

AN ACT

TO CORRECT SECTION 3 OF THE ACT ENTITLED "AN ACT ASSIGNING SALARIES TO THE REGISTRARS OF PROPERTY, AND FOR OTHER PURPOSES", APPROVED MARCH 10, 1904.

Be it enacted by the Legislative Assembly of Porto Rico:

SECTION 1.—That Section 3 of the English copy of the act entitled "An Act assigning salaries to the registrars of property, and for other purposes," approved March 10, 1904, is hereby corrected by inserting the word "thousand" in the last line of said section, so as to make the same read "shall each furnish a bond of three thousand dollars."

SECTION 2.—This Act shall take effect from and after its passage.

Approved February 8, 1905.

AN ACT

TO AMEND CHAPTER II, TITLE IX, OF THE POLITICAL CODE, AND TO REPEAL CERTAIN SECTIONS OF THE PENAL CODE, AND FOR OTHER PURPOSES.

Be it enacted by the Legislative Assembly of Porto Rico:

SECTION 1.—That for and during the fiscal year beginning the first day of July, nineteen hundred and five, and ending the thirtieth day of June, nineteen hundred and six, and in every succeeding fiscal year, unless otherwise provided by the Legislative Assembly of Porto Rico, there shall be levied and collected, for the purpose of providing insular and municipal revenue, by the Insular Government, a tax of fifteen one-hundredths of one per cent and by the municipalities a tax of not exceeding eighty-five one hundredths of one per cent upon the value of all real and personal property in Porto Rico, and of all personal property of persons residing in Porto Rico, to be ascertained as hereinafter provided, not hereinafter exempted from taxation. The proceeds of this tax and the taxes upon property heretofore levied for Insular and general municipal purposes for the fiscal years ending June thirtieth, nineteen hundred and two, nineteen hundred and three, nineteen hundred and four and nineteen hundred and five, including all surcharges, shall be covered into the Insular Treasury. The Treasurer shall pay monthly, pursuant to law, upon the warrant of the Auditor, countersigned by the Governor of Porto Rico, of

each dollar collected on account of each municipality, to the treasurer of each local school board the sum of twenty cents, to the treasurer of each board of road supervisors the sum of eight cents, and the balance to the treasurer of the municipality; *Provided, however,* that nothing herein contained shall prevent the Treasurer of Porto Rico from retaining from moneys due municipalities, local school boards, or other local corporations, any sums required, or that may be hereafter required by law, or by ordinance duly enacted by any municipality, school board, or other local corporation, to be retained by him for the purpose of meeting obligations incurred by them.

SECTION 2.—The chief of the bureau of internal revenue, and all internal revenue agents, shall have the power to administer oaths, to record the bonds entered into by tax-payers of internal revenue, to certify to declarations, and shall have the power of examination of all stocks of goods subject to the taxes herein or that may hereafter be provided, and shall, besides, have the powers conferred by statute upon internal revenue agents, gaugers, and storekeepers of the Treasury Department of the United States, in addition to such other powers as are conferred upon them by this Act.

SECTION 3.—There shall be levied, collected and paid:

(1) On all distilled spirits produced in Porto Rico, or brought into Porto Rico from the United States, a tax of twenty-six cents on each litre or fraction thereof; and on all distilled spirits imported into Porto Rico from countries other than the United States a tax of thirty cents on each litre or fraction thereof; and *Provided, further,* that for the purposes of this Act all spirituous liquors not otherwise provided for in this Act, brought into, or imported into, Porto Rico, of which, exclusive of water, distilled spirits form the chief component, shall be regarded as distilled spirits.

(2) On all beer, lager beer, ale, porter and other similar fermented liquors produced in Porto Rico, or imported into or brought into Porto Rico a tax of six cents on each litre or fraction thereof.

(3) On all wines produced in Porto Rico, or brought into or imported into Porto Rico, made from the fermented juice of any fresh or dried fruit or grape, a tax of six cents on each litre or fraction thereof; *Provided,* that on all champagne brought into Porto Rico, whether from the United States or imported from foreign countries, the tax thereon shall be twenty-seven cents on

each litre or fraction thereof; and *Provided, further*, that no drawback shall be allowed for any tax-paid distilled spirit which may be used in fortifying any wine produced in Porto Rico.

(4) On all cigars produced in Porto Rico or brought into Porto Rico from the United States or imported into Porto Rico from countries other than the United States, a tax of twenty cents on each hundred or fraction thereof.

(5) On all cigarettes produced in Porto Rico or brought into Porto Rico from the United States or imported into Porto Rico from countries other than the United States, a tax of one dollar and ten cents on each one thousand or fraction thereof.

