



17 June 2011

**CUSTOMS MEMORANDUM ORDER**

NO. 25-2011

TO : All Deputy Commissioners  
All Service Directors  
All District/Port Collectors  
All Deputy Collectors for Assessment  
All Chiefs, Formal Entry Division/Equivalent Unit  
All Examiners and Appraisers  
And All Others Concerned

SUBJECT : **Guidelines for the Duty and Tax-Free Entry of Imported Books**

For uniformity in the treatment of book importations into the Philippines, the following guidelines are hereby issued for the duty and/or tax-free importations thereof under Section 105 (s) of the Tariff and Customs Code of the Philippines (TCCP) as amended, pursuant to existing laws and international agreements.

**1. Coverage**

This Order shall apply to the duty-free importations of books under Section 105 (s) of the TCCP, as amended, pursuant to the following:

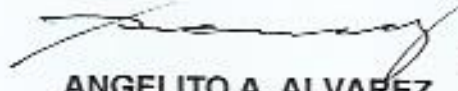
- 1.1 Educational, scientific and cultural materials under the Florence Agreement;
- 1.2 Books or raw materials to be used for book publishing under RA 8047 or the "Book Publishing Development Act"; and
- 1.3 Importations of Books by non-stock, non-profit educational institutions under Section 4(3), Article XIV of the 1987 Constitution.

**2. Operational Provisions**

- 2.1 An importer/applicant must apply with the Revenue Office, Department of Finance (DOF) for the duty-free importation of books/materials stating the legal basis for his request for exemption and appending the pertinent certification/s issued by the concerned agency or office.

- 2.2 For importations under the Florence Agreement, applicant must first secure a Certification from the UNESCO Office in the Philippines attesting that his importation/s of educational, scientific and cultural material/s is/are among those included in Annexes A to E of the Florence Agreement.
- 2.3 The Certification to be issued by UNESCO must be addressed to the DOF and must be attached as one of the supporting documents to the application for duty tax exemption submitted by the importer/applicant with the Revenue Office of the DOF.
- 2.4 For importations of books or raw materials to be used in book publishing, the importer/applicant must attach to his application for duty tax exemption his registration with the National Book Development Board (NBDB) as a book publisher.
- 2.5 As governed by Section 4(3), Article XIV of the 1987 Constitution and as implemented by Department Order No. 137-87, applications for the duty-free importation of books by non-stock, non-profit educational institutions must be accompanied by a Certification coming from the Department of Education (DepEd) or the Commission on Higher Education (CHED) attesting that the importations are economic, technical, vocational, scientific, philosophical and historical books.
- 2.6 Pursuant to Section 109 (r) of the National Internal Revenue Code of 1997, importations of books and any newspaper, magazine, review or bulletin which appear at regular intervals with fixed prices for subscription and sale are exempt from the Value-Added Tax (VAT). Importers however are still required to secure an exemption from the DOF for purposes of VAT-exemption.
- 2.7 Importations of books/materials otherwise not falling under any of the above-cited instances and without the DOF indorsement shall be levied the corresponding rate of duty provided under Executive Order No. 855 series of 2010, a copy of which is attached for ready reference.

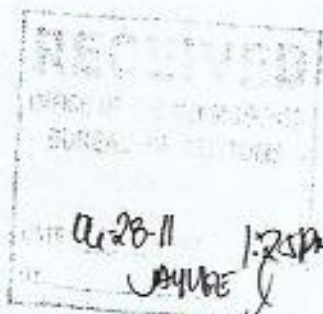
All District/Port Collectors, Deputy Collectors for Assessment and concerned Division/Section heads are enjoined to give this Order the widest dissemination for the information and guidance of all concerned.

