

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF INTERNAL REVENUE**  
Quezon City

March 5, 2014

**REVENUE MEMORANDUM ORDER NO. 14-2014**

**SUBJECT** : Guidelines and Procedures for the Processing and Issuance of An Electronic Authority To Release Imported Goods (eATRIG) for Excise Tax Purposes

**TO** : All Assistant Commissioners, Regional Directors, Revenue District Officers and Others Concerned

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**I. OBJECTIVES**

This Order is being issued to:

1. Implement the use of an electronic system called the "eATRIG system", thru the linkage with the Philippine National Single Window ("NSW") System led by the Bureau of Customs (BOC);
2. Provide revised procedures on the filing of applications, processing thereof and issuance centrally in the National Office of this Bureau of all eATRIGs for Excise Tax purposes with the least manual intervention and personal representation of the importer or his/her authorized broker-representative;
3. Prescribe reporting requirements for the effective control and monitoring of all processed applications and issued eATRIGs; and
4. Delineate the duties and responsibilities of various revenue offices and personnel in charge under the "eATRIG system".

**II. POLICIES AND GUIDELINES**

1. Every application for eATRIG (Annex "A") shall be done on-line thru "NSW" System. However, hard copy of the duly notarized application form shall still be submitted by the importer or authorized broker-representative to the BIR and no approved eATRIG shall be electronically transmitted to BOC until such submission has been complied with;
2. Each importation shall be covered by a separate application for eATRIG. In cases where the importation involves articles of the same kind but are covered by two or more Bills of Lading issued to the same importer under the same vessel, the consolidated application may be accepted and processed.

However, with respect to the importation of automobiles defined under Republic Act No. 9224, one (1) ATRIG shall be issued for each unit of automobile with Suggested Retail Price (SRP) of over two million one hundred thousand pesos (P2,100,000.00); Provided that in cases of importation having a single Bill of Lading (BL) but consisting of several automobiles which includes vehicles with SRP of P2,100,000.00 or over, one (1) ATRIG shall be issued for each vehicle listed in the BL regardless of its SRP; Provided, finally, that pending enhancement of the Philippine National Single Window System on ATRIG, a separate notarized application for ATRIG shall be filed and signed by the importer or his/her duly authorized representative, with the prescribed documentary stamp affixed thereon, for each and every unit of automobile;

3. All applications for eATRIG for Excise Tax purposes, filed thru the "NSW" System, shall be processed centrally in the National Office of this Bureau, more particularly at the Excise LT Regulatory Division (ELTRD). Accordingly, the Chief of ELTRD shall be the designated approving officer of the eATRIG;
4. An application for ATRIG for Value-Added Tax purposes shall continue to be filed in duplicate with the Revenue District Office (RDO) having jurisdiction over the port of entry pending issuance of a separate implementing Revenue Memorandum Order in relation thereto;
5. The eATRIG shall be issued for all importations of articles subject to excise tax, including the raw materials in the production thereof, as well as the machineries, equipment, apparatus or any mechanical contrivances especially used for its assembly/production;
6. No application shall be processed if the importer-applicant and/or broker-representative is/are not duly registered taxpayer(s) with the BIR. In cases where the intended importation consists of excisable articles, raw materials, machineries, equipment, apparatus or any mechanical contrivances especially used for the production of excisable articles, the application for eATRIG shall likewise not be processed if the importer-applicant does not have a separate Permit to Operate as Importer of Excisable Articles;
7. If the importer-applicant is an individual registered taxpayer, no application shall be processed unless he/she presents photocopy of his/her latest Annual Income Tax Return (BIR Form No. 1700/1701), together with the Audited Financial Statements duly stamped "Received" by the concerned BIR office/AAB, if applicable, which must be duly certified as true copy by the Revenue District Officer where he/she is registered. Said documents shall be used in the evaluation of the financial capacity to import of the individual importer-applicant;
8. The eATRIG shall be processed, approved and issued not later than the next working day following actual receipt of the application with complete documents/requirements and provided there is no legal/factual issue on the taxability of the imported article;
9. An application for eATRIG with legal issues on the taxability or exemption of the imported articles shall be referred to the Law Division, National Office, for appropriate resolution. Any request for a ruling on an article involving factual issues requiring laboratory comment/evaluation/recommendation for purposes of identification and/or classification shall be referred to BIR Laboratory Section, ELTRD, National Office prior to referral to the Law Division. In case the request for a ruling affecting the application for eATRIG is directly filed by the taxpayer with the Law Division in the National Office, the same shall nevertheless be referred to the BIR Laboratory Section prior to the formulation and issuance of the appropriate ruling;