(6) On all playing cards produced in Porto Rico or brought or imported into Porto Rico, a tax of three cents on each pack.

(7) On all proprietary medicinal-preparations, patent medicines, toilet soaps, perfumery and cosmetics, produced in Porto Rico or brought or imported into Porto Rico, a tax of five per cent ad valorem; *Provided*, that bay-rum, alcoholado, and similar aromatic compound preparations of alcohol, not used as a beverage, shall be considered as perfumery, and *Provided, further*, that no drawback shall be allowed on any tax-paid alcohol used in compounding any article referred to in this paragraph.

(8) On all arms and ammunition (not the property of the United States Government, Insular Government or municipal governments) including all kinds of weapons, such as daggers, dirks, sword-canes, firearms of every description, and powder other than blasting powder, shot, bullets, loaded cartridges and cartridge shells, produced in Porto Rico or brought or imported into Porto Rico, a tax of forty per cent ad valorem; *Provided*, that the machetes used in farm labor and other farming implements shall not be deemed to be included in this provision.

(9) On all matches, whether sulphur, safety, friction, fusees, or by whatever name known, produced in Porto Rico, or brought into Porto Rico from the United States, a tax of twenty cents on each gross of boxes containing not over one hundred sticks per box; and on all such matches imported into Porto Rico from countries other than the United States, a tax of forty cents on each gross of boxes containing not over one hundred sticks per box.

SECTION 4.—Distilled spirits, spirits, alcohol, and alcoholic spirits, within the true meaning and intent of this Act, is that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, which is commonly produced by the fermentation

of grain, starch, molasses or sugar, including all dilution of said substance.

SECTION 5.—Every person who produces distilled spirits, or who, by any process of evaporation, separates spirits, either pure or impure, from any fermented or other substance, or who, being in possession of or having use of a still, makes, prepares or is in possession of any substance fit for distillation or for the production of spirits, shall be regarded as a distiller and as being engaged in the business of distilling.

SECTION 6.—The tax shall attach to alcoholic spirits as soon as separated, either in a pure or impure condition, by distillation or other process of evaporation, from any fermented or other substance; but payment thereof shall be made before such spirits are removed from the factory, except as otherwise provided in this Act, and in such manner as the Treasurer of Porto Rico by regulations prescribe; *Provided*, that the Treasurer of Porto Rico may exempt from the payment of tax, alcohol intended for use as fuel, and alcohol intended for use by charitable institutions, and may permit the destruction of spirits that may issue from a still in a condition unfit for consumption and may exempt such spirits from the payment of the tax herein provided for. Every person who sells or otherwise disposes of any alcoholic spirits on which the tax has not been paid in the manner herein provided shall for the first offense thus committed be fined not less than one hundred dollars nor more than five hundred dollars, or be imprisoned for not less than one month nor more than one year, *Provided* that for the second and each subsequent offense thus committed both fine and imprisonment shall be imposed; and, *Provided, further*, that the alcoholic spirits thus sold or disposed of shall be seized by the Treasurer of Porto Rico and by him confiscated and sold for the benefit of the People of Porto Rico.

SECTION 7.—Every person who adds, or causes to be added, any ingredient or substance to any distilled spirit before the tax is paid thereon, except when otherwise provided by law, shall be fined not less than one hundred dollars nor more than five hundred dollars, or be imprisoned for not less than one month nor more than one year; *Provided*, that for the second and each subsequent offense thus committed both fine and imprisonment shall be imposed; and *Provided, further*, that the distilled spirits thus adulterated shall be seized by the Treasurer of Porto Rico and by him be confiscated and sold for the benefit of the People of Porto Rico.

SECTION 8.—Every person who rectifies, purifies, re-distills or refines spirits or wines by process other than original and continuous distillation from any fermented substance through continuous closed vessels or pipes until the manufacture thereof is completed, shall be regarded as a rectifier and as being engaged in the business of rectifying.

SECTION 9.—Every person who manufactures, or partially manufactures, cigars or cigarettes, or who prepares, or partially prepares, leaf-tobacco for the manufacture of cigars or cigarettes, or who, being in possession of or having the use of tools, machines, benches or implements commonly employed by cigar or cigarette makers, is also in possession of leaf-tobacco, either in its natural state or prepared or partially prepared, shall be regarded as a manufacturer of tobacco and engaged in the business of manufacturing tobacco.

SECTION 10.—The tax shall attach to cigars and cigarettes as soon as manufactured, but payment thereof shall be made before such cigars or cigarettes are removed from the factory, except as otherwise provided for in this Act, and in such manner as the Treasurer of Porto Rico shall by regulations prescribe.

