

REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
Third Regular Session

House Bill No. 8051



Introduced by **MAGDALO Party-List Representative**
HON. GARY C. ALEJANO

EXPLANATORY NOTE

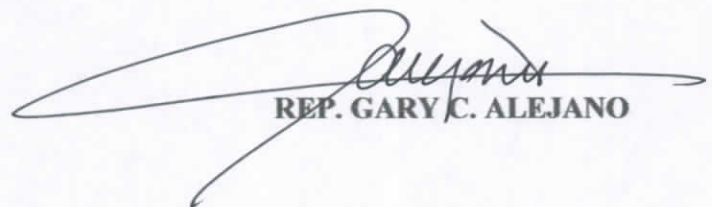
Section 3513 of Presidential Decree No. 1464, otherwise known as the Tariff and Customs Code of the Philippines grants a reward system for customs officials, men, and informers who can provide information instrumental for the discovery and seizure of smuggled goods.

The rewards reaped, however, is limited to assessment and intelligence frontline personnel performing enforcement functions in the Bureau of Customs, while BOC lawyers who administer the laborious and protracted litigation and prosecution of customs-related cases are left unrewarded for their efforts, which are no less than vital in the performance of the BOCs mandate.

This proposed bill, therefore seeks to include BOC lawyers to such entitlements. This will encourage BOC lawyers to properly prosecute and speedily recover unpaid taxes and duties with an end view of meeting our tax collection targets. Incentivizing the successful prosecution of customs-related cases is seen as a viable solution to the perennial problem of dismissal cases for failure to prosecute and other legal technicalities. More importantly, this will insulate our lawyers from the clutches of bribery and corruption, encouraging them instead to go the extra mile in prosecuting smugglers, with an end view of reducing to a bare minimum if not absolutely curb smuggling and other illegal trade practices.

It is the ardent belief of this representation that officials who give their honest effort to promote the welfare of the Filipino people and protect our national interest must be handsomely rewarded for the important role they play in nation-building.

In view of the foregoing, immediate approval of this measure is earnestly sought.


REP. GARY C. ALEJANO

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1 **AN ACT**
2 **AMENDING SECTION 3513 OF PRESIDENTIAL DECREE NO. 1464, OTHERWISE**
3 **KNOWN AS THE TARIFF AND CUSTOMS CODE OF THE PHILIPPINES AND FOR**
4 **OTHER PURPOSES**

5
6 *Be it enacted by the Senate and House of Representatives of the Philippines in Congress*
7 *assembled,*
8

9 **SECTION 1.** Section 3513, Book II, Title VII, Part II, of P.D. 1464, otherwise known as the
10 **Tariff and Customs Code of the Philippines, is hereby amended to read as follows:**
11

12 **Sec. 3513. *Reward to Persons Instrumental in the Discovery and Seizure of or***
13 ***Recovery of Revenue on Smuggled Goods and Successful Prosecution of Offenders.*** The
14 provisions of general and special laws to the contrary notwithstanding, a cash reward
15 equivalent to twenty per centum (20%) of the [fair market value of] **REVENUE**
16 **RECOVERED FROM** the [smuggled and] **SEIZED OR** confiscated goods shall be given
17 to the officers and men and informers who are instrumental in the discovery and seizure of
18 such goods [in accordance with the rules and regulations to be issued by the Secretary of
19 Finance.]; **PROVIDED THAT IN CASE OF SUCCESSFUL PROSECUTION OF**
20 **SMUGGLERS OR SEIZURE AND FORFEITURE CASES, THE AMOUNT**
21 **EQUIVALENT TO TEN PER CENTUM (10%) THEREOF SHALL BE GIVEN TO**
22 **THE BUREAU OF CUSTOMS LAWYERS WHO ACTIVELY PROSECUTED THE**
23 **CASE THAT RESULTED IN THE RECOVERY OF REVENUE, SURCHARGES,**
24 **AND FEES, OR IMPOSITION OF FINE OR PENALTY OR OFFER OF**
25 **COMPROMISE BY THE OFFENDER, OR CONVICTION OF THE OFFENDER;**
26 **PROVIDED, FURTHER, THAT IN CASE OF CONVICTION, WHERE THE**
27 **PENALTY IS INCAPABLE OF PECUNIARY ESTIMATION, THE AMOUNT OF**
28 **REWARD SHALL BE EQUIVALENT TO TWENTY PER CENTUM (20%) OF THE**
29 **CIVIL LIABILITY INCLUDING FINES, PENALTIES, AND SURCHARGES**
30 **IMPOSED BY THE COURT; PROVIDED, FINALLY, THAT WHERE NO CIVIL**

1 **LIABILITY IS AWARDED BY THE COURT, THE SUM OF P250,000.00 OR**
2 **P500,000.00 SHALL BE GRANTED WHERE THE CASE IS RESOLVED WITH**
3 **FINALITY IN THE TRIAL COURT OR THE APPELLATE COURTS,**
4 **RESPECTIVELY.**

5
6 The provisions of this section, not those of Republic Act numbered twenty-three
7 hundred and thirty-eight, shall govern the giving of reward cases covered by the former.

8
9 **SEC. 2. *Implementing Rules and Regulations.***—Within sixty (60) days from the approval
10 of this Act, the Bureau of Customs shall promulgate such rules and regulations as may be necessary
11 to carry out the provisions of this Act, subject to the approval of the Secretary of Finance.

12
13 **SEC. 3. *Repealing Clause.***—All laws, decrees, orders, rules and regulations, and all other
14 issuances, or parts thereof, which are inconsistent with this Act are hereby repealed or modified
15 accordingly.

16
17 **SEC. 4. *Separability Clause.***—If any provision of this Act is declared unconstitutional or
18 invalid, other parts or provisions hereof not affected shall continue in full force and effect.

19
20 **SEC. 5. *Effectivity.***—This Act shall take effect after fifteen (15) days following its
21 publication in at least two (2) newspapers of general circulation.

Approved,