



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF CUSTOMS  
MANILA

18 January 1991

CUSTOMS MEMORANDUM ORDER

NO. 4-91

TO : All Collectors of Customs  
Service/Division and Section Chiefs, and  
All Others Concerned

SUBJECT : Guidelines in the Implementation and Application of  
Executive Order No. 443 Imposing an Additional Duty  
of Nine Percent (9%) Ad Valorem on All Imported  
Articles Subject to Certain Exceptions and Conditions

SECTION 1. Imposition of Additional Duty. Except as herein specifically provided, there shall be levied, collected and paid, in addition to any other duties, taxes and charges imposed by law on all articles imported into the Philippines, an additional duty of nine percent (9%) ad valorem.

SECTION 2. Importations Exempt Under Existing Laws. The additional duty of nine percent (9%) ad valorem shall also be levied collected and paid on imported articles which are exempt under existing laws, except as provided in Section 3 hereof. In case of importation of articles which are exempt in part, the nine percent (9%) additional duty shall be added to the non-exempt portion.

For the proper application of this Section, the following shall be observed:

- a. If the shipment/importation consists totally of articles which are exempt under Section 3 hereof, the additional duty of nine percent (9%) shall not be imposed.
- b. If the shipment/importation consists partially of articles which are exempt under Section 3 hereof, and partially of articles not exempt from duties, taxes and charges, the additional duty of nine percent (9%) shall be imposed only on the latter portion.
- c. If the shipment/importation consists partially of articles which are exempt under Section 3 hereof, and partially of articles exempt from duties, taxes and charges under other special laws, the additional duty of nine percent (9%) shall be imposed on the latter portion.
- d. If the entire shipment/importation is exempt from duties, taxes and charges under special laws other than those mentioned in,

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but are not exempt under, Section 3 hereof, the nine percent (9%) additional duty shall be imposed on the entire shipment/importation.

SECTION 3. Exempt Importations. The imported articles exempt from the additional duty of nine percent (9%) ad valorem are as follows:

a. Those conferred by effective international agreements to which the Government of the Republic of the Philippines is a signatory;

b. Those of the diplomatic corps for the official use of foreign embassies under the provisions of paragraph (k), Section 105 of the Tariff and Customs Code of the Philippines (TCCP), as amended;

c. Those of bonded manufacturing warehouses under the provisions of Section 2002, P.D. No. 1464, as amended;

d. Those of bonded smelting warehouses under the provisions of Section 2002, P.D. No. 1464, as amended;

e. Those of enterprises or firms registered with the Export Processing Zone Authority pursuant to P.D. No. 66, as amended;

f. Those enterprises or firms registered with the Philippine Veterans Investments and Development Corporation (PHIVIDEV) Authority pursuant to P.D. No. 538, as amended; and

g. Those released under bond under Section 105 of the TCCP, as amended.

SECTION 4. Effectivity. This Order shall take effect on 21 January 1991, that is, ten (10) days after the publication of Executive Order No. 443 in newspapers of general circulation on 11 January 1991.

SECTION 5. Reckoning Date. In reckoning the date for the imposition/collection of the additional duty of nine percent (9%) ad valorem, the following shall be observed.

a. For imported articles entered for consumption - The imported articles are deemed entered for consumption in the Philippines when the specified entry form is properly filed and accepted, together with any related documents required by the provisions of the TCCP and/or regulations to be filed with such form at the time of entry, at the port or station by the customs official designated to receive such entry papers and any duties, taxes, fees and/or other lawful charges required to be paid at the time of making such entry have been paid or secured to be paid with the customs official

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designate to receive such monies, provided that the articles has previously arrived within the limits of the port of entry. Accordingly, the additional duty of nine percent (9%) ad valorem shall be imposed upon the occurrence during the effectivity of E.O. 443 of any of the following:

- a.1 date of arrival of the shipment covered; or
- a.2 date of filing of the import entry; or
- a.3 date of payment of the duties, taxes, fees and/or other charges or secured to be paid.

b. For imported articles withdrawn from warehouse - The imported article shall be deemed withdrawn from warehouse in the Philippines for consumption when the specified form is properly filed and accepted, together with any related documents required by any provisions of the TCCP and/or regulations to be filed with such form at the time of withdrawal, by the customs official designated to receive the withdrawal entry and any duties, taxes, fees and/or other lawful charges required to be paid at the time of withdrawal have been deposited with the customs official designated to receive such payment. Accordingly, the additional duty of nine percent (9%) ad valorem shall be imposed upon the occurrence during the effectivity of E.O. 443 of any of the following:

- b.1 date of filing of withdrawal entry; and/or
- b.2 date of payment of duties, taxes and other charges.

**SECTION 6. Re-Appraisal/Re-Assessment.** All shipments which are covered by E.O. No. 443, as implemented by this Order, but whose additional duty of nine percent (9%) ad valorem was not collected, shall have their import entries immediately returned to the Formal Entry Division for re-appraisal and re-assessment with the imposition of said additional duty of 9%.

**SECTION 7. Repeal of E.O. No. 438.** Executive Order No. 443 repealed E.O. No. 438, dated 27 November 1990. Accordingly, all concerned shall take note that paragraph (h) of Section 3 of E.O. No. 438, i.e., those covered by R.A. No. 6647 are no longer exempt but are now subject to the additional duty of nine percent (9%) ad valorem.

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Commissioner