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DEPARTMENT OF FINANCE  
**BUREAU OF CUSTOMS**

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26 February 2025

**CUSTOMS MEMORANDUM CIRCULAR**  
NO. 52-2025

**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. 24-006 issued on 19 February 2025 pursuant to Paragraph 2 of Section 1100 of Republic Act No. 10863, otherwise known as Customs Modernization and Tariff Act, on the shipment of "Spare Parts for Knitting Circular Machines: Various Pins, O-rings, and Spring", from Italy consigned Burlington Industries Philippines Incorporated, (Import Entry/ Customs Reference No. C-30823-24, Ninoy Aquino International Airport), the dispositive portion of which states that:

*"WHEREFORE, premises considered, subject articles are hereby classified as follows:*

Product	AHTN 2022 Code	2024 MFN Rate
Pins G2080001 PIN G2080002 PIN G2080096 PIN G2080097 PIN	8448.59.00	Zero
O-rings 0346406 ORING 0346405 ORING 0346404 ORING 0346403 ORING 0346411 ORING 0346366 ORING	4016.93.90	5% <i>ad valorem</i>



Spring G210010 SPRING	7320.90.90	10% <i>ad valorem</i>
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For records purposes, please disseminate throughout your respective offices and submit the necessary confirmation within fifteen (15) days from receipt hereof.

For strict compliance.

for: **BIENVENIDO Y. RUBIO**  
Commissioner   
FEB 27 2025



CMC No. 52-2025

REPUBLIC OF THE PHILIPPINES  
TARIFF COMMISSION

RE: REQUEST FOR TARIFF CLASSIFICATION  
DISPUTE RULING ON "SPARE PARTS FOR  
KNITTING CIRCULAR MACHINES: VARIOUS PINS,  
O-RINGS, AND SPRING" CONSIGNED TO  
BURLINGTON INDUSTRIES PHILIPPINES  
INCORPORATED

TCC (DR) NO. 24-006

(Import Entry/Customs Reference No. C-30823-24,  
BOC-NAIA)

Issued on: 19 February 2025

## 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 Spare Parts for Knitting Circular Machines: Various Pins, O-rings, and Spring, imported by Burlington Industries Philippines Incorporated (Importer/Consignee) from Italy. The request of the Importer/Consignee for a TCDR was accepted by this Commission on 28 June 2024.

The shipment of said subject articles, declared under ASEAN Harmonised Tariff Nomenclature (AHTN) 2022 subheading 8448.59.00, with a Most Favoured Nation (MFN) rate of duty of zero, was processed under Import Entry/Customs Reference No. C-30823-24 at the Bureau of Customs (BOC) - Ninoy Aquino International Airport (NAIA). The BOC contested the declared heading and reclassified subject articles separately under AHTN 2022 subheadings 7318.29.90 for the Pins, 4016.93.90 for the O-rings, and 7320.90.90 for the Spring, with MFN rates of duty of 10%, 5% and 10% *ad valorem*, respectively.

Hence, this request for a TCDR.

In the initial assessment of the application, the Importer/Consignee committed to provide information about the circular knitting machines where subject articles are used as parts, including the machines' functionality and exploded parts diagram showing their various parts/components. The said information was received by this Commission on 22 July 2024.

Pursuant to Section 7.3 of Commission Order No. 2018-01, this Commission requested the concerned BOC District Collector on 12 August 2024 for comments on the request for a TCDR on Spare Parts for Knitting Circular Machines: Various Pins, O-rings, and Spring. Section 7.4 of the said Commission Order states that within 10 working days from the receipt of the notice and the records of the case, the BOC may file a comment or submit any additional explanation or documents to justify its findings. However, to this date, the Commission has not received any response from the BOC, hence, it proceeded to evaluate the classification of subject articles based on the submissions received from the Importer/Consignee.

