



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA

CUSTOMS MEMORANDUM ORDER
NO. 10-96

Port Collectors
Subic/Clark Special Economic Zones
All Others Concerned

Re: Guidelines in the Computation of Taxes
and Duties for Motor Vehicles Landed
at Special Economic Zones (SEZ) and
Entered into Customs Territory

I. OBJECTIVES:

1. To ensure collection of correct taxes and duties;
2. To obtain statistical data on the number of motor vehicles entered into Customs territory from the Special Economic Zones (SEZ).

II. COVERAGE:

This Order shall apply to all motor vehicles initially landed at the SEZ and subsequently entered into Customs territory thru public auction or private sale. Included are motor vehicles entered by Ritchie Brothers at the SEZ and sold at public auction to buyers in the Customs territory.

This Order shall also cover all motor vehicles not imported or registered in the name of a SEZ enterprise or even if imported or registered in the name of said enterprise, the vehicles are nonetheless not being utilized in the operations of the firm.

III. GENERAL PROVISIONS:

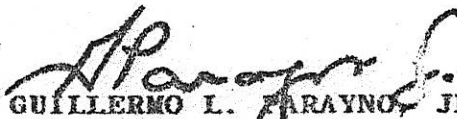
- A. The duties/taxes payable shall be computed based on the Invoice Value or the Depreciated Book Value, whichever is higher.
- B. Invoice Value is hereby defined as the Price appearing in the Invoice issued by the Seller in the SEZ to the Buyer in the Customs Territory. For auction sales of motor vehicles and equipment, this means the actual bid price tendered by the winning bidder for the item.

- C. The determination of the Depreciated Book Value, for automobiles, utility vehicles and other motor vehicles including motorcycles shall be in accordance with CMC 168-89 or subsequent amendments thereto. For trucks and heavy equipment, the depreciation shall follow the straightline method of 10% per year but not more than 90%.
- D. In cases when Invoice Value is the basis for computation, no depreciation shall be allowed as the Invoice Value already take into account the condition of the motor vehicle.

CMO 27-95 and all Orders inconsistent herewith are deemed revoked or superseded.

APR 10 1995

This Order shall take effect on _____.


GUILLERMO L. FARAYNO, JR.
Commissioner



Republic of the Philippines
DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
Office of the Commissioner

APR 10 1990

CUSTOMS MEMORANDUM ORDER
NO. 31-90

TO : All District Collectors,
Division and Section Chiefs,
Appraisers and Examiners, and
All Others Concerned

SUBJECT : Rules and Regulations Supplementary to, and
Modifying Certain Provisions of, CMO No. 110-89
Establishing the One Stop Processing Center (OSPC)
for the No-Dollar Imports of Motor Vehicles.

In order to further delineate certain functions and responsibilities relative to, and enhance the attainment of the objectives of, the One Stop Processing Center (OSPC) established under Customs Memorandum Order No. 110-89 which took effect 02 January 1990, the following guidelines are hereby promulgated:

I. The OSPC

1. To ensure the early location/readiness of the vehicle for the required inspection/examination, it shall be the function and responsibility of the OSPC to obtain from the shipping line concerned the Request for Stripping duly acted upon by the Arrastre Contractor.
2. To ensure the speedy transmission and security of import/entry documents to and from the OSPC, OSPC messengers with Identification Cards duly issued by the Department of Trade and Industry, aside from official Customs messengers, shall be allowed to effect such transmission/delivery.

A Transmittal/Record Book shall be maintained for this purpose.

3. As soon as all the required signatures are affixed to the Inspection/Evaluation Report, the OSPC shall immediately transmit the Report to the Liquidation and Billing Division.
4. As soon as all the pertinent pre-importation documents are received, the OSPC shall furnish copies thereof to all the participating agencies concerned.

