



HOUSE OF REPRESENTATIVES

H. No. 8927

BY REPRESENTATIVES SALCEDA, SUANSING (E.), GARIN (S.), SUANSING (H.), BIAZON, LACSON, GO (M.), SALO, QUIMBO, NOGRALES (J.J.), ESCUDERO, VIOLAGO, RODRIGUEZ, FUENTEBELLA, SUNTAY, TAMBUNTING, DEFENSOR (L.), ESPINO, BASCUG, CHIPECO, SAVELLANO, ARENAS, NOLASCO, TEJADA, HARESCO, DAGOOC, DELOSO-MONTALLA, ONG (J.), CAOAGDAN, ABU, VILLA, REYES, PADIERNOS, GARCIA (P.J.), ALONTE, SALIMBANGON, TAN (A.S.), DY (F.M.C.), GATCHALIAN, KHO (W.), MACEDA, DALIPE, OLIVAREZ AND CHATTO, PER COMMITTEE REPORT NO. 823

AN ACT
PENALIZING THE SMUGGLING OF FOREIGN CURRENCY AND OTHER
MONETARY INSTRUMENTS IN BULK INTO OR OUT OF THE PHILIPPINES

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

1 **SECTION 1. Short Title.** – This Act shall be known as the “Anti-Bulk Foreign
2 Currency Smuggling Act.”

3 **SEC. 2. Declaration of Policy.** – It is hereby declared the policy of the State to protect
4 and preserve the integrity of the country’s financial system, and to ensure that the Philippines
5 shall not be used as a money laundering site for the proceeds of unlawful activity. The State
6 shall protect life, liberty, and property from acts of terrorism by preventing the financing of
7 terrorism, terrorist individuals and entities, and weapons of mass destruction. Towards this end,
8 the State shall enforce a written declaration system for the physical cross-border transfer of
9 foreign currency and other foreign currency-denominated bearer monetary instruments into and
10 out of the Philippines.

1 **SEC. 3. *Definition of Terms.*** – As used in this Act:

- 2 (a) *Currency* refers to the banknotes and coins that are in circulation as medium of
3 exchange in the country of issuance;
- 4 (b) *False declaration* refers to a misrepresentation of the amount of foreign currency or
5 bearer monetary instruments being transported, or a misrepresentation of other relevant
6 data required for submission in the declaration or otherwise requested by authorities;
- 7 (c) *Foreign currency* refers to the coin and banknote of any country other than the
8 Philippines that is designated as legal tender and that is in circulation as a medium of
9 exchange in the country of issuance;
- 10 (d) *Foreign currency-denominated bearer monetary instruments* refer to foreign
11 exchange-denominated monetary instruments in bearer form such as: traveler’s
12 cheques; monetary instruments that are either in bearer form, endorsed without
13 restriction, made out to a fictitious payee, or otherwise in such form that title thereto
14 passes upon delivery; incomplete instruments, including cheques, promissory notes,
15 and money orders signed, but with the payee’s name omitted; securities or stock in
16 bearer form or otherwise in such form that title thereto passes upon delivery;
- 17 (e) *Non-declaration* refers to the failure to declare foreign currency or evasion of foreign
18 currency declaration as required under this Act; and
- 19 (f) *Physical cross-border transfer* refers to any inbound or out-bound physical
20 transportation of currency or bearer monetary instruments from one country to another
21 country. The term includes the following modes of transportation: (i) physical
22 transportation by a natural person, as part of that person’s accompanying baggage or
23 through the person’s vehicle; (ii) shipment of currency or bearer monetary instruments
24 through containerized cargo or express and regular air shipments or (iii) the mailing of
25 currency or bearer monetary instruments by a natural or legal person.

26 **SEC. 4. *Written Declaration for the Physical Cross-Border Transfer of Foreign***
27 ***Currencies and Foreign Currency-Denominated Bearer Monetary Instruments.*** – Any person
28 or agent or bailee of the person who transports, is about to transport, or has transported foreign
29 currency or other foreign currency-denominated bearer monetary instruments in an amount that
30 exceeds Ten thousand US Dollars (US \$10,000) or its equivalent, or such amount as may be
31 determined by the Anti-Money Laundering Council through official and published circular
32 orders, at one time from a place in the Philippines to or through a place outside the Philippines;
33 or to a place in the Philippines from or through a place outside the Philippines, is required to

1 declare the same under oath and in writing at the time and place as prescribed in the rules and
2 regulations to be issued to implement this Act.