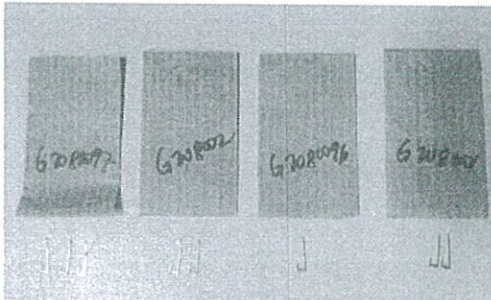
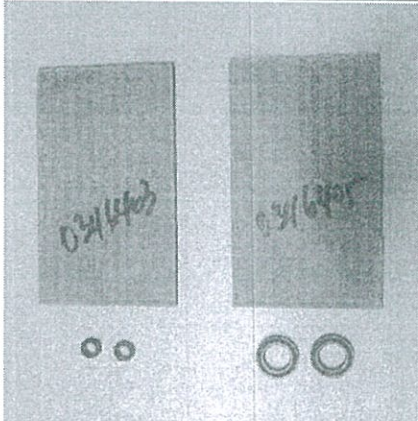
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While further evaluating the documents submitted by the Importer/Consignee, the Commission determined that additional information was needed to properly classify subject articles. The Commission received the required additional information on 25 September 2024, via an electronic mail (email) from Ms. Edna Arenal, Import Manager of Burlington Industries Philippines Incorporated (Importer/Consignee).

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 were sufficient to make a correct determination on the tariff classification of subject articles. A hearing, therefore, is no longer necessary.

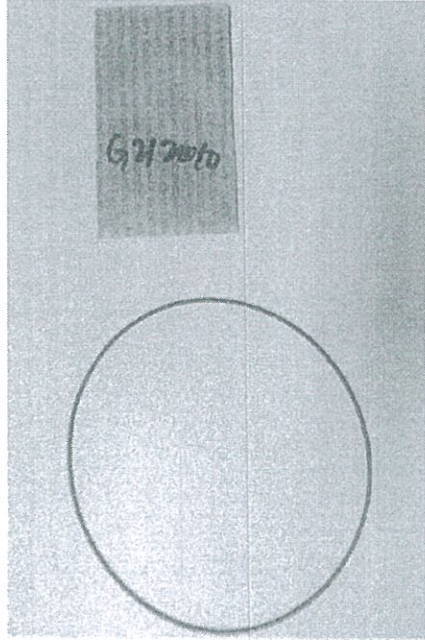
After due examination of the submitted brochures, technical specifications, exploded parts diagram of the Lonati brand circular knitting machine, video of the circular knitting machine while in operation, invoice, photographs, and samples of the products, it is established that subject articles are imported as replacement parts of Lonati brand circular knitting machines, with the following specifications:

Name of Article and Part Number	Description	Pictures of the Samples Submitted by the Importer/Consignee
Pins G2080001 PIN G2080002 PIN G2080096 PIN G2080097 PIN	These are 2-cm long, pointed, hook-shaped steel parts intended to link the needle on the robot arm of the circular knitting machine. The pins are supported by the cams to lift the sock during the knitting process so that it can be sewn or closed at the toe part.	
O-rings 0346406 ORING 0346405 ORING 0346404 ORING 0346403 ORING 0346411 ORING 0346366 ORING	The O-rings, with inner diameters ranging from 0.4 cm to 1.1. cm and outer diameters ranging from 0.8 cm to 1.8 cm, are made from vulcanized rubber. These function as a seal between two or more parts (e.g., cam and piston) of the circular knitting machine.	

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Name of Article and Part Number	Description	Pictures of the Samples Submitted by the Importer/Consignee
Spring G210010 SPRING	This is a circular spring made from steel, with inner and outer diameters of 11.2 cm and 11.9 cm, respectively. It holds the transfer jack together, supported by the cam and transfer jack base.	

