

2018-02-024



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF CUSTOMS**

ASSESSMENT AND OPERATIONS COORDINATING GROUP  
**IMPORTS AND ASSESSMENT SERVICE**

MANILA 1099  
South Harbor, Gate 3, Port Area, Manila  
Website: [www.customs.gov.ph](http://www.customs.gov.ph), Tel. Nos. 527-4537, 527-1935

*[Signature]*  
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**MEMORANDUM**

TO : ALL PORT COLLECTORS  
ALL CUSTOMS OFFICERS  
ALL CONCERNED

FROM : **ATTY. EDWARD JAMES A. DY BUCO**  
Deputy Commissioner *OK*  
Assessment and Operations Coordinating Group

SUBJECT : **Revisions on the Guidelines on Excise Tax Rate of Sweetened Beverages under TRAIN law**

DATE : February 14, 2018

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Please be informed that there has been some revisions made on the previously issued memorandum re "**Guidelines on Excise Tax Rate of Sweetened Beverages under TRAIN law**" dated January 31, 2018.

The following are the tariff classification of excisable sweetened beverage:

- 22.02 - (excluding subheadings 2202.99.10 and 2202.99.20)**
- 2009** – Fruit or vegetable juices containing added sugar or other sweetening matter. (Note: Fruit or vegetable juices, not containing added sugar or other sweetening matter, are also covered by this heading)
- 2106.90.20** – Powdered alcohol
- 2106.90.55**
- 2106.90.64**
- 2106.90.65** – Powdered concentrate for simple dilution with water (powdered drinks)
- 1806.10.00** – Cocoa Powder with sweetening matter
- 1806.20.90 and 1806.90.90** – Chocolate powder

However, the rate of excise tax applicable (i.e. Php6.00/liter, Php12.00/liter) shall be based on the determination as to the kind of sweetener that was used on the beverage declared with the abovementioned AHTN subheadings.

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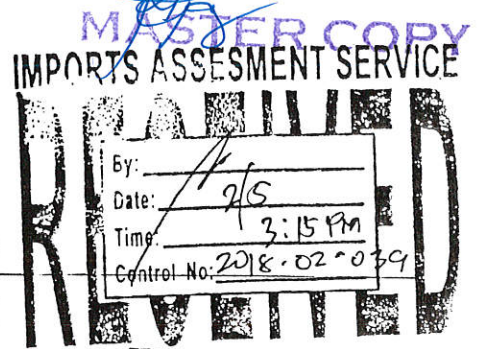
All Customs Officers are advised to review these guidelines upon examination and appraisal of such articles.

For your information and appropriate action.

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REPUBLIC OF THE PHILIPPINES  
TARIFF COMMISSION



Ref. No. 18-0081

29 January 2018

**MR. ISIDRO S. LAPEÑA, Ph.D, CSEE**

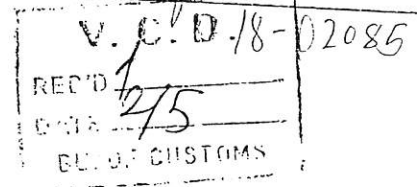
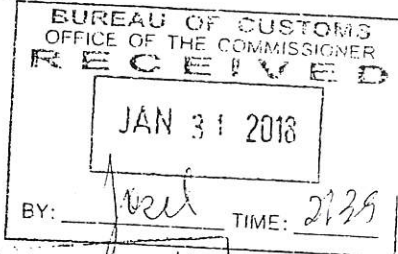
Commissioner

Bureau of Customs

South Harbor, Gate 3

Port Area, Manila

[boc.cares@customs.gov.ph](mailto:boc.cares@customs.gov.ph) / [aocg.clearance@gmail.com](mailto:aocg.clearance@gmail.com)



Dear **Commissioner Lapeña**:

This refers to your letter dated 10 January 2018 requesting this Commission to provide the ASEAN Harmonized Tariff Nomenclature (AHTN) 2017 Codes for excisable commodities under Republic Act No. 10963, otherwise known as the "Tax Reform for Acceleration and Inclusion (TRAIN) Law".

As requested, attached is a table showing the AHTN 2017 headings/subheadings of said excisable commodities under RA 10963. Please note that the classifications are based on the product descriptions in the list provided us.

