

STRICT IMPLEMENTATION OF CAO NO. 12-2003 ENTITLED, "PERFORMANCE OF OBLIGATION UNDER WAREHOUSING BOND AND LIQUIDATION OF THE WAREHOUSING ENTRY, PROVIDING PENALTIES THEREFOR";

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/5a08394b6ef8/>

It has been observed that some of the provisions of CAO 12-2003 are not dutifully observed at the District/Port level. The following infractions are prevalent:

1. Non-imposition of Section 1508, TCCP on importations of CBWs with unsettled obligations, "jointly and severally" with surety companies.
2. Non-observance of the period within which to liquidate raw materials and the period within which to transmit Statements of Liquidation of Raw Materials (SLRM) to the concerned Bonds Division.
3. Lax observance of the period within which to cancel bonds by the concerned Bonds Division upon receipt of the indorsement of the same from the warehousing operating divisions.
4. Accepting incomplete requests for liquidation by the warehousing operating division as subterfuge to evade payment of penalties for late submission of documents for liquidation.

The above infractions are punishable administratively and largely contributory to the ballooning amount of un-cancelled bonds. The Liquidation Assessment and Audit Division and the Bonds Audit Division under the Collection Service is hereby directed to monitor faithful compliance of CAO 12-2003 and recommend sanctions in cases of infractions or non-observance.

Be guided accordingly.

Adopted: 22 June 2005

(SGD.) ALBERTO D. LINA
Commissioner

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