

295 COLLECTION OF CUSTOMS DUTIES/TAXES/LEVIES AND OTHER REVENUES,  
AND ACCEPTANCE, ENCASHMENT OR NEGOTIATION OF CHECKS DRAWN IN

FAVOR OF COMMISSIONER  
**295 COLLECTION OF CUSTOMS DUTIES/TAXES/LEVIES AND OTHER REVENUES, AND  
ACCEPTANCE, ENCASHMENT OR NEGOTIATION OF CHECKS DRAWN IN FAVOR OF  
COMMISSIONER**

The following regulations shall govern the collection and reporting of customs duties, taxes, levies and other revenues through the banking system.

**Coverage.** All presently accredited agent banks with demand deposit accounts with the Bangko Sentral and government banks are authorized to collect (a) customs duties, taxes and other levies, (b) import processing fees, and (c) export/premium duties: *Provided, however,* That the collection of taxes from GOCCs shall be made only through banking offices of government banks.

**Collection and reporting of internal revenue taxes.** Banks which are duly accredited by the BIR to accept payment of internal revenue taxes shall be governed by the relevant BIR Revenue Regulations.

Deposits of the BIR shall be limited to those arising from tax collection.

The Authorized Agent Banks (AABs) shall transfer the deposit collection to the account of the Treasurer of the Philippines with the Bangko Sentral on the sixth day from the day of deposit of the BIR collections.

**Collection and reporting of customs duties and import processing fees.** Participating banks are authorized to accept payment of customs duties, taxes and other levies, and import processing fees under the following procedures:

- a. The collecting bank shall acknowledge receipt of payments of customs duties, taxes and other levies, and import processing fees by issuing Official Receipts (ORs) in forms to be requisitioned by the Head Office from the General Services Division, Bureau of Customs, Manila;
- b. The collecting bank shall book all such collections and credit the same to the special account "*Due to Bangko Sentral – Bureau of Customs*";
- c. The branch shall report by telephone, telex or other means to its Head Office, at the end of each day, total collections for the day and the inclusive serial numbers of ORs issued, to be used as basis for the preparation by the Head Office of the *Consolidated Report of Daily Collections of Customs Duties, Taxes and Other Levies (RC 82-005)*;
- d. The Head Office and its branches shall accomplish the *Abstract of Daily Collections of Customs Duties, Taxes and Other Levies (RC 82-006)* and submit the same, duly supported with copies of

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Orders of Payment (OPs), ORs, Release Certificates (RCs) and commercial invoices on the same  
day to the offices indicated in the form; and

- e. The Head Office of the participating banks shall consolidate all reports of collections with those of its branches and submit the original of the *Consolidated Report on Daily Collections of Customs Duties, Taxes and Other Levies (RC 82-005)* to the Comptrollership Department, Bangko Sentral, Manila on the 10th calendar day following the date of collection. Simultaneously, the remaining copies shall be distributed to the offices indicated in the form.

Deposits of the BOC shall be limited to those arising from customs collection.

The AABs shall transfer the deposit collection to the account of the Treasurer of the Philippines with the Bangko Sentral on the eleventh day from the day of deposit of the BOC collections.

**Collection and reporting of export/premium duties.** Participating banks are authorized to accept payment of export premium duties under the following procedures:

- a. The collecting bank shall deduct from the export proceeds the estimated amount of export/premium duties due from the export shipment upon negotiation of the shipping documents but shall collect the exact and correct amount of such duties upon presentation of the OP issued by the Export Coordinating Division, Bureau of Customs (For Port of Manila) or the Collector of Customs concerned;
- b. The collecting bank shall issue the corresponding ORs in forms to be requisitioned by the Head Office from the General Services Division, Bureau of Customs, Manila;
- c. The collecting bank shall book all such collections and credit the same to the special account "*Due to Bangko Sentral-Export/Premium Duty*";
- d. The branch/extension office agency shall:
- (1) Report by telephone, telex or other means to its Head Office, at the end of each day, total collections for the day and the inclusive serial numbers of ORs issued, to be used as basis for the preparation by the Head Office of the *Consolidated Report on Daily Collections of Export/Premium Duty (RC 82-007)*; and
  - (2) Accomplish the *Abstract of Daily Collections of Export/Premium Duty (RC 82-008)* and submit the same, duly supported with copies of OPs and ORs, within ten (10) calendar days from date of collection to the offices indicated in the form.

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e. The Head Office of the collecting bank shall:

- (1) Consolidate its report of collection with those of its branches/extension offices/agencies and submit to the Bureau of Customs the *Consolidated Report of Daily Collections of Export/Premium Duty (RC 82-009)* on the day following the date of collection; and
- (2) Consolidate the *Abstract of Daily Collections of Export/Premium Duty (RC 82-010)* with those received from branches/extension offices/agencies. The original of the *Consolidated Abstract of Collection of Export/Premium Duty (RC 82-011)* shall be submitted to the Comptrollership Department, Bangko Sentral, Manila, on the 10th calendar day following the date of collection.