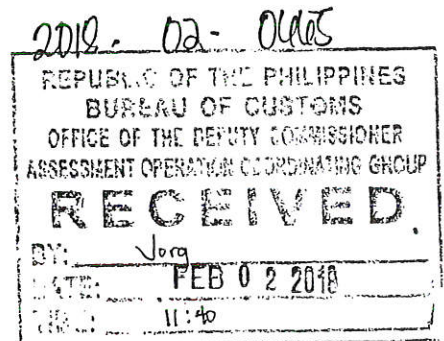
For clarifications, please feel free to get in touch with Ms. Elvira C. Ignacio, Chief Tariff Specialist, Commodities Studies Division at email add: [ecignacio@tariffcommission.gov.ph](mailto:ecignacio@tariffcommission.gov.ph) and telephone nos. 926-8731 or 928-8419.

Thank you and best regards.

Very truly yours,

*MariLou P. Mendoza*

**MARILOU P. MENDOZA**  
Chairperson




AUTOMOBILE	PRIOR TO THE LAW	UNDER THE LAW	TARIFF COMMISSION CLASSIFICATION BASED ON AVAILABLE INFORMATION
Up to P600 Thousand (MSP/ISP)	2% of the MSP/ISP	4% (based on MSP/ISP)	Heading 87.03
Over P600 Thousand to 1.1M	P12,000 + 20% of value in excess of P600,000 (based on MSP/ISP)	10% (based on MSP/ISP)	Heading 87.03
Over P1.1M to P2.1M	P112,000 + 40% of value in excess of 1.1M (based on MSP/ISP)	20% (based on MSP/ISP)	Heading 87.02, Heading 87.03, Heading 87.04
Over 2.1M	P112,000 + 40% of value in excess of 1.1M (based on MSP/ISP)	50% (based on MSP/ISP)	Heading 87.02, Heading 87.03, Heading 87.04, Heading 87.05
<b>OTHER PRODUCTS</b>			
Metallic Minerals	2% based on dutiable value	4% based on dutiable value	Heading 26.01 to 26.17
Indigenous oils, locally extracted hydrocarbon gas, mineral oils	3% based on the international fair value	6% based on the international fair value	2710.19.90 - mineral oils 2705.00.00 - hydrocarbon gas  - "Indigenous oils" cannot be classified based on description alone; need information on the complete chemical composition and process of manufacture
Non-essential goods (eg, perfumes, toilet waters, pleasure yachts, jewelries)	20% based on dutiable value	20% based on dutiable value (note: remain unchanged)	3303.00.00 for perfumes and toilet waters; 8903.99.00 for pleasure yachts; Heading 71.13-71.17 for jewelries

TOBACCO PRODUCTS				- Cannot be classified based on product description; Need information on the specific tobacco products covered by these product categories
a. Twisted by hand or reduced into a condition to be consumed in any manner other than the ordinary mode of drying and curing		P2.05 per net kg		
b. Prepared or partially prepared with or without the use of any machine or instruments or without being pressed or sweetened		P2.05 per net kg		
c. Fine-cut shorts or refuse, scraps, clippings, cuttings, stems and sweepings of tobacco		P2.05 per net kg		2401.30.10 ; 2401.30.90
d. Chewing		P1.75 per net kg		2403.99.50
<b>TOBACCO, UNSUITABLE IN ANY MANNER</b>				
Cigars	Ad Valorem Tax of 20% based on the net retail price per cigar, and Specific Tax of P5.85 per cigar			2402.10.00 ; 2402.90.10
Cigarettes Packed by Hand/Machine (20 sticks per pack)		P30.00 per pack	P32.50 per pack	2402.20.10 ; 2402.20.20 ; 2402.20.90 ; 2402.90.20
<b>FERMENTED LIQUOR</b>				
a. If NRP per liter is P50.60 or less		P23.50 per gauge liter		Heading 22.03 - beers ; 2206.00.10 - cider or perry ; 2206.00.20 - sake ; 2206.00.41 and 2206.00.49 - shandy ; 2206.00.91 and 2206.00.99 - other fermented beverages or mixtures
b. If NRP per liter is more than P50.60		P23.50 per gauge liter		
c. Brewed and sold in small establishments such as pubs, restaurants, etc.		P32.76 per gauge liter	-unchanged-	

SPARKLING WINES			
a. NRP up to P500 per bottle of 750 ml	P292.47 per gauge liter	-unchanged-	2204.10.00
a. NRP is more than P500 per bottle of 750 ml	P818.90 per gauge liter	-unchanged-	
STILL WINES			
a. With an alcoholic content of 14% or less	P35.10 per liter gauge		2204.21.11 ; 2204.22.11 ; 2204.29.11 ; 2205.10.10 ; 2205.90.10
b. Still wine with an alcohol content of more than 14% up to 25% Fortified wines with an alcohol content of more than 25% shall be considered as Distilled Spirit	P70.20 per liter gauge	-unchanged-	2204.21.13 ; 2204.21.14 ; 2204.22.12 ; 2204.22.13 ; 2204.29.13 ; 2204.29.14 ; 2205.10.20 ; 2205.90.20
<b>Distilled Spirit</b>	a. 20% ad valorem based on NRP, and b. P 21.64 based on PL	-unchanged-	2204.21.14 ; 2204.22.13 ; 2204.29.14 ; Heading 22.07 ; Heading 22.08

