

[BOC CUSTOMS ADMINISTRATIVE ORDER NO. 3-93, February 10, 1993]

RULES AND REGULATIONS GOVERNING THE TRANSACTIONS OF CUSTOMS BROKERS, CUSTOMS BROKERAGE FIRMS AND ATTORNEY'S-IN-FACT IN THE BUREAU OF CUSTOMS

By authority of Section 608 of the Tariff and Customs Code of the Philippines, the following rules and regulations governing the issuance, suspension and revocation of annual licenses and the general transaction of business by, customs brokers, customs brokerage firms and attorneys-in-fact are hereby prescribed and published for the information and guidance of all concerned.

RULE 1. Who May Engage In Customs Brokerage Business. — Any person, partnership or corporation duly licensed by the Bureau of Customs to engage in the transaction of a general customs brokerage business on behalf of others in connection with the importation or exportation of articles, goods, wares, and merchandise; and other Customs matters necessitating the services of such brokers may engage in customs brokerage business.

RULE 2. Issuance of Annual License and Requirements Therefore. — A Customs Broker's License is valid only for one (1) year from the date of the issuance thereof. It may be renewed annually by the Collector of Customs of the port where the applicant desires to establish a customs business only upon written application and submission of the following;

A IN CASE OF A NATURAL PERSON

1. A Valid Professional License Issued by the Professional Regulations Commission to the Individual Customs Broker.
2. A sworn statement of assets and liabilities showing the sound financial standing or position of the applicant, duly attested by a reputable Certified Public Accountant or accounting firm.
3. A list of his employees authorized to represent the Licensee in the Bureau of Customs together with their latest 2x2 photograph, addresses, positions, specimen signatures, SSS Number and Taxpayer's Identification Number (TIN).
4. A continuing Fidelity or Surety Bond in the amount of not less than THIRTY THOUSAND PESOS (P30,000.00), which amount shall be increased if found inadequate by the Collector, to answer for whatever damages the Government may suffer as a consequence of any act or omission which the broker or his employees may be held liable as well as for any financial obligations or liabilities that he has personally assumed and failed to settle according to his agreement(s) or commitment(s) with the Bureau of Customs.

5. A certified copy of his Privileged Tax Receipt for the current year that the license is applied for which shall be submitted not later than the 31st of January of every year.

B IN CASE OF A JURIDICAL PERSON

1. A certified true copy of the Articles of Incorporation and By-Laws or Articles of Partnership duly registered with the Securities and Exchange Commission. Provided that at least two (2) of the officers of the firm who are licensed customs brokers pursuant to Section 3401 of the TCCP, shall be stockholders of the corporation or general partners of the partnership.

2. A sworn statement of the assets and liabilities of the partnership or corporation showing the sound financial standing or position of the firm, duly attested by a reputable Certified Public Accountant or accounting firm.

3. A Valid Professional License Issued by the Professional Regulations Commission of the two (2) customs brokers required to be officers of the firm pursuant to Section 3401 of the TCCP. Provided that one of the customs brokers shall be designated as "Principal" and the other as "Alternate" Broker, the latter to act as the signing broker in the absence of the former. Provided further, that in no case shall an individual broker be allowed to represent more than one (1) licensed customs brokerage firm.

4. A list of employees authorized to represent the Licensee in the Bureau of Customs together with their latest 2x2 photograph, addresses, positions specimen signatures, SSS Number and Taxpayer's Identification Number (TIN).

5. A continuing Fidelity or Surety Bond in the amount of not less than FIFTY THOUSAND PESOS (P50,000.00), which amount shall be increased if found inadequate by the Collector, to answer for whatever damages the Government may suffer as a consequence of any act or omission which the brokerage firm or its employees may be held liable as well as for any financial obligations or liabilities that it has personally assumed and failed to settle according to its agreement(s) or commitment(s) with the Bureau of Customs.

6. A certified copy of the Privileged Tax Receipt of the firm, as well as those of the two licensed brokers who represent it, corresponding to the period for which the license is to be issued. Provided that failure of the applicant to submit or comply with any of the requirements enumerated in paragraphs (A) & (B) above, shall be a valid ground for the non-issuance and/or automatic cancellation or revocation of the license.

RULE 3. Numbers and Forms of Original Annual Licenses.

