



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

4 January 2005

**CUSTOMS MEMORANDUM ORDER**  
NO. 1-7-025

To: All District Collectors  
All Others Concerned

Subject: **Importations entered under Warehousing Entries but  
subsequently converted to Consumption Entries**

It has come to the attention of this Office that raw materials authorized by this Bureau destined for customs manufacturing warehouses, after having been entered under warehousing entries, have invariably been allowed to pay taxes and duties and thereafter withdrawn. Although these transactions appear to be legal in that customs duties have been collected, such however defeats the rationale of a customs bonded warehouse. Thus, the said transactions shall be strictly construed and shall be considered as an exception rather than the rule.

In view thereof, for such transactions, the customs bonded warehouse operator shall apply in writing for the payment of taxes and duties on the goods and their eventual withdrawal, stating valid reasons therein, which will subject to the approval from the District Collector concerned and the Office of the Commissioner.

All other orders inconsistent with this CMO are hereby amended accordingly.

This Order shall take effect immediately.

  
GEORGE M. JEREOS  
Commissioner

1-6-05