For issues not requiring legal resolution, but needing laboratory evaluation, samples of the imported goods requiring laboratory analysis shall be referred to the BIR Laboratory Section, ELTRD, National Office, for appropriate action;

10. Prior ocular verification/inspection of the imported goods shall be conducted, if deemed necessary, or if it is for facilitation purposes, request instead the Regional or the Revenue District Office having jurisdiction over the Port of Entry to conduct the same.

Proper coordination with the authorized representatives of the BOC shall always be maintained if there is a need to secure a sample of imported article for purposes of laboratory analysis;

11. Any application for eATRIG that has remained pending for at least one (1) month due to the failure of the importer-applicant and/or broker-representative to submit the necessary supporting documentary requirements shall be tagged as "Rejected"; and

12. The Regional Offices/Revenue District Offices having jurisdiction over the Port of Entry where the "NSW" system has been installed shall render assistance at all times to any concerned applicant-importer or his/her duly authorized broker-representative relative to his/her application for eATRIG.

### **III. PROCEDURES**

#### **A. EXCISE LT REGULATORY DIVISION (ELTRD)**

##### **A.1 RECEIVING OFFICER shall:**

1. Access the "NSW" system to acknowledge receipt of application for eATRIG and its supporting documents; and
2. Determine the appropriate Section of the ELTRD that will process the application based on the product description and forward the same to the Processing Officer thereof.

##### **A.2 PROCESSING OFFICER shall:**

1. Log on to the eATRIG thru the "NSW" system to verify if there is a pending application for eATRIG for Excise Tax purposes for processing;
2. Receive the application for eATRIG for Excise Tax purposes from the Receiving Officer and check completeness of the following supporting documents:

##### **A. ALCOHOL PRODUCTS**

1. Bill of Lading
2. Packing List
3. Commercial Invoice
4. Import Entry and Internal Revenue Declaration
5. Sworn Statement indicating the Net Retail Price (NRP) per bottle (alcohol product in bottle)
6. Photocopy of Commercial Labels (alcohol product in bottle)
7. Certificate of Analysis and/or Material Specification Data Sheet (MSDS) (alcohol product in bulk)

##### **B. AUTOMOBILE**

##### **B.1 FOR RESALE**

1. Bill of Lading
2. Packing List
3. Commercial Invoice
4. Import Entry and Internal Revenue Declaration (Proforma)
5. Updated Importer's Sworn Statement
6. List of Chassis No./Vehicle Identification No. (VIN)

##### **B.2 FOR PERSONAL USE**

##### **B.2.1 Brand New Automobile**

1. Bill of Lading
2. Packing List
3. Commercial Invoice
4. Import Entry and Internal Revenue Declaration
5. Chassis No./Vehicle Identification No. (VIN)

6. BOC Car Evaluation System – Computation of Duties and Taxes
7. Photocopy of Latest Income Tax Return, together with Audited Financial Statements, if applicable
8. Joint Undertaking (Importer and Broker)
9. Memo of the Customs Intelligence and Investigation Service

#### **B.2.2 Returning Residents**

1. Informal Import and Declaration Entry
2. Chassis No./Vehicle Identification No. (VIN)
3. BOC Car Evaluation System – Computation of Duties and Taxes
4. Passport
5. Certification from the Bureau of Import Services
6. Certificate of Title/Ownership
7. Export Certificate
8. DOF Indorsement
9. Photo/Picture of the Vehicle

#### **B.2.3 Local Purchase/Voluntary Payment**

1. Informal Import and Declaration Entry
2. Chassis No./Vehicle Identification No. (VIN)
3. BOC Car Evaluation System – Computation of Duties and Taxes
4. Photocopy of Latest Income Tax Return, together with Audited Financial Statements, if applicable
5. Certificate of Registration and Official Receipts issued by the Land Transportation Office (LTO)
6. Stencil of Chassis No. and Engine No.
7. Deed of Absolute Sale
8. Photo/Picture of the Vehicle

