

the Philippine Trade Agreement Revision Act of 1955: Provided, however, That after May 1, 1946, all taxes collected under the internal revenue laws of the United States on articles produced in Puerto Rico and transported to the United States, or consumed in the island shall be covered into the Treasury of Puerto Rico.

Finally, articles manufactured in Puerto Rico entering the United States and consumed or sold there are subject to an internal revenue tax equal to that on like articles manufactured in the United States. Again, such taxes are to be covered into the Puerto Rican Treasury. Similarly, articles manufactured in the United States entering Puerto Rico are subject to the internal revenue tax imposed by the latter on like articles of its own manufacture. They are, however, exempt from the payment of any tax imposed by the United States internal revenue laws and all provisions for the allowance of drawback of internal revenue tax, so far as applicable, extend to them. 26 USC §§ 7652 and 7653, in relevant part, provide:

§ 7652. Shipments to the United States.

(a) Puerto Rico.--

(1) Rate of tax.--Except as provided in section 5314, articles of merchandise of Puerto Rican manufacture coming into the United States and withdrawn for consumption or sale shall be subject to a tax equal to the internal revenue tax imposed in the United States upon the like articles of merchandise of domestic manufacture.