3 The written declaration for the physical cross-border transfer of foreign currencies or
4 foreign currency-denominated bearer monetary instruments shall be accompanied by proof of
5 declaration at the port of origin: *Provided*, That said declaration is required by authorities at
6 the country of origin.

7 **SEC. 5. Specifications of the Declaration Form.** – The declaration form shall contain
8 the following information, at the minimum:

9 (a) Personal information of the person transporting the foreign currency or foreign
10 currency-denominated bearer monetary instruments, including the person’s full name,
11 date of birth, place of birth, citizenship, passport number, permanent address, and
12 occupation or business activity;

13 (b) Details of travel, including arrival or departure date, flight number and name of carrier
14 or voyage number and name of vessel, bill of lading or airway bill number and date,
15 prior port of entry or departure, port of entry or departure, destination: *Provided*, That,
16 if the declarant is a foreigner or not permanently residing in the Philippines, the
17 Declaration Form shall contain the following additional information: address and
18 contact number in the Philippines, duration of stay in the Philippines, and additional
19 information as may be required;

20 (c) Legal capacity in which the person filing the declaration is acting;

21 (d) Information on the owner or sender of the foreign currency or foreign
22 currency-denominated bearer monetary instruments, including the name of the sender
23 or owner of the foreign currency or foreign currency-denominated bearer monetary
24 instruments; permanent address; and occupation or business activity, when the person
25 transporting them does not legally and beneficially own them;

26 (e) Information on the recipient of the foreign currency or foreign currency-denominated
27 bearer monetary instruments, including the name of the recipient of the foreign currency
28 or foreign currency-denominated bearer monetary instruments; permanent address; and
29 occupation or business activity, when the person transporting them personally is not
30 going to use them;

31 (f) Information on the foreign currency or foreign currency-denominated bearer monetary
32 instruments being transported, including the name of the foreign currency or foreign
33 currency-denominated bearer monetary instruments, the country that issued such
34 currency or monetary instruments, the amount of the currency or monetary instruments,

1 source or sources of the currency or monetary instruments and how these were acquired,
2 and the purpose or intended use of the transport of the currency or monetary
3 instruments; and

4 (g) Additional information as may be required under the rules and regulations to be issued
5 to implement this Act.

6 **SEC. 6. *Cumulation of Closely Related Events.*** – Notwithstanding the provisions of
7 Republic Act No. 9160, or the Anti-Money Laundering Act of 2001, as amended, the
8 Anti-Money Laundering Council shall prescribe in the rules and regulations to be issued to
9 implement this Act the definition of the term “at one time” for purposes of Section 4. Such
10 regulations may permit the cumulation of closely related events in order that such events may
11 collectively be considered to occur at one time for the purposes of Section 4 hereof.

12 **SEC. 7. *Registration of Entities Engaged in Regular or Periodic Transfer of Bulk***
13 ***Currency.*** – Any person or entity engaged in the regular or periodic transfer of bulk currency
14 which falls under the ambit of money service business as defined by regulations issued by the
15 Bangko Sentral ng Pilipinas shall register with the Bangko Sentral ng Pilipinas. The Bangko
16 Sentral ng Pilipinas shall furnish the Bureau of Customs the list of registered persons or entities
17 engaged in the regular or periodic transfer of bulk currency for monitoring at the ports of entry
18 and exit and in the implementation of this Act.

19 Persons and entities engaged in the regular or periodic transfer of bulk currency that
20 exceeds Ten thousand US dollars (US \$10,000) at one time, which are not considered money
21 service business, must accomplish the declaration form in Section 4 hereof and submit proof
22 of doing legitimate business with any entity supervised by the Bangko Sentral ng Pilipinas.
23 This includes, among others, the third-party cash courier being engaged or contracted by the
24 institutions supervised by the Bangko Sentral ng Pilipinas for the physical transport of cash or
25 value for a fee.

26 The failure by persons or entities shown to be engaged in the regular or periodic transfer
27 of bulk currency to register as prescribed in this Act shall be reasonable ground to suspect that
28 the foreign currency or foreign currency-denominated bearer monetary instrument is related to
29 an unlawful activity and shall be subject to verification by the Anti-Money Laundering
30 Council.