Every person who sells or otherwise disposes of cigars or cigarettes on which the tax has not been paid in the manner herein provided for shall, for the first offense thus committed, be fined not less than one hundred dollars nor more than five hundred dollars, or be imprisoned for not less than one month nor more than one year; *Provided*, that for the second and each subsequent offense thus committed both fine and imprisonment shall be imposed; and *Provided, further*, that the cigars or cigarettes thus sold or disposed of shall be seized by the Treasurer of Porto Rico and by him confiscated and sold for the benefit of the People of Porto Rico.

SECTION 11.—No person shall engage in or continue in the business of distilling in any building situated within one hundred metres of any building wherein is carried on the business of rectifying or any class of liquor manufacturing wherein alcohol is employed. No person shall engage in or continue in the business of rectifying in any building situated within one hundred metres of any building wherein is carried on the business of distilling or any class of liquor manufacturing wherein alcohol is employed; *Provided*, that no distiller, rectifier, manufacturer of tobacco or manufacturer of any article subject to tax by the provisions of this Act, shall engage in or continue in the business of distilling, rectifying,

or manufacturing tobacco or any other taxable article within any building wherein is carried on any business the owner of which is by this Act required to provide himself with a license as a wholesale or retail dealer. Every person violating any of the provisions of this section, shall, for the first offense be fined not less than one hundred dollars nor more than five hundred dollars, or be imprisoned not less than one month nor more than one year; *Provided*, that for the second and each subsequent offense thus committed both fine and imprisonment shall be imposed.

SECTION 12.—Every person engaged in, or intending to engage in, the manufacture of any article subject to tax under the provisions of this Act shall give notice thereof in writing to the Treasurer of Porto Rico, in such form as the Treasurer of Porto Rico may by regulations prescribe, and shall give bond in such amount, in no case to exceed twenty thousand dollars, as said Treasurer may require. *Provided*, that small manufacturers of cigars and cigarettes, or of both, whose annual output does not exceed one thousand dollars shall give bond in an amount not to exceed one hundred dollars. Such bond shall be liable for all penalties incurred and fines imposed on him for violation of any of the provisions of this Act or regulations and shall be executed by the principal and by two sureties each of which latter shall possess in fee simple unincumbered real estate in Porto Rico to the value of at least twice the amount of the bond; *Provided*, that the Treasurer of Porto Rico, at his discretion, may accept, in lieu of the undertakings of the aforesaid sureties, a deposit of cash equal to the amount of the bond, or securities for a like amount to be approved by him, or the undertaking of a bonding company duly authorized to transact business in Porto Rico.

Every person engaging in or continuing in the business of distilling, rectifying, or manufacturing tobacco or any other taxable article without having given bond as herein provided shall for the first offense thus committed, be fined not less than one hundred dollars, nor more than five hundred dollars, or be imprisoned for not less than one month nor more than one year; *Provided*, that for the second and each subsequent offense thus committed both fine and imprisonment shall be imposed.

SECTION 13.—The Treasurer of Porto Rico may refuse to approve any bond when the situation of the factory is such as would enable the manufacturer to defraud the People of Porto Rico, or when the condition of the manufacturing plant, or any part of it, or of the receptacles for storage, or of the building or

buildings wherein such plant or receptacles are situated is not suitable for the proper inspection of the product thereof. Said Treasurer may at any time cancel any bond and may oblige the principal thereon to furnish additional security whenever in his judgment the interests of the People of Porto Rico so require. He may, in his discretion, refuse to approve any bond when the principal or sureties thereon have been convicted of any offense against the laws or regulations relating to internal revenue.

SECTION 14.—No person shall hold or possess any still as owner, lessee or otherwise, unless he shall be a duly qualified distiller, rectifier or still manufacturer. The Treasurer of Porto Rico shall have power to require any owner, lessee or possessor of any still to whom a license has been refused, or whose license has been revoked, or who is not a duly qualified distiller, rectifier or still manufacturer, to dismantle such still in a way that its use for distilling or rectifying shall not be possible. Upon the refusal of any person thus required to dismantle to the satisfaction of the Treasurer of Porto Rico any still in his possession as owner, lessee or otherwise, or failure so to do within twenty-four hours after due notice has been given by the Treasurer of Porto Rico, such person shall be punished for the first offense by a fine of not less than one hundred dollars nor more than five hundred dollars or by imprisonment for not less than one month nor more than one year, and for the second and each subsequent offense thus committed, both fine and imprisonment shall be imposed, and the Treasurer, himself, or by his agent, shall seize such still and other apparatus fit or intended to be used for the distillation or rectification of spirits, and other personal property used in connection with the business of distilling found on the distillery premises, and shall sell the same at public auction for the benefit of the People of Porto Rico.

