



**MASTER COPY**

25 November 2022

**CUSTOMS MEMORANDUM CIRCULAR**  
**NO. 177-2022**

To: The Assistant Commissioner  
 All Deputy Commissioners  
 All Directors and Division Chiefs  
 All District/ Port Collectors  
 All Others Concerned

**SUBJECT: TARIFF CLASSIFICATION DISPUTE RULING**

This has reference to the herein attached Tariff Commission Circular Dispute Ruling (TCC DR) No. 22-014 issued on 21 November 2022 pursuant to Commission Order No. 2018-1 (Rules of Procedure on Disputes involving Tariff Classification) on the shipment of "Aluminum Anode" consigned to Team Sual Corporation (Import Entry/ Customs Reference No. C-30196 and C-30425, NAIA) the dispositive portion of which states that:

**WHEREFORE**, premises considered, subject article is hereby classified as follows:

Product	AHTN 2017/2022 Code	2022 MFN Rate
Aluminum Anode	7616.99.90	15%

For information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt thereof.

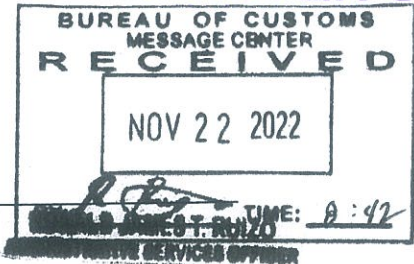
*[Handwritten Signature]*  
 DEC 03 2022  
**YOGI FILEMON L. RUIZ**  
 Acting Commissioner *[Initials]*



11/23  
11:00



REPUBLIC OF THE PHILIPPINES  
TARIFF COMMISSION



RE: REQUEST FOR TARIFF CLASSIFICATION  
DISPUTE RULING ON "ALUMINIUM ANODE",  
CONSIGNED TO TEAM SUAL CORPORATION

TCC (DR) NO. 22-014

(Import Entry/Customs Reference Nos. C-30196  
and C-30425, NAIA)



Issued on: 21 November 2022

TARIFF CLASSIFICATION DISPUTE RULING

Before this Commission is a request for Tariff Classification Dispute Ruling (TCDR), pursuant to Paragraph 2 of Section 1100 of Republic Act No. 10863, otherwise known as the *Customs Modernization and Tariff Act* (CMTA), on the shipments of Aluminium Anode imported by Team Sual Corporation (Importer/Consignee) from Singapore (Country of Origin: United Kingdom). The request of the Importer/Consignee for a TCDR was accepted by this Commission on 01 July 2022.

The shipments of said article, declared under ASEAN Harmonized Tariff Nomenclature (AHTN) 2017 subheading 8421.99.29, with a Most Favoured Nation (MFN) rate of duty of zero, was processed under Import Entry/Customs Reference Nos. C-30196 and C-30425 at the Bureau of Customs (BOC), Ninoy Aquino International Airport (NAIA). The BOC contested the declared heading and reclassified subject article under AHTN 2017 subheading 7616.99.90, with an MFN rate of duty of 15% *ad valorem*.

Hence, this request for Tariff Classification Dispute Ruling.

With information deemed sufficient to classify subject article and pursuant to Section 7.3 of Commission Order No. 2018-01, this Commission requested the concerned BOC District Collector on 15 July 2022 for comments on the request for TCDR on Aluminium Anode. In a letter dated 29 July 2022 (received by this Commission on 01 August 2022), District Collector Carmelita M. Talusan of BOC-NAIA submitted BOC's comment through a memorandum (with supporting documents) prepared by Mr. Johnorel S. Sionillo, Customs Operations Officer (COO) III; Ms. Gladys Joy C. Obsum, COO III; and Ms. Ninia P. Beltran, Acting COO V, stating the reasons why subject article was reclassified from the declared AHTN 2017 subheading 8421.99.29 (with an MFN rate of duty of zero) to 7616.99.90 (with an MFN rate of duty of 15% *ad valorem*). The reasons for this reclassification decision, as stated in the memorandum, were as follows:

"The following products submitted by the Consignee / Importer to the Commission, to wit: "ALUMINUM ANODE" are included in the dispute on tariff classification.

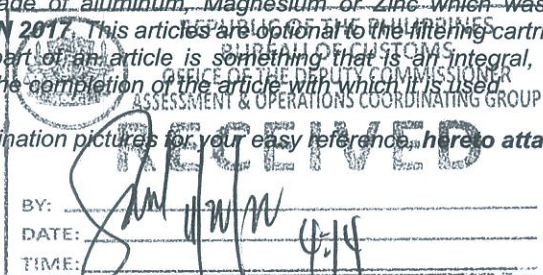
The following items disputed by the Bureau based on the filed documents are the following: Single Administrative Document (SAD), Packing List and Invoice, hereto attached marked as Annex A, to wit:

"SACRIFICIAL ANODE" (ALUMINUM ANODE) MAKE OVIVO FOR TRAVELLING BAND SCREEN

To reiterate, articles in question are "SACRIFICIAL ANODE" (ALUMINUM ANODE) MAKE OVIVO FOR TRAVELLING BAND SCREEN were initially classified by the consignee to 8421.99.29 (0%) and was re-classified to 7616.99.90 (15%).

The sacrificial anodes are made of aluminum, Magnesium or Zinc which was excluded in Chapter 84 Note 1 (D) of AHTN 2017. This articles are optional to the filtering cartridges for filters and it has been held that a part of an article is something that is an integral, constituent or component part necessary to the completion of the article with which it is used.

Attached herewith is the examination pictures for your easy reference, hereto attached marked as Annex B."



