

RULES AND REGULATIONS IN THE ADMINISTRATIVE PROCEEDINGS ON THE CLOSURE OF BONDED WAREHOUSE AS IMPLEMENTED IN CAO 2-91 AND CMO 39-91

BOC MEMORANDUM ORDER NO. 2-2003, January 08, 2003

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/6bafce288e66/>

I. Objectives

- To provide a uniform procedure in the administrative proceedings on the closure of Bonded Warehouse.
- To effectively implement the provision of CAO 2-91 and CMO 39-91.

II. General Provision

- The Deputy Commissioner, Assessment and Operations Coordinating Group, Deputy Commissioner, Intelligence and Enforcement Group, Deputy Commissioner, Revenue Collection Monitoring Group, The Chiefs of the Warehouse Operating Divisions, Chief, WAMU, Chief, WID, Chairman, CBWC and such other Customs personnel or any government agency (e.g. GTEB) may initiate the filing of a closure proceeding against the operator of a Bonded Warehouse by filing a formal request to the District Collector of Customs having jurisdiction over the said CBW on the following grounds:

- a. Failure to file application for renewal.
- b. Filing an application for renewal found to contain false information
- c. Being inactive for at least one (1) continuous year, i.e., no importation, or if there is one, no corresponding legal withdrawal of imported goods or exportation of finished products.
- d. Upon written request of the CBW operator.
- e. Violation of the provisions of the TCCP and existing customs rules and regulations governing the creation and operation of a Bonded Warehouse.
- f. Violation of certain rules and regulations being implemented by government agency in relation to the operation of a Bonded Warehouse

- This is without prejudice to the authority of the Commissioner of Customs to order that closure proceedings be instituted against a CBW.

III. Procedure

- The District Collector, upon receipt of the formal complaint which shall enumerate the violation(s) committed as a ground(s) for closure, shall order the Chief of the Law Division to conduct a hearing and allow the bonded warehouse operator to controvert the evidence of the prosecution.

- The administrative proceeding should be summary in nature which should be terminated within seven (7) working days from receipt of the order;

- The assigned Hearing Officer may, upon approval of the District Collector, continue the hearing beyond the seven (7) day period on valid grounds not intended to delay the disposition of the case but in no case shall exceed the non-extendable period of another fifteen (15) days;
- After the hearing is terminated, and Order shall be issued by the District Collector decreeing the closure of a Bonded Warehouse specifically citing the facts and circumstances of the case and the grounds as basis for the closure thereof, or dismiss the complaint subject to review by the Commissioner of Customs. After the order for closure proceeding becomes final and executory, all importations by such warehouse shall be withheld release unless the warehouse operator shall pay the duties and taxes due on the importations and has settled all his accountabilities with Customs.
- All finished products for exports shall be allowed to be exported.
- If the decision of the District Collector of Customs is adverse to the warehouse operator he may file an appeal or motion for reconsideration with the Commissioner of Customs within five (5) days from receipt of the Order of Closure. Any ruling by the District Collector short of closure shall be considered as an adverse decision and subject to automatic review by the Commissioner of Customs.

IV. Repealing Clause

All rules and regulations inconsistent herewith are deemed repealed, superseded or modified accordingly.

V. Effectivity

This Order shall take effect immediately.

Adopted: 08 Jan. 2003

(SGD.) ANTONIO M. BERNARDO
Commissioner

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