

## A Survey of Amusement Taxes

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The Article is the second of a two-part review on amusement taxes in the Philippines, the first part being published in an earlier issue of the Journal. It begins by reiterating that municipal and city councils may also levy amusement taxes in addition to those enumerated in the National Internal Revenue Code.

After this, the Article discusses the amusement activities that are fully exempted, as well as those that are partially exempted, from the application of the National Internal Revenue Code. In addition to these activities, tax exemptions are also given to complimentary taxes and those that the local governments may exclude from the coverage of their local tax ordinances.

The Author then submits his recommendations. While he believes that the taxing jurisdiction of both national and local levels on admissions are better retained than repealed, he submits that the tax imposed on such be decreased. He also suggests that the tax rates on gambling establishments such as race tracks, jai-alai and cockpits as well as to night spots such as night clubs and cabarets be increased. He also recommends that the United States tax on club dues and initiation fees be imposed in the Philippines, with the exemption being granted to fraternal societies, order or association, operating under the loge system, or to any fraternal organization of university students.

A reimposition of the repealed taxes on passage tickets, as well as on radios, phonographs and television set is submitted by the Author. He nonetheless proposes that the collections for the latter group be entrusted to electric companies for better implementation.

As a final note, the Author takes notice of the fact that while very limited administrative difficulties are encountered in the imposition of amusement taxes, there are still ways of evading it. For this, he recommends the imposition of penal sanctions.