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SWEETENED BEVERAGES			
a. Beverage using caloric and non-caloric sweeteners	Zero excise tax	P6.00 per liter	Heading 22.02 except 2202.99.10 and 2202.99.20; Heading 20.09 - Fruit or vegetable juices containing added sugar or other sweetening matter (Note: <b>Fruit or vegetable juices, not containing added sugar or other sweetening matter, are also covered by this heading</b> ); 2106.90.20 - powdered alcohol; 2106.90.55, 2106.90.64, 2106.90.65 - powdered concentrate for simple dilution with water (powdered drinks); 1806.10.00 - cocoa powder with sweetening matter; 1806.20.90 and 1806.90.90 - chocolate powder
b. Beverage using high fructose corn syrup	Zero excise tax	P12.00 per liter	

	DESCRIPTION	PRIOR TO THE LAW	UNDER THE LAW	TARIFF COMMISSION CLASSIFICATION BASED ON AVAILABLE INFORMATION
Lubricating Oils and Greases	- Lubricating Oils - selected fractions of refined petroleum or other oils (with or without additives) used to lessen friction between moving surfaces - Greases - semisolid lubricants possessing a higher initial viscosity than oil	P 4.50 per net L (for oil) or Kg (for grease)	P 8.00 per net L (for oil) or Kg (for grease)	2710.19.41 ; 2710.19.42 ; 2710.19.43 ; 2710.19.44 ; 2710.19.50 ; 2710.19.60 ; 2710.19.79 ; 2710.19.89 ; 2710.19.90 ; 2710.20.00 ; Heading 34.03
Processed Gas	- Lightest by-product of refined crude oil and generated from the various process units like crude distillers. Hydrodesulfurizer & platforms. Composed of pressurized gases like hydrogen, methane, ethane, propane & butane, and used for refinery fuel	P 0.05 per net liter	P 8.00 per net L	2705.00.00 ; Heading 27.11
Paraffin Wax & Petrolatum (petroleum jelly)	- Waxes - any wax obtained from petroleum, including paraffin wax, microcrystalline wax and petroleum jelly. - Petrolatum - flammable, semisolid mixture of hydrocarbons, having a melting point usually ranging from a little below to a few degrees above 37 oC	P3.50 per kg/ net weight	P8.00 per kg/ net weight	Heading 27.12
Regular & Unleaded Premium Gasoline oil	- Regular gasoline has a minimum of 91 RON while Premium gasoline has a minimum of 95 RON	P 4.35 per liter	P 7.00 per liter	2710.12.11 ; 2710.12.12 ; 2710.12.13 ; 2710.12.21 ; 2710.12.22 ; 2710.12.23 ; 2710.12.24 ; 2710.12.25 ; 2710.12.26 ; 2710.12.27 ; 2710.12.28 ; 2710.12.29
Kerosene	- A combustible hydrocarbon liquid obtained from fractional distillation of petroleum	Zero excise tax	P 3.00 per liter	2710.19.83
Aviation Gas	- Kerosene type fuel used for powering jet and turbo-prop engine aircraft	P 3.67 per liter	P 4.00 per liter	2710.12.31 ; 2710.12.39



