



BUREAU OF CUSTOMS

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ACCOUNTABILITY

28 JAN 2021

Date: _____

CUSTOMS MEMORANDUM ORDER (CMO)

NO. 05-2021

SUBJECT: NEW NATIONAL PROCEDURE CODES FOR LODGEMENT OF CONDITIONALLY TAX AND/OR DUTY-EXEMPT IMPORTATIONS UNDER SECTION 800 OF THE CMTA

Section 1. Scope. This order shall cover goods declaration under Section 800 of the CMTA as implemented by CAO 06-2016, CAO 01-2018 and CAO 06-2020.

Section 2. Objectives. Update the National Procedure Code for E2M lodgement of Conditional Duty and/or Duty-Exempt Importations under Section 800 of the CMTA.

Section 3. The following National Procedure Code shall be adopted in filling up Box 37 of the Single Administrative Document:

Description of Goods	CMTA	New Code
Aquatic products such as fishes, crustaceans, mollusks, marine animals, seaweeds, fish oil, roe, caught or gathered by fishing vessels of Philippine registry; <i>Provided</i> , That they are imported in such vessels or in crafts attached thereto; <i>Provided, However</i> , That they have not been landed in any foreign territory or, if so landed, that they have been landed solely for transshipment without having been advanced in condition;	Sec. 800 (A)	C01

Description of Goods	CMTA	New Code
<p>Equipment for use in the salvage of vessels or aircrafts, not available locally, upon identification and the giving of a security in an amount equal to one hundred percent (100%) of the ascertained duties, taxes and other charges thereon, conditioned for the exportation thereof or payment of corresponding duties, taxes and other charges within six (6) months from the date of acceptance of the goods declaration; <i>Provided</i>, That the Bureau may extend the time for exportation or payment of duties, taxes and other charges for a term not exceeding six (6) months from the expiration of the original period;</p>	<p>Sec. 800 (B)</p>	<p>C02</p>
<p>Cost of repairs, excluding the value of the goods used, made in foreign countries upon vessels or aircraft documented, registered or licensed in the Philippines, upon proof satisfactory to the Bureau: (1) that adequate facilities for such repairs are not afforded in the Philippines; or (2) that such vessels or aircrafts, while in the regular course of their voyage or flight, were compelled by stress of weather or other casualty to put into a foreign port to make such repairs in order to secure the safety, seaworthiness, or airworthiness of the vessels or aircrafts to enable them to reach their port of destination;</p>	<p>Sec. 800 (C)</p>	<p>C03</p>
<p>Goods brought into the Philippines for repair, processing or reconditioning to be reexported upon completion of the repair, processing or reconditioning; <i>Provided</i>, That the Bureau shall require security equal to one hundred percent (100%) of the duties, taxes and other charges thereon, conditioned for the exportation thereof or payment of the corresponding duties, taxes and other charges within six (6) months from the date of acceptance of the goods declaration;</p>	<p>Sec. 800 (D)</p>	<p>C04</p>
<p>Medals, badges, cups, and other small goods bestowed as trophies or prizes, or those received or accepted as honorary distinction;</p>	<p>Sec. 800 (E)</p>	<p>C05</p>

Description of Goods	CMTA	New Code
<p>Personal and household effects belonging to returning residents including household appliances, jewelry, precious stones, and other goods of luxury which were formally declared and listed before departure and identified under oath before the District Collector when exported from the Philippines by such returning residents upon their departure therefrom or during their stay abroad; personal and household effects including wearing apparel, goods of personal adornment, toilet goods, instruments related to one's profession and analogous personal or household effects, excluding luxury items, vehicles, watercrafts, aircrafts and animals purchased in foreign countries by residents of the Philippines which were necessary, appropriate, and normally used for their comfort and convenience during their stay abroad, accompanying them on their return, or arriving within a reasonable time which, barring unforeseen and fortuitous events, in no case shall exceed sixty (60) days after the owner's return.</p> <p>For purposes of this section, the phrase "returning residents" shall refer to nationals who have stayed in a foreign country for a period of at least six (6) months. Returning residents shall have tax and duty exemption on personal and household effects: Provided, That:</p> <p>(1) It shall not be in commercial quantities; (2) It is not intended for barter, sale or for hire; and (3) Limited to the FCA or FOB value of: (i) Three hundred fifty thousand pesos (P350,000.00) for those who have stayed in a foreign country for at least ten (10) years and have not availed of this privilege within ten (10) years prior to returning resident's arrival; (ii) Two hundred fifty thousand pesos (P250,000.00) for those who have stayed in a</p>	<p>Sec. 800 (F)</p>	<p>C06</p>