II. Entry Processing Division

1. Upon verification of the completeness of the required import/

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entry documents, including the Request for Stripping duly acted upon by the Arrastre Contractor and transmitted by the OSPC, the Division shall immediately forward the documents to the Appraisers Group (ATTN.: The Principal Appraiser concerned).

III. Appraisers Group, FED

1. Upon receipt of the import/entry documents, the Principal Appraiser shall immediately assign an Appraiser who shall compute and indicate the assessed duties and taxes on the import entry based on the import entry declaration.

The Principal Appraiser shall attached to the entry documents the appropriate computation/report required for the issuance of an ATRIG by the BIR.

2. The Principal Appraiser shall issue a written set of instructions for the guidance/compliance of the assigned Examiner.
3. Immediately after the duties and taxes have been assessed, the report for the issuance of the ATRIG accomplished, and the instructions affixed to the entry documents, the same shall be forwarded immediately to the OSPC (ATTN.: The OSPC Coordinator).

It shall be the responsibility of the OSPC to transmit the import entry documents, whether or not after the joint personal interview of the importer/donee shall have been conducted, to the Examiners Group, FED (ATTN.: The Principal Examiner concerned), with an indication in the Joint Inspection/Evaluation Report form of the date/time/place of the examination of subject vehicle.

IV. Examiners Group, FED

1. Upon receipt of the import entry documents, the Principal Examiner shall immediately assign an Examiner who shall, on the day fixed in the Joint Inspection/Evaluation Report form, proceed to the OSPC to await the other representatives of participating agencies concerned and therefrom proceed to the place of examination together with such representatives.

The Principal Examiner shall not assign any other function/entry on the day of the examination to the Examiner concerned unless and until the subject entry documents shall have been transmitted to the Liquidation & Billing Division.

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VII. CID

- 1. The determination of whether the importer/donor has had at least one (1) year stay abroad shall be undertaken by the CID.

VIII. BIR

- 1. The required Authority to Release Imported Goods (ATRIG) shall be issued and submitted to the OSEPC to be attached to the import entry documents.

IX. CHPG

- 1. The required CHPG Clearance shall be issued and submitted to the OSEPC to be attached to the import entry documents.

X. DFA

The functions of the DFA are hereby modified as follows:

- 1. Deletion of the determination of the importer/donor's one (1) year stay abroad; and
- 2. To determine the authenticity of the Philippines Passport of the importer or donor, as the case may be and other pertinent certified/authenticated documents.

Copy of the Passport submitted prior to the shipment of the subject vehicle shall be verified against the DFA records before the issuance of the BIS authority to import.

XI. Time Standard for Processing/Release

- 1. No entry shall remain in any Section/Division beyond the standard times fixed hereunder, to wit:
 - 1.1 Entry Processing Division (EPD) 1/2 day
 - 1.2 Appraiser Group, FED (AG, FED) 1 1/2 day
 - 1.3 Examiner Group, FED (EG, FED) 1/2 day
 - 1.4 Liquidation & Billing Division (LBD) 1/2 day
 - 1.5 Collection Division (CD) 1/2 day
 - 1.6 Piers & Inspection Division (PID) 1/2 day
- 2. OSEPC ENTRY PROCESSING/RELEASING REPORT (OEPFR): In order to ensure compliance with the time standards, the OEPFR, per format shown in Annex 2 hereof shall be accomplished under the following rules:
 - 2.1 The form shall be maintained in adequate quantity by the Entry Processing Division.
 - 2.2 No entry/related document shall be accepted by any

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Section/Division unless the OEPFR is attached as the topmost document to the entry. If the OEPFR is not so attached to the entry and is missing, the same shall immediately be referred to the District Collector of Customs for immediate investigation. In such case, the entry shall be transmitted by the Section/Division Chief concerned who first noticed the OEPFR to be missing.

3.3 The following procedures shall be observed:

3.3.1 Upon receipt of the entry, the Receiving Clerk, EPD, shall attached to the entry, topmost, the OEPFR form in duplicate with carbon paper inserted in column 1, as well as the date and time the entry was received per column 2.

