

**[BOC CUSTOMS MEMORANDUM CIRCULAR NO.
166-97, April 11, 1997]**

**RULES, GUIDELINES AND PROCEDURES FOR THE
IMPLEMENTATION OF SECTION 13 OF THE GENERAL
PROVISIONS OF RA 8250**

Quoted hereunder is Section 13 of its General Provisions of RA 8250 (Appropriation Act for 1997):

"SEC. 13. National Internal Revenue Taxes, and Import Duties of National and Local Government Agencies as well as Government Owned and/or Controlled Corporation, including Armed Forces of the Philippines Commissary Exchange Service (AFPCES) and Philippine National Police Storage Store System (PHPSSS), National Internal Revenue taxes and import duties payable by National Government agencies to the National Government as well as customs duties and taxes for the importation of equipment by local government units, except those duties and taxes imposed on equipment imported and donated by private entities, are deemed automatically appropriated. Tax expenditure subsidy in various government-owned and/or controlled corporation, including AFPCES, thru the Department of National Defense, and PNPSSS thru the Department of Interior and Local Government, shall likewise be deemed automatically appropriated, subject to approval by the Fiscal Incentive Review Board (FIRB) pursuant to Executive Order No. 93, as amended. The amount pertaining to such taxes and duties shall be considered as revenue and expenditure of the government.

The implementation of this Section shall be in accordance with guidelines jointly issued by the Department of Budget and Management and the Department of Finance."

Pending receipt of the implementing guidelines to be issued jointly by the Department of Budget and Management and Department of Finance, all of the government entities importing equipment, particularly motor vehicles, which are donated by private entities, loaded on board vessel not earlier than December 1, 1996 and arriving not later than March 31, 1997, shall be released only when supported by a Certificate of an Undertaking signed by the head of the importing agency that in the event that the Joint Circular shall not appropriate/authorize the grant of subsidy for the duties and taxes on the importation, the agency-importer shall pay said duties and taxes out of the agency/provincial, city or municipal fund or budget immediately upon receipt of the Statement of Account from the Bureau of Customs.

All concerned shall be guided accordingly.