

REPUBLIC OF THE PHILIPPINES }
CONGRESS OF THE PHILIPPINES }
 First Regular Session

H. No. 3695
S. No. 1108

REPUBLIC ACT NO. 7650

AN ACT REPEALING SECTION 1404 AND AMENDING
SECTIONS 1401 AND 1403 OF THE TARIFF AND
CUSTOMS CODE OF THE PHILIPPINES, AS AMENDED,
RELATIVE TO THE PHYSICAL EXAMINATION OF
IMPORTED ARTICLES

*Be it enacted by the Senate and House of Representatives of the
Philippines in Congress assembled:*

SECTION 1. Section 1401 of the Tariff and Customs Code
of the Philippines, as amended, is hereby further amended to
read as follows:

"SEC. 1401. *Conditions for Examination.* – For the
protection of government revenue and public interest and to
prevent the entry into the country of smuggled or contraband
goods, the Commissioner shall, in consultation with the Oversight
Committee and subject to the approval of the Secretary of Finance,
promulgate the rules and regulations that shall prescribe the
procedure in accordance with which examination shall be
undertaken on the importation and the required quantity or
percentage thereof: *Provided,* That the imported articles shall
in any case be subject to the regular physical examination when:

"(1) The government surveyor's seal on the container has
been tampered with or broken or the container shows signs of
having been opened or having its identity changed;

"(2) The container is leaking or damaged;

"(3) The number, weight, and nature of packages indicated
in the customs entry declaration and supporting documents differ
from that in the manifest;

"(4) The shipment is covered by alert/hold orders issued pursuant to existing orders;

"(5) The importer disagrees with the findings as contained in the government surveyor's report; or

"(6) The articles are imported through air freight where the Commissioner or Collector has knowledge that there is a variance between the declared and true quantity, measurement, weight, and tariff classification."

SEC. 2. Section 1403 of the Tariff and Customs Code of the Philippines, as amended, is hereby further amended to read as follows:

"SEC. 1403. *Duties of Customs Officer Tasked to Examine, Classify, and Appraise Imported Articles.* – The customs officer tasked to examine, classify, and appraise imported articles shall determine whether the packages designated for examination and their contents are in accordance with the declaration in the entry, invoice and other pertinent documents and shall make return in such a manner as to indicate whether the articles have been truly and correctly declared in the entry as regard their quantity, measurement, weight, and tariff classification and not imported contrary to law. He shall submit samples to the laboratory for analysis when feasible to do so and when such analysis is necessary for the proper classification, appraisal, and/or admission into the Philippines of imported articles.

"Likewise, the customs officer shall determine the unit of quantity in which they are usually bought and sold and appraise the imported articles in accordance with Section 201 of this Code.

"Failure on the part of the customs officer to comply with his duties shall subject him to the penalties prescribed under Section 3604 of this Code."

SEC. 3. An Oversight Committee is hereby created which shall be composed of the Chairmen of the Committees on Ways and Means of the Senate and of the House of Representatives and

four (4) additional members from each House to be designated by the Senate President and the Speaker of the House of Representatives, respectively.

The Oversight Committee shall monitor and ensure the proper implementation of this Act.

SEC. 4. Nothing in the preceding section shall authorize the removal of any examiner and appraiser whose functions are merged under the position of customs officer.

SEC. 5. Section 1404 of the Tariff and Customs Code of the Philippines, as amended, is hereby repealed.

SEC. 6. The Secretary of Finance shall, upon the recommendation of the Commissioner of Customs, promulgate the necessary rules and regulations for the effective implementation of this Act.

SEC. 7. All laws, decrees, orders, rules and regulations, and other issuances inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 8. This Act shall take effect upon its approval.

Approved, April 6, 1993.