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

BUREAU OF INTERNAL REVENUE
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RECORDS MGT. DIVISION

February 27, 2023

REVENUE MEMORANDUM CIRCULAR NO. 30-2023

SUBJECT : **Reiterating the Basis of the Total Landed Value of Imported Automobiles as Defined Under Revenue Regulations No. 25-2003 in the Processing of Applications for Electronic Authority to Release Imported Goods (eATRIG) by Importers of Automobiles**

TO : All Internal Revenue Officers, Employees, and Others Concerned

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This Circular is being issued to inform Importers of Automobiles of the basis for the computation of the Total Landed Value as defined under Sec. 2 (h) of Revenue Regulations No. 25-2003 dated September 16, 2003 to wit:

> *"(h) **TOTAL LANDED VALUE** – shall refer to the total of the (i) market value of the motor vehicles imported as indicated in the motor vehicle reference books, such as the Japanese and U.S. Red Book, Karo and World Car Book on automobile utility vehicles and other motor vehicles, or the dutiable value as defined in Sec. 201 of the Tariff and Customs Code of the Philippines as amended, whichever is higher; (ii) customs duties paid on the imported goods; and (iii) all other charges arising from, or incident to, the importation."*

Based on the above definition, it is reiterated that in the computation of the Total Landed Value of imported Automobiles, items (i), (ii) and (iii), as enumerated above, shall be considered. This Bureau uses the *U.S. Auto Red Book Online Price Digests* as its reference for determining the proper market valuation of imported automobiles.

The computation of the ad valorem tax due on such imported automobiles shall be based on the following:

Description	***Basis of Valuation (per Auto Red Book Online Price Digests)***
1. Importer and at the same time engaged in business as Dealer of Automobiles	Wholesale Price
2. Importer of Automobiles for personal or company use or not engaged in business as Dealer of Automobile	Retail Price

For purposes of this RMC, **Item 1, "Importer and at the same time engaged in business as Dealer of Automobiles"** shall mean that the importer/dealer of automobiles must satisfy the following requirements:

a.) He/she/it must be a holder of Permit to Operate (PTO) as Importer and Dealer of automobiles for excise tax purposes;
b.) Has dealership agreement/contract with foreign suppliers/manufacturers;
c.) Maintains a showroom or registered storage/warehouse facility;
d.) Imports by bulk or a minimum of twelve (12) units in a twelve-month period; and
e.) The imported automobiles are for sale to customers.

The computation of the ad valorem tax due on automobiles in cases where Importers do not satisfy the foregoing requirements shall be based on retail price.

All concerned are hereby enjoined to be guided accordingly and give this Circular as wide a publicity as possible.

This Circular shall take effect immediately.

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue
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