  
**ANGELITO A. ALVAREZ** 7/5/11

*for* Commissioner *Alvarez*



MALACANANG  
Manila



BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 885

**MODIFYING THE NOMENCLATURE AND THE RATES OF DUTY ON IMPORTED EDUCATIONAL, TECHNICAL, SCIENTIFIC AND HISTORICAL OR CULTURAL BOOKS UNDER SECTION 104 OF THE TARIFF AND CUSTOMS CODE OF 1978 (PRESIDENTIAL DECREE NO. 1464), AS AMENDED**

**WHEREAS**, the Philippines is a signatory to the United Nations Educational, Scientific and Cultural Organization Florence Agreement;

**WHEREAS**, the agreement aims to advance the mutual knowledge and understanding of people through all means of mass communication, promote the free flow of ideas by word and image and to achieve the widest possible dissemination of the diverse forms of self-expression;

**WHEREAS**, the Philippines, as signatory to the Agreement, undertakes "not to apply customs duties or other charges on, or in connection with, the importation of (a) books, publications and documents, listed in Annex A to this Agreement; (b) educational, scientific and cultural materials, listed in Annexes B, C, D and E of this Agreement; which are the products of another Contracting State, subject to the conditions laid down in those annexes";

**WHEREAS**, pursuant to RA 8047 (Book Publishing Industry Development Act), the continuing development of the book publishing industry is encouraged to ensure adequate supply of quality and affordable books;

**WHEREAS**, the elimination of duty on books will promote and strengthen the development of education in the Philippines which is the key to a better life;

**WHEREAS**, Section 401 of the Tariff and Customs Code of 1978 (Presidential Decree No. 1464), as amended, empowers the President of the Republic of the Philippines to increase, reduce or remove existing rates of import duty, as well as to modify the form of duty and tariff nomenclature, under Section 104 of the Code.



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NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

**SECTION 1.** The articles specifically listed in Annex "A" herent, as classified under Section 104 of the Tariff and Customs Code of 1978, as amended, shall be subject to the Most-Favoured-Nation (MFN) rate of import duty in accordance with the schedule indicated opposite each article.

**SECTION 2.** The rates of import duty on tariff headings and subheadings not enumerated and those listed but represented by the symbol "x x x" shall remain in force and effect.

**SECTION 3.** Upon the effectivity of this Executive Order, all articles specifically listed in the aforesaid "Annex" which are entered and withdrawn from warehouses in the Philippines for consumption shall be levied the MFN rates of duty as indicated therein.

**SECTION 4.** All other Presidential issuances, administrative rules and regulations, or parts thereof, which are inconsistent or contrary with this Executive Order are hereby revoked or modified accordingly.

**SECTION 5.** This Executive Order shall take effect thirty (30) days following its complete publication in the Official Gazette or in a newspaper of general circulation in the Philippines.

DONE in the City of Manila, this 3rd day of June, in the year of Our Lord, Two Thousand and Ten.

*Gloria M. Arroyo*



By the President:

*Leandro R. Mendoza*  
LEANDRO R. MENDOZA  
Executive Secretary



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CERTIFIED COPY

MARGARITO M. DIOSDAD  
DIRECTOR IV

## ANNEX "A"

| Hdg. No. | AHTN Code   | DESCRIPTION                                                                                                                                                | Rate of duty (%) |
|----------|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| (1)      | (2)         | (3)                                                                                                                                                        | (4)              |
| 49.01    |             | Printed books, brochures, leaflets and similar printed matter, whether or not in single sheets.                                                            |                  |
|          | 4901 10 00  | - xxx                                                                                                                                                      |                  |
|          |             | - Other:                                                                                                                                                   |                  |
|          | 4901 91 00  | - Dictionaries and encyclopaedias, and serial publications thereof                                                                                         | 0                |
|          | 4901 99     | - Other                                                                                                                                                    |                  |
|          | 4901 99 10  | - Educational, technical, scientific, historical or cultural books                                                                                         | 0                |
|          | 4901 99 90  | - xxx                                                                                                                                                      |                  |
| 49.02    |             | Newspapers, journals and periodicals, whether or not illustrated or containing advertising material.                                                       |                  |
|          | 4902 10 00  | - xxx                                                                                                                                                      |                  |
|          | 4902 90 00  | - Other                                                                                                                                                    |                  |
|          | 4902 90 00A | - EDUCATIONAL, TECHNICAL, SCIENTIFIC, HISTORICAL OR CULTURAL JOURNALS AND PERIODICALS IN WHICH THE ADVERTISING MATTER DOES NOT EXCEED 70 PER CENT OF SPACE | 0                |
|          | 4902 90 00B | - Other                                                                                                                                                    | 0                |
| 49.03    | 4903 00 00  | Children's picture, drawing or colouring books.                                                                                                            | 0                |
| 49.04    | 4904 00 00  | Music, printed or in manuscript, whether or not bound or illustrated.                                                                                      | 0                |
| 49.05    |             | Maps and hydrographic or similar charts of all kinds, including atlases, wall maps, topographical plans and globes, printed.                               |                  |
|          | 4905 10 00  | - Globes                                                                                                                                                   | 0                |
|          |             | - Other:                                                                                                                                                   |                  |
|          | 4905 91 00  | - In book form                                                                                                                                             | 0                |
|          | 4905 99 00  | - Other                                                                                                                                                    | 0                |
| 49.11    |             | Other printed matter, including printed pictures and photographs.                                                                                          |                  |
|          | 4911 10 00  | - Trade advertising material, commercial catalogues and the like.                                                                                          |                  |
|          | 4911 10 00A | - CATALOGUES OF EDUCATIONAL, TECHNICAL, SCIENTIFIC, HISTORICAL OR CULTURAL BOOKS AND PUBLICATIONS                                                          | 0                |