31 **SEC. 8. *Assistance by the Customs Officer on Duty.*** – Overseas Filipino workers
32 bringing in foreign currencies or foreign currency-denominated bearer monetary instruments
33 in excess of Ten thousand US Dollars (US \$10,000) or its equivalent must be reasonably
34 assisted by the Customs Officer on duty in filling the required Foreign Currency Declaration

1 Form and Customs Baggage Declaration Form upon their request. In cases of inadvertent
2 non-declaration or unintentional inaccurate declaration of foreign currency or foreign
3 currency-denominated bearer monetary instrument by an Overseas Filipino worker, the
4 Customs Officer on duty shall assist the Overseas Filipino worker in properly accomplishing
5 the required Foreign Currency Declaration Form and Customs Baggage Declaration Form to
6 rectify unintentional errors and inadvertent non-declaration.

7 Airline companies operating in countries that do not predominantly use the English
8 language as a medium of communication may assist the foreigner in accomplishing the Foreign
9 Currency Declaration Form and Customs Baggage Declaration Form. The Customs Officer on
10 duty shall assist the foreigner in properly accomplishing the required forms upon the
11 foreigner's request.

12 **SEC. 9. Authority to Obtain Information from the Carrier.** – Upon discovery of a false
13 declaration or non-declaration as defined in Section 3 hereof, or if there is a reasonable ground
14 to suspect that the foreign currency or foreign currency-denominated bearer monetary
15 instrument is in any way related to the proceeds of unlawful activities, money laundering,
16 financing of terrorism and weapons of mass destruction, as defined by law, the Bureau of
17 Customs may request and obtain information and supporting documents from the person or an
18 agent or bailee of the person who is obliged to declare pursuant to Section 4 hereof and the
19 carrier with regard to the travel information of the passenger or foreign currency or foreign
20 currency-denominated bearer monetary instrument subject of carriage.

21 **SEC. 10. Restraint of Currencies and Bearer Monetary Instruments.** – Upon discovery
22 of a false declaration or non-declaration as defined in Section 3 hereof, or when there is a
23 reasonable ground to suspect that the foreign currency or foreign currency-denominated bearer
24 monetary instrument is related to an unlawful activity, money laundering, financing of
25 terrorism and weapons of mass destruction, as defined by law, the Bureau of Customs may
26 temporarily restrain said foreign currency or foreign currency-denominated bearer monetary
27 instrument for a period of fifteen (15) calendar days, which may be extended for another fifteen
28 (15) calendar days, to give the person concerned the opportunity to produce and submit
29 required information and supporting documents and prove the legitimacy of the source and
30 purpose of subject importation, including verification with the Anti-Money Laundering
31 Council for any related derogatory information thereon.

32 The Bureau of Customs shall, on the same day that the false declaration or
33 non-declaration with reasonable grounds was detected, refer the information to the Anti-Money
34 Laundering Council, which shall conduct further investigation on the matter pursuant to its

1 investigative power under Republic Act No. 9160, or the Anti-Money Laundering Act of 2001,
2 as amended; Republic Act No. 10168, or the Terrorism Financing Prevention and Suppression
3 Act of 2012; and Republic Act No. 11479, or the Anti-Terrorism Act of 2020.

4 If no case is filed within the period as mentioned in the first paragraph, the temporary
5 restraint imposed upon the foreign currency or foreign currency-denominated bearer monetary
6 instruments shall be *ipso facto* lifted, without prejudice to filing of cases pursuant to Republic
7 Act No. 9160, or the Anti-Money Laundering Act of 2001, as amended; Republic Act
8 No. 10168, or the Terrorism Financing Prevention and Suppression Act of 2012; and Republic
9 Act No. 11479, or the Anti-Terrorism Act of 2020.

10 **SEC. 11. *Bulk Foreign Currency Smuggling Offense.*** – The offense of bulk foreign
11 currency smuggling is committed when:

12 (a) A person physically transports or transfers foreign currency or foreign
13 currency-denominated bearer monetary instruments in an amount that exceeds Two Hundred
14 Thousand US Dollars (US \$200,000) or its equivalent from a place within the Philippines to a
15 place outside of the Philippines, or from a place outside the Philippines to a place within the
16 Philippines, unless registered as an entity engaged in regular or periodic transfer of bulk
17 currency under Section 7 hereof.

