



MEMORANDUM

TO : **ALL DISTRICT AND SUB-PORT COLLECTORS**

FROM : **REY LEONARDO B. GUERRERO**
Commissioner

SUBJECT : **POLICY DIRECTIVE TO MEET FEBRUARY TARGET**

DATE : 11 February 2019



1. In order to intensify our revenue collection performance, all Collection Districts are hereby directed to implement the following:
 - a. **Close monitoring of volume of importation-** District Collectors shall ensure close coordination of both operations and assessment groups of your respective port. Weight of importation has always been one of the basis of valuation of most commodities. In line with this, stowage plan must be readily available and discrepancy report must be submitted to the District and Sub-port Collectors to serve as a tool for proper valuation.
 - b. **Ensure correct valuation of goods-** Based on the 2018 collection data, average assessment of trading companies suggests that the government can further collect duties and taxes considering other factors such as prevailing market prices. Collection Districts shall at all times ascertain the truth or accuracy of any statement, document or declaration submitted for purposes of proper valuation. District Collectors shall also strictly observe proper valuation on the following critical commodities: Oil; Steel; Motor Vehicles; Heavy Equipment; and Electrical and Electronic Equipment.
 - c. **Implementation of the TRAIN Law-** District Collectors shall ensure that appropriate excise taxes are imposed on excisable articles. Proper imposition of excise taxes will result to increase in our revenue collection.
 - d. **Validate FTA forms-** Based on our data, large part of our foregone revenue is due to non-dutiable importations or with 0% duty rate. To ensure that FTA forms are not utilized to defraud our government of rightful duties and taxes, all FTA forms submitted must be carefully validated.

- e. **Know your client-** There is a need to communicate with your stakeholders, consult on how we can serve them better. This will equip us with proactive action on various importation trends as we are currently instituting reforms on our data analysis.
2. These policy directives should not be used in any manner to delay, obstruct or hamper trade facilitation or any significant developments that would affect the collection performance in your respective ports.
3. For strict and immediate compliance.