| Reg. No. | ATTN Code     | DESCRIPTION                                                                                                                                                                                                                                                        | Rate of duty (%) |
|----------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| (1)      | (2)           | (3)                                                                                                                                                                                                                                                                | (4)              |
|          | 4911 10 00B   | OTHER                                                                                                                                                                                                                                                              |                  |
|          |               | Other                                                                                                                                                                                                                                                              |                  |
|          | 4911 91       | Pictures, designs and photographs                                                                                                                                                                                                                                  |                  |
|          | 4911 91 30    | Wall pictures and diagrams for instructional purposes                                                                                                                                                                                                              |                  |
|          | 4911 91 30    | xxx                                                                                                                                                                                                                                                                |                  |
|          | 4911 91 90    | xxx                                                                                                                                                                                                                                                                |                  |
|          | 4911 99       | Other                                                                                                                                                                                                                                                              |                  |
|          | 4911 99 10    | xxx                                                                                                                                                                                                                                                                |                  |
|          | 4911 99 20    | xxx                                                                                                                                                                                                                                                                |                  |
|          | 4911 99 90    | Other                                                                                                                                                                                                                                                              |                  |
|          | 4911 99 90A   | EDUCATIONAL, TECHNICAL, SCIENTIFIC, HISTORICAL OR CULTURAL MATERIAL PRINTED ON A SET OF CARDS (E.G. FLASH CARDS, RECIPE CARDS, BRAIN TEASERS AND THE LIKE)                                                                                                         |                  |
|          | 4911 99 90B   | OTHER                                                                                                                                                                                                                                                              |                  |
| 85.23    |               | Discs, tapes, solid-state non-volatile storage devices, "smart cards" and other media for the recording of sound or of other phenomena, whether or not recorded, including matrices and masters for the production of discs, but excluding products of Chapter 37. |                  |
|          | 8523 40       | Optical media                                                                                                                                                                                                                                                      |                  |
|          |               | Discs for laser reading systems                                                                                                                                                                                                                                    |                  |
|          | 8523 40 11    | xxx                                                                                                                                                                                                                                                                |                  |
|          | 8523 40 12    | xxx                                                                                                                                                                                                                                                                |                  |
|          | 8523 40 13    | Of a kind used for reproducing sound only.                                                                                                                                                                                                                         |                  |
|          | 8523 40 13A   | EDUCATIONAL, TECHNICAL, SCIENTIFIC, HISTORICAL OR CULTURAL COMPACT DISCS (E.G. AUDIO BOOK IN A FORM OF SOUND RECORDING EQUIVALENT TO A CONVENTIONAL PRINTED BOOK OR FOR INSTRUCTIONAL PURPOSES)                                                                    |                  |
|          | 8523 40 13B   | OTHER                                                                                                                                                                                                                                                              |                  |
|          | 8523 40 14 B1 |                                                                                                                                                                                                                                                                    |                  |
|          | 8523 50 90A   | xxx                                                                                                                                                                                                                                                                |                  |