

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

EIGHTEENTH CONGRESS  
1<sup>st</sup> Regular Session

House Resolution No. 798



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Introduced by Representative **RONNIE L. ONG**

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**A RESOLUTION**  
**DIRECTING THE COMMITTEE ON GOOD GOVERNMENT AND PUBLIC**  
**ACCOUNTABILITY TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON**  
**THE ALLEGED ILLEGAL ACTIVITIES OF UNSCRUPULOUS TRADERS AND**  
**ALLEGED CONSIGNEES-FOR-HIRE TO EVADE THE RIGHTFUL PAYMENT OF**  
**IMPORT TAXES TO THE PHILIPPINE GOVERNMENT**

**WHEREAS**, Article VI Section 28 Paragraph 1 of the 1987 Philippine Constitution states that the rule of taxation shall be uniform and equitable;

**WHEREAS**, taxation, including import duties and tariffs, is the lifeblood of the nation, funding the operation of the whole government so it can promote the general welfare of the people and provide needed infrastructures, programs and services;

**WHEREAS**, under Republic Act No. 10863 or the Customs Modernization and Tariff Act (CMTA), the State aims to protect and enhance government revenue and prevent and curtail any form of customs fraud and illegal acts;

**WHEREAS**, technical smuggling, which is committed by unscrupulous traders through misdeclaration, misclassification, undervaluation, and underdeclaration of the goods they bring into the country, is a common custom fraud that substantially reduces government revenue to the detriment of the Filipino people;

**WHEREAS**, the government loses billions of taxes each year to these deceitful individuals – taxes that could have been used to improve and increase the services especially in times like these where we are confronted by one catastrophe or emergency after another (COVID-19, African swine fever, bird flu, Taal volcanic eruption, typhoons, earthquakes, etc.);

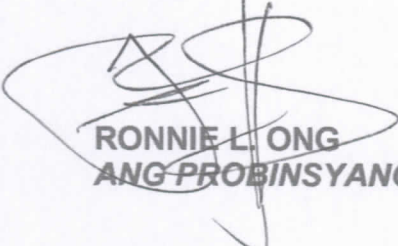
**WHEREAS**, there are reports conveying the actuality of these illegal activities- that some importers indeed commit customs fraud by falsifying their submitted information and documents to decrease the amount of tax they should pay to the government;

**WHEREAS**, one of the said reports alleged that a specific list of traders and consignees namely, *Hebeiri Trading, Poro Exim Corp., Great Liberty Motor Sales Inc.,* and *Transport Automotive Sales Corp.*, are operating under the foregoing illegal scheme; and

**WHEREAS**, there is a need for Congress to look into this matter to determine the truthfulness of such allegation, determine the extent of the alleged customs fraud and how this and other illegal activities continue to thrive in the country, and find ways to curtail the same, improve customs efficiency and enhance government revenue so as not to deprive the Filipino people of needed services.

**NOW, BE IT RESOLVED, AS IT IS HEREBY RESOLVED**, by the House of Representatives of the Philippines, directing the Committee on Good Government and Public Accountability to conduct an inquiry, in aid of legislation, on the alleged illegal activities of unscrupulous traders and alleged consignees-for-hire to evade the rightful payment of import taxes to the Philippine government.

Approved,



**RONNIE L. ONG**  
**ANG PROBINSYANO PARTYLIST**