

[LTO MEMORANDUM CIRCULAR NO. RIB-2007-892, October 05, 2007]

**IMPLEMENTING RULES AND REGULATIONS FOR THE
REGISTRATION OF IMPORTED MOTOR VEHICLES ACQUIRED BY
BUYERS IN GOOD FAITH PURSUANT TO THE MEMORANDUM OF
AGREEMENT (MOA) BETWEEN THE BUREAU OF CUSTOMS (BOC)
AND THE LAND TRANSPORTATION OFFICE (LTO)**

Pursuant to the provisions of the Memorandum of Agreement dated 07 August 2007 signed by the BOC and this Office relative to the collection of duties and taxes and the registration of imported motor vehicles primarily concerning buyers in good faith, the following implementing rules and regulations shall be observed:

A. OBJECTIVE

To pursue a concerted action to collect taxes and duties on imported motor vehicles in consonance with the national initiative to generate more revenue for the government by establishing One-Stop-Shop at the LTO Compound, East Avenue, Quezon City

B. SCOPE

This MC covers buyers in good faith of:

1. All imported Complete Built Units (CBUs) and
2. All CBUs from imported replacement parts indicated only by the engine and or chassis/Vehicle Identification Number (VIN)
3. All imported motorcycles

C. EXCLUSION

The following imported motor vehicles are excluded from this MC:

1. Motor Vehicles imported pursuant to the Motor Vehicle Development Program (MVDP) of the government;
2. Motor Vehicles imported by embassies, consulates and other diplomatic missions; and
3. Trucks and buses covered by Certificate of Payments (CPs) which indicated the payment of duties and taxes for the whole motor vehicle by the Department of Trade and Industry (DTI) accredited rebuilders.

D. DEFINITION OF TERMS A buyer in good faith is

1. One who is not the importer of the motor vehicle nor has acted as agent for the importer in effecting the importation but who is able to identify the seller of the motor vehicle;
2. One who has verified the existence/genuineness of the BOC CP and the LTO Certificate of Registration (CR) at the time of purchase of the motor vehicle; and
3. One who has no personal knowledge that the motor vehicle was imported without payment of taxes and duties or with deficiencies.

E. GENERAL PROCEDURE

Step 1 – Office of the Assistant Secretary thru the Executive Director Submission of:

- a. Letter-request of the applicant
- b. Affidavit of Undertaking
- c. Certificate of Registration (CR)
- d. Latest Official Receipt (OR) of payment of registration fees
- e. Actual inspection of motor vehicle with duly accomplished and approved Motor Vehicle Inspection Report (MVIR)
- f. Taxpayer's Identification Number (TIN)
- g. Stencils of engine and chassis numbers

Output: Indorsement to the BOC/PASG for appropriate action.

Step 2 – Bureau of Customs/Presidential Anti Smuggling Group

Output:

- a. Issuance of Official Receipt covering payment of taxes and duties to owner
- b. Issuance of original copy of Certificate of Payment (CP) to be transmitted to LTO through a BOC official courier
- c. BOC/PASG Clearance

Note: All original BOC Certificate of Payments shall be forwarded to the LTO Registration Section, Central Office through an official courier

Step 3 – LTO Registration Section

Output:

- a. Confirmation of OR
- b. Certification of Stock Reported (CSR)