



Republic of the Philippines
Department of Finance
BUREAU OF CUSTOMS
Manila 1099

August 30, 2012

CUSTOMS MEMORANDUM ORDER
NO. 10-2012

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

Subject : Guidelines for the Implementation of Department Order 57-2011

Pursuant to Department Order 57-2011 dated December 9, 2011 emphasizing the duty and VAT-exempt status of imported books, the following guidelines are hereby issued.

I. Definition of Terms

1. Florence Agreement – refers to the Agreement on the Importation of Educational, Scientific and Cultural Materials signed by the President of the Philippines on August 2, 1952, whereby the contracting States undertake not to apply customs duties or other charges on, or in connection with, the importation of books and materials listed in Annexes A to E thereof.

2.. Commercial quantity – means quantity for a given kind or class of articles which are in excess of what is compatible and commensurate with a person's normal requirements for personal use, as defined under Customs Memorandum Order No. 67-77.

3. Personal effects/personal use – As explained by Customs Administrative Order No. 7-72 or the implementing rules and regulations of Section 105 of the TCCP,

as amended, this term refers to those embracing all articles of personality not considered as merchandise, including books.

For purposes of this Order, books considered as personal effects or for personal use shall mean those, the quantities of which do not exceed twelve (12) copies of any one work when imported by an institution; or six (6) copies of any one work when imported by an individual.

II. Operational Provisions

1. All imported books, whether for commercial or personal use with the exception of those published by or for a private commercial enterprise essentially for advertising purposes as stated in Annex A of the Florence Agreement, are exempt from customs duties. Importation of books is likewise exempt from value-added tax (VAT) pursuant to Section 109 (R) of the National Internal Revenue Code.

2. For Books Imported in Commercial Quantities

Prior to the release of books imported in commercial quantities, the importers must first present an endorsement from the Revenue Office of the Department of Finance for the duty- and VAT-free importation of books/materials covered by the Florence Agreement which shall be issued after submission of the following documents —

1. Bill of Lading/Airwaybill/Postal Registry Notice with BOC Terivative Assessment Sheet;
2. Commercial Invoice;
3. Packing List with title of books;
4. Authority of Representative (in lieu of consignee);
5. Affidavit to the effect that the shipment consists of books;
6. In case of donated books – Deed of Donation duly authenticated by the Philippine Consulate abroad, and Deed of Acceptance;
7. Certification from the UNESCO Office in the Philippines attesting that the importation/s is/are covered by the Florence Agreement; and
8. Certificate of Registration with the National Book Development Board as book importer or publisher.

3. For Books Imported as Personal Effects or for Personal Use

The endorsement prescribed under Section 2 hereof shall not be required for books imported as personal effects or for personal use as defined under Section I (3) of this Order, whether transported as accompanied baggage, through couriers or the post offices. Said importations however, should be cleared and released through the required declaration of goods as provided under existing rules and regulations.

III Repealing Clause


All other issuances by the Bureau of Customs, which are inconsistent with this Order, are hereby revoked repealed or modified accordingly.

IV. Others

All District/Port Collectors, Deputy Collectors for Assessment and concerned Division/Section Heads are enjoined to strictly comply with this Order and provide the same with the widest dissemination for the information and guidance of all concerned.

V. Effectivity Order

This shall take effect immediately upon approval.


ROZZANO RUFINO B. BIAZON
Commissioner



12 SEP 2012