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DEPARTMENT OF FINANCE  
**BUREAU OF CUSTOMS**

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27 September 2024

**CUSTOMS MEMORANDUM CIRCULAR**  
NO. 172-2024

**TO :** ASSISTANT COMMISSIONER  
ALL DEPUTY COMMISSIONERS  
ALL DIRECTORS AND DIVISION CHIEFS  
ALL DISTRICT AND SUB-PORT COLLECTORS  
ALL OTHERS CONCERNED

**SUBJECT :** TARIFF CLASSIFICATION DISPUTE RULING

This has reference to the herein attached Tariff Commission Circular Dispute Ruling (TCC DR) No. 23-023 issued on 17 September 2024 pursuant to Paragraph 2 of Section 1100 of Republic Act No. 10863, otherwise known as Customs Modernization and Tariff Act, on the shipment of "Wiring Harness HRN-GS16K2," from Canada consigned to PMFTC Incorporated, (Import Entry/ Customs Reference No. C-63987, Ninoy Aquino International Airport), the dispositive portion of which states that:

**"WHEREFORE,** premises considered, subject article is hereby classified as follows:

Product	AHTN 2022 Code	2023 MFN Rate
Wiring Harness HRN-GS16K2	8544.30.12	30% <i>ad valorem</i>

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

For strict compliance.

BIENVENIDO Y. RUBIO  
Commissioner



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REPUBLIC OF THE PHILIPPINES  
TARIFF COMMISSION

RE: REQUEST FOR TARIFF CLASSIFICATION  
DISPUTE RULING ON "WIRING HARNESS HRN-  
GS16K2", CONSIGNED TO PMFTC  
INCORPORATED

TCC (DR) NO. 23-023

(Import Entry/Customs Reference No. C-63987,  
BOC-NAIA)

Issued on: 17 September 2024

**TARIFF CLASSIFICATION DISPUTE RULING**

Before this Commission is a request for a Tariff Classification Dispute Ruling (TCDR), pursuant to Paragraph 2 of Section 1100 of Republic Act No. 10863, otherwise known as the Customs Modernization and Tariff Act (CMTA), on the shipment of Wiring Harness HRN-GS16K2, imported by PMFTC Incorporated (Importer/Consignee) from Canada. The request of the Importer/Consignee for a TCDR was accepted by this Commission on 12 September 2023.

The shipment of subject article, declared under ASEAN Harmonised Tariff Nomenclature (AHTN) 2022 subheading 8544.42.99, with a Most Favoured Nation (MFN) rate of duty of 7% *ad valorem*, was processed under Import Entry/Customs Reference No. C-63987 at the Bureau of Customs (BOC) - Ninoy Aquino International Airport (NAIA). The BOC contested the declared heading and reclassified subject article under AHTN 2022 subheading 8544.30.12, with an MFN rate of duty of 30% *ad valorem*.

Hence, this request for a TCDR.

Pursuant to Section 7.3 of Commission Order No. 2018-01, this Commission requested the concerned BOC District Collector on 19 December 2023 for comments on the request for a TCDR on Wiring Harness HRN-GS16K2. In a letter dated 15 January 2024, received by this Commission via electronic mail (email) on 22 January 2024, Atty. Maria Yasmin M. Obillos-Mapa, District Collector of BOC-NAIA, provided BOC's comment on the TCDR. Attached to said letter was a Memorandum dated 15 January 2024 from Ms. Arianne D. Durana, Customs Operations Officer (COO) III, stating the reasons why subject article was reclassified from the declared AHTN 2022 subheading 8544.42.99 [with an MFN tariff rate of 7% *ad valorem*] to AHTN 2022 subheading 8544.30.12 (with an MFN duty of 30% *ad valorem*). The reasons for this reclassification decision, as stated in the aforesaid Memorandum, were as follows:

*"To reiterate, article in question are "WIRING HARNESS HRN-CW03K3 & HRN-GS16K2" was initially classified by the consignee/customs broker to 85444299 7% – OTHER, Other electric conductors, for a voltage not exceeding 1,000 V however, upon document examination, submission of the product brochure and 100% physical examination, the article may be classified under 85443012 30% - - Ignition wiring sets and other wiring sets of a kind used in vehicles, aircraft or ships: Wiring harnesses for motor vehicles, insulated with rubber or plastics, of a kind used for vehicles of heading 87.02, 87.03, 87.04 or 87.11.*

