

The Intendency, taking the opinion of the Administration of the Department, will grant a proportionate reduction in the duty on this article, which, as such reform is contrary to the usual practice of Custom-houses, will be submitted to the Supreme Government without, however, preventing it from being at once put in force *ad interim*.

Lot 268. Impure carbonate of soda, reducing the valuation of 16, assigned by the tariff, to 8.

Lot 1035. Smooth corduroys and velvets, worked or stamped, are taxed at the rate of 260 escudos per quintal, instead of 520, as fixed in the said lot.

Lot 298. Barley, stripped of the husk, pearled or peeled: the valuation is reduced to 24 escudos per quintal, instead of 1½ dollars per lb., as fixed in the tariff.

Lot 1004. Cotton, crimson, cochineal colour for weaving.

Lot 1005. Cotton, white, raw, or of other colours, for weaving.

Lot 1006. Cotton, yellow, rose colour, or green, for weaving.

The merging of these three lots into 1005 being stated in the following form.

Spun cotton for weaving, raw, white, or coloured, per quintal, 120 escudos; dues 7 or 14 per cent., according to the flag when proceeding from abroad, or 3 or 8 per cent. respectively if the export be national (Spanish).

Tariff of Mixed Woven Stuffs.

The addition to this tariff of the cloths, fine lastings, cashmeres, and serges, of wool and cotton by halves in warp and woof, at the valuation of 75 cents of a dollar per square yard; valuation in future will be modified by unity of weight, according to Article 1 of this decree.

The explanation referring to the conditions of light stuffs, in the sense that any cloth which between every two threads admits another of the same thickness, shall be considered as light stuff not pressed close.

And the declaration of freedom from export duty of the coal from the mines of Ceba.

ART III. The Intendency will dedicate itself in preference to the new reform of the tariff, reducing by 50 per cent. all the charges mentioned therein above 3 to 8 per cent., the average scale of duty; and by 50 per cent., the differential duty on foreign flags, which shall be sustained for the space of two years, to be counted from the time this decree is endorsed by the "cumplase," both charges being suppressed at the end of that term.

ART. IV. That in the new tariff the export dues on all articles charged therewith be suppressed; the exporters, nevertheless, being still compelled to declare the goods which they export, their quality and quantity, and it being the duty of the Customs' administrations to supervise and make note thereof, in order to frame the commercial statistics of the Archipelago.

ART. V. The tax of 2 per cent. upon European goods imported in Spanish ships, proceeding from the ports of Asia and Oceania, and that of 1 per cent. on those proceeding from Singapore, are suppressed likewise.

ART. VI. The Intendency, on consulting with the Councils of Tariffs and Finance, will merge into one sole tax, to be called "discharge due," and which shall be paid according to the tonnage (ton of 1000 kilogrammes) of the goods discharged, all the duties known at present by the name of light, cleansing, anchorage, shipment, and discharge, and others of the kind; managing so

that the amount of the new tax may represent the due equivalent of those suppressed; different scales being drawn up for ships navigating the high seas, for coasters, and among them for ships measuring less than twenty tons. When a vessel, from distress or other cause, is forced to transfer its cargo to another, or to discharge for the purpose of re-shipping it after, it will not pay the duty which is only to be exacted on goods discharged for introduction into the Islands.

ART. VII. The discharge due will be collected by the Custom-house, the amounts, in common with all other general taxes, being paid into the public Treasury.

ART. VIII. The Customs' administration of Manila will at once take charge, with the character of central administration of that branch, of the dispatch of the business confided for that purpose, to that of taxes; the chief of the latter department retaining, nevertheless, the title of Inspector of the Revenue, and with the duty of conducting the proceedings of invalidity or complaint against the decisions of the former.

Madrid, 29th December, 1868.

The Colonial Minister,

(Signed)

ADELARDO LOPEZ DE AYALA.

(Translation.)

ART. I. The introduction of ships of all classes into the Philippine Isles, of wood as well as of iron hulls, is permitted on their satisfying the following duties:—

Those of wood, up to the burden of	Escudos.
100 tons, of a cubic metre, will	
pay per metrical ton	13
From 101 to 300 tons, Idem	10
From 301 tons, upwards, Idem	5
Those with hull of iron whatever	
their burden	5

ART. II. When foreign vessels have been repaired in the Archipelago, and put in a perfectly navigable state, and their owners desire to nationalise them, they will pay only four escudos per ton, if the repairs cost more than three times the value of the ship's purchase-money, and eight escudos if it should be more than double and should not amount to treble.

ART. III. The tons of a cubic metre treated of in the preceding Articles, shall be what the ships measure in bulk, without any deduction of space or compartment below decks. But the duties on all instruments, machinery, tools, and utensils, referred to in Notes 20 and 21 of the Customs' Tariff in force in the Peninsula, are included in the dues thus fixed per ton.

ART. IV. Every Spanish ship may be freely careened and surveyed in any foreign place.

ART. V. Owners of Spanish ships may freely sell or hypothecate them to countrymen or foreigners, to which end Article 592 of the Commercial Code is abrogated.

ART. VI. Ships may be manned by the number of men agreed upon by the owner and captain, in accordance with Article 24, tit. 10, of the existing Registry Laws, and with the 1° and 4° of the Royal Decree of the 27th November, 1867. When the captain or owners cannot find a sufficient number of Spanish seamen in a foreign port, the crew may be completed with foreigners, with the consent of the Consul or of the Naval Authorities.

ART. VII. Materials of all kinds imported for the construction, careening, or repair of iron or wooden ships, of whatever tonnage; finished