Description of Goods	CMTA	New Code
<p>foreign country for a period of at least five (5) but not more than ten (10) years and have not availed of this privilege within five (5) years prior to returning resident's arrival; or (iii) One hundred fifty thousand pesos (₱150,000.00) for those who have stayed in a foreign country for a period of less than five (5) years and have not availed of this privilege within six (6) months prior to returning resident's arrival.</p> <p>Any amount in excess of the above-stated threshold shall be subject to the corresponding duties and taxes under this Act.</p> <p>Every three (3) years after the effectivity of this Act, the Secretary of Finance shall adjust the amount herein stated to its present value using the CPI as published by the PSA.</p> <p>In addition to the privileges granted under the immediately preceding paragraph, returning Overseas Filipino Workers (OFWs) shall have the privilege to bring in, tax and duty-free, home appliances and other durables, limited to one of every kind once in a given calendar year accompanying them on their return, or arriving within a reasonable time which, barring unforeseen and fortuitous events, in no case shall exceed sixty (60) days after every returning OFW's return upon presentation of their original passport at the port of entry: Provided, That any amount in excess of FCA value of one hundred fifty thousand pesos (₱150,000.00) for personal and household effects or of the number of duty-free appliances as provided for under this section, shall be subject to the corresponding taxes and duties; Provided, Further, That every three (3) years after the effectivity of this Act, the Secretary of Finance shall adjust the amount herein stated to its present value using the CPI as published by the PSA;</p>		

Description of Goods	CMTA	New Code
<p>Residents of the Philippines, OFWs or other Filipinos while residing abroad or upon their return to the Philippines shall be allowed to bring in or send to their families or relatives in the Philippines balikbayan boxes which shall be exempt from applicable duties and taxes imposed under the NIRC of 1997, as amended: Provided, That balikbayan boxes shall contain personal and household effects only and shall neither be in commercial quantities nor intended for barter, sale or for hire and that the FCA value of which shall not exceed one hundred fifty thousand pesos (₱150,000.00); Provided, Further, That every three (3) years after the effectivity of this Act, the Secretary of Finance shall adjust the amount herein stated to its present value using the CPI as published by the PSA; Provided, Finally, That residents of the Philippines, OFWs or other Filipinos can only avail of this privilege up to three (3) times in a calendar year. Any amount in excess of the allowable non-dutiable value shall be subject to the applicable duties and taxes;</p> <p>(1) For purposes of this Act, OFWs refer to Holders of valid passports duly issued by the Department of Foreign Affairs (DFA) and certified by the Department of Labor and Employment (DOLE) or the Philippine Overseas Employment Administration (POEA) for overseas employment purposes. They cover all Filipinos, working in a foreign country under employment contracts, regardless of their professions, skills or employment status in a foreign country; and (2) Calendar Year refers to the period from January 1 to December 31.</p>	<p>Sec. 800 (G)</p>	<p>C07</p>

