

**[ CUSTOMS MEMORANDUM ORDER NO. 43-2015,  
December 11, 2015 ]**

**PROCEDURE FOR MONETIZATION AND CASH CONVERSION OF  
VALUE-ADDED TAX (VAT) TAX CREDIT CERTIFICATE**

*Date Filed: 11 December 2015*

Pursuant to Section 608 of the Tariff and Customs Code of the Philippines, as amended, the following procedure is hereby prescribed to facilitate the monetization and cash conversion of TCCs issued on VAT on importations.

**I. OBJECTIVES**

To implement the provisions of Executive Order No. 68-A, entitled Amending Executive Order 68 (s. 2012) which Established the Monetization Program of Outstanding Value-Added Tax Tax Credit Certificates; as well as Joint Circular No. 002-2014, executed among the Department of Finance (DOF), Department of Budget and Management (DBM), Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC), providing guidelines for qualified VAT-registered persons to receive the cash equivalent of their outstanding VAT TCCs, and Joint Circular No. 1-97 dated January 2, 1997;

**II. COVERAGE**

These rules shall cover all claims for:

1. Monetization of Import VAT and VAT Drawback TCCs, outstanding as of 31 December 2012, which were approved for monetization pursuant to EO No. 68, series of 2012, and DOF-BOC-DBM Joint Circular No. 3-2012; and
2. Cash Conversion of all other VAT TCCs outstanding as of 31 December 2012, which are not covered by the immediately preceding subsection, and VAT TCCs issued after 31 December 2012.

**III. OPERATIONAL PROVISIONS**

1. After due notice from BOC, holders of VAT Drawback TCCs may apply for monetization and claim the corresponding cash equivalent of outstanding VAT TCCs as of 31 December 2012, subject to existing budgeting, accounting and auditing law, rules and regulations;
2. All VAT TCC holders who wish to avail the cash conversion program may apply at the Tax Credit Secretariat ("Secretariat") with the submission of the following documents: