



Make it PHILIPPINES!

Guidelines for the No-Dollar Importation of Second-Hand Motor Vehicles of Returning Residents/Immigrants

Pursuant to E.O. 248 on the Vehicle Development Program, Series of 1987, Memorandum Order No. 230 dated April 10, 1989, Memorandum Order No. 261 dated 02 November 1989 and upon recommendation of the Department of Trade and Industry, the following Guidelines, which has been approved by the President, is hereby prescribed and promulgated:

Statement of Policy and Objectives

It is the objective of government to establish a viable motor vehicle industry by providing a business environment that will encourage its growth. For this purpose, it is the policy of government to regulate the importation of second-hand motor vehicles without depriving returning residents and other qualified individuals to bring motor vehicles in the country for personal use under certain conditions.

Wherefore, these Guidelines are formulated to enable returning residents/immigrants to avail of the privilege of no-dollar importation of motor vehicles for a limited period of one (1) year subject to a review of this policy thereafter.

1.0 Qualification of Importers

The following individuals are qualified to import motor vehicles under this scheme:

- 1.1 Returning residents who have resided abroad for at least one (1) year and who arrive in the Philippines within the effectivity of these Guidelines.
- 1.2 Immigrants to the Philippines who arrive in the Philippines within the effectivity of these Guidelines.

2.0 Allowable Motor Vehicles

2.1 Only the following motor vehicles shall be authorized for importation:

- 2.1.1 Left-hand drive passenger cars (Republic Act 8506).
- 2.1.2 Left- hand drive commercial vehicles such as vans, pick-ups, jeeps and coasters; Provided, that the gross vehicle weight shall not exceed 3,000kgs.
- 2.1.3 Motorcycles and scooters.

2.2 Motor vehicles should have been registered under the name of the qualified individuals in the country of residence for at least six (6) months before the submission of the application.

3.0 Importation Procedures

3.1 Foreign exchange from the foreign exchange reserves of the country shall not be utilized in the importation of motor vehicles under this scheme.

3.2 Prior authority from the DTI is required before shipment of the motor vehicle, in order to prevent inconvenience of applicants in the importation of the same. Application to import should be submitted or mailed to the Bureau of Import Services, DTI, with the following documents duly notarized by a notary public and authenticated by the nearest Philippine Consular office abroad:

- 3.2.1 Copy of the existing vehicle registration accompanied by stencils of the vehicle I.D. number, the chassis and engine numbers. In case the registration is in a language other than English, an English translation shall be submitted.
- 3.2.2 Copy of the appropriate pages of the passport that show proof of one (1) year required residency abroad

- 3.3 The authority issued for this purpose shall be valid for a period of 180 days from date of issue and shall indicate the taxes and duties payable on the motor vehicle for importation as estimated by the Bureau of Customs which shall be final without prejudice to foreign exchange fluctuations and/or legislative change(s) in the schedule of taxes and duties. In the assessment of taxes and duties the value shall be based on the brand new value of the vehicle taken from the U.S. Blue Book, Japan Red Book or the World Car Year Book, depending upon the country of origin and the model of the vehicle, less the applicable depreciation.
- 3.4 Upon arrival of the motor vehicle, clearance for the release thereof shall be issued by the DTI upon the submission of the following original documents:
- a) Passport
 - b) Valid DTI Authority to Import
 - c) Bill of Lading
 - d) Official Receipt of the Taxes and Duties paid therefore

4.0 Taxes and Registration

- 4.1 Taxes and duties under existing laws shall be paid in full. Tax credits, duty drawback certificates and similar instruments shall not be authorized for acceptance as payments of the taxes and duties levied on the motor vehicle.
- 4.2 The motor vehicle shall be registered at the Central Office of the Land Transportation Office (LTO) at East Avenue, Quezon City, and, such other LTO agency office as may be designated by the DTI Inter-Agency Committee. No right-hand motor vehicle shall be imported under these Guidelines

5.0 Other Provisions

- 5.1 Any individual qualified under these Guidelines shall be granted authority to import a vehicle only once.
- 5.1.1 If an individual avails of paragraph 1.1 or 1.2 of these Guidelines, he/she can no longer avail of this privilege within the effectivity of these guidelines.
- 5.2 Only one (1) vehicle shall be allowed per family. If a family is composed of the husband, the wife, and their unemancipated minor children, the family shall be allowed to import only one (1) motor vehicle within the effectivity of these Guidelines.
- 5.3 Motor Vehicles subject to Seizure and Penalties
- 5.3.1 Any motor vehicle imported in violation of these Guidelines, such as but not limited to those exceeding the limits set forth under B. P. 73, shipped without prior authority, and/or lack of registration requirements shall be subject to penalties provided under pertinent provisions of the Tariff and Customs Code including the seizure proceedings. Further the penalty/penalties imposed shall be without prejudice to other administrative and/or criminal sanctions that may be imposed pursuant to E.O. 913 and the Revised Penal Code.
- 5.4 The Bureau of Import Services, DTI shall solicit the assistance of other government agencies in the dissemination and effective implementation of these Guidelines. If warranted, an Inter- Agency Committee may be created for this purpose.

Effectivity

These Guidelines shall take effect after fifteen (15) days from date of publication in a newspaper of general circulation and shall be effective for a period of one (1) year, subject to a review thereafter, of the herein provisions. The application for authority to import under these Guidelines shall be filed not later than the expiry of these Guidelines.

For the Board of Investment

Jose S. Concepcion, Jr.
Chairman

Note : Executive Order 156 dated 12 December 2002 shall apply. Please direct further inquiries to your nearest Philippine Embassy/Consulate or the Bureau of Import Services, Department of Trade and Industry, Makati City, Philippines.

