall also be entitled to the payment of the ordinary traveling expenses upon the proper presentation of reimbursement receipts.

SEC. 4. The statements furnished the Commissioner of Internal Revenue shall be consolidated by the Bureau of Internal Revenue into a tax census, copies of which shall be transmitted to the Secretary of Finance for statistical purposes, with the end in view of formulating tax policies and recommending reforms in the tax system and in revenue administration to achieve efficiency and honesty in the collection of taxes. The Secretary of Finance shall submit to Congress within thirty days from the opening of each regular session a report on said tax census and the extent to which such census has been compiled, tabulated and analyzed in relation to actual revenue collections.

SEC. 5. Any person who fails to file the statement required in this Act, or who intentionally gives false or fraudulent information therein, shall, upon conviction, be punished by a fine of not more than five hundred pesos or by imprisonment for not more than six months, or both, in the discretion of the

court. Any responsible officer of any corporation, joint stock company, partnership, joint account or association, required by this Act to make and file such statement, who refuses or neglects to make or file such statement within the time prescribed in this Act or who makes any false or fraudulent statement, shall be punished by a fine of not exceeding four thousand pesos or by imprisonment for not exceeding six months, or both, in the discretion of the court. In case the offender is an alien, said offender, upon conviction, shall be deported immediately without the necessity of further proceedings in the Deportation Board.

SEC. 6. No information secured from the statement required in section one hereof shall be published, except in the form of tabulations or summaries having no reference to individuals: Provided, That any court of record by order or *subpoena duces tecum* may require the presentation of documents or information herein provided for when such documents or information are necessary for the adjudication of the case at issue. Any such officer or employee who shall divulge to any unauthorized person information regarding the business, income or inheritance of any taxpayer, the secrets, operation, style of work, or apparatus of any manufacturer or producer, or confidential information, knowledge of which was acquired by him in the discharge of his official duties under the provisions of this Act, shall be fined in a sum not exceeding two thousand pesos or imprisoned for a term of not less than six months nor more than five years, or both, in the discretion of the Court, except in such instances where the information regarding the business, income, or inheritance of any taxpayer, the secrets, operation, style of work, or apparatus of any manufacturer or producer, or confidential information, constitutes *prima facie* evidence of the commission of a crime, or constitute in itself a crime, in which case the obligation to reveal same to any duly constituted investigating body shall exempt the officer or employee from any liability. Nothing contained in this section shall be construed to prevent courts of justice or the Congress or any legislative committee to require the production of any statement referred to herein when relevant to the issues or matters subject of judicial or legislative investigation.

SEC. 7. The Commissioner of Internal Revenue, with the approval of the Secretary of Finance, shall promulgate rules and regulations to carry out the purposes of this Act.

SEC. 8. There is hereby created a new Division in the Bureau of Internal Revenue to be known as the Tax Census Division, hereinafter referred to as the Division.

SEC. 9. The Division shall have the following personnel who shall receive the compensation hereinbelow indicated:

One Chief of Division	P 6,000.00
One Assistant Chief of Division	5,400.00
Ten Supervisors at P3,600 each	36,000.00
Four stenographers at P2,400 each	9,600.00
Ten typists at P1,800 each	18,000.00
One hundred twenty census takers at P1,800 each .	216,000.00
Ten Senior clerks at P2,400 each	24,000.00
Ten clerks at P1,800 each	18,000.00
One messenger	1,440.00

SEC. 10. The sum of six hundred thousand pesos or so much thereof as may be necessary to carry out the provisions of This Act is hereby appropriated,

out of any funds in the National Treasury not otherwise appropriated, for the salaries and the purchase of supplies and equipment necessary to carry out the provisions of this Act. Thereafter, the funds necessary shall be included in the regular Appropriation Act.

SEC. 11. This Act shall take effect upon its approval.

Approved, June 13, 1958.