

**[ CUSTOMS MEMORANDUM ORDER NO. 4-2006,  
February 21, 2006 ]**

**ADDITIONAL GUIDELINES IN THE APPLICATION OF WHARFAGE  
AND ARRASTRE CHARGES FOR ASSESSMENT PURPOSES**

To address valid concerns of importers, particularly oil and other companies discharging bulk cargoes in privately owned piers/ports; the following guidelines are hereby issued:

1. For purposes of computation of the Total Landed Cost as VAT base, all bulk imports discharged shipside at privately owned piers/ports allowed by the Philippines Port Authority (PPA) shall have a uniform wharfage charges equivalent to one-half (1/2) of the PhP 36.65 per metric tons rate, or PhP18.325, as provided in number 7(a) in relation to number 7 of PPA-PMO-NH Memorandum Circular No. 05 Series of 1994.
2. Arrastre charges shall continue to be governed by CMO 26-95, that is, PhP8.00 per metric ton for shipside cargo and PhP110.00 per metric ton for pierside cargo or declared charge, whichever is higher.
3. MISTG shall reflect these changes in ACOS including additional code "PP" for "private ports" among the choices for box 37 of ACOS.
4. In the meantime that these changes are not yet embedded in ACOS, the manual computation of VAT based on the tax base using the above rates may be allowed.
5. The manual processing allowed in No. 5 shall cease automatically without need of additional order upon certification by the MISTG that above wharfage and arrastre rates are already included in ACOS.
6. Future changes in the schedule of wharfage and arrastre charges shall be automatically adjusted in ACOS by MISTG upon official notification by PPA of such changes in schedule of fees.

All rules and regulations inconsistent with this Order are hereby revoked, repealed or modified accordingly.

This Order shall take effect immediately.

Adopted: 21 Feb. 2006

(SGD.) NAPOLEON L. MORALES  
*Acting Commissioner*

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