### **C. MINERAL PRODUCTS**

1. Bill of Lading
2. Packing List
3. Commercial Invoice
4. Import Entry and Internal Revenue Declaration - (Proforma)
5. Tax and Duty Declaration "Valuation Computation" – Computation of Duties and Taxes
6. Material Safety Data Sheet
7. Product Information Sheet
8. DOE Permit or Certificate of Compliance for Coal Importation
9. In case of salt, certification that the imported salt is extracted from sea water duly authenticated by the Philippine Embassy at the country of origin to qualify exemption from excise tax

### **D. NON-ESSENTIAL GOODS**

1. Bill of Lading
2. Packing List
3. Commercial Invoice
4. Import Entry and Internal Revenue Declaration

### **E. PETROLEUM PRODUCTS**

1. Bill of Lading
2. Packing List
3. Commercial Invoice

4. Import Entry and Internal Revenue Declaration
5. Material Safety Data Sheet (MSDS)
6. Certificate of Analysis
7. Certificate of Quantity
8. Certificate of Quality
9. Others (DOF/DOE Indorsement, CAAP Certification, Court Ruling, BIR Ruling, Presidential Decree, etc.)

**F. TOBACCO PRODUCTS**

1. Bill of Lading
2. Packing List
3. Commercial Invoice
4. Import Entry and Internal Revenue Declaration
5. Permit to Import
6. Proof of Payment of Advance Excise Tax, if applicable
7. Tobacco Inspection Fee Payment, if applicable

**G. OTHER PRODUCTS COVERED BY OTHER SPECIAL LAW OR INTERNATIONAL AGREEMENT (OSLA)**

1. Bill of Lading
2. Packing List
3. Commercial Invoice
4. Import Entry and Internal Revenue Declaration
5. Copy of applicable Special Law or International Agreement Document

3. Conduct initial verification:

- a. Check whether or not a previous application for eATRIG covering the same shipment under the same Bill of Lading/Airway Bill had been filed by the importer or his/her duly authorized representative-broker;
- b. Check in the Registration System of the Integrated Tax System of the BIR or its enhancements whether or not the importer and the broker are registered with the BIR or their respective Tax Identification Numbers and their addresses are correct; and
- c. Check whether or not the importer has a duly issued Permit to Operate as Importer of Excisable Articles for those engaged in said business.

4. Reject the application for eATRIG if, based on the initial verification, the subject application does not satisfy any of the criteria enumerated in the preceding paragraph. However, if the said criteria are satisfied, verify the correctness of all information about the shipment reflected in the application:

- a. Check whether or not all pertinent shipment information (e.g. description of the article, volume, value, etc.) contained in each respective supporting documents are reconciled; and
- b. Determine if there is still a need for the submission of additional documents (e.g., notarized Affidavit of Undertaking, Permit/Certification/Indorsement from other government agencies, etc.) to validate certain information on the application for eATRIG.

5. Proceed with the processing of the application for eATRIG:

- a. Check the completeness of supporting documents;

- b. Check the existence of applicable BIR Rulings on the taxability or exemption of articles listed on the application;
  - c. Hold in abeyance the processing of the application, in cases where there are doubts on the representations made by the importer on its application, and require the following, whichever is applicable:
    - i. Samples of the imported goods to be taken directly and personally from the shipment by the processing Revenue Officer and/or BIR laboratory representatives for BIR laboratory analysis;
    - ii. Additional literatures/brochures/product data containing product description of imported goods; and
    - iii. Certification from appropriate regulatory government offices authenticating the representations made by the importer/applicant.
  - d. Validate excisability of product based on product information/literature, in case the articles require no laboratory analysis;
  - e. Refer to the Law and Legislative Division in the National Office when the application for eATRIG requires legal resolution; and
  - f. Refer to the BIR Laboratory Section samples of imported goods requiring laboratory analysis in order to determine their correct classification for taxation purposes.
6. If the requirements are satisfactorily complied with, compute the corresponding excise tax due on the imported excisable product;
  7. Forward the application form, together with the supporting documents and computation sheet, if applicable, to the Reviewing Officer (Section Chief) for review and further processing; and
  8. For purposes of uniformity in the use of product codes, the following codes for each product description shall be strictly observed:

