



Republic of the Philippines
Department of Finance
BUREAU OF CUSTOMS
Collection District II-A
Port of Manila

April 24, 1991

CUSTOMS MEMORANDUM ORDER
NUMBER 47-91

TO : All District Collectors
Division Chiefs
and Others Concerned

SUBJECT: Guidelines in the Implementation of CAD 9-80,
Treating Price Tags and Labels as Tax Exempt
Importations

I. OBJECTIVES:

1. To effectively implement CAD 9-80.
2. To properly monitor and control importations of price tags and labels sent on consignment to be attached to finished products for export.

II. ADMINISTRATIVE/GENERAL PROVISIONS:

1. This Order shall apply to importations of price tags and labels sent on consignment on a non-charge basis to be attached to finished products for export.
2. The said importations shall be treated as falling within the purview of Section 105 of the Tariff and Customs Code of the Philippines, as amended.
3. General conditions for the shipment to be allowed duty and tax free:
 - 3.1 The importer must be a Customs Bonded Manufacturing Warehouse Operator of export finished products on which the imported price tags/labels will be attached.
 - 3.2 The imported price tags/labels are sent on consignment on a no-charge basis by or for its principal abroad to whom the finished products will be exported.
 - 3.3 The price tags/labels are imported solely for attachment to finished products for export and not for sale or barter.

4. Allowable Limit

Each consignment of price tags/labels shall be for one export order from the principal, the value of which shall not exceed \$100.00 per consignment; otherwise, the release thereof may be authorized only upon posting of a re-export bond in an amount equal to one and one

half times the estimated duties and taxes conditioned for its re-exportation or payment of the corresponding duties and taxes within six (6) months from date of acceptance of the covering import entry, which period is not extendable.

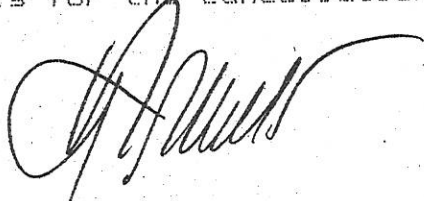
5. Documentary Requirements

In addition to the usual documentary requirements for filing an entry, the following documents are required:

- 5.1 A sworn statement from a responsible official of the company with a rank of at least Vice-President, addressed to the District Collector of Customs with the following information:
 - a. Its name and office address, and the kind or nature of the product it manufactures for export.
 - b. The address of the establishment or place where its export products are manufactured and where the price tags/labels will be brought for attachment thereto.
 - c. That the imported price tags/labels are sent on consignment on a no-charge basis by or for its principal abroad (state name and address of principal) to whom the finished products will be exported.
 - d. That the price tags/labels are imported solely for attachment to finished products for export and not for sale or barter.

III. OPERATIONAL PROCEDURE:

- 1. A sample of the price tags/labels shall be attached to the pertinent import entry and the certificate of identification which shall be issued before its release to serve as basis for comparison in the identification to be done prior to exportation as provided for in Paragraph 2 below.
- 2. The finished products with the imported price tags/labels already attached thereto shall be examined prior to packing and exportation and the price tags/labels identified as those entered under the covering import entry. A certificate of identification shall be issued by the Customs officer concerned if the price tags/labels attached to the certificate of identification issued upon importation matches those attached on the finished products for export, which certificate shall be the basis for the cancellation of



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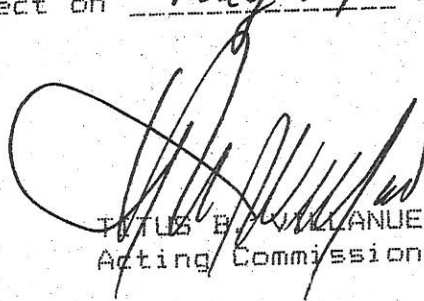
the re-export bond in addition to the certificate of loading issued for bonded articles.

IV. REPEALING CLAUSE:

All other Orders in conflict with the provisions hereof are hereby deemed modified and/or rescinded accordingly.

V. EFFECTIVITY:

This Order shall take effect on May 21, 1991



TITUS E. VILLANUEVA
Acting Commissioner