



CUSTOMS MEMORANDUM ORDER

No. 7-2009

**SUBJECT: ELECTRONIC TRANSMISSION OF THE
CERTIFICATE OF PAYMENT /
CLEARANCE (e-CPC) TO THE LAND
TRANSPORTATION OFFICE**

I. OBJECTIVES

1. To replace the existing printed Certificate of Payment (CP) with e2m Customs System - generated or electronic certificate of payment/clearance (e-CPC).
2. To adopt a secured system of electronic transmission of the e-CPC to the Land Transportation Office (LTO), to be known as the e-CPC System.
3. To implement the Memorandum of Agreement entered into by the LTO and the Bureau of Customs (BOC) on April 26, 2008.
4. To prevent Customs fraud.

II. SCOPE

This covers all imported motor vehicles, parts and/or components that are required to be registered with the LTO under existing laws, rules and regulations.

III. GENERAL PROVISIONS

1. Lodgment of entries shall be in accordance with the details of the motor vehicle, parts and/or components as provided in CAO 8-2007.
2. A Formal Import Entry shall be filed for all motor vehicles, parts and/or components.
3. Transmittal of the e-CPC to the LTO shall be through a secured electronic means.

IV. OPERATIONAL PROCEDURES

A. CONSUMPTION ENTRY

1. A Single Administration Document-Import Entry and Internal Revenue Declaration (SAD-IEIRD) shall be lodged following the existing rules and regulations on electronic lodgment through a Value Added Service Provider (VASP) and CAO 8-2007.

2. The printed SAD-IEIRD and all its supporting documents such as but not limited to, commercial invoice, packing list and B/L, shall be submitted to the Entry Processing Unit (EPU) or its equivalent office for document verification. The processing of the SAD-IEIRD and the assessment of duties and taxes shall be in accordance with the procedures prescribed under existing laws, rules and regulations.
3. Upon submission of the stencils of the chassis/VIN and/or Engine Numbers, the examiner shall encode and check the necessary details required in the e-CPC, viz:
 - a. BOC CP Number and Date xxx
 - b. Manufacturer xxx
 - c. Make xxx
 - d. Series xxx
 - e. Color xxx
 - f. Body Type xxx
 - g. Year Model xxx
 - h. Gross Vehicular Weight xxx
 - i. Net Vehicular Weight xxx
 - j. Piston Displacement xxx
 - k. Number of Cylinders xxx
 - l. Engine Number xxx
 - m. Chassis Number xxx
 - n. VIN Number xxx
 - o. Fuel Type xxx
 - p. e-CPC Classification xxx

4. The e-CPC shall have the following CODED Classification:

<u>CODE</u>	<u>CLASSIFICATION</u>
001 -	Exempt from Duties and Taxes (e.g. Sec. 105, TCCP)
002 -	BOI Participant MVDP (CBU)- Brand New
003 -	BOI Participant (CKD) - Brand New
004 -	No Dollar Importation (Used MV)
005 -	Personally-owned MV (Brand New)
006 -	Special Ecozones
007 -	Rebuilt Trucks and Buses (CMO 15-2007)
008 -	Transfer from Tax Exempt to Tax Exempt
009 -	Transfer from Tax Exempt to Non-Tax Exempt
010 -	BOC Public Auction
011 -	BOC Negotiated Sale
012 -	Memorandum Receipt
013 -	Replacement Parts
014 -	Others (e.g. Buyer in Good Faith under CMO 23-2007; Decision/Order of Settlement)

5. After extracting and checking all required data, the Examiner shall register the e-CPC to the e-CPC System. The e-CPC shall then be forwarded to the Principal Appraiser or Principal Examiner.
6. The Principal Appraiser or Principal Examiner shall check the encoded data. If the same are found complete and correct, he shall tag the e-CPC as "EVALUATED". Otherwise, he shall encode the instructions in the remarks box and return the data to the Examiner by pressing the "RESEND" button.

7. The e-CPC shall be electronically transmitted by the Principal Appraiser/Principal Examiner to the Chief, Cash Division. After validating the payment of duties and taxes, the Chief, Cash Division shall tag the e-CPC as "PAID". He shall also encode the Official Receipt Number, Amount Paid and Payment Date. 3
8. The e-CPC shall be electronically transmitted to the Deputy Collector for Assessment who shall check the encoded data. If the same are found complete and correct, he shall tag the e-CPC as "APPROVED". If not, he shall encode the instruction in the remarks box and send the data back to the Examiner by pressing the "RESEND" button.
9. All e-CPCs shall be forwarded to the Office of the Commissioner (OCOM) for clearance and transmission to the LTO. The e-CPC System shall thereafter electronically transmit the e-CPC to the LTO IT System.

B. OTHER e-CPCs FOR TRANSMISSION TO LTO

1. All other imported motor vehicles, parts and/or components either ACQUIRED through public auction or negotiated sale or TRANSFERRED from tax-exempt to tax-exempt/non-tax exempt or QUALIFIED under CMO 23-2007(Buyer in Good Faith) or CMO 15-2007 (Rebuilt trucks and buses) and motor vehicles covered by Memorandum Receipts shall be part of the e-CPC System.
2. All working documents and/or requirements of the motor vehicle, parts and/or components described in the preceding paragraph shall be reviewed and validated by the Port/ Office concerned.
3. All e-CPCs shall be forwarded to OCOM for clearance and transmission to the LTO. The e-CPC System shall thereafter electronically transmit the e-CPC to the LTO IT System.

V. SANCTIONS

Non-compliance with this Order shall merit the following sanctions:

1. Non-registration of the imported motor vehicle/s, parts and/or components with the LTO.
2. Disciplinary action against Customs personnel, importers and brokers in accordance with existing laws, rules and regulations.

VI. EFFECTIVITY

This Order shall take effect immediately.

NAPOLEON D. MORALES
Commissioner