Simultaneously, the remaining copies, with the supporting OPs and ORs, shall be submitted to the Bureau of Customs.

**Remittances thru debit/credit advices.** The Comptrollership Department of Bangko Sentral, Manila, shall debit the DDAs of the banks concerned for the total daily collection, which is due for remittance on the 10th calendar day from the date of collection (based on either forms RC 82-005, RC 82-007 or RC 82-011). Said Department shall also credit on the same day the account of the Treasurer of the Philippines for all such remittances of tax collections, duties, fees and other levies.

Copies of debit/credit advices to AABs shall be furnished by the Comptrollership Department, Bangko Sentral.

**Reconciliation of revenue collections.** The Bureau of Customs shall report to the appropriate supervising department of the Bangko Sentral, Manila, any unreported collection or other discrepancies discovered for proper examination. The Bangko Sentral shall take appropriate action, through the Comptrollership Department, either by debiting or crediting the DDA of the bank concerned, upon advice by the appropriate supervising department of the Bangko Sentral on the results of the investigation.

**Penalty for willful delay on the reporting of collections/remittances.** In the event the Bureau of Customs shall discover, in the course of its verification, any willful delay in the reporting of collections and remittances by banks, said Bureau shall advise the Comptrollership Department of the Bangko Sentral to debit the DDA of the bank concerned with the corresponding penalty therefor, in accordance with this Section (*Fines for delayed reports/remittances of collections*).

**Fines for delayed reports/remittances of collections.** Any bank authorized to collect customs duties, taxes and other levies and export/premium duty, which shall willfully delay the submission of

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reports and remittance of its collection to the Bangko Sentral within the period prescribed thereon, shall pay fines in accordance with the following schedule:

|                                                          | <b>Per delay in submission of report</b> | <b>Per delay in remittance of collection</b>   |
|----------------------------------------------------------|------------------------------------------|------------------------------------------------|
| a. Per day of default for the first 5 days of default    | P60 plus                                 | 1/30 of 1% on the amount of delayed remittance |
| b. Per day of default for the next 5 days of default     | P90 plus                                 | 1/15 of 1% on the amount of delayed remittance |
| c. Per day of default for the succeeding days of default | P120 plus                                | 1/10 of 1% on the amount of delayed remittance |

*Provided, That:*

- (1) Fines imposed above shall not be in excess of P30,000 a day;
- (2) The default shall start to run on the day following the last day required for submission of the report or remittance, as the case may be. However, should the last day of filing fall on a non-banking day in the locality where the reporting bank is situated, the default shall start on the day following the next banking day; and
- (3) The manner of payment or collection of fines enumerated under Sec. 1102 (*Guidelines on the imposition of monetary penalties*) shall apply.

**Liquidity floor requirement on revenue collections.** Revenue collections of AABs shall be subject to the liquidity floor requirement under Sec. 231 (*Liquidity floor*).

**Collection of import duties at the time of opening of letters of credit.** The following rules and regulations shall govern the collection of import duties at the time of opening of letters of credit (LC) covering imports and for other purposes:

Under Non-Electronic to Mobile (e2m) ports

- a. *Collection of deposits of import duties.* All FIs shall, upon opening of the LC covering imports, collect from the applicant/importer a deposit equivalent to the full amount of import duties due on the importation covered by such LC. The deposit shall not be withdrawable and shall be utilized only by crediting the same to the import duties due on the importation.
- b. *Amount of import duties.* The import duties due shall be determined and declared by the applicant for the LC subject to the penalties prescribed under the Tariff and Customs Code.

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- c. *Other payment arrangements.* The requirement of a deposit shall likewise apply even if the importation is effected under other types of payment arrangements or on a deferred payment basis. The deposit should be made upon presentation of the import documents to the agent bank
- d. *Validation of official receipt.* Such deposits shall be validated by official receipts of the FIs concerned and shall be credited in the final computation of the import duties, taxes and other charges due on the importation, upon the filing of the corresponding import entry.
- e. *Collection of deficiency and refund of excess deposits.* Any deficiency in the deposit made as against the actual import duties, taxes and other charges due on the importation shall be collected by the Bureau of Customs from the importer prior to the release or withdrawal of the shipment. Any excess deposit shall be refunded by the Bureau of Customs to the importer.
- f. *Remittance of collection.* The Bangko Sentral DDA of the FIs concerned shall be debited for the deposits collected, in accordance with Sec. 295 (*Remittances thru debit/credit advices*).