<b>PRODUCT CODES</b>	<b>DESCRIPTION</b>
ALCO	Alcoholic Products
AUTO	Automobiles
MIN	Mineral Products
NEG	Non-Essential Goods & Other Articles
OIL	Petroleum Products
TOBACCO	Tobacco Products
OSLA	Other Products Covered Under Special Laws or International Agreements

**A.3 The REVIEWING OFFICER shall:**

1. Log-on to the eATRIG thru the "NSW" system and review the processed eATRIG according to the prescribed procedures;

2. If found in order, generate the eATRIG form ("Annex B") with all the necessary information filled-up in the spaces provided therein and attach the computation sheet; and
3. In case of discrepancy, return the same to the Processing Officer for compliance requirements.

However, should the application conforms to the prescribed requirements, forward the docket, together with the generated eATRIG, to the Approving Officer for further review and approval thereof.

**A.4 APPROVING OFFICER shall:**

1. Log on to the eATRIG thru the "NSW" system and verify whether there is a pending processed eATRIG for review and approval;
2. If the processed eATRIG has been found in order, approve/authorize the transmission of eATRIG to the BOC. Otherwise, return the docket to the Processing Officer with an indication thereon of appropriate actions still to be undertaken; and
3. Take the necessary actions in cases where the BOC shall return the previously approved eATRIG for any discrepancy.

**A.5. ADMINISTRATIVE OFFICER shall:**

1. Generate and download in spread sheet format (i.e., MS Office Excel) immediately after the end of each month a detailed summary of all eATRIGs issued for the month using the format in "Annex C" hereof. The said summary shall be maintained and updated together with a back-up copy thereof; and
2. Transmit on a monthly basis a soft copy of the detailed summary of all eATRIGs issued for the month to the Audit Information, Tax Exemption and Incentives Division (AITEID) and the LT Performance Monitoring and Programs Division (LTPMPD).

**B. BIR LABORATORY SECTION shall:**

1. Receive the sample of imported goods or take samples directly from the shipment in coordination with the representatives from the BOC and the importer/broker;
2. Conduct laboratory testing of samples to determine the correct classification of imported articles for excise tax purposes;
3. Evaluate product literature, in case the articles are not subjected to laboratory analysis; and
4. Issue appropriate certification to be used as basis in the processing of eATRIG.

**C. LAW AND LEGISLATIVE DIVISION shall:**

1. Receive from ELTRD the application for eATRIG requiring legal resolution;
2. Prepare resolution on the application in question and transmit the same to the ELTRD within twenty four (24) hours from receipt thereof, if possible; and
3. Return the application, together with the legal opinion, to ELTRD for processing of appropriate eATRIG.

**D. AUDIT INFORMATION, TAX EXEMPTION AND INCENTIVES DIVISION shall:**

1. Receive the soft copy of the detailed summary of all eATRIGs issued for the month; and
2. Provide any information derived from the detailed summary of eATRIGs as may be requested by other offices.

**E. LT PERFORMANCE MONITORING AND PROGRAMS DIVISION shall:**

1. Receive the soft copy of the detailed summary of all eATRIGs issued for the month; and
2. Provide any information derived from the detailed summary of eATRIGs as may be requested by other LT offices.

**F. REGIONAL OFFICE/REVENUE DISTRICT OFFICE HAVING JURISDICTION OVER THE PORT OF ENTRY shall:**

1. Coordinate with the ELTRD, in appropriate cases, for purposes of rendering assistance to the applicant-importer or his/her duly authorized broker-representative; and
2. In coordination with the ELTRD, conduct an ocular verification/inspection of the imported excisable articles prior to its release from the Port of Entry falling under its territorial jurisdiction.

**IV. REPEALING CLAUSE**

All revenue issuances inconsistent herewith are hereby repealed and amended accordingly.

**V. PENALTY CLAUSE**

Strict compliance is enjoined. Any violation of the provisions of this Order shall be subject to administrative disciplinary action and shall be dealt with accordingly.

**VI. EFFECTIVITY**

This Order shall take effect immediately.

(Original Signed)  
**KIM S. JACINTO-HENARES**  
Commissioner of Internal Revenue