SECTION 15.—No person shall manufacture any still or any part of a still unless he shall have obtained from the Treasurer of Porto Rico a license so to do. Every manufacturer of stills or parts thereof must notify the Treasurer of Porto Rico, within ten days of the date of each sale, of the sale of each still or part of still made by him, and to whom made. Every manufacturer of stills or parts of stills who fails to comply with any provision of this section shall upon conviction thereof be fined not to exceed one hundred dollars.

SECTION 16.—The Treasurer of Porto Rico shall at all times have power to compel any person engaged in the business of dis-

tilling, rectifying, tobacco manufacturing or manufacturing any article subject to tax to make such alterations in stills, utensils, boilers, vats, tubes, pipes and apparatus in general as he may think necessary for the proper protection of the People of Porto Rico against fraud, and may require each such person to install such notice boards, measuring apparatus, tubes, tanks, locks, receptacles for the finished or partially finished product and other things as in his judgment may be necessary. The Treasurer shall have the power to determine size and character of receptacles and packages in which merchandise taxable under this Act shall be stored within, or removed from, the factory, and may compel such packages and receptacles to be marked with such marks and numbers, and such marks and numbers to be obliterated at such a time and in such a manner, as he may by regulations prescribe. The license of every person failing or refusing to comply with the requirements of the Treasurer of Porto Rico with respect to such alterations or with respect to the size and character of the receptacles and packages, and marks and numbers, may be revoked, by the Treasurer of Porto Rico.

SECTION 17.—No person shall engage in or carry on any business or trade hereinbefore or hereinafter mentioned until he has paid a license tax in the manner hereinafter provided. Whenever more than one of the trades or occupations herein described and permitted by law are carried on in the same place by the same person, or in different places by the same person, or in the same place by different persons, the license tax shall be paid for each such trade or occupation according to the rates hereinafter severally prescribed.

SECTION 18.—Every person engaging in or continuing in any trade or occupation subject to license taxes under the provisions of this Act without the proper license, or whose license has been revoked, shall for the first offense thus committed be fined not less than one hundred dollars nor more than five hundred dollars, or be imprisoned for not less than one month nor more than one year, and for the second and each subsequent offense thus committed both fine and imprisonment shall be imposed, and the plant, machinery, implements, instruments, receptacles and other property, in the case of a manufacturer, found on the premises of such delinquent and used in his business of manufacturing, and all merchandise taxable under this Act in the case of a dealer, found on the premises of such dealer, shall be seized by the Treasurer of Porto Rico, or his agents, and by him confiscated and sold for the benefit of the People of Porto Rico.

SECTION 19.—The Treasurer of Porto Rico may revoke, at any time, the license of any person who fails to comply with any of the requirements of the revenue laws or of regulations issued thereunder. Such revocation shall not act as a bar to any other judicial or administrative action which the Treasurer of Porto Rico may be authorized to take under the provisions of this Act.

SECTION 20.—Every manufacturer of any article subject to tax under the provisions of this Act shall keep in his factory and shall not remove therefrom a stock book, which shall be furnished by the Treasurer of Porto Rico on payment of one-half cent for each page thereof, wherein he shall note at the close of each day the quantity of the finished product produced during the twenty-four hours immediately preceding, and in the case of distilled spirits, the alcoholic strength and the number or numbers of the receptacle or receptacles in which said product is stored, and in the case of rectified spirits, the quantity of the distilled or rectified spirits subjected to rectification during the twenty-four hours immediately preceding and the quantity of the rectified spirits resulting therefrom, and the number or numbers of the receptacles in which such product is stored and each sale made during such twenty-four hours and to whom and all other information as the Treasurer of Porto Rico shall by regulations prescribe. Such stock book shall at all times be opened to the inspection of the internal revenue agents. Every person failing to comply with any of the provisions of this section shall for the first offense thus committed be fined not less than one hundred dollars nor more than five hundred dollars, or be imprisoned for not less than one month nor more than one year, and for the second and each subsequent offense thus committed both fine and imprisonment shall be imposed. The unregistered product shall be seized by the Treasurer of Porto Rico, or by his agents, and by him be confiscated and sold for the benefit of the People of Porto Rico.

