



DEPARTMENT OF FINANCE
BUREAU OF CUSTOMS
MANILA 1099

JUN 29 1998

CUSTOMS MEMORANDUM ORDER
NO. 18-98

Subject : Implementation of Department Order No. 21-98 as Amended by Department Order No. 35-98 Delegating to the Commissioner of Customs to Act with Finality on Request for Release of Importations covered by Sec. 105 (s) of the Tariff and Customs Code, Sec. 103 (y) of the National Internal Revenue Code, both as amended, and Sec. 12 of RA 8047.

1.0 OBJECTIVE

1.1. To facilitate the clearance of book importations.

2.0 SCOPE

This clearance procedure defined in this order shall be applicable only to those category of books defined under Department Order No. 21-98.

3.0 GENERAL PROVISIONS

- 3.1. It shall be the responsibility of the Section Chief, FED with jurisdiction over book shipments in the port or equivalent office in case of outports to ascertain whether or not a shipment of books may be processed under this Order and exempt from payment of duties and taxes.
- 3.2 In the exercise of this delegated authority, the following must be strictly observed :
- 3.2.1 Only books as defined in Department Order No. 21-98 a copy of which is appended herewith is made an integral part of this Order, shall be given tax and duty exemption under this DOF delegated authority.

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3.2.2 Books outside of the DO 21-98 definition shall need a Department of Finance exemption to be given tax and duty exemption treatment by the Bureau. Among others, the following types of educational and informational materials needs DOF exemption papers to be entitled to any duty/tax exemption:

- (1) Books with accompanying Tapes
- (2) Books with CD Bonus.
- (3) Professional Magazines & Journals with accompanying tapes.

3.2.3 Pornographic and subversive materials being importations contrary to law must be seized.

3.3 Shipments of Books educational or materials declared as books falling under DO 21-98 and for which tax and duty exemptions are being claimed directly to Customs that upon examination yields materials outside DO 21-98 shall be considered having been entered contrary to law and shall be seized pursuant to Sec. 2530 of the TCCP in relation to DO 21-98.

3.4 The Packing List and Invoice attached to the entry must reflect the following information about the books: Title, publisher, Year of publication, Author, and Number of Pages.

4.0 OPERATIONAL PROVISIONS

4.1 Import entries covering Books being cleared pursuant to this Order must be coded 500 in Box 37 (second part) and marked by the declarant in BOLD LETTERS at the bottom of the entry with the words "Books: DO21-98.

4.2 The entry shall be process like any other entry, i.e., using the ACOS for the computerized ports.

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4.3 Since there will be no DOF exemptions papers, neither would there be a record with the computerized Tax Exempt system, the procedure of verifying the exemption authority is dispensed with. In lieu thereof, selected entries must be carefully verified. For yellow lane entries, the documents must be carefully verified as to the following :

4.3.1 That the goods conform to the definition of books as provided for under D.O. 21-98.

4.3.2 That the books are neither pornographic nor subversive.

4.4 For RED LANE entries, examination must be focused on ascertaining compliance with 4.3.1 and 4.3.2.

5.0 REPORTORIAL PROVISIONS

The statistical Division shall obtain reports from the Customs Computer Center (for ports with ACOS) and the Ports figures on book import given tax and duty exemption pursuant to this Order for consolidation and transmittal to the Secretary of Finance.

6.0 RECISSION CLAUSE

All Memorandum Orders and circular inconsistent with this Order are hereby deemed modified and or amended accordingly.

7.0 EFFECTIVITY

This Order shall take effect immediately.


GUILLERMO L. PARAYNO, JR.
Commissioner