



January 28, 2019

CUSTOMS MEMORANDUM CIRCULAR
NO. 31-2019

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

SUBJECT: Tariff Classification Circulars/Dispute Rulings

Pursuant to Commission Order No. 2018-1 (Rules of Procedure on Disputes Involving Tariff Classification), attached is the certified true copy of Tariff Classification Circulars Dispute Rulings (TCC/DR) Nos. 18-032 issued on 22 January 2019.

For your information and guidance.

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


REY LEONARDO B. GUERRERO
Commissioner

FEB 01 2019





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REPUBLIC OF THE PHILIPPINES
 BUREAU OF CUSTOMS
 OFFICE OF THE DEPUTY COMMISSIONER
 ASSESSMENT OPERATION COORDINATING GROUP
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 DATE: JAN 25 2019
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REPUBLIC OF THE PHILIPPINES
TARIFF COMMISSION

TCOC Ref. No. 19-007 #2019-01-0460

BUREAU OF CUSTOMS
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 JAN 24 2019
 BY: kelly TIME: 1:48

22 January 2019

COMMISSIONER REY LEONARDO GUERRERO
 Bureau of Customs
 Port Area, Manila

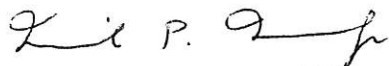


Dear Commissioner Guerrero:

Pursuant to the provisions of Section 1603(f) of the *Customs Modernization and Tariff Act* (Republic Act No. 10863), Section 4.9 of the Commission Order No. 2017-1 (*Procedure on Application for an Advance Ruling on Tariff Classification Related to Importation of Goods*), and Section 9 of the Commission Order No. 2018-1 (*Rules of Procedure on Disputes Involving Tariff Classification*), this Commission is pleased to furnish your good Office with original copies of seventeen (17) Advance Rulings on Tariff Classification, with TCC (AR) Nos. 18-593, 18-594, 18-617, 18-689, 18-732, 18-733, 18-734, 18-736, 18-737, 19-007, 19-008, 19-010, 19-012, 19-014, 19-015, 19-016, and 19-017, and one (1) Tariff Classification Dispute Ruling with TCC (DR) No. 18-032, issued by this Commission from 16 to 21 January 2019.

Thank you.

Very truly yours,


MARILOU P. MENDOZA
 Chairperson



IMPORTS ASSESMENT SERVICE
RECEIVED
 By: [Signature]
 Date: 1/25/19
 Time: 4:45 PM
 Control No: 2019-01-259

Encl: As stated.

cc: The Secretary
 Department of Finance
 Manila

OFFICE OF THE DEPUTY COMMISSIONER
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 1/25/19
 4:50 pm



REPUBLIC OF THE PHILIPPINES

TARIFF COMMISSION

TCC (DR) No. 18-032

16 January 2019

MR. JOSE E. ACELAJADO
 Vice-President
 Varace Air Corporation
 124 Domestic Airport
 Manila Domestic Airport Complex
 Pasay City 1300
 Tel. No.: 851-7780, 853-4704
 Fax No.: 851-7784
 Email: joeacelajado@varaceair.com

CERTIFIED TRUE COPY

Ma. Isabel M de Guzman
 MA. ISABEL M. DE GUZMAN
 Records Officer III
 Tariff Commission 1/2/19

SUBJECT: TARIFF CLASSIFICATION OF "TCS 700 ROTARY 300 GPM AVIATION FLOW METER" CONSIGNED TO VARACE AIR CORPORATION, AND PROCESSED UNDER IMPORT ENTRY NO. C-151250, NAIA

Dear **Mr. Acelajado**:

This refers to the tariff classification of subject article which you filed with this Commission for appropriate ruling, pursuant to Section 1100 of the Customs Modernization and Tariff Act (CMTA).

We have taken note of the fact that the above-mentioned article has already been lodged with the Bureau of Customs (BOC), Ninoy Aquino International Airport (NAIA), per Import Entry No. C-151250. Thus, on 11 December 2018, we required the BOC District Collector to file her comment within ten (10) working days from receipt of our letter requesting her to comment on the tariff classification of subject importation. However, after the lapse of the given period, the BOC failed to submit any comment to controvert your submission.

Based on due examination of the brochure submitted, subject article is a rotary flow meter designed to measure the volume of refined petroleum products. It consists of a housing, three (3) rotors that rotate in unison within the measuring chamber, and comes pre-installed with the TCS 3000 display, an electronic device which displays the volume reading. The rotors are supported by bearings inserted in two (2) bearing plates, where at the end of each rotor shaft is a timing gear. The timed rotation between each rotor is then transferred through the calibration adjuster to the display (TCS 3000), which will then give a consistent and accurate measurement of the volume of liquid passing through the measuring chamber.

The Harmonized System (HS) Explanatory Notes (EN) to Heading 90.26 state that this heading excludes, among others, apparatus which merely indicate the total amount of liquid delivered over a period, which are classified as supply meters in heading 90.28. Furthermore, some flowmeters use the principle of the fluid meters of heading 90.28 (turbine-type, piston-type, etc.), but the majority are based on the principle of differential pressure.

Heading 90.28 of the ASEAN Harmonized Tariff Nomenclature (AHTN) 2017 covers gas, liquid or electricity supply or production meters, including calibrating meters therefor. The pertinent HS EN state that gas or liquid supply on production meters are used to measure in volumetric units the amount of fluid passing through a pipe. This heading includes, among others, impeller or fan wheel meters. These are also called inferential meters since the volume of liquid is inferred from its speed. The measuring device consists of a fan wheel or impeller which revolves at a speed proportional to the flow of the liquid. These revolutions operate a counting mechanism.

Accordingly, subject article is classifiable under AHTN 2017 subheading 9028.20.90 with a Most Favoured Nation (MFN) rate of duty of 3% ad valorem.

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

Thank you.

Very truly yours,

Mari Lou P. Mendoza
MARILOU P. MENDOZA
Chairperson



cc: **MS. CARMELITA M. TALUSAN**
District Collector
Bureau of Customs (BOC)
Ninoy Aquino International Airport (NAIA)
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CERTIFIED TRUE COPY

Ma. Isabel M. de Guzman
MA. ISABEL M. DE GUZMAN
Records Officer III
Tariff Commission 1/22/19