SECTION 21.—Every person who, himself or by his agents or employees, sells or offers for sale, or exposes for sale, or has on his business premises or on any premises contiguous to or connected therewith, whether used as a dwelling or otherwise, any article subject to tax under the provisions of this Act, for the purpose of sale, shall be considered as a dealer and subject to all of the respective provisions of this Act and of the regulations issued by the Treasurer of Porto Rico under authority thereof, relating to dealers; *Provided*, that any manufacturer who disposes of his product in bulk at his factory shall not be held to be a dealer.

SECTION 22.—The license of every person who possess or has on his business premises or any premises contiguous thereto or connected therewith, whether used as a dwelling or otherwise, or has on any premises under his control, any merchandise subject to tax by the provisions of this Act on which such tax has not been paid may be revoked, and shall for the first offense thus committed be fined not less than one hundred dollars nor more than five hundred dollars, or be imprisoned for not less than one month nor more than one year, and for the second and each subsequent offense thus committed both fine and imprisonment shall be imposed, and the merchandise shall be confiscated by the Treasurer of Porto Rico and by him sold for the benefit of the People of Porto Rico.

SECTION 23.—The Treasurer of Porto Rico shall issue such regulations, not in conflict with this Act, as may be necessary to carry into effect the provisions thereof, and may fine administratively and collect from every person failing to observe any such regulations or violating any provision of this Act a sum not to exceed ten dollars for each such offense, or, at his discretion, may charge such person before the proper court with committing breach of regulations or a violation of the law. Every person so charged before the court with committing violations of this Act shall, upon conviction thereof be fined or imprisoned, or both, as in this Act specifically provided. Where a fine, as above provided, has been imposed by the Treasurer and payment has not been made, the Treasurer may institute proceedings in the proper court for the violation of regulations or provisions of this Act for which the fine was imposed and upon conviction thereof the person so violating the regulations or provisions of this Act shall be fined or imprisoned, or both, as in this section provided, the same as if no fine had been imposed and the proceedings before the proper court had at the outset been instituted.

SECTION 24.—Any internal revenue agent may, at any time, enter any building, or place, in any part of which, any articles, or objects, subject to taxation by this Act are made, produced or kept (except for private consumption) in virtue of a license duly granted by the Treasurer of Porto Rico; but no other building used as a residence shall be subject to such entry and search, except in accordance with the provisions of Sections 123 to 130 inclusive of the Code of Criminal Procedure. And if any person shall forcibly obstruct or hinder any internal revenue agent in the execution of any power and authority vested in him by law or shall forcibly recover or cause to be recovered any property, ar-

ticles or objects after the same shall have been seized by said agent, or shall attempt or endeavor to do so, the person so offending for every such offense shall be fined not less than two hundred dollars and not more than one thousand dollars, or be imprisoned for a term not exceeding two years, at the discretion of the court.

SECTION 25.—The Treasurer of Porto Rico shall be, and is hereby, authorized in his discretion, and upon the execution of such bond as he may prescribe, to allow any person to establish a warehouse in any city, to be known as general bonded warehouse, to be used exclusively for the storage of articles taxable under this Act or for the manufacture of such articles intended exclusively for export. Every such warehouse shall be under the joint custody of the proprietor thereof and of a duly appointed agent of said Treasurer and shall be kept securely locked and at no time be unlocked except in the presence of said agent. Taxable articles may, previous to the payment of the respective tax, be removed from a factory and lawfully deposited in said warehouse on complying with such regulations and after making such entries and giving such bonds as said Treasurer may prescribe. Any person removing any taxable article on which the tax has not been paid from any factory for the purpose of depositing such article in a bonded warehouse before complying with all the respective provisions of this section shall be fined not less than one hundred dollars nor more than five hundred dollars, or be imprisoned for not less than one month nor more than one year.

SECTION 26.—Any article deposited in a general bonded warehouse may be removed therefrom upon the payment of the respective tax, payable before the removal thereof, and in the manner prescribed by the Treasurer of Porto Rico. Every person who removes or attempts to remove from a general bonded warehouse any taxable article on which the tax has not been paid in the manner herein provided shall be fined not less than one hundred dollars nor more than five hundred dollars, or shall be imprisoned for not less than one month nor more than one year; *Provided*, that any article may be removed from a general bonded warehouse for export from Porto Rico, without the payment of the tax, upon making such entries, giving such bond and complying with such other requirements as the Treasurer of Porto Rico may prescribe.

SECTION 27.—Articles subject to tax under the provisions of this Act shall be exempt from taxation when exported from Porto Rico under such regulations and after the making of such entries

and executing and filing of such bond as the Treasurer of Porto Rico may prescribe; *Provided*, that no drawback shall be allowed on account of any tax already paid on any taxable article or component part thereof exported from Porto Rico.

