



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF CUSTOMS  
MANILA

June 26, 1997

**CUSTOMS MEMORANDUM ORDER**

NO. 15-97

**Subject : Rules and Regulations in the Determination of Seating Capacity for the Proper Application of the H.S. Code and Revised Procedure for Processing Personally Owned Motor Vehicle (POV).**

**1.0 Computation of Seating Capacity.**

The following shall govern the determination of the seating capacity of motor vehicles in line with Section 8(a) of Article II of R.A. No. 4136;

1.1 A horizontal rectangular area, including seat and feet with dimensions of thirty-five centimeters wide and sixty centimeters long, except in the front seat, which must be fifty centimeters wide for the operator, shall be considered one seat;

1.2 A horizontal rectangular area, including seat and feet spaces with dimension of seventeen and a half centimeters wide by sixty centimeters long shall be considered half seat;

**2.0 Supplemental Procedures.**

The following revised/supplementary procedure is hereby prescribed for the strict observance of all concerned:

2.1 All entries covering motor vehicles for which a claim for exemption from duties/taxes is made must be coursed through the Yellow lane.

2.2 COO IIIs for such entries must require the presentation of the Exemption/Authority to Release Imported Goods.

YB

(2)

CMO 15-97

2.3 The practice of sending copies of entry and computation of duties and taxes to BIR for the issuance of the ATRIGs is hereby disallowed. In lieu thereof, it is the responsibility of the importer or his representative to present the necessary documents to the BIR for the issuance of the ATRIG prior to lodgement of entry at the Bureau of Customs.

2.4 Importers are encouraged to submit the exemption papers / ATRIG with the entry at the time of lodgement with the Bureau. If such were not possible, 48 hours from lodgement of entry and the importer fails to present the exemption, the COO III and COO V must complete processing of the entry and deny the claim for exemption.

### 3.0 Discrepancy Reporting

Any ATRIG received which provides exemption from AD VALOREM Tax but for which the computed seating capacity following the procedure in 1.0 above is less than 10 seats must be reported to the Commissioner of Customs for CLEARANCE. Under no circumstances must the entry be given due course when a discrepancy occurs without clearance from the Commissioner of Customs.

This Order shall take effect immediately and shall last until revoked.

  
GUILLERMO L. PARAYNO, JR.  
Commissioner