*In relation to this, submitted brochure stated that said imported wiring harness kit HRN-GS16K2 is intended for most light-duty and medium-duty vehicles - not intended for generic heavy-duty vehicle applications. While HRN-CW03K3 kit includes the harness and fuse kit used with a GO device and Installed in vehicles where a diagnostic port is not available – due to the age type of vehicles (i.e. golf carts, generators, older vehicles, etc.) or to track the vehicle without connecting to the vehicle bus (i.e. asset tracking). On the other hand, the HRN-CW03K3 kit connects to any vehicle to provide GPS tracking, accelerometer data, and ignition voltage. It also has three wires that connect to power, ground, and Ignition.*

*Relative thereto, submitted brochure is attached as annex A, for your perusal.*

*Tariff classification of the item stated above was distinguish as a difficult or highly technical questions of tariff classification since the goods are classifiable under more than one ASEAN Tariff Nomenclature (AHTN) chapter and will need ruling of the Tariff Commission for the determination and resolution.*

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In view thereof, we would like to request for Final Tariff Classification Ruling for the above mentioned subject pursuant to Paragraph 2 of Section 1100 of the Republic Act No. 10863 otherwise known as the Customs Modernization and Tariff Act (CMTA)."

While further evaluating the documents submitted by the Importer/Consignee and the comment of BOC-NAIA, the Commission determined that additional information was needed to properly classify subject article. On 22 April 2024, the Commission wrote the Importer/Consignee requesting the submission of the following information, as certified by the manufacturer:

- a. identification of the parts/components of the subject wiring harness using a photograph with corresponding labels;
- b. material composition of parts/components, including the wire and insulation;
- c. electrical rating of the wiring harness (i.e., not of the Geotab® GO9-3GTENG® device); and
- d. specific type of vehicle/s that subject article is designed/intended for (e.g., buses, trucks, sedan, golfcarts, etc.).

The Importer/Consignee's responses containing the required additional information was received by this Commission from Mr. Arnel Durana, Customs and Compliance Manager of PMFTC Incorporated, on 02 May [via electronic mail (email)] and 06 May 2024 (hard copy). Upon review of the submitted documents, it was found that there are information which are necessary in properly classifying subject article that were not included in the submissions. Hence on 15 May 2024, the Commission sent another letter reiterating the submission of the following information, as certified by the manufacturer:

- a. material composition of parts/components, specifically of the wire (e.g., copper), insulation (e.g., plastic, rubber), and mounting brackets; and
- b. electrical rating of the wiring harness (e.g., voltage, frequency)

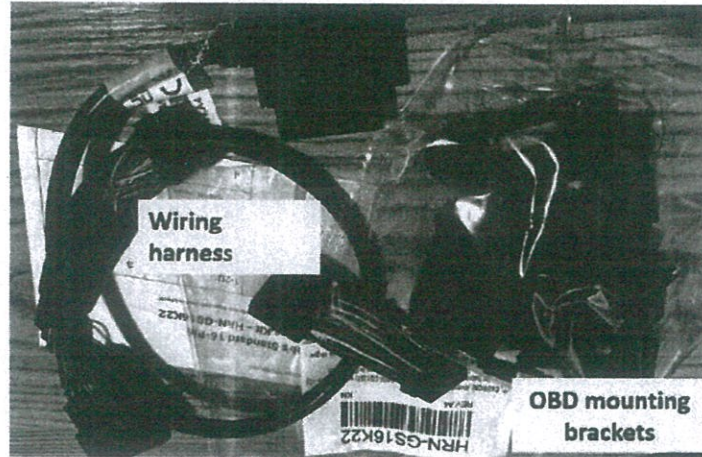
The Commission received the additional information via an email from Mr. Durana on 24 May 2024 (with the hard copy received on 31 May 2024) and an email from Ms. Millet Joson of First Forwarders Co., Inc./Emiliana E. Joson Customs Brokerage (Authorized Representative) on 18 July 2024. The sample of a product similar to the disputed article was also submitted on 18 July 2024 to the Commission for reference.

In the evaluation of disputes on tariff classification, Section 8 of Commission Order No. 2018-01 provides that this Commission, if it deems necessary, shall conduct a hearing to clarify the facts necessary to resolve the pending disputes in tariff classification. In the present case, however, this Commission found that the submissions of the Importer/Consignee and the BOC-NAIA were sufficient to make a correct determination on the tariff classification of subject article. A hearing, therefore, is no longer necessary.

