CTA Form No. 8

23-000132-0059

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

CTA CASE NO. 11123

MAGIC GLOW LIQUID SOLUTIONS INC., represented by: NEIL IAN D. PARENTELA,
Petitioner,

- versus -

NOTICE OF DECISION

COMMISSIONER BIENVENIDO Y. RUBIO, BUREAU OF CUSTOMS,
Respondent.

To:

SOLICITOR GENERAL MENARDO I. GUEVARRA
ASST. SOL. GEN. NYRIAM SUSAN O. SEDILLO-HERNANDEZ
SENIOR STATE SOLICITOR JOSE ANTONIO H. BLANCO
OFFICE OF THE SOLICITOR GENERAL
134 Amorsolo Street, Legazpi Village, Makati City

HON. BIENVENIDO Y. RUBIO
Commissioner of Customs
Office of the Commissioner
BUREAU OF CUSTOMS
G/F, OCOM Bldg., 16th Street
South Harbor, Port Area, Manila

ATTY. MELISSA G. AGUINALDO
BUREAU OF CUSTOMS
Appellate Division, Legal Service
South Harbor, Port Area, Manila

SHERYL C. SANTOS-CENTENO LAW OFFICE
3rd Floor, Salud Building, Gen. Hizon Avenue
Sto. Rosario, City of San Fernando, Pampanga

GREETINGS:

You are hereby notified by these presents that on **July 23, 2026,** a Decision was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **July 24, 2026.**

Atty. Mary Grace S. Ringpis
Executive Clerk of Court II

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

MAGIC GLOW LIQUID SOLUTIONS INC., represented by: NEIL IAN D. PARENTELA, *Petitioner,*	**CTA CASE NO. 11123**
	Members:
	BACORRO-VILLENA, *Acting Chairperson,* and **CUI-DAVID,** *JJ.*
- versus -	
COMMISSIONER BIENVENIDO Y. RUBIO, BUREAU OF CUSTOMS, *Respondent.*	Promulgated: JUL 23 2026 2:30PM

x - x

DECISION

CUI-DAVID, J.:

Before this Court is a *Petition for Review*[1] assailing the *Decision* dated December 1, 2022[2] (assailed *Decision*) and the *Resolution* dated March 9, 2023,[3] (assailed *Resolution*), and seeking the quashal of the Warrant of Seizure and Detention (WSD) dated July 12, 2022. Petitioner likewise seeks the return of the seized goods, allegedly valued at ₱80,000.00.

THE PARTIES

Petitioner Magic Glow Liquid Solutions Inc. (Magic Glow) is a corporation duly organized and existing under the laws of the Philippines,[4] with its principal office located at Golden Sun 999 Industrial Park, Block 15, Lot 5, Barangay San Pablo, San

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1 Docket – Vol. I, pp. 6–20.
2 BOC Records, pp. 46–60.
3 *Id.* at 12–21.
4 Docket – Vol. II, p. 539, *Amended Joint Stipulations of Facts and Issues* (Amended JSFI), Summary of Admitted Facts, par. 1; 590, Pre-Trial Order, III. Admitted Facts and Stipulation of Facts, par. 1.

Simon, Pampanga,[5] where its warehouse is also located.[6] Neil Ian D. Parentela (Parentela) is petitioner's duly authorized representative for purposes of filing this case.[7]

Respondent is the duly appointed Commissioner of the Bureau of Customs (BOC), who is sued in his official capacity.

THE FACTS AND PROCEEDINGS

A Letter of Authority (LOA), bearing Reference No. 06-09-060-2022, was issued by the Commissioner of Customs (COC) and implemented through Mission Order (MO) No. 06-09-2022-337.[8]

On July 18, 2022, petitioner received a WSD dated July 12, 2022, directing the seizure of the subject articles and their turnover to the BOC's Auction and Cargo Disposal Division.[9]

On July 22, 2022, petitioner, through counsel, filed a Motion to Quash the WSD together with an Entry of Appearance, dated July 18, 2022.[10]

On December 6, 2022, petitioner received a copy of the assailed *Decision* dated December 1, 2022, ordering the forfeiture in favor of the government of the seized items found in Warehouses Block 10, Lot 18 (B10 L18) and Block 15, Lot 5 (B15 L5), located at Golden Sun 999 Industrial Park, Dela Paz, San Simon, Pampanga.[11] The dispositive portion of the assailed *Decision* reads:

> **WHEREFORE**, by virtue of the authority vested in me by law, it is hereby ordered and decreed that the seized items stored at Warehouses B10 L18 and B15 L5 located at Golden Sun 999 Industrial Park, Dela Paz, San Simon, Pampanga be **FORFEITED** in favor of the government to be disposed of in the manner provided for by law, to wit:

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[5] *Id.* at 607, Exhibit "P-2", Amended Articles of Incorporation.

