REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
MANILA

SERREE INVESTMENT COMPANY,
Petitioner,

- versus -

C.T.A.
CASE NO. 721

COMMISSIONER OF CUSTOMS,
Respondent.

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# D E C I S I O N

A shipment of eighty-five (85) packages of melon seeds was received by the petitioner from Hongkong sometime in April, 1955. Upon arrival in Manila of said shipment, the Collector of Customs of Manila ordered the forfeiture thereof for failure of petitioner to present any release certificate of the Central Bank, in violation of Circulars Nos. 44 and 45 of said Bank. The facts of the case are stated in the stipulation of facts dated February 16, 1961 submitted by the parties, pertinent portions of which are quoted hereunder:

> 1. That petitioner is the consignee of eighty-five (85) packages of melon seeds which arrived in the Port of Manila from Hongkong on board the S/S "Aeolus" on April 21, 1955, under Reg. No. 450, covered by Seizure Identification No. 2916, and declared in Entry No. 34608, Series of 1955;
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> 2. That said shipment is duly covered with the Bill of Lading, Commercial Invoice, and the official receipt evidencing payment of estimated duties and estimated sales tax in the amount of ₱2,555.95, and another official receipt for the payment of surcharge in the amount of ₱20.00;
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> 3. That the merchandise in question did not have any Central Bank Release Certificate submitted for which reason, it was ordered seized by the Appraisers' Division of the

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Bureau of Customs for alleged violation of Central Bank Circulars Nos. 44 and 45 in relation to Section 1363(f) and Section 1250 of the Revised Administrative Code;

4. That to release the said shipment, petitioner filed Surety Bond No. 317 of the Pioneer Insurance and Surety Corporation (PISCO), dated April 23, 1955 for the sum of TWENTY SIX THOUSAND PESOS (₱26,000.00), pending the seizure proceedings;

5. That ruling on the seizure identification proceeding, the Collector of Customs ordered the payment of the bond, from which ruling appeal was taken to respondent Commissioner of Customs;

6. That respondent Commissioner of Customs, in its decision of November 12, 1959, ordered the confiscation of the bond and payment by petitioner and the surety company jointly and severally of the sum of ₱26,000.00. (See pp. 32-33, C.T.A. records.)

The sole basis of the herein appeal is that Circulars Nos. 44 and 45 of the Central Bank which regulate importations involving no-dollar remittance are void because said Bank had no authority to regulate no-dollar importations. It has been held that said circulars were legally issued, so that any importation not covered by a release certificate issued by the Central Bank, although involving no immediate remittance of foreign exchange, is subject to forfeiture under Customs Law. (See Francisco Pascual v. Com. of Customs, G. R. No. L-12219, April 25, 1962, and cases cited therein.)

WHEREFORE, the decision appealed from is hereby affirmed, with costs against petitioner.

SO ORDERED.

Manila, December 29, 1962.

ROMAN M. UMALI
Associate Judge

WE CONCUR:

MARIANO NABLE
Presiding Judge

AUGUSTO M. LUCIANO
Associate Judge