SECTION 28.—All the taxes provided for in this Act shall be paid by the affixture and cancellation of internal revenue stamps to such documents and to such articles as for such purpose the Treasurer of Porto Rico may prescribe. Such stamps shall be furnished by the Treasurer upon requisition to collectors and deputy collectors in such amounts as may be necessary for local needs. Every such collector and deputy collector shall enter into bond with the Treasurer, for the benefit of the People of Porto Rico, in such amount and upon such conditions as the Treasurer may require, said bonds to be approved as to form and execution by the Auditor and, as to sufficiency of surety, by the Treasurer, and every such collector and deputy collector shall account monthly with the Auditor for all stamps received, sold and on hand, and all moneys received for the sale of such stamps, and shall remit moneys so received to the Treasurer, who shall account for the same pursuant to law.

SECTION 29.—The tax provided for in this Act, on articles brought into Porto Rico, from the United States shall be paid before such articles are removed from the custody of the owner or agent of the vessel in which such articles are brought; and on articles imported into Porto Rico from countries other than the United States the taxes shall be paid at the time of making the custom house entry for withdrawal for consumption. All owners or agents of ocean-going vessels shall furnish the Treasurer of Porto Rico, whenever by him requested, with a true copy of each manifest of cargo of each vessel entering or leaving any port or ports in Porto Rico of which they may be consignee or consignor.

SECTION 30.—Each quarter, every person engaged in any of the occupations mentioned in this section shall pay the license tax herein respectively provided for, to wit:

Distiller, twenty-five dollars.

Rectifier, twenty-five dollars.

Manufacturer of stills or parts of stills, five dollars.

Cigar manufacturer, one dollar.

Cigarette manufacturer employing machinery, twenty-five dollars.

Cigarette manufacturer employing hand labor only, one dollar.
 Wholesale dealer in distilled spirits, twenty-five dollars.
 Wholesale dealer in beers or wines, twelve dollars.
 Wholesale dealer in arms and ammunitions, twelve dollars.
 Wholesale dealer in cigars or cigarettes, twelve dollars.
 Wholesale dealer in perfumery, twelve dollars.

Retail dealer:

First Class.—First-class saloon, bar, restaurant, café and hotel, selling distilled spirits, wines or beers, seven dollars.

Second Class.—Grocery store, commonly known as “Pulpería”, saloon, bar, restaurant, café, kiosk, other than first class, boarding house, selling distilled spirits, beers or wines, four dollars.

Third Class.—Store known as “Ventorrillo” (wayside provision booths), when situated outside of town limits, and traveling peddlers, selling distilled spirits, wines or beers, two dollars.

Retail dealer in cigars or cigarettes:

First Class.—First-class saloon, bar, restaurant, café and hotel, selling cigars or cigarettes, five dollars.

Second Class.—Second-class store, commonly known as “Pulpería”, saloon, bar, restaurant, café, kiosk, other than first class, boarding house, selling cigars or cigarettes, two dollars and fifty cents.

Third Class.—Store known as “Ventorrillo” (wayside provision booths), when situated outside of town limits, and traveling peddlers, selling cigars or cigarettes, one dollar and fifty cents.

Retail dealer or peddler in perfumery, one dollar.

Retail dealer or peddler in arms or ammunition, ten dollars.

The term “wholesale dealer” as used in this section shall be deemed to imply and include all merchants, agents, and others selling from their stock to other dealers, any article, the sale of which is subject to tax under the provisions of this Act.

The term “retail dealer” as used in this section shall be deemed to imply and include all merchants, agents and others who sell from their stock to persons, other than dealers, in quantities commonly sold for individual use and consumption, any article the sale of which is subject to tax under the provisions of this Act. The license taxes herein specified shall become due on the first day of each January, April, July and October. Every person commencing any trade or occupation subject to license tax after the first day of any quarter, shall pay such tax on the day he commences, but for the whole quarter. Licenses

shall be nontransferable: *Provided*, that the wife, child, executor, administrator or other legal representative of any decedent may carry on the occupation of such decedent for the unexpired period of the quarter for which said decedent had paid license tax without the payment of additional tax for such unexpired period.

SECTION 31.—There shall be levied, collected and paid:

(1) On each entry into Porto Rico of merchandise imported from foreign countries, one dollar.

(2) On each original instrument or document attested by a notary public or recorded by a registrar, excepting oaths of office, official bonds and affidavits, one dollar.

(3) On each copy of such original document, or instrument, fifty cents.