The Importer/Consignee classified subject articles collectively under Chapter 84 of the AHTN 2022 which covers *nuclear reactors, boilers, machinery and mechanical appliances; parts thereof*, specifically under heading 84.48. The said heading covers *auxiliary machinery for use with machines of heading 84.44, 84.45, 84.46 or 84.47 (for example, dobbies, Jacquards, automatic stop motions, shuttle changing mechanisms); parts and accessories suitable for use solely or principally with the machines of this heading or of heading 84.44, 84.45, 84.46 or 84.47 (for example, spindles and spindle flyers, card clothing, combs, extruding nipples, shuttles, healds and heald-frames, hosiery needles)*. The pertinent Harmonized System (HS) Explanatory Notes (EN) to heading 84.48 state that:

"This heading covers :

- (I) *All auxiliary machines and apparatus which exercise, either separately or concurrently, a function complementary to those of the machines of heading 84.44, 84.45, 84.46 or 84.47 (in particular spinning, weaving, knitting or embroidery machines). These auxiliary machines may either extend the possibilities of the main machines (as in the case of dobbies and Jacquards), or may perform mechanically a particular job necessary for the proper working of the main machine (as is the case with warp stop motions, weft stop motions, warp knotting machines).*
- (II) *Parts of the machines of this heading and also parts of the machines of heading 84.44, 84.45, 84.46 or 84.47 (see the General Explanatory Note to Section XVI). [emphasis added]*
- (III) *Various accessories used with the machines of heading 84.44, 84.45, 84.46 or 84.47 or of this heading; in general, the term "accessories" refers to articles of equipment, not forming an integral part of the machines, which are interchangeable and must be frequently replaced (for example, because they are rapidly worn out, or because different types are necessary for different types of work). [emphasis added]*

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**(A) AUXILIARY MACHINERY**

This group includes:

(1) **Auxiliary machines for use with textile spinning machines**, for example, automatic devices which remove fully wound reels and replace them with empty ones, and mobile appliances for setting up rows of empty reels. [emphasis added]

XXX

**(B) PARTS AND ACCESSORIES**

This group includes:

XXX

(23) **Accessories to form stitches, for example, waves, wave guides, design griffs, stretchers, grooves, pins and push rods.** [emphasis added]

XXX”

The said heading is under Section XVI (*Machinery and mechanical appliances; electrical equipment; parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles*) of the AHTN 2022. Notes 1 (a) and (g) to this Section state that:

“1. **This Section does not cover** [emphasis added]:

(a) **Transmission or conveyor belts or belting, of plastics of Chapter 39, or of vulcanised rubber (heading 40.10), or other articles of a kind used in machinery or mechanical or electrical appliances or for other technical uses, of vulcanised rubber other than hard rubber (heading 40.16);** [emphasis added]

XXX

(g) **Parts of general use, as defined in Note 2 to Section XV, of base metal (Section XV), or similar goods of plastics (Chapter 39)** [emphasis added];

XXX”

On the other hand, the BOC classified subject articles separately – the Pins and Spring under Chapter 73 of the AHTN 2022 as articles of iron or steel and the O-rings under Chapter 40 which covers rubber and articles thereof.

Heading 73.18 of the AHTN 2022, where the BOC classified the Pins, covers screws, bolts, nuts, coach screws, screw hooks, rivets, cotters, cotter-pins, washers (including spring washers) and similar articles, of iron or steel. The pertinent HS EN to heading 73.18 state that:

“XXX

**(D) COTTER-PINS AND COTTERS**

**Cotter-pins**, usually of bifurcated form, are used for fitting in holes in spindles, shafts, bolts, etc., to prevent objects mounted thereon from moving along them.

**Cotters and taper pins** are used for similar purposes but are usually larger and more solid, they may be designed, like cotter-pins, to pass through holes (in which case they are often wedge-shaped), or for fitting into grooves or slots cut round the shaft, spindle, etc., in which case they may be of various shapes such as horseshoe or conical.

**Circlips** are produced in different forms ranging from a simple ring with a gap to more complex shapes (with eyelets or notches to facilitate application by means of special pliers). They are always intended, whatever their shape, to be placed in a groove, either around a shaft or inside a cylindrical bore, to prevent the relative movement of parts.

