

**[ BOC CUSTOMS MEMORANDUM ORDER NO. 21-97,  
August 13, 1997 ]**

**LIVE IMPLEMENTATION OF DUTY/TAX EXEMPT SYSTEM**

**1**

**OBJECTIVES:**

- 1.1 To facilitate the approval legitimate applications for duty and tax exemptions, hasten the transmittal of duly issued exemptions from the Dept. of Finance (DOF) to the Bureau of Customs and make these exemptions readily available to all user offices.
- 1.2 To prevent all forms of fraud associated with unsecured transmittal process of exemption papers.
- 1.3 To provide accurate and timely reports on levels of exemptions approved by the Dept. of Finance.

**2**

**COVERAGE:**

This order shall initially apply to all applications for exemption approved by and released from the Mabuhay Lane, DOF.

**3**

**OPERATIONAL PROVISIONS:**

- 3.1 The original copy of the approved exemption shall be given to the importer by Mabuhay Lane who in turn shall attach said copy to the IEIRD upon filing of the same to the Bureau of Customs. Regular processing of the entry shall continue.
- 3.2 An electronic record shall be created at the Mabuhay Lane and transmitted immediately to the Bureau of Customs. This electronic record shall be made available to the Collection Division and Tax Exempt Division.
- 3.3 For shipment entered at the Port of Manila and the Manila International Container Port, the Duty/Tax Exemption Verification Section at the Collection Division shall retrieve the electronic record from the computer and compare the same with the original copy of the approved exemption attached to the entry from 3.1 above. If there is an exact match, the record must be tagged as "cleared" in the computer after which the entry shall be forwarded to the AMPP System