Description of Goods	CMTA	New Code
<p>Wearing apparel, goods of personal adornment, toilet goods, portable tools and instruments, theatrical costumes and similar effects accompanying travelers, or tourists, or arriving within a reasonable time before or after their arrival in the Philippines, which are necessary and appropriate for the wear and use of such persons according to the nature of the journey, their comfort and convenience; Provided, That this exemption shall not apply to goods intended for other persons or for barter, sale or hire: Provided, However, That the Bureau may require either a written commitment or a security in an amount equal to one hundred percent (100%) of the ascertained duties, taxes and other charges thereon, conditioned for the exportation thereof or payment of the corresponding duties, taxes and other charges within three (3) months from the date of acceptance of the goods declaration: Provided, Further, That the Bureau may extend the time for exportation or payment of duties, taxes and other charges for a term not exceeding three (3) months from the expiration of the original period;</p>	<p>Sec. 800 (H)</p>	<p>C08</p>

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Description of Goods	CMTA	New Code
<p>Personal and household effects and vehicles belonging to foreign consultants and experts hired by, or rendering service to, the government, and their staff or personnel and families accompanying them or arriving within a reasonable time before or after their arrival in the Philippines, in quantities and of the kind necessary and suitable to the profession, rank or position of the person importing said items, for their own use and not for barter, sale or hire: Provided, That the Bureau may require either a written commitment or a security in an amount equal to one hundred percent (100%) of the ascertained duties, taxes and other charges thereon, upon the goods classified under this subsection; conditioned for the exportation thereof or payment of the corresponding duties, taxes and other charges within three (3) months after the expiration of their term or contract; Provided, However, That the Bureau may extend the time for exportation or payment of duties, taxes and other charges for a term not exceeding three (3) months from the expiration of the original period</p>		

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Description of Goods	CMTA	New Code
<p>Professional instruments and implements, tools of trade, occupation or employment, wearing apparel, domestic animals, and personal and household effects belonging to persons coming to settle in the Philippines or Filipinos or their families and descendants who are now residents or citizens of other countries, such parties hereinafter referred to as overseas Filipinos, in quantities and of the class suitable to the profession, rank or position of the persons importing said items, for their own use and not for barter or sale, accompanying such persons, or arriving within a reasonable time: Provided, That the Bureau may, upon the production of satisfactory evidence that such persons are actually coming to settle in the Philippines and that the goods are brought from their former place of abode, exempt such goods from the payment of duties and taxes; Provided, Further, That vehicles, vessels, aircrafts, machineries and other similar goods for use in manufacture, shall not fall within this classification and shall therefore be subject to duties, taxes and other charges;</p>	<p>Sec. 800 (I)</p>	<p>C09</p>
<p>Goods used exclusively for public entertainment, and for display in public expositions, or for exhibition or competition for prizes, and devices for projecting pictures and parts and appurtenances thereof, upon identification, examination, and appraisal and the giving of a security in an amount equal to one hundred percent (100%) of the ascertained duties, taxes and other charges thereon, conditioned for exportation thereof or payment of the corresponding duties, taxes and other charges within three (3) months from the date of acceptance of the goods declaration: Provided, That the Bureau may extend the time for exportation or payment of duties, taxes and other charges for a term not exceeding three (3) months from the expiration of the original period; and technical and scientific films when imported by technical, cultural and scientific institutions, and not to be exhibited for profit: Provided,</p>	<p>Sec. 800 (J)</p>	<p>C10</p>

Description of Goods	CMTA	New Code
Further, That if any of the films is exhibited for profit, the proceeds therefrom, shall be subject to confiscation, in addition to the penalty provided under this Act;		
Goods brought by foreign film producers directly and exclusively used for making or recording motion picture films on location in the Philippines, upon their identification, examination and appraisal and the giving of a security in an amount equal to one hundred percent (100%) of the ascertained duties, taxes and other charges thereon, conditioned for exportation thereof or payment of the corresponding duties, taxes and other charges within three (3) months from the date of acceptance of the goods declaration, unless extended by the District Collector for another three (3) months; photographic and cinematographic films, underdeveloped, exposed outside the Philippines by resident Filipino citizens or by producing companies of Philippine registry where the principal actors and artists employed for the production are Filipinos, upon affidavit by the importer and identification that such exposed films are the same films previously exported from the Philippines. As used in this paragraph, the terms "actors" and "artists" include the persons operating the photographic camera or other photographic and sound recording apparatus by which the film is made;	Sec. 800 (K)	C11