Under e2m ports

- a. *Collection of deposits of import duties.* All FIs shall, prior to opening of the LC covering imports, collect from the applicant/importer a deposit equivalent to the full amount of advance import duties due on the importation covered by such LC. The deposit which shall be effected through an electronic Import Entry Declaration (IED) lodged thru a Value Added Service Provider (VASP), shall not be withdrawable and shall be utilized only by crediting the same to the import duties due on the importation.
- b. *Amount of advance deposit.* The import duties due shall be computed by the Electronic to Mobile (e2m) system based on the applicant's declared descriptions, ASEAN Harmonized Tariff Nomenclature (AHTN), quantities and values in the IED. The LC applicant must ensure that the particulars of the LC application and the supporting pro-forma invoice correspond to those declared in the IED and any undervaluation, misclassification and misdeclaration in the IED shall subject the LC applicant to the penalties prescribed under Sec. 2503 of the Tariff and Customs Code, as amended. The amount payable to the AAB, which shall be the full advance duty payable on the importation taking into account exemptions obtained, shall be notified to the AAB thru an electronic Advance Deposit Payment Instruction (ADPI).

The net amount payable must be paid within the IED validity period which is reckoned as seven (7) calendar days from date the payment instruction is generated by the e2m system. Beyond the validity period, the IED status will be indicated as expired. For expired IEDs, AABs shall not accept payment. Importers will have to file a new IED.

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- c. *Duty exempt imports.* If the importer/applicant declares in the IED that the importation is exempt from duties, such claim shall be taken at face value in the determination by the Bureau of Customs (BOC) of the amount of advance deposit. However, AABs shall, as a requirement for the opening of the LC, require from the applicant a sworn statement to the effect that it is duty-exempt and citing the specific basis/authority of such exemption, supported by a copy of the applicable certification/approval/letter of authority of the government agency concerned.
- d. *Transmittal of the ADPI to the AABs.* The ADPI shall be transmitted by the BOC to the PCHC Payment Gateway which shall have responsibility for forwarding the same to the AAB concerned.
- e. *Collection by debit from designated bank account.* The collection of the advance deposit as well as of the final duties, taxes and other charges payable on the importation shall be by debit from the applicant's bank account designated in the ADPI or in the Final Payment Instruction (FPI) and credited to the BOC's account.
- f. *Validation of advance deposits.* Payment of advance deposits shall be validated by official receipts, such as electronic Advance Payment Confirmations (APC) prepared and transmitted by the AAB using the payment subsystem of the e2m system via the PCHC Payment Gateway.
- g. *Other payment arrangements.* The requirement of a deposit as stated in Item "a" hereof shall likewise apply even if the importation is effected under other types of payment arrangements or on a deferred payment basis. The deposit should be made upon presentation of the import documents to the AAB.
- h. *Confirmation of advance duties collected.* The e2m system shall provide the importer's VASP the APC. The VASP shall in turn notify the importer by e-mail of its receipt of the APC and provide the importer a printed copy thereof upon request.
- i. *Collection of final duties and tax payable.* The final duties and tax payable as computed by the e2m system shall be notified to the AAB concerned thru an electronic FPI. After collecting the amount in the FPI, the AAP shall transmit to BOC via the PCHC Payment Gateway a Final Payment Confirmation (FPC).
- j. *Statement of duties and taxes availment (SDTA).* Upon receipt of the FPC from the AAB, the BOC shall provide the importer electronically an SDTA which shall be his proof of having settled all duties, taxes, and other charges on the importation.
- k. *Phased implementation.* The e2m system shall be rolled out nationwide in phases. Importations to be cleared thru Customs Collection Districts already operating the e2m system shall be paid thru

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payment system prescribed under this Section. However, importations to be cleared thru  
non-e2m customs ports shall follow the old payment system during the migration period.

*Violations.* Any violation of the provisions of this Section shall be penalized under the pertinent provisions of the Tariff and Customs Code of the Philippines, as amended, and/or under Section 37 of R.A. No. 7653.

***Acceptance, encashment or negotiation of checks drawn in favor of commissioner/Collector of Customs.*** All checks payable to the Commissioner/Collector of Customs shall be accepted for deposit only to the account of the Commissioner/Collector of Customs. Banks where the Commissioner/Collector of Customs has no account shall not encash, accept nor negotiate checks payable to the Commissioner/Collector of Customs.

Any attempt to defraud the government or the bank through the irregular or unauthorized encashment or deposit of these checks to accounts other than that of the Commissioner/Collector of Customs shall be reported immediately by the head of the banking office to the BOC, copy furnished the Bangko Sentral.

*(Circular No. 987 dated 15 December 2017)*