Diesel fuel oil	- Refers to any fuel used in diesel engines and the most common is a specific fraction distillate of petroleum  - Naptha - refers to a number of different flammable liquid mixtures of hydrocarbons; a distillation product from petroleum or coal tar boiling in a certain range  - Gasoline - volatile mixture of liquid hydrocarbons generally containing small amounts of additives suitable for use as fuel in spark ignition internal combustion engine	Zero excise tax	P 2.50 per liter	2710.19.71 ; 2710.19.72 ; 2710.19.79
Naptha, regular gasoline & other similar products of distillation		P4.35 per liter	P 7.00 per liter	2710.12.40 ; 2710.12.50 ; 2710.12.60 ; 2710.12.70 ; 2710.12.80 ; 2710.12.91 ; 2710.12.92 ; 2710.12.99 ; 2710.19.81 ; 2710.19.81 ; 2710.19.81 ; 2710.19.82 ; 2710.91.00 ; 2710.99.00 ; 2709.00.10 ; 2710.00.20 ; 2710.00.90
Petroleum Coke	- Black solid residue obtained mainly by cracking and carbilizing of petroleum derived from feedstocks, vacuum bottoms, tar and pitches		P 2.50 per kg	Heading 27.04 ; Heading 27.06 ; Heading 27.08 ; Heading 27.13
LPG except those intended for motive power	- Mixture of hydrocarbon gases used as fuel in heating appliance and vehicles	Zero excise tax	P 1.00 per liter/kg	2711.11.00 ; 2711.12.00 ; 2711.13.00 ; 2711.14.10 ; 2711.14.90 ; 2711.19.00
Asphalts	- Sticky, black and highly viscous liquid or semi-solid liquid that is present in most crudes, petroleum and in some natural deposits	P 0.56 per net kg	P 8.00 per net kg	2714.10.00 ; 2714.90.00 ; 2715.00.10 ; 2715.00.90 ;
Bunker Fuel Oil	- Type of liquid fuel which is fractionally distilled from crude oil  - A combustible black mineral substance formed by the partial decay of plant matter under the influence of moisture, increased pressure and temperature	Zero excise tax	P 2.50 per liter	2710.19.90
Coal		P 1.00 per MT	P 50.00 per MT	2701.11.00 ; 2701.12.10 ; 2701.12.90 ; 2701.19.00 ; 2701.20.00 ; Heading 27.02 ; Heading 27.03
Denatured Alcohol to be used for motive power	- An ethanol, which has been rendered toxic or otherwise unfit for human consumption, and in some cases dyed	P 0.05 per liter	P 8.00* per liter	2207.20.11 ; 2207.20.19

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REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF CUSTOMS

*Ray*  
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January 10, 2018

**MARILOU P. MENDOZA**  
Chairperson  
Tariff Commission

Dear Ms. Mendoza:

Good day!

The Bureau of Customs is tasked to implement some provisions of Republic Act No. 10963 on Tax Reform for Acceleration and Inclusion (TRAIN).

In view thereof, we request for your kind assistance to ascertain the Tariff Heading/ HS Code of excisable commodities under ASEAN Harmonized Tariff Nomenclature (AHTN 2017).

Attached is the summary of Excise Tax under the TRAIN Act (RA NO. 10963).

Truly yours,

*Isidro S. Lapeña*  
**ISIDRO S. LAPEÑA, PhD, CSEE**  
Commissioner



*Isidro*  
JAN 12 2018

2018-02-024 PAB COPY P-11

JAN 31 2018



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF CUSTOMS  
1099 Manila

FE M. SERNA  
COO III

MEMORANDUM

TO : ALL PORT COLLECTORS  
ALL CUSTOMS OFFICERS  
ALL CONCERNED

FROM : Atty. EDWARD JAMES A. DY BUCO  
Deputy Commissioner, AOCG

SUBJECT : Guidelines on Excise Tax Rate of Sweetened Beverages  
under the TRAIN law

DATE : January 31, 2018

Please be advised that AHTN subheading of sweetened beverages covered by R.A. No. 10963 (TRAIN) has been adjusted in e2m effective February 01, 2018.

The following tariff specifications (as reflected in Box 33 of the Single Administrative Document) were created:

Description	Tariff Specification	Excise Rate
*Purely high fructose com syrup or combination with any caloric or non-caloric	1001	Php 12/liter
*Purely Caloric sweeteners, purely non-caloric sweeteners, or a mix of caloric and non-caloric	1002	Php 6/liter
*Purely coconut sap and purely steviol glycosides	1003	Exempted

\*Reference: RA. 10963

The default value of excise is Php12/liter if no Tariff Specification was stated.

All Customs Officers are advised to review these guidelines upon examination and appraisal of such articles. See attached Annex A "Tariff Classification of Excisable Sweetened Beverages".

For your information.

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Description	AHTN Code
Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening materials.	2009.11.00
	2009.12.00
	2009.19.00
	2009.21.00
	2009.29.00
	2009.31.00
	2009.39.00
	2009.41.00
	2009.89.00
	2009.90.00
	2009.89.91
	2009.90.91
... included.	
	2106.90.55
	2106.90.59
Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading 20.09.	
	2202.10.90
	2202.91.00
	2202.99.10
	2202.99.20
	2202.99.40
	2202.99.50
2202.99.90	

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TRANSACTION REPORT

31-JAN-2018 11:34