Description of Goods	CMTA	New Code
Importations for the official use of foreign embassies, legations and other agencies of foreign governments: Provided, that those foreign countries accord like privileges to corresponding agencies of the Philippines. Goods imported for the personal or family use of members and attaches of foreign embassies, legations, consular officers and other representatives of foreign governments; Provided, However, That such privilege shall be accorded under special agreements between the Philippines and the countries which they represent: Provided, Further, That the privilege may be granted only upon specific instructions of the Secretary of Finance pursuant to an official request of the DFA on behalf of members or attaches of foreign embassies, legations, consular officers and other representatives of foreign governments;	Sec. 800 (L)	C12
Imported goods donated to or, for the account of the Philippine government or any duly registered relief organization, not operated for profit, for free distribution among the needy, upon certification by the DSWD or the Department of Education (DepED), or the Department of Health (DOH), as the case may be;	Sec. 800 (M)	C13
Containers, holders and other similar receptacles of any material including kraft paper bags for locally manufactured cement for export, including corrugated boxes for bananas, mangoes, pineapples and other fresh fruits for export, except other containers made of paper, paperboard and textile fabrics, which are of such character as to be readily identifiable and/or reusable for shipment or transportation of goods shall be delivered to the importer thereof upon identification, examination and appraisal and the giving of a security in an amount equal to one hundred percent (100%) of the ascertained duties, taxes and other charges thereon, within six (6) months from the date of acceptance of the goods declaration;	Sec. 800 (N)	C14
Supplies which are necessary for the reasonable requirements of the vessel or	Sec. 800 (O)	C15

Description of Goods	CMTA	New Code
aircraft in its voyage or flight outside the Philippines, including goods transferred from a bonded warehouse in any Customs District to any vessel or aircraft engaged in foreign trade, for use or consumption of the passengers or its crew on board such vessel or aircraft as sea or air stores; or goods purchased abroad for sale on board a vessel or aircraft as saloon stores or air store supplies; Provided, That any surplus or excess of such vessel or aircraft supplies arriving from foreign ports or airports shall be dutiable;		
Goods and salvage from vessels recovered after a period of two (2) years from the date of filing the marine protest or the time when the vessel was wrecked or abandoned, or parts of a foreign vessel or its equipment, wrecked or abandoned in Philippine waters or elsewhere: Provided, That goods and salvage recovered within the said period of two (2) years shall be dutiable;	Sec. 800 (P)	C16
Coffins or urns containing human remains, bones or ashes, used personal and household effects (not merchandise) of the deceased person, except vehicles, the FCA value of which does not exceed one hundred fifty thousand pesos (₱150,000.00), upon identification as such: Provided, That every three (3) years after the effectivity of this Act, the value herein stated shall be adjusted to its present value using the CPI as published by the PSA;	Sec. 800 (Q)	C17
Samples of the kind, in such quantity and of such dimension or construction as to render them unsaleable or of no commercial value; models not adapted for practical use; and samples of medicines, properly marked "sample-sale punishable by law", for the purpose of introducing new goods in the Philippine market and imported only once in a quantity sufficient for such purpose by a person duly registered and identified to be engaged in that trade: Provided, That importations under this subsection shall be previously authorized by the Secretary of Finance: Provided, However, That importation	Sec. 800 (R)	C18