XXX”

On the other hand, heading 73.20 of the AHTN 2022, where the BOC classified the Spring, covers *springs and leaves for springs, of iron or steel*. The pertinent HS EN to heading 73.20 state that:

**“The heading covers iron or steel springs of all types, irrespective of their use, other than clock or watch springs of heading 91.14. [emphasis added]**

*Springs are made from sheet metal, wire or rod of an elastic quality, in such a way that they have the property of returning to their original form even after considerable displacement.*

The heading includes the following types of springs:

- (A) **Leaf-springs** (single or laminated) chiefly used in the suspension systems of vehicles (e.g., railway locomotives and rolling stock, automobiles and carts).
- (B) **Helical springs** of which the two major groups are:
  - (1) **Helical coil springs**, comprising compression, tension and torsion springs, made from wire or rod of round or rectangular section. They are used for numerous purposes (e.g., in vehicles and general engineering).
  - (2) **Volute springs**, usually conical and made from wire or rod of rectangular or oval section or from flat strip. They are mainly used in shock-absorbers, buffers on rolling stock couplings, secateurs, hair clippers, etc.
- (C) **Flat springs and flat spiral springs** as used in spring operated motors, in locks, etc.
- (D) **Discs springs and ring springs** (as used in railway buffers, etc.).

*Springs may be equipped with U-bolts (e.g., for leaf-springs) or other fittings for assembly or attachment.*

**Leaves for springs** are also classified in this heading.

XXX”

Lastly, heading 40.16 of the AHTN 2022, where the BOC classified the O-rings, covers *other articles of vulcanised rubber other than hard rubber*. The pertinent HS EN to this heading state that:

**“This heading covers all articles of vulcanised rubber (other than hard rubber) not covered by the preceding headings of this Chapter or by other Chapters.**

The heading includes:

XXX

(4) **Gaskets, washers and other seals.** [emphasis added]

XXX”

It should be noted that the classification of parts or components of machines/apparatus generally depend on the classification of the machine/apparatus where said parts or components will be used. In the instant case, it is established that subject articles are components or parts of circular knitting machines. Based on this Commission’s evaluation, circular knitting machines are covered under heading 84.47 (*knitting machines, stitch-bonding machines and machines for making gimped yarn, tulle, lace, embroidery, trimmings, braid or net and machines for tufting*) of the AHTN 2022. Therefore, the classification of subject articles under Chapter 84 by the Importer/Consignee merits consideration.

Note 2 to Section XVI, which governs the classification of parts of machines, apparatus, instruments and articles of AHTN 2022 Chapters 84 and 85, states that:

“2. - 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 the following rules :

(a) *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;*

(b) **Other parts, if suitable for use solely or principally with a particular kind of machine, or with a number of machines of the same heading (including a machine of heading 84.79 or 85.43) are to be classified with the machines of that kind or in heading 84.09, 84.31, 84.48, 84.66, 84.73, 85.03, 85.22, 85.29 or 85.38 as appropriate. However, parts which are equally suitable for use principally with the goods of headings 85.17 and 85.25 to 85.28 are to be classified in heading 85.17, and parts which are suitable for use solely or principally with the goods of heading 85.24 are to be classified in heading 85.29; [emphasis added]**

(c) *All other parts are to be classified in heading 84.09, 84.31, 84.48, 84.66, 84.73, 85.03, 85.22, 85.29 or 85.38 as appropriate or, failing that, in heading 84.87 or 85.48.”*

Moreover, the pertinent HS EN to heading 84.47 state that:

“This heading covers all machinery for the production of fabrics or trimmings by knitting, stitch-bonding, gimping, braiding, netting, tufting, etc., or for embroidery work on any ground, whether using unspun rovings, textile (including peat fibre) yarns, other yarns (e.g., of metal, glass or asbestos) or wire.

XXX

#### **PARTS AND ACCESSORIES**

**Subject to the general provisions regarding the classification of parts (see the General Explanatory Note to Section XVI), parts and accessories of the machines of this heading are classified in heading 84.48.” [emphasis added]**



The General HS EN to Section XVI state that:

**"I) GENERAL CONTENT OF THE SECTION**

(A) *Subject to certain exclusions provided for in the Notes to this Section and to Chapters 84 and 85 and apart from goods covered more specifically in other Sections, this Section covers all mechanical or electrical machinery, plant, equipment, apparatus and appliances and parts thereof, together with certain apparatus and plant which is neither mechanical nor electrical (such as boilers and boiler house plant, filtering apparatus, etc.) and parts of such apparatus and plant.*