Original annual Licenses shall be consecutively numbered and shall be issued only upon compliance with all the requirements prescribed herein by affixing a ONE HUNDRED PESOS (P100.00) documentary stamp required under Section 3301 (r) of the TCCP and the seal of the Bureau of Customs in the following format:

(A) FOR AN INDIVIDUAL CUSTOMS BROKER

CUSTOM'S BROKER'S LICENSE

NO. _____

A satisfactory showing having been made as to the integrity and ability of _____, a duly registered Customs Broker with the Professional Regulations Commission, and he, having filed the bond required by, and otherwise complied with, the regulations relating to Customs Brokers pursuant to Section 3406 of the Tariff and Customs Code of the Philippines, is hereby licensed as a Customhouse Broker, and authorized to conduct a general customs brokerage business at the Port of Manila, during the calendar period ending December 31, ____; Provided, that this license may be revoked or suspended at any time by the Collector of Customs for cause.

Given under my hand and the seal of the Bureau of Customs at the Port of _____ Philippines, this _____ day of _____, 19 ____.

Collector of Customs

(B) FOR A CUSTOMS BROKERAGE FIRM

CUSTOMS BROKERAGE LICENSE NO. _____

A satisfactory showing having been made as to the integrity and ability of _____, a duly organized partnership/corporation, represented by _____ and _____, both duly registered licensed customs brokers with the Professional Regulations Commission, and it having filed the bonds required by, and otherwise complied with, the regulations relating to customs brokers pursuant to Section 3406 of the Tariff and Customs Code of the Philippines, is hereby licensed a Customhouse Broker, and authorized to conduct a General Customs Brokerage business at the Port of Manila, during the calendar period ending December 31, ____; Provided, that this license may be revoked or suspended at any time by the Collector of Customs for cause.

Given under my hand and the seal of the Bureau of Customs at the Port of _____, Philippines, this _____ day of _____, 19 ____.

Collector of Customs

RULE 4. Application for Renewal of License and Requirements Therefore. — Application for renewal of license shall be filed under oath with the Office of the District Collector concerned not later than December 31 of each calendar year stating, among other things, that the applicant possesses all the qualifications and none of the disqualifications to act as a customs broker or customs brokerage firm and has complied with all the requirements herein prescribed.

Renewal license shall be issued conditioned upon the submission of the following:

A. Clearance from the Law Division and Collection Division of the Collection

District concerned that the customs broker or brokerage firm has no pending financial obligation or liability to the Bureau of Customs as of the time of the application for renewal of license.

B. Fidelity or Surety Bond in the amount stated in Rule 2 (A) No. 4 and (B) No. 5 as the case maybe together with a Certificate of Premium Payment.

C. Amendments, if any, to the Articles of Incorporation and By-Laws or Articles of Partnership duly registered with the Securities & Exchange Commission;

D. Confirmation under oath of the List of Employees.

E. Latest Statement of Net Worth duly certified by a Certified Public Accountant or accounting firm.

F. A certified copy of the applicant's Privileged Tax Receipt of the current year.

G. Mayor's permit in the case of Corporation & Partnership.

H. Certified List of Clients.

The foregoing documents shall be submitted not later than January 31 of the year covering the renewal period of the license applied for and failure to do so shall cause the automatic cancellation or revocation of the license.

RULE 5. Issuance of License and Forms for Renewal. — Renewal of annual license shall be issued conditioned upon compliance with the foregoing requirements. It shall be in the same forms and contents as prescribed in Rule 3 hereof except the word "RENEWAL" and the required ONE HUNDRED PESOS (P100.00) documentary stamp affixed therein.

RULE 6. Suspended or Revoked License. — No Renewal of license shall be issued to any individual customs broker or brokerage firm whose license has been suspended or revoked by the Collector of Customs or whose Certificate as individual customs broker has been suspended or revoked by the Professional Regulations Commission pursuant to Section 3407 of the TCCP.

Likewise, no license shall be issued to any customs broker or brokerage firm whose license is suspended or revoked by another Collector of Customs during the period of suspension or revocation.

RULE 7. Preventive Suspension of Customs Brokers and/or Brokerage Firms Licenses. — The Collector of Customs of the Collection District concerned shall, upon showing of a prima facie case of violations of the Tariff and Customs Code of the Philippines; the Code of Ethics for Customs Broker; the rules and regulations prescribed herein or any other related laws, rules and regulations promulgated by competent authority, immediately place under PREVENTIVE SUSPENSION the license of the Broker or Brokerage Firm for a period of Ninety (90) days, pending formal hearing of the case.

If the formal hearing or investigation is not finally terminated to decided within the period of ninety (90) days after the date of suspension, the license of the broker or