Aside from the Single Administrative Document (SAD), packing list, invoice, and examination pictures mentioned in the memorandum, BOC's comment/submission also included the clarifications/explanations from the Importer/Consignee on the use of subject article.

In the evaluation of disputes on tariff classification, Section 8 of Commission Order No. 2018-01 provides that this Commission, if it deems necessary, shall conduct a hearing to clarify the facts necessary to resolve the pending disputes in tariff classification. In the present case, however, this Commission found that the submissions of the Importer/Consignee and the BOC were sufficient to make a correct determination on the tariff classification of the subject article. A hearing, therefore, is no longer necessary.

After due examination of the submitted certificate of manufacture, photographs of the product, brochure of the Brackett Green® Travelling Band Screens, operating and maintenance manual of the band screen, and other technical information about the product, it is established that subject article is a type of sacrificial anode composed predominantly of aluminium. It comes in the form of a rectangular block embedded with a metal plate/lug for connection on both ends and is intended to be attached to the chain and mesh of the traveling band screen machine. This aluminium anode serves one primary purpose, which is to provide passive cathodic protection and prevent corrosion of the band screen machine's underwater metal components. By attaching the aluminium anode to the metal components, the aluminium anode (i.e., the sacrificial metal) is corroded instead of the protected metal component. Subject article has a dimension (LxWxH) of 270 mm x 76 mm x 50 mm and weight of 2.4 kg.

The Importer/Consignee considered classification of the product under Chapter 84 of the AHTN 2017 which covers *nuclear reactors, boilers, machinery and mechanical appliances; parts thereof*.

Note 1 to Chapter 84 states that:

**"1.- This Chapter does not cover :**

- (a) *Millstones, grindstones or other articles of Chapter 68;*
- (b) *Machinery or appliances (for example, pumps) of ceramic material and ceramic parts of machinery or appliances of any material (Chapter 69);*
- (c) *Laboratory glassware (heading 70.17); machinery, appliances or other articles for technical uses or parts thereof, of glass (heading 70.19 or 70.20);*
- (d) **Articles of heading 73.21 or 73.22 or similar articles of other base metals (Chapters 74 to 76 or 78 to 81); [emphasis added]**
- (e) *Vacuum cleaners of heading 85.08;*
- (f) *Electro-mechanical domestic appliances of heading 85.09; digital cameras of heading 85.25;*
- (g) *Radiators for the articles of Section XVII; or*
- (h) *Hand-operated mechanical floor sweepers, not motorised (heading 96.03)."*

Heading 84.21 of the AHTN 2017 covers *centrifuges, including centrifugal dryers; filtering or purifying machinery and apparatus, for liquids or gases*. The pertinent Harmonized System (HS) Explanatory Notes (EN) regarding parts state that:

*"Subject to the general provisions regarding the classification of parts (see the General Explanatory Note to Section XVI), the heading covers parts for the above-mentioned types of filters and purifiers. Such parts include, inter alia :*

*Leaves for intermittent vacuum filters; chassis, frames and plates for filter presses; rotary drums for liquid or gas filters; baffles and perforated plates, for gas filters.*

*It should be noted, however, that filter blocks of paper pulp fall in heading 48.12 and that many other filtering elements (ceramics, textiles, felts, etc.) are classified according to their constituent material."*

On the other hand, the BOC considered classification of the product under Chapter 76 of the AHTN 2017 which covers *aluminium and articles thereof*.

The General EN to Section XV regarding articles of base metal state that:

*"In accordance with Section Note 7, base metal articles containing two or more base metals are classified as articles of that metal which predominates by weight over each of the other metals, except where the headings otherwise require (e.g., copper-headed iron or steel nails are classified in heading 74.15 even if the copper is not the major constituent). The same rule applies to articles made partly of non-metals, provided that, under the General Interpretative Rules, the base metal gives them their essential character."*

Heading 76.16 of the AHTN 2017 covers other articles of aluminium. The pertinent HS EN to this heading state that:

*"This heading covers all articles of aluminium other than those covered by the preceding headings of this Chapter, or by Note 1 to Section XV, or articles specified or included in Chapter 82 or 83, or more specifically covered elsewhere in the Nomenclature." [emphasis added]*

This Commission is of the view that the aluminium anode is optional to the operation of the traveling band screen and is only attached to the chain and mesh of the screen to prevent corrosion (i.e., no filtering and/or purifying function). Following BOC's comment, a part of an article is something that is an integral, constituent or component part necessary to the completion of the article with which it is used. A traveling band screen is complete without the anode at issue and does not require the anodes to be present in order to function. As a result, classification of the aluminum anodes in heading 84.21 is precluded.

Subject article, being a base metal that provides passive cathodic protection and prevents corrosion, is covered under heading 76.16 of the AHTN 2017.

Based on the information received from the Importer/Consignee and the BOC, and the clarifications provided by the foregoing Chapter Notes and HS EN, subject article is properly classified under AHTN 2017 subheading 7616.99.90 by virtue of Rules 1 and 6 of the General Rules for the Interpretation (GRI) of the HS (Section 1610 of the CMTA). In view of the Philippines' adoption and implementation of the 2022 version of the AHTN on 01 July 2022, subject article is classifiable under the same subheading in AHTN 2022.

**WHEREFORE**, premises considered, subject article is hereby classified as follows:

Product	AHTN 2017 Code	2022 MFN Rate
Aluminium Anode	7616.99.90	15%

This is for compliance by the BOC pursuant to Section 1100 of the CMTA.

So Ordered.

FOR THE COMMISSION

Digitally signed  


**MARILOU P. MENDOZA**  
Chairperson

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