3.3.2 The OEPFR shall be perforated together with the entry documents.

3.3.3 Upon receipt of the entry, the Receiving Clerk, of all other Sections/Divisions concerned, shall indicate the date and time in the space provided for.

3.3.4 When the entry is released from the Section/Division, the Outgoing/Releasing Clerk shall indicate the date and time in the space provided for and affix his signature over his printed name to attest to said date and time.

3.3.5 In case there is backtracking or return of the entry to any Section/Division, the Receiving Clerk shall indicate the initials of his Section/Division per column 5 and the date and time in the space provided for and the same procedures shall be observed accordingly.

3.3.6 The OIC, CEFC, shall see to it that OEPFRs are collected daily from the PID

In addition, the OIC shall submit consolidated periodic report based on OEPFRs to the District Collector of Customs. Any entry covering a shipment not released after seven (7) working days shall be reported to the District Collector of Customs, indicating therein where such entry may be located.

XII. Effectivity

This Order shall take effect immediately.

Salvador N. Mison
SALVADOR N. MISON
Commissioner

APR 10 1990

DATE _____

CMO-1-90

CMO NO. _____

OSPC ENTRY PROCESSING/RELEASING REPORT

1

ENTRY NO.	MAKE/YEAR MODEL	NAME OF IMPORTER/DONEE
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2
ENTRY IN

3
ENTRY OUT

4
ATTESTED
OUTGOING/RI
CLERK

	<u>DATE</u>	<u>TIME</u>	<u>DATE</u>	<u>TIME</u>	
EPD	_____	_____	_____	_____	_____
AG, FED	_____	_____	_____	_____	_____
EG, FED	_____	_____	_____	_____	_____
OSPC	_____	_____	_____	_____	_____
IRD	_____	_____	_____	_____	_____
C D	_____	_____	_____	_____	_____
FID	_____	_____	_____	_____	_____
<u>5</u>	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____

INSTRUCTIONS:

1 - this shall be filled in by the Receiving Clerk, EPD; 2 - to be indicate by the Receiving Clerk or Section/Division; 3 - to be indicated by the Going/Releasing Clerk; 4 - Out-Going/Releasing Clerk MUST sign over his printed name; 5 - to be used when there is backtracking of entry, Receiving Clerk to indicate initials of his Section/Division (AG, FED, as the case may be.

emo-31-90

CMO NO. _____
OSPC Form No. _____
Revised 2/14/90

JOINT INSPECTION/EVALUATION REPORT
(To be accomplished/signed in 7 copies)

Name of Importer/Donee _____

Address _____ Tel No. _____

BIS Control No. _____ Date issued _____

FINDINGS/ACTION TAKEN

1. CID: _____ 2. DFA: _____

Signature over printed name

Signature over printed name

3. BOC-Examiner: _____ 4. BOC-WMVO: _____

Signature over printed name

Signature over printed name

5. LTO: _____ 6. CHPG: _____

7. BIR: _____ 8. BIS-DTI _____

Signature over printed name

Signature over printed name

EXAMINATION/INSPECTION - Date _____ Time _____

Place _____

PARTICULARS/DESCRIPTION OF VEHICLE:

Year Model _____ Kerbweight, kgs. _____

Color _____ Make _____ Engine Displacement, cc _____

Type of Fuel _____ Vehicle ID No. _____

Engine No. _____ Chassis No. _____

Discrepancy/cies per actual inspection: _____

Officer-in-Charge, OSPC

*Participating agency representative to indicate "NO OBJECTION" to concur with the release of vehicle from Customs custody; or "ADVERSE REPORT TO FOLLOW", as the case may be (report to be submitted within 24 hours to OSPC)

Distribution: 1. Attached to Working Copy of Entry (BOC) 2. BIS/OSPC file;
3. CID; 4. DFA; 5. LTO; 6. CHPG; and 7. BIR