Description of Goods	CMTA	New Code
<p>of sample medicines shall have been previously authorized by the Secretary of Health, and that such samples are new medicines not available in the Philippines: Provided, Further, That samples not previously authorized or properly marked in accordance with this section shall be levied the corresponding tariff duty.</p> <p>Commercial samples, except those that are not readily and easily identifiable as in the case of precious and semi-precious stones, cut or uncut, and jewelry set with precious or semi-precious stones, the value of any single importation of which does not exceed FCA value of fifty thousand pesos (₱50,000.00) upon the giving of a security in an amount equal to the ascertained duties, taxes and other charges thereon, conditioned for the exportation of said samples within three (3) months from the date of the acceptance of the goods declaration or in default thereof, the payment of the corresponding duties, taxes and other charges: Provided, That if the FCA value of any single consignment of such commercial samples exceeds fifty thousand pesos (₱50,000.00), the importer thereof may select any portion of the same not exceeding the FCA value of fifty thousand pesos (₱50,000.00) for entry under the provision of this subsection, and the excess of the consignment may be entered in bond, or for consumption, as the importer may elect: Provided, Further, That every three (3) years after the effectivity of this Act, the Secretary of Finance shall adjust the amount herein stated to its present value using the CPI as published by the PSA.</p>		

Description of Goods	CMTA	New Code
<p>Animals, except race horses, and plants for scientific, experimental propagation or breeding, and for other botanical, zoological and national defense purposes: Provided, That no live trees, shoots, plants, moss and bulbs, tubers and seeds for propagation purposes may be imported under this section, except by order of the government or other duly authorized institutions; Provided, However, That the free entry of animals for breeding purposes shall be restricted to animals of recognized breed, duly registered in the record or registry established for that breed, and certified as such by the Bureau of Animal Industry (BAI): Provided, Further, That the certification of such record, and pedigree of such animal duly authenticated by the proper custodian of such record or registry, shall be submitted to the District Collector, together with the affidavit of the owner or importer that such animal is the animal described in said certificate of record and pedigree: Provided, Finally, That the animals and plants are certified by the NEDA as necessary for economic development;</p>	<p>Sec. 800 (S)</p>	<p>C19</p>
<p>Economic, technical, vocational, scientific, philosophical, historical and cultural books or publications, and religious books like Bibles, missals, prayer books, the Koran, Ahadith and other religious books of similar nature and extracts therefrom, hymnal and hymns for religious uses; Provided, That those which may have already been imported but are yet to be released by the Bureau at the effectivity of this Act may still enjoy the privilege herein provided upon certification by the DepED that such imported books and/or publications are for economic, technical, vocational, scientific, philosophical, historical or cultural purposes or that the same are educational, scientific or cultural materials covered by the International Agreement on Importation of Educational Scientific and Cultural Materials (IAESCM) signed by the President of the Philippines on August 2, 1952, or other agreements binding upon the Philippines. Educational, scientific</p>	<p>Sec. 800 (T)</p>	<p>C20</p>

Description of Goods	CMTA	New Code
and cultural materials covered by international agreements or commitments binding upon the Philippine government so certified by the DepED.		
Philippine goods previously exported from the Philippines and returned without having been advanced in value, or improved in condition by any process of manufacturing or other means, and upon which no drawback or bounty has been allowed, including instruments and implements, tools of trade, machinery and equipment, used abroad by Filipino citizens in the pursuit of their business, occupation or profession; and foreign goods previously imported when returned after having been exported and loaned for use temporarily abroad solely for exhibition, testing and experimentation, for scientific or educational purposes; and foreign containers previously imported which have been used in packing exported Philippine goods and returned empty if imported by or for the account of the person or institution who exported them from the Philippines and not for sale, barter or hire subject to identification: Provided, That Philippine goods falling under this subsection upon which drawback or bounty have been allowed shall, upon reimportation thereof, be subject to a duty under this subsection equal to the amount of such drawback or bounty;	Sec. 800 (U)	C21
Aircraft, equipment and machinery, spare parts, commissary and catering supplies, aviation gas, fuel and oil, whether crude or refined except when directly or indirectly used for domestic operations, and such other goods or supplies imported by and for the use of scheduled airlines operating under congressional franchise: Provided, That such goods or supplies are not locally available in reasonable quantity, quality and price and are necessary or incidental to the proper operation of the scheduled airline importing the same;	Sec. 800 (V)	C22
Machineries, equipment, tools for production, plans to convert mineral ores into saleable form, spare parts, supplies, materials, accessories, explosives, chemicals, and	Sec. 800 (W)	C23