The main **exclusions** from the Section are:

XXX

(b) **Parts of general use as defined in Note 2 to Section XV**, such as wire, chains, bolts, screws and **springs**, of iron or steel (heading 73.12, 73.15, 73.18 or 73.20) and similar articles of other base metals (Chapters 74 to 76 and 78 to 81), locks of heading 83.01, fittings and mountings for doors, windows, etc., of heading 83.02. Similar goods of plastics are also excluded from this Section and fall in Chapter 39. [emphasis added]

XXX"

The aforementioned Note 2 to Section XV states that:

"2. - Throughout the Nomenclature, the expression "**parts of general use**" means: [emphasis added]

- (a) *Articles of heading 73.07, 73.12, 73.15, 73.17 or 73.18 and similar articles of other base metal, other than articles specially designed for use exclusively in implants in medical, surgical, dental or veterinary sciences (heading 90.21);*
- (b) **Springs** and leaves for springs, of base metal, other than clock or watch springs (heading 91.14); and [emphasis added]
- (c) *Articles of headings 83.01, 83.02, 83.08, 83.10 and frames and mirrors, of base metal, of heading 83.06."*

The General HS EN to Section XV further clarifies the classification of parts of articles, as follows:

**"(C) PARTS OF ARTICLES**

*In general, identifiable parts of articles are classified as such parts in their appropriate headings in the Nomenclature.*

**However, parts of general use (as defined in Note 2 to this Section) presented separately are not considered as parts of articles, but are classified in the headings of this Section appropriate to them.** This would apply, for example, in the case of bolts specialised for central heating radiators or springs specialised for motor cars. The bolts would be classified in heading 73.18 (as bolts) and not in heading 73.22 (as parts of central heating radiators). The springs would be classified in heading 73.20 (as springs) and not in heading 87.08 (as parts of motor vehicles). [emphasis added]

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XXX"

In view of the foregoing guidance from the Section and Chapter Notes, General EN, and EN to the headings of the HS, the Commission has determined the classification of subject articles, as follows:

- 1) by reference to Note 2 (b) to Section XVI, the General EN to Section XVI, and the HS EN to headings 73.18, 84.47, and 84.48, subject Pins, which are hook-shaped elements of the circular knitting machines and made from steel, are appropriately covered and classified under heading 84.48;
- 2) by reference to Note 1 (a) to Section XVI and the HS EN to headings 40.16, 84.47, and 84.48, subject O-rings, being types of seal made of vulcanized rubber, are appropriately covered and classified under heading 40.16; and
- 3) by reference to Note 1 (g) to Section XVI, Note 2 (b) to Section XV, the General HS EN to Sections XV and XVI, and the HS EN to headings 73.20, 84.47, and 84.48, subject Spring, being a circular spring made from steel, is appropriately covered and classified under heading 73.20.

Based on the information received from the Importer/Consignee, and the clarifications provided by the foregoing Section Notes, General EN, and HS EN, subject articles (*i.e.*, Pins, O-rings, and Spring) are properly classified under AHTN 2022 subheadings 8448.59.00, 4016.93.90, and 7320.90.90, respectively, by virtue of Rules 1 and 6 of the General Rules for the Interpretation (GRI) of the HS (Section 1610 of the CMTA).

**WHEREFORE**, premises considered, subject articles are hereby classified as follows:

Product	AHTN 2022 Code	2024 MFN Rate
Pins G2080001 PIN G2080002 PIN G2080096 PIN G2080097 PIN	8448.59.00	Zero
O-rings 0346406 ORING 0346405 ORING 0346404 ORING 0346403 ORING 0346411 ORING 0346366 ORING	4016.93.90	5% <i>ad valorem</i>
Spring G210010 SPRING	7320.90.90	10% <i>ad valorem</i>

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

So Ordered.

FOR THE COMMISSION

Digitally signed  


**MARILOU P. MENDOZA**  
 Chairperson

CMC NO. 52-2025

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TCC (DR) NO. 24-006

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