After due examination of the submitted brochure, technical specifications, photographs, and sample of the product, it is established that subject article is a kit consisting of the HRN-GS16K22 wiring harness, 12 pieces of mounting brackets/adapters (designed for various types of vehicles), and two metal clips. The HRN-GS16K22 wiring harness consists of polyvinyl chloride (PVC)-insulated copper wires enclosed in a wire jacket terminated on one end with a 24-V compatible Assembly Line Diagnostic Link (ALDL) connector and on the other end with a female universal core connector (short end), which, in turn, is connected to insulated wires terminated with another female universal core connector (long end). Subject HRN-GS16K2 wiring harness kit is intended to be connected to a Geotab® GO device and to the vehicle's onboard diagnostic (OBD) port for the collection of vehicle data (such as speed, engine performance, fuel usage, and diagnostic trouble codes) in light- and medium-duty vehicles. It has the following specifications:

<b>Power Output (V)</b>	8 to 36
<b>Current rating (A)</b>	5
<b>Size (L x W) (mm)</b>	670 x 40.7
<b>Weight (g)</b>	135

Shown below is a photograph of subject article submitted by the Importer/Consignee to this Commission:



Wiring Harness HRN-GS16K2

Both the Importer/Consignee and the BOC considered the classification of subject article under heading 85.44 of the AHTN 2022 which covers *insulated (including enamelled or anodised) wire, cable (including co-axial cable) and other insulated electric conductors, whether or not fitted with connectors; optical fibre cables, made up of individually sheathed fibres, whether or not assembled with electric conductors or fitted with connectors*. However, their classification differed at the subheading level, with the Importer/Consignee selecting subheading 8544.42 which covers *other electric conductors, for a voltage not exceeding 1,000 V, fitted with connectors* while the BOC considered subheading 8544.30 which covers *ignition wiring sets and other wiring sets of a kind used in vehicles, aircraft or ships*.

This Commission agrees with the Importer/Consignee and the BOC that subject wiring harness kit is classifiable under heading 85.44 of the AHTN 2022. Upon examination, said heading is divided into eight six-digit HS subheadings, as follows:

***“85.44 - Insulated (including enamelled or anodised) wire, cable (including co-axial cable) and other insulated electric conductors, whether or not fitted with connectors; optical fibre cables, made up of individually sheathed fibres, whether or not assembled with electric conductors or fitted with connectors.***

- *Winding wire :*

8544.11 - - *Of copper*

8544.19 - - *Other*

8544.20 - *Co-axial cable and other co-axial electric conductors*

8544.30 - *Ignition wiring sets and other wiring sets of a kind used in vehicles, aircraft or ships*

- *Other electric conductors, for a voltage not exceeding 1,000 V :*

8544.42 - - *Fitted with connectors*

8544.49 - - *Other*

8544.60 - *Other electric conductors, for a voltage exceeding 1,000 V*

8544.70 - *Optical fibre cables”*

Further, the pertinent Harmonized System (HS) Explanatory Notes (EN) to heading 85.44 state that:

*“The heading covers, inter alia :*

- (1) *Lacquered or enamelled wire, usually very thin and mainly used for coil windings.*
- (2) *Anodised, etc., wire.*
- (3) *Telecommunications wires and cables (including submarine cables and data transmission wires and cables) are generally made up of a pair, a quad or a cable core, the whole usually covered with a sheath. A pair or a quad consists of two or four insulated wires, respectively*

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(each wire is made up of a single copper conductor insulated with a coloured material of plastics having a thickness not exceeding 0.5 mm), twisted together. A cable core consists of a single pair or a quad or multiple stranded pairs or quads.

- (4) Insulated aerial cables.
- (5) Cables for permanent long-distance connections often with channels for filling with insulating gas or oil.
- (6) Armoured underground cables with anti-corrosive sheathing.
- (7) Cables for use in mine shafts; these have a longitudinal armouring to withstand the effects of tension.

In addition the heading covers plaited wire coated with lacquer or inserted in an insulating sheath. It also includes insulated strip generally used in large electrical machinery or control equipment.

