



March 27, 2019

CUSTOMS MEMORANDUM CIRCULAR

NO. 95-2019

To: All Deputy Commissioners
All Directors and Division Chiefs
All District/Port Collectors
All Others Concerned

SUBJECT: Tariff Dispute Ruling

Pursuant to Commission Order No. 2018-1 (Rules of Procedure on Disputes Involving Tariff Classification), attached is the certified true copy of Tariff Classification Circular Dispute Ruling (TCC/DR) No. 19-004 issued on 19 March 2019.

For your information and guidance.

For record purposes, please confirm the dissemination of this circular throughout your offices within fifteen (15) days from receipt thereof.

REY LEONARDO B. GUERRERO
Commissioner

MAR 29 2019



BOC-09-00489



REPUBLIC OF THE PHILIPPINES

TARIFF COMMISSION

TCC (DR) No. 19-004

19 March 2019

MS. EMMA E. MARTINEZ
 Country Manager
 Ingersoll-Rand Philippines, Inc.
 Bays 8 & 9 ECH Plaza
 No. 8006 Dr. A Santos Avenue
 Brgy. BF, Sucat, Parañaque City
 Tel. Nos. (632) 825-1489/ 826-3019

CERTIFIED TRUE COPY

Ma. Isabel M de Guzman
 MA. ISABEL M. DE GUZMAN
 Records Officer III
 Tariff Commission 3/22/19

SUBJECT: TARIFF CLASSIFICATION OF "COOLER, AIR C700 S2 STD SS CENTERTUBE" CONSIGNED TO INGERSOLL-RAND PHILIPPINES, INC., AND PROCESSED UNDER ENTRY NO. C-1598, NAIA

Dear Ms. Martinez:

This refers to the tariff classification of subject article which you filed with this Commission for appropriate ruling pursuant to Section 1100 of the Customs Modernization and Tariff Act (CMTA).

We have taken note of the fact that the above-mentioned article has already been lodged with the Bureau of Customs (BOC), Ninoy Aquino International Airport (NAIA), per Import Entry No. C-1598. Thus, on 27 February 2019, we required the BOC District Collector to file her comment within an unextendible period of ten (10) working days from the receipt of our letter requesting her to comment on the tariff classification of subject importation, pursuant to Section 7 of Commission Order No. 2018-01. However, after the lapse of the given period, the BOC failed to submit any comment to controvert your submission.

Based on due examination of the documents submitted, subject article is a 1-pass, straight-tube heat exchanger. It consists of a copper tube assembly, center tube, inlet and discharge headers, baffles, shroud, gasket, rivets, spacers, pulling rods, pull rod nuts, O-rings, thread seals, and adhesive sealant. Subject article is to be installed as part of the air compressor to transfer the heat of compression to the cooling water.

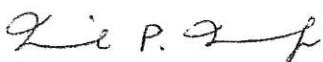
Note 2 to Section XVI of the ASEAN Harmonized Tariff Nomenclature (AHTN) 2017 states that subject to Note 1 to this Section, Note 1 to Chapter 84 and Note 1 to Chapter 85, parts of machines (not being parts of the articles of heading 84.84, 85.44, 85.45, 85.46 or 85.47) are to be classified according to several rules, including the following: parts which are goods included in any of the headings of Chapter 84 or 85 (other than headings 84.09, 84.31, 84.48, 84.66, 84.73, 84.87, 85.03, 85.22, 85.29, 85.38 and 85.48) are in all cases to be classified in their respective headings.

Heading 84.19 of the AHTN 2017 covers, among others, machinery, plant or laboratory equipment, whether or not electrically heated (excluding furnaces, ovens and other equipment of heading 85.14), for the treatment of materials by a process involving a change of temperature such as heating, cooking, roasting, distilling, rectifying, sterilising, pasteurising, steaming, drying, evaporating, vaporising, condensing or cooling, other than machinery or plant of a kind used for domestic purposes. The pertinent Harmonized System (HS) Explanatory Notes (EN) state that the heading includes a very wide range of machinery and plant including, among others, heating or cooling plant and machinery. This group covers plant of general use in many industries for the simple treatment of materials by heating, boiling, cooking, concentration, evaporation, vaporisation, cooling, etc. They include, among others, heat exchange units in which a hot fluid (hot gas, steam or hot liquid) and a cold fluid are made to traverse parallel paths, but usually in opposite directions, separated by thin metal walls in such a manner that the one fluid is cooled and the other heated. These units are usually of the three following types, viz., in the form of, among others, a tubular system for the one fluid, enclosed in a chamber through which flows the other fluid.

Accordingly, subject article, being a heat exchanger, is classifiable under AHTN 2017 subheading 8419.50.92C, with a Most Favoured Nation (MFN) rate of duty of 1% ad valorem.

This is for compliance by the BOC pursuant to Section 1100 of the CMTA.

Very truly yours,


MARILOU P. MENDOZA
 Chairperson



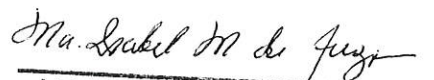
cc: **MR. REY LEONARDO B. GUERRERO**

Commissioner
 Bureau of Customs
 South Harbor, Gate 3
 Port Area, Manila
 Email: roc.ocom@customs.gov.ph

MS. CARMELITA M. TALUSAN

District Collector
 Bureau of Customs
 BOC Bldg., Mendoza Avenue
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CERTIFIED TRUE COPY


 MA. ISABEL M. DE GUZMAN

Records Officer III

Tariff Commission 3/22/19

CMC 95-2019 p. 4



MASTER COPY

REPUBLIC OF THE PHILIPPINES
TARIFF COMMISSION

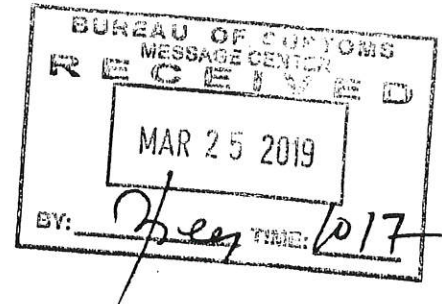
TCOC Ref. No. 19-043



BOC-09-00489

22 March 2019

COMMISSIONER REY LEONARDO GUERRERO
Bureau of Customs
Port Area, Manila



Dear **Commissioner Guerrero**:

Pursuant to the provisions of Section 1603(f) of the *Customs Modernization and Tariff Act* (Republic Act No. 10863), Section 4.9 of Commission Order No. 2017-1 (*Procedure on Application for an Advance Ruling on Tariff Classification Related to Importation of Goods*), and Section 9 of Commission Order No. 2018-1 (*Rules of Procedure on Disputes Involving Tariff Classification*), this Commission is pleased to furnish your good Office with original copies of ten (10) Advance Rulings on Tariff Classification, with TCC (AR) Nos. 19-023, 19-041, 19-051, 19-052, 19-053, 19-058, 19-061, 19-068, 19-069, and 19-071, and one (1) Tariff Classification Dispute Ruling with TCC (DR) No. 19-004, issued by this Commission from 13 March to 21 March 2019.

Thank you.

Very truly yours,

ERNESTO L. ALBANO
Commissioner
Officer-in-Charge

Encl: As stated.

cc: The Secretary

Department of Finance
Manila

OFFICE OF THE DIRECTOR
IAS

