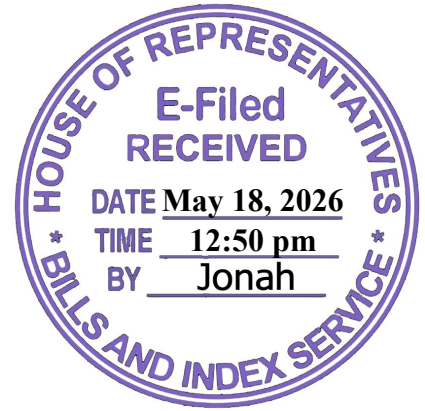


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 9296



Introduced by:

HON. CHRISTOPHERSON “COCO” M. YAP

AN ACT
REGULATING AND ALLOWING THE COMMERCIAL IMPORTATION OF SECOND-
HAND OR USED CLOTHING AND RAGS, REPEALING FOR THE PURPOSE REPUBLIC
ACT NO. 4653, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

Republic Act No. 4653, passed in 1966, bans the commercial importation of used clothing and rags in the Philippines. At the time, the law was based on concerns about public health and national dignity. However, despite this long-standing prohibition, the trade in used clothing has continued for decades, often through informal or illegal channels. This has made enforcement difficult, led to lost government revenue, and encouraged smuggling and misdeclaration of goods.

Today, the country has more modern systems for trade and customs regulation. Instead of an outright ban that is difficult to enforce, there is now a strong case for a more practical approach, one that regulates the importation of used clothing rather than pushing it underground. A clear and legal framework can help ensure that these goods meet proper health and safety standards, while also allowing the government to monitor and control the trade more effectively.

This bill proposes to repeal Republic Act No. 4653 and replace it with a regulated system for the commercial importation of used clothing and rags. It aims to bring this existing market into the formal economy, set sanitary and safety rules, reduce smuggling and illegal activities, and ensure that the correct taxes and duties are collected. By doing so, the government can better protect consumers while also supporting fair and transparent trade.

In the end, this measure updates an outdated law to reflect present realities. By shifting from a total ban to a regulated system, the State can improve public health safeguards, strengthen enforcement, and increase revenue, while creating a more transparent and accountable trading environment.

In view of the foregoing, **ug sa ngalan sa SERBISYONG TINUORAY**, the undersigned respectfully requests the immediate passage of this measure.


CHRISTOPHERSON "COCO" M. YAP
Representative, Second District of Southern Leyte

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

SECTION 1. Short Title. — This Act shall be known as the *“Used Clothing and Rags Importation Regulation Act.”*

SECTION 2. Repeal of Republic Act No. 4653. — Republic Act No. 4653, otherwise known as “An Act to Safeguard the Health of the People and Maintain the Dignity of the Nation by Declaring it a National Policy to Prohibit the Commercial Importation of Textile Articles Commonly Known as Used Clothing and Rags,” is hereby repealed.

SECTION 3. Definition of Terms. — As used in this Act:

- (a) **“Used clothing”** — garments, wearing apparel, and clothing accessories previously worn or used, whether or not repaired, and imported for further distribution or sale.
- (b) **“Used rags”** — textile materials or scraps that are used, discarded, or intended for wiping, industrial use, recycling, or similar purposes.

- (c) ***“Importation”*** — the act of bringing used clothing or rags into the customs territory of the Philippines for commercial purposes.

SECTION 4. Minimum Sanitary and Safety Requirements. — The commercial importation of used clothing and rags shall be allowed only upon compliance with minimum sanitary, safety, and labeling requirements to be prescribed in the implementing rules and regulations. Such rules shall include, at a minimum:

- (a) disinfection, fumigation, or equivalent sanitary treatment prior to release from customs custody;
- (b) documentary requirements and traceability of source and shipment;
- (c) standards for packaging, handling, and storage to prevent contamination; and
- (d) labeling requirements for consumer-facing resale, if applicable.

SECTION 5. Customs Processing, Inspection, and Release. — Used clothing and rags shall be subject to risk-based inspection and such other border control measures as may be prescribed in the implementing rules and regulations. For purposes of valuation and classification, the Bureau of Customs may issue value references and enforcement guidelines consistent with law.

SECTION 6. Tariff Treatment. —

- (a) Used clothing, used clothing accessories, household linen, footwear, and headgear showing signs of appreciable wear, when imported for commercial purposes, shall be subject to ad valorem duty rates as follows:
 - (1) Used clothing: thirty-five percent (35%).
 - (2) Other articles covered by this Section: forty percent (40%).
- (b) The Tariff Commission, in coordination with the Department of Finance and the Bureau of Customs, shall recommend the appropriate tariff headings/subheadings and implementing classification guidelines consistent with the Philippine tariff nomenclature.

SECTION 7. Prohibited Acts. — It shall be unlawful to:

- (a) misdeclare used clothing or rags as new items or as other commodities to evade duties, taxes, or inspection;
- (b) submit falsified sanitary treatment certificates or shipping documents; or
- (c) distribute, sell, or dispose of imported used clothing and rags that have been ordered held, denied release, or condemned under applicable sanitary rules.

SECTION 8. Penalties. — Any person who violates Section 7 of this Act shall, upon conviction, be punished by a fine of not less than Two hundred thousand pesos (Php200,000.00) nor more than Two million pesos (Php2,000,000.00), or imprisonment of not less than two (2) years nor more than five (5) years, or both, at the discretion of the court, without prejudice to forfeiture or other remedies under customs and related laws.

SECTION 9. Disposition of Seized or Condemned Goods. — Used clothing and rags seized or condemned for sanitary non-compliance, misdeclaration, or other violations shall be disposed of in accordance with applicable customs and environmental laws and regulations; *Provided*, That disposal shall prioritize public health and environmental safety.

SECTION 10. Implementing Rules and Regulations. — Within ninety (90) days from the effectivity of this Act, the Department of Health, in coordination with the Department of Finance, Bureau of Customs, Department of Trade and Industry, and other relevant agencies, shall promulgate the implementing rules and regulations.

SECTION 11. Separability Clause. — If any provision of this Act is held invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

SECTION 12. Repealing Clause. — All laws, rules, and regulations inconsistent with this Act are hereby repealed, amended, or modified accordingly. Presidential Decree No. 2033 is hereby superseded insofar as inconsistent with this Act.

SECTION 13. Effectivity. — This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in at least two (2) newspapers of general circulation.

Approved,