(4) On each registration or record of such document or instrument or copy thereof, fifty cents.

Every person who makes any entry of merchandise imported from foreign countries into Porto Rico, or who attests, or registers or causes to be attested or registered any instrument or document or any copy thereof without first paying the tax herein prescribed shall forfeit one hundred dollars.

SECTION 32.—If any person shall forge or counterfeit, or cause or procure to be forged or counterfeited, any stamp which shall have been provided, made or used in pursuance of this Act, or may hereafter be provided, made or used in the performance of this Act, or if any person shall use in the payment of taxes herein imposed any internal revenue stamp after it shall have once been used, or if any person shall wilfully remove, or cause to be removed, alter, or cause to be altered, the cancelling or defacing marks of any adhesive stamps with the intent to use the same, or cause the use of same after it shall have once been used, or shall knowingly or wilfully sell or buy such washed or restored or used stamp, or offer the same for sale, or give or expose the same to any person for use, or knowingly use the same, or prepare the same with intent for further use thereof, or if any person shall knowingly and without lawful excuse have in his possession any washed, restored, or altered stamp; every person so offending, and every person knowingly and wilfully aiding, abetting or assisting in committing any such offenses, as aforesaid, shall be deemed guilty of a felony, and upon conviction thereof, shall forfeit the said counterfeit, restored or altered stamps, and the articles for the payment of the respective taxes upon

which such counterfeit, restored or altered stamps were intended or used, and shall be punished by a fine of not less than five hundred dollars nor more than one thousand dollars, or by imprisonment and confinement at hard labor for a term not less than six months nor more than five years, and all such forfeited articles shall be sold by the Treasurer of Porto Rico for the benefit of the People of Porto Rico. Internal revenue agents are hereby empowered to arrest all persons detected in the commission or infraction of revenue laws or regulations and to conduct all such persons forthwith before the municipal or other judge having jurisdiction for the preparation of the "sumario" or preliminary proceedings in the case, and the accused shall be held under arrest during said preparation and preliminary proceedings; and, should it appear during such investigation that there is good and sufficient proof as to the commission of the offense charged, such arrest shall continue until such time as the case shall be finally disposed of by the court having jurisdiction of the case: *Provided*, that the preliminary proceedings and the final trial of the case shall be concluded without unnecessary delay; and, *Provided, further*, that if from the said preliminary proceedings the guilt of the accused shall not be satisfactorily established he shall be forthwith discharged; and, *Provided, further*, that at any time during the preliminary investigation, or thereafter, pending the final disposition of the case, the accused shall be allowed bail in a sum not to exceed the maximum penalty imposed herein for the offense of which he stands accused, to the amount of the fine being added the number of days imprisonment at the rate of three dollars per day; but no person against whom satisfactory evidence of guilt is produced in said preliminary examination shall be released from custody until the amount of and form of bail bond and sufficiency of the sureties thereon shall have been approved.

SECTION 33.—The chief of the bureau of internal revenue shall supervise, under the direction of the Treasurer, the duties of the internal revenue agents and see that they are faithfully performed. The internal revenue agents shall list and classify the names of all persons, associations or corporations engaged in occupations, manufacturing, importing or selling of articles subject to the taxes provided in this Act; and shall secure the full and entire assessment and payment of such taxes. All internal revenue agents and all collectors and deputy collectors of internal revenue, shall, further, perform, all and severally, such specific duties in connection with the taxes herein provided as may here-

after be imposed upon them by law or assigned to them by such directions, rules and regulations as may hereafter be issued by the Treasurer.

SECTION 34.—Any internal revenue agent, collector or deputy collector of internal revenue or any employee of the office of the Treasurer:

(a) Who while under commission, becomes engaged, directly or indirectly, in any occupation, manufacture, importation, or sale of any article taxed under the provisions of this Act; or,

(b) Who fails, fully and promptly, to account for any and all public funds, fines, internal revenue stamps, licenses, receipts, books, documents, records, papers or any other form of public property; or,

(c) Who is guilty of any extortion or wilful oppression under color of law; or,

(d) Who, knowingly, demands other or greater sums than are authorized by law, or receives any fee, compensation or reward, except as herein provided, for the performance of any duty; or,

(e) Who wilfully neglects to perform any of the duties enjoined upon him by law; or,

(f) Who conspires or colludes with any other person to defraud the public revenues; or,

(g) Who makes opportunities for any other person to defraud the public revenues; or,

(h) Who does, or omits to do, any act with intent to enable any other person to defraud the public revenues; or,

(i) Who, negligently or designedly, permits any violation of the law by any person; or,