Description of Goods	CMTA	New Code
<p>transportation and communications facilities imported by and for the use of new mines and old mines which resume operations, when certified to as such by the Secretary of the Department of Environment and Natural Resources (DENR), upon the recommendation of the Director of Mines and Geosciences Bureau, for a period ending five (5) years from the first date of actual commercial production of saleable mineral products: Provided, That such goods are not locally available in reasonable quantity, quality and price and are necessary or incidental in the proper operation of the mine; and aircrafts imported by agro-industrial companies to be used by them in their agriculture and industrial operations or activities, spare parts and accessories thereof, when certified to as such by the Secretary of the Department of Agriculture (DA) or the Secretary of the Department of Trade and Industry (DTI), as the case may be;</p>		
<p>Spare parts of vessels or aircraft of foreign registry engaged in foreign trade when brought into the Philippines exclusively as replacements or for the emergency repair thereof, upon proof satisfactory to the District Collector that such spare parts shall be utilized to secure the safety, seaworthiness or airworthiness of the vessel or aircraft, to enable it to continue its voyage or flight;</p>	<p>Sec. 800 (X)</p>	<p>C24</p>
<p>Goods exported from the Philippines for repair, processing or reconditioning without having been substantially advanced in value, and subsequently reimported in its original form and in the same state: Provided, That in case the reimported goods advanced in value, whether or not in their original state, the value added shall be subject to the applicable duty rate of the tariff heading of the reimported goods;</p>	<p>Sec. 800 (Y)</p>	<p>C25</p>
<p>Trailer chassis when imported by shipping companies for their exclusive use in handling containerized cargo, upon posting a security in an amount equal to one hundred percent (100%) of the ascertained duties, taxes and other charges due thereon, to cover a period</p>	<p>Sec. 800 (Z)</p>	<p>C26</p>

Description of Goods	CMTA	New Code
<p>of one (1) year from the date of acceptance of the entry, which period, for meritorious reasons, may be extended by the Commissioner from year to year, subject to the following conditions:</p> <p>(1) That they shall be properly identified and registered with the Land Transportation Office (LTO);</p> <p>(2) That they shall be subject to customs supervision fee to be fixed by the District Collector and subject to the approval of the Commissioner;</p> <p>(3) That they shall be deposited in the customs territory when not in use; and</p> <p>(4) That upon the expiration of the period prescribed above, duties and taxes shall be paid unless otherwise reexported.</p>		

Section 4. Separability Clause. If any part of this Order is declared unconstitutional or contrary to existing laws, other parts not so declared shall remain in full force and effect.

Section 5. Repealing Clause. Provisions under CMO No. 46-2009 and other rules and regulations issued by the Bureau which are inconsistent with this Order are deemed repealed or modified accordingly.

Section 6. Effectivity Clause. This Order shall take effect on 08 FEB 2021.

The Office of National Administrative Register (ONAR) of the UP Law Center shall be provided three (3) certified copies of this Order.



REY LEONARDO B. GUERRERO

Commissioner

JAN 28 2021



BOC-02-04729

From: Office of the National Administrative Register Printing Section UP Diliman College of Law
<onar_law.upd@up.edu.ph>

Sent: Tuesday, February 2, 2021 12:53 PM

Subject: Re:

This is to acknowledge receipt of the following BOC Issuances on 2 February 2021:

CMO 05-2021: New National Procedure Codes for Lodgement of Conditionally Tax and/or Duty-Exempt Importations under Section 800 of the CMTA.

CMO 06-2021: Order from the Department of Trade and Industry for the Imposition of Provisional Safeguard Duties on Imported Vehicles on the Form of Cash Bond

Please submit three certified copies of these issuance as soon as the GCQ is lifted and please attach this acknowledgement upon submission.

Thank you

Cecille Nagtalon

Office of the National Administrative Register (ONAR)

Room 106, First Floor, UP Law Complex,

UP Diliman, Quezon City

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