[6] *Id.* at 539, *Amended Joint Stipulations of Facts and Issues* (Amended JSFI), Summary of Admitted Facts, par. 3; 590, Pre-Trial Order, III. Admitted Facts and Stipulation of Facts, par. 3.

[7] *Id.* at 539, *Amended Joint Stipulations of Facts and Issues* (Amended JSFI), Summary of Admitted Facts, par. 2; 590, Pre-Trial Order, III. Admitted Facts and Stipulation of Facts, par. 2.

[8] *Id.* at 539, *Amended Joint Stipulations of Facts and Issues* (Amended JSFI), Summary of Admitted Facts, par. 4; 590, Pre-Trial Order, III. Admitted Facts and Stipulation of Facts, par. 4.

[9] *Id.* at 539, *Amended Joint Stipulations of Facts and Issues* (Amended JSFI), Summary of Admitted Facts, par. 5; 590, Pre-Trial Order, III. Admitted Facts and Stipulation of Facts, par. 5.

[10] *Id.* at 539, *Amended Joint Stipulations of Facts and Issues* (Amended JSFI), Summary of Admitted Facts, par. 6; 590, Pre-Trial Order, III. Admitted Facts and Stipulation of Facts, par. 6.

[11] *Id.* at 539–540, *Amended Joint Stipulations of Facts and Issues* (Amended JSFI), Summary of Admitted Facts, par. 7; 590, Pre-Trial Order, III. Admitted Facts and Stipulation of Facts, par. 7.

...

Let copies of this Decision be furnished all parties and offices concerned for their information and guidance.

SO ORDERED.

Petitioner asserts that the items confiscated in Warehouse B10 L18, which contain fabrics, are not owned by it. Hence, petitioner claims no interest in said fabrics, which are therefore excluded from the present case.[12]

On March 13, 2023, petitioner received a copy of the *Resolution* dated March 9, 2023,[13] which affirmed the assailed *Decision.* Its dispositive portion states:

> **WHEREFORE**, the Decision of the District Collector, Port of Manila is hereby **AFFIRMED**. The following seized items stored at Warehouses B10 L18 and B15 L5 located at Golden Sun 999 Industrial Park, Dela Paz, San Simon, Pampanga, are hereby **FORFEITED** in favor of the government to be disposed of in the manner provided for by law, to wit:
>
> ...
>
> **SO ORDERED.**

On April 12, 2023, petitioner filed the instant *Petition for Review*,[14] which was raffled to the Court's Second Division.

Summonses were served upon the Office of the Solicitor General on May 2, 2023, and upon the Commissioner of Customs on May 4, 2023.[15]

On May 29, 2023, the case was transferred to the Court's First Division pursuant to Administrative Circular No. 01-2023, entitled Reorganizing the Divisions of the Court, dated May 23, 2023.[16]

On May 30, 2023, respondent filed a *Motion for Extension of Time to File Answer (To the Petition for Review dated April 5, 2023)*,[17] which the Court granted on June 23, 2023, giving

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[12] *Id.* at 540, *Amended Joint Stipulations of Facts and Issues* (Amended JSFI), Summary of Admitted Facts, par. 8; 591, Pre-Trial Order, III. Admitted Facts and Stipulation of Facts, par. 8.
[13] Docket – Vol. I, p. 24.
[14] *Supra* note 1.
[15] *Id.* at pp. 274-275.
[16] Docket – Vol. I, p. 276.
[17] *Id.* at 277–278.

respondent a non-extendible period of thirty (30) days from June 1, 2023, or until July 1, 2023, to file an Answer.[18] On July 3, 2023, respondent filed his *Answer (Re: Petition for Review dated April 5, 2023).*[19]

On July 12, 2023, respondent transmitted the BOC Records consisting of 133 pages.[20]

On July 13, 2023, the Court noted respondent's *Answer (Re: Petition for Review dated April 5, 2023)* and referred the case to the Philippine Mediation Center-Court of Tax Appeals (PMC-CTA) for mediation.[21]

