



Republic of the Philippines
Department of Finance
Bureau of Customs
1099 Manila

17 June 2011

CUSTOMS MEMORANDUM ORDER
NO. 25-2011

TO : All Deputy Commissioners
All Service Directors
All District/Port Collectors
All Deputy Collectors for Assessment
All Chiefs, Formal Entry Division/Equivalent Unit
All Examiners and Appraisers
And All Others Concerned

SUBJECT : **Guidelines for the Duty and Tax-Free Entry of Imported Books**

For uniformity in the treatment of book importations into the Philippines, the following guidelines are hereby issued for the duty and/or tax-free importations thereof under Section 105 (s) of the Tariff and Customs Code of the Philippines (TCCP) as amended, pursuant to existing laws and international agreements.

1. Coverage

This Order shall apply to the duty-free importations of books under Section 105 (s) of the TCCP, as amended, pursuant to the following:

- 1.1 Educational, scientific and cultural materials under the Florence Agreement;
- 1.2 Books or raw materials to be used for book publishing under RA 8047 or the "Book Publishing Development Act"; and
- 1.3 Importations of Books by non-stock, non-profit educational institutions under Section 4(3), Article XIV of the 1987 Constitution.

2. Operational Provisions

- 2.1 An importer/applicant must apply with the Revenue Office, Department of Finance (DOF) for the duty-free importation of books/materials stating the legal basis for his request for exemption and appending the pertinent certification/s issued by the concerned agency or office.

- 2.2 For importations under the Florence Agreement, applicant must first secure a Certification from the UNESCO Office in the Philippines attesting that his importation/s of educational, scientific and cultural material/s is/are among those included in Annexes A to E of the Florence Agreement.
- 2.3 The Certification to be issued by UNESCO must be addressed to the DOF and must be attached as one of the supporting documents to the application for duty tax exemption submitted by the importer/applicant with the Revenue Office of the DOF.
- 2.4 For importations of books or raw materials to be used in book publishing, the importer/applicant must attach to his application for duty tax exemption his registration with the National Book Development Board (NBDB) as a book publisher.
- 2.5 As governed by Section 4(3), Article XIV of the 1987 Constitution and as implemented by Department Order No. 137-87, applications for the duty-free importation of books by non-stock, non-profit educational institutions must be accompanied by a Certification coming from the Department of Education (DepEd) or the Commission on Higher Education (CHED) attesting that the importations are economic, technical, vocational, scientific, philisophical and historical books.
- 2.6 Pursuant to Section 109 (r) of the National Internal Revenue Code of 1997, importations of books and any newspaper, magazine, review or bulletin which appear at regular intervals with fixed prices for subscription and sale are exempt from the Value-Added Tax (VAT). Importers however are still required to secure an exemption from the DOF for purposes of VAT-exemption.
- 2.7 Importations of books/materials otherwise not falling under any of the above-cited instances and without the DOF indorsement shall be levied the corresponding rate of duty provided under Executive Order No. 855 series of 2010, a copy of which is attached for ready reference.

All District/Port Collectors, Deputy Collectors for Assessment and Cerned Division/Section heads are enjoined to give this Order the widest simination for the information and guidance of all concerned.


ANGELITO A. ALVAREZ
Commissioner