(j) Who makes or signs any false entry in any book, or makes or signs any false certificate or return in any case where he is required by this law or by such regulations as may hereafter be issued by the Treasurer, to make any entry, certificate or return; or,

(k) Who having knowledge or information of the violation of any provision of this law, by any person, or of fraud committed by any persons against the public revenues under this law, fails to report in writing such violation or fraud to the designated authorities; or,

(l) Who demands, accepts or attempts to collect, directly or indirectly, as payment, gift or otherwise, any sum of money or other thing of value for the compromise, adjustment or settlement

of any charge or complaint for any violation or alleged violation of this law; or,

(m) Who shall divulge or make known, in any manner whatsoever not provided by law, to any person, the accounts, condition of business affairs, or manner of conducting same of any tax-paying person, association or corporation whose books, accounts and business operations they may have investigated in the discharge of their duties, shall be dismissed from office and shall be charged with a felony, and, upon conviction by any court having jurisdiction of the offense committed, shall be fined not less than two hundred and fifty dollars nor more than two thousand dollars or be imprisoned not less than six months nor more than five years, or both, at the discretion of the court.

SECTION 35.—On and after the passage of this Act no municipal district or other local division in Porto Rico shall levy or collect any consumo tax or local excise tax on the consumption or use of any article subject to tax under the provisions of this law.

SECTION 36.—Sections 373, 383, 387, 388, 389, 395 and 396 of the Penal Code, and Sections 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366 and 367, and all amendments thereof, of the Political Code, and all laws, or parts thereof, decrees or orders in conflict with this Act are hereby repealed.

SECTION 37.—This Act shall take effect from and after July first, nineteen hundred and five.

Approved March 9, 1905.

AN ACT

TO PROVIDE FOR THE PAYMENT OF CERTAIN ITEMS OF INDEBTEDNESS TO THE TEACHERS' PENSIONS FUND BY MUNICIPALITIES, TO PROVIDE FOR THE ADMINISTRATION OF THE TEACHERS' PENSIONS FUND, TO REPEAL SECTION 78 OF THE CODIFIED SCHOOL LAW AND FOR OTHER PURPOSES.

Be it enacted by the Legislative Assembly of Porto Rico:

SECTION 1.—All municipalities of the Island of Porto Rico, indebted to the Teachers' Pensions Fund for moneys collected on account of said fund, which have not issued certificates of indebtedness in favor thereof, shall, upon the passage of this Act, immediately avail themselves of the benefits of an act entitled "An Act authorizing Municipalities to issue certificates of indebtedness in payment of their obligations incurred prior to July first, nineteen hundred and two, out-standing and unpaid," approved March

1, 1902, and proceed to issue certificates covering their indebtedness in favor of the Teachers' Pensions Fund.

SECTION 2.—The administration of this fund shall be vested in a board of trustees, which shall be known as the "Board of Trustees of the Teachers' Pensions Fund" and the members of which shall be appointed by the Governor of Porto Rico for a period of five (5) years.

SECTION 3.—Said board shall consist of a president, secretary and a treasurer, who shall be beneficiaries of the fund, and two other members who shall be principals in the public schools of Porto Rico and shall not be beneficiaries of the fund.

SECTION 4.—Said board shall meet at the call of the president and four members shall constitute a quorum for the transaction of business, except, that in all cases where the disbursement of funds is ordered, two of the members present must, be non-beneficiaries of the fund.

SECTION 5.—The board of trustees shall receive and examine all applications for pensions in accordance with the provisions required by the "derechos pasivos del magisterio de primera enseñanza de Puerto Rico" actually in force, and upon determining the right of an applicant to receive pension from the fund, shall approve the payment of same at a meeting of the board and state an account in favor of the claimant, which shall bear the signature of the president, secretary and two non-beneficiary members of the board and shall serve as a warrant upon the treasurer of the board for the payment of the pension as long as sufficient funds exist, and provided, that no new accounts shall be stated until all claims in arrears shall have been paid in full after which time new claims shall take their respective places in order of the priority of approval.

SECTION 6.—The treasurer of the board shall give bond in such amount as the Governor of Porto Rico shall direct; he shall deposit all funds belonging to the board in one of the government depositaries and shall make no disbursements except as authorized by the duly signed warrants of the board; he shall make all disbursements by checks which shall be countersigned by the president of the board; he shall render monthly accounts to the board which shall be audited and passed upon by the board and which if found correct and in proper form shall be approved by same; he shall receive as salary two per centum (2%) on all money disbursed to pensioners, provided that nothing in this Act shall be construed as allowing the treasurer a per-