On August 23, 2023, the Court received PMC-CTA Form No. 6 – No Agreement to Mediate, stating that the parties decided not to submit their case to mediation.[22] Consequently, a Notice of Pre-Trial Conference[23] was issued on September 6, 2023, setting the case for pre-trial on November 9, 2023.[24]

Petitioner's *Pre-Trial Brief* was filed on November 6, 2023,[25] while respondent's *Pre-Trial Brief* was filed on November 8, 2023.[26]

During the Pre-Trial Conference on November 9, 2023, the Court directed the parties to submit their Joint Stipulation of Facts and Issues (JSFI) within twenty (20) days.[27]

On December 1, 2023, the parties filed by electronic mail (email) a *Motion for Approval of Joint Stipulations.*[28] Finding the submission non-compliant with its Order dated November 9, 2023, the Court directed the parties to file an amended JSFI within ten (10) days from notice.[29]

Thereafter, the parties filed, by email and registered mail, their *Motion for Approval of Amended Joint Stipulations of Facts and Issues*[30] on January 23, 2024 and January 31, 2024,

[18] *Id.* at 281, Notice of Resolution.
[19] *Id.* at 282–287.
[20] *Id.* at 301.
[21] *Id.* at 298, Notice of Resolution.
[22] *Id.* at 305.
[23] *Id.* at 309–311.
[24] *Id.* at 308, Resolution dated August 31, 2023.
[25] *Id.* at 312–323.
[26] *Id.* at 471–485.
[27] Docket – Vol. II, pp. 526–528, Order.
[28] *Id.* at 531–533.
[29] *Id.* at 537, Resolution dated January 9, 2024.
[30] *Id.* at 539-547, 551–559.

respectively. The Court granted the motion.[31] Accordingly, the *Amended Joint Stipulations of Facts and Issues* was approved, and the pre-trial was deemed terminated.[32] On March 6, 2024, the Pre-Trial Order[33] was issued.

During trial, petitioner presented the testimony of its sole witness, Mr. Parentela.[34] Thereafter, petitioner was given fifteen (15) days, or until March 15, 2024, to file a Formal Offer of Evidence (FOE), while respondent was given 10 days from receipt thereof to file comment.[35]

On March 14, 2024, petitioner filed a *Formal Offer of Documentary Evidence*.[36] Respondent filed his *Comment on Petitioner's Formal Offer of Evidence*[37] on March 26, 2024.

On May 27, 2024, the Court gave petitioner a period of five (5) days from notice to submit the duly marked exhibits, after which its *Formal Offer of Documentary Evidence* would be deemed submitted for resolution.[38] In compliance, petitioner filed on June 3, 2024 a *Manifestation*,[39] submitting the duly marked exhibits.

On September 6, 2024, the Court admitted all of petitioner's exhibits and set the case for the presentation of respondent's witness, Intelligence Officer (IO) Dominic L. Garcia (Garcia), initially on October 17, 2024.[40] The hearing, however, was cancelled and reset to November 13, 2024.[41] Respondent's presentation of evidence proceeded on January 23, 2025.[42]

Respondent presented IO Garcia.[43] Respondent orally offered Exhibits "R-1" to "R-11". The Court admitted respondent's Exhibits "R-1" to "R-5" and Exhibits "R-9" to "R-11." However, the Court denied admission of Exhibits "R-6" to "R-8."

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31 *Id.* at 575, Resolution dated February 28, 2024.
32 *Id.*
33 *Id.* at 586–597.
34 Docket – Vol. I, pp. 324–330, Exhibit "P-7", Amended Judicial Affidavit.
35 Docket – Vol. II, pp. 577–579, Minutes of the hearing held on March 5, 2024; 581–582, Order dated March 5, 2024.
36 *Id.* at 598–603.
37 *Id.* at 646–649, 652–655.
38 *Id.* at 663–664, Resolution.
39 *Id.* at 668–675.
40 *Id.* at 686–687, Resolution.
41 *Id.* at 690, Notice of Resetting dated October 14, 2024.
42 *Id.* at 702–703, Resolution dated January 20, 2025.
43 Docket – Vol. I, pp. 452–459, Exhibit "R-12", Judicial Affidavit of Dominic L. Garcia.

On January 28, 2025, petitioner filed a *Motion to Allow the Petitioner to Present Rebuttal Evidence*,[44] to