Wire, cable, etc., remain classified in this heading if cut to length or fitted with connectors (e.g., plugs, sockets, lugs, jacks, sleeves or terminals) at one or both ends. The heading also includes wire, etc., of the types described above made up in sets (e.g., multiple cables for connecting motor vehicle sparking plugs to the distributor). (Emphasis supplied).

XXX"

In determining the classification of goods at the subheading level, Rule 6 of the General Rules for the Interpretation (GRI) of the HS should be applied. GRI 6 states that:

"For legal purposes, the classification of goods in the subheadings of a heading shall be determined according to the terms of those subheadings and any related Subheading Notes and, mutatis mutandis, to the above Rules, on the understanding that only subheadings at the same level are comparable. For the purposes of this Rule the relative Section and Chapter Notes also apply, unless the context otherwise requires." (Emphasis supplied).

By application of Rule 6 of the GRI and based on the above Nomenclature, it should be noted that the one-dash subheading "Other electric conductors, for a voltage not exceeding 1,000 V" should only be considered if the product being classified does not meet the requirements of the more specific preceding subheadings (i.e., winding wire; co-axial cable and other co-axial electric conductors; and ignition wiring sets and other wiring sets of a kind used in vehicles, aircraft or ships).

Based on the Commission's evaluation, subject article, being a wiring harness kit (i.e., consisting of PVC-insulated copper wires enclosed in a wire jacket and fitted with connectors) intended to be connected to a Geotab® GO device and to a vehicle's onboard diagnostic (OBD) port for the collection of vehicle data (such as speed, engine performance, fuel usage, and diagnostic trouble codes) in light- and medium-duty vehicles, is appropriately covered under AHTN 2022 subheading 8544.30.

Thus, based on the information received from the Importer/Consignee and the BOC, and the clarifications provided by the foregoing HS EN and Rule 6 of the GRI, subject article is properly classified under AHTN 2022 subheading 8544.30.12 by virtue of Rules 1 and 6 of the GRI of the HS (Section 1610 of the CMTA).

WHEREFORE, premises considered, subject article is hereby classified as follows:

Product	AHTN 2022 Code	2023 MFN Rate
Wiring Harness HRN-GS16K2	8544.30.12	30% ad valorem

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

So Ordered.

FOR THE COMMISSION

*MariLou P. Mendoza*  
Digitally signed

MARILOU P. MENDOZA  
Chairperson

Copy furnished:

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TC (DR) No. 23-023 WIRING HARNESS HRN GS16K2, CONSIGNED TO PMFTC

Tariff Commission <tc.assist@mail.tariffcommission.gov.ph>

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Tue 9/17/2024 3:23 PM

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1 attachments (466 KB)

TCC (DR) No. 23-023 WIRING HARNESS HRN GS16K2 CONSIGNED TO PMFTC.pdf;

Dear Sir/Madam:

Kindly acknowledge receipt of this email and its attachment/s.

To enable us to serve you better, please fill up our online feedback form:  
<https://tariffcommission.gov.ph/SSFF-ARTAFORM1-CSM-2023>.

Thank you.

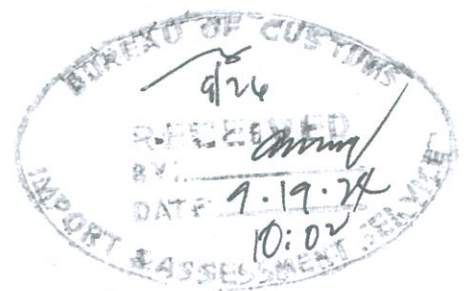
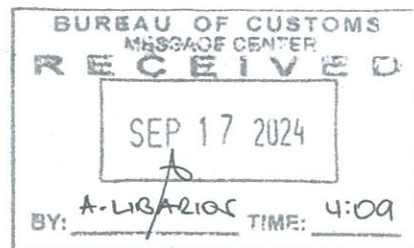
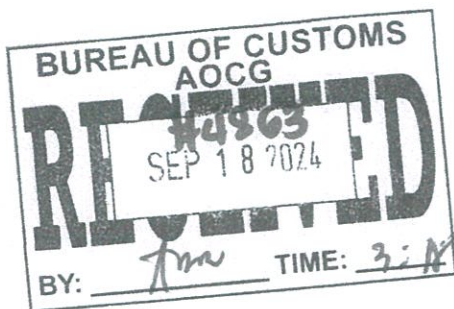
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17 SEP 2024