

ADVISORY ON MODES OF DISPOSITION OF SEIZED AND FORFEITED ARTICLES

PAGE NOS.

**BIR REVENUE REGULATION
NO. 14-2024**

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**Rules and Regulations Governing the
Modes of Disposition of Seized and
Forfeited Articles in Line with Section
130, 131, and 225 of the National
Internal Revenue Code (NIRC) of 1997,
as amended**

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RULES AND REGULATIONS GOVERNING THE MODES OF DISPOSITION OF SEIZED/FORFEITED ARTICLES IN LINE WITH SECTIONS 130, 131, AND 225 OF THE NATIONAL INTERNAL REVENUE CODE (NIRC) OF 1997, AS AMENDED

The following are the modes of disposition of seized/forfeited articles:

Mode of Disposition	Definition	Article Subject of Disposition	Requirements
Public Auction	Mode of sale in which seized articles are being sold to multiple buyers thru competitive bidding	Seized articles prejudicial to the enforcement of the law and other regulated articles	None
Negotiated or Private Sale	Mode of sale in which seized articles that remain unsold after the conduct of two (2) failed public auctions are being sold	Seized articles not suitable for official use or donation	<p>a. Conduct of two (2) failed public auctions; and</p> <p>b. Prior approval of Secretary of Finance;</p> <p>Exception:</p> <p>In the case of <i>personal properties</i>, the abovementioned two (2) requirements may be dispensed with.</p>

**BUREAU OF INTERNAL REVENUE
REVENUE REGULATION
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Mode of Disposition	Definition	Article Subject of Disposition	Requirements
Official Use of the BIR	Utilization of seized articles that are suitable for official use	Seized articles suitable for official use	<ul style="list-style-type: none"> a. Conduct of two (2) failed public auctions; b. Declaration of CIR that article is for official use; and c. Prior approval of Secretary of Finance
Donation	Disposition to another government agency of seized articles that remain unsold after the conduct of two (2) failed public auctions	Seized articles not suitable for official use	<ul style="list-style-type: none"> a. Conduct of two (2) failed public auctions; b. Recommendation of CIR; and c. Prior approval of Secretary of Finance;
Destruction	Removal, disposal, and any other processes in an appropriate and most practicable manner that render seized articles unusable	Seized articles injurious to public health or prejudicial to the enforcement of the law	Order of the CIR or his/her duly authorized representative

Source:
BIR Revenue Regulation No. 14-2024