NATIONAL ADMINISTRATIVE REGISTER · JULY 11, 1997

GUIDELINE IN THE PROCESSING OF WITHDRAWAL PERMITS FOR DUTY FREE GOODS & SUBIC AND CLARK FREEPORT/SPECIAL ECONOMIC ZONES

BOC CUSTOMS MEMORANDUM ORDER NO. 18-97, July 11, 1997

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IOBJECTIVES

1. To comply with the Memorandum Order of the President dated 12 June 1997 directing the implementation of a computerized accounting system to track the duty free importations at the freeports and special economic zones.

2. To properly implement CAO 1-97 which requires the filing of Withdrawal Permits for the utilization of duty free goods of the duty free shop and trading warehouse locators at the Subic Bay Freeport and Clark Special Economic Zone.

II

ADMINISTRATIVE PROVISIONS

2.1 The purpose of the Withdrawal Permit is to account to the Bureau of Customs for the withdrawal of goods from a Warehouse for transferring to another Warehouse or for transferring to a Duty Free Shop.

2.2 So as to assist those responsible for completing the Withdrawal Permit it is designed to ensure minimal input is necessary. For that reason those boxes not included in the Definition of Terms are either not required or will be automatically input by ACOS. A copy of the Withdrawal Permit is attached as Annex A**. Attached as Annex B** is a Definition of Terms for the completion of the Withdrawal Permit.

2.3 Information is to be declared in each nominated Box of the Withdrawal Permit. Shaded boxes are mandatory fields to be filled out by declarant. Withdrawal Permits with mandatory fields not properly filled out will be automatically rejected by the ACOS system.

For Direct Trade Input (DTI) clients, boxes marked with * will be automatically completed by the system.

III

GENERAL PROVISIONS

3.1 Utilization of duty-free goods of duty free shops and trading warehouses at the SBFP and CSEZ shall be covered by duly processed Withdrawal Permits system consistent with the requirements of the BOC and the zone authorities.

3.2 Duty free shop/trading warehouse operators shall maintain a systematic physical management of the duty free goods at their warehouses, where duty free goods shall be recorded on a per shipment/entry basis. For purposes of cut off the Locator shall submit an inventory of stock on hand as at the date of effectivity of this order.

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3.3 In case where audit/inventory is conducted by BOC and/or the Zone Authority, the Duty Free Shop/Trading warehouses operators shall account for all the duty free goods entered into their warehouses and shall present their inventory records when required. For that purpose an Audit trail must exist to enable goods in stock to be traced thru the accounting records from receipt of goods into store, and then from these records to the actual location of the goods.

3.4 The Audit trait is to include the following information:

Locator HS Code/Description of Goods

Country of Origin Original Warehouse Entry number

Withdrawal Permit Date Running balances i.e. Stock In, Stock Out, Balance

IV

OPERATIONAL PROCEDURE

4.1 Upon receipt of shipment from the Port of Discharge, the Customs Collector (at the freeport/special economic zone) or his authorized representative shall affix his signature on the covering boatnote/warehousing permit and shall allow the same to be delivered to the warehouse of the consignee. If there exists reason to doubt that the correct quantity of goods are not present a close check and tally shall be conducted by the Collector or his authorized representative.

4.2 Withdrawal of Shipment from Warehouses.

a. For goods that shall be transferred to the retail section of the shop, the duty free shop/trading warehouses operator shall file with the Collector of Customs an application for simplified Withdrawal Permit as per Annex A attached.

b. The Collector or his authorized representative shall review the application, ensuring that the information required therefrom are properly indicated.

c. The Collector or his authorized representative shall encode the Withdrawal Permit record into the ACOS.

d. For goods that shall be transferred from one locator to another, both (transferring duty free shop/trading warehouse locator and the receiving locator) shall jointly file the application for the Withdrawal Permit.

V

EFFECTIVITY:

This order shall take effect on 16 July 1997.

Adopted: 11 July 1997

(SGD.) GUILLERMO PARAYNO, JR.
Commissioner

Text Available at Office of the National Administrative Register, U.P. Law Complex, Diliman, Quezon City.

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