18 (b) A person knowingly conceals foreign currency or foreign currency-denominated
19 bearer monetary instruments in an amount that exceeds Ten thousand US Dollars (US \$10,000)
20 or its equivalent on the person of such individual or in any conveyance, article of luggage,
21 merchandise, or other container, and transports or transfers or attempts to transport or transfer
22 such currency or bearer monetary instruments from a place within the Philippines to a place
23 outside of the Philippines, or from a place outside the Philippines to a place within the
24 Philippines with the intent to evade the currency declaration requirement under Sections 4, 5,
25 and 6 hereof or makes a false declaration as defined in Section 3 hereof. The Anti-Money
26 Laundering Council shall define the term “knowingly conceals” for purposes of this Section in
27 the rules and regulations to be issued to implement this Act. For purposes of this Section, the
28 concealment of currency on the person of any individual includes concealment in any article
29 of clothing worn by the individual or in any luggage, bag, or other container worn or carried
30 by such individual.

31 **SEC. 12. *Penalties.*** –

32 (1) Term of imprisonment – Any person or co-conspirator who commits the bulk
33 foreign currency smuggling offense as defined under Section 11(a) of this Act shall be
34 imprisoned for not less than seven (7) years but not more than fourteen (14) years.

1 Any person or co-conspirator who commits the bulk foreign currency smuggling
2 offense as defined under Section 11(b) of this Act shall be imprisoned for not less than six (6)
3 months but not more than two (2) years.

4 If the offender is an alien, the alien shall, in addition to the penalties herein prescribed,
5 be deported without further proceedings after serving the penalties herein prescribed. If the
6 offender is a public official or employee, the public official or employee shall, in addition to
7 the penalties prescribed herein, be disqualified from holding public office and from voting and
8 participating in any public election for ten (10) years.

9 (2) Forfeiture – In addition, the court shall, in imposing the penalty under paragraph (1)
10 of this section, order the defendant to forfeit to the Republic of the Philippines, any property,
11 real or personal, involved in the offense, and any other property traceable to the property
12 involved in the offense, except those which are seized and forfeited by the Bureau of Customs
13 pursuant to Republic Act No. 10863, otherwise known as the “Customs Modernization and
14 Tariff Act (CMTA).”

15 The seizure and forfeiture of property and other criminal proceedings under this Section
16 shall be governed by Republic Act No. 9160 or the Anti-Money Laundering Act of 2001, as
17 amended, as referred to in Section 10 of this Act.

18 (3) Personal money judgement – If the property subject to forfeiture under paragraph
19 (2) of this Section is unavailable, and the defendant has insufficient substitute property that
20 may be forfeited pursuant to Republic Act No. 9160, or the Anti-Money Laundering Act, as
21 amended, the court shall enter a personal money judgement against the defendant for the
22 amount that would be subject to forfeiture.

23 Prosecution and imposition of penalties under this Act shall be without prejudice to any
24 liability or penalty that may be imposed under existing laws.

25 **SEC. 13. *Unlawful Activity to Money Laundering.*** – Bulk foreign currency smuggling
26 under Section 11 of this Act shall be a predicate offense to money laundering as defined in
27 Republic Act No. 9160, otherwise known as the “Anti-Money Laundering Act of 2001,” as
28 amended.

29 **SEC. 14. *Implementing Agencies.*** – The primary implementing agencies under this Act
30 shall be the Bureau of Customs and the Anti-Money Laundering Council.

31 **SEC. 15. *Rules and Regulations.*** – Within thirty (30) days from the effectivity of this
32 Act, the Bureau of Customs, the Anti-Money Laundering Council, and the Bangko Sentral ng
33 Pilipinas shall promulgate the rules and regulations to implement the provisions of this Act.

1 **SEC. 16. *Separability Clause.*** – If any provision or section of this Act or the application
2 thereof to any person or circumstance is held to be invalid, the other provisions or sections of
3 this Act, and the application of such provision or section to other persons or circumstances,
4 shall not be affected thereby.

5 **SEC. 17. *Repealing Clause.*** – All laws, decrees, executive orders, rules and regulations
6 or portions thereof, which are inconsistent with the provisions of the Act, are hereby repealed,
7 amended, or modified accordingly.

8 **SEC. 18. *Effectivity.*** – This Act shall take effect fifteen (15) days after its complete
9 publication in the *Official Gazette* or in at least two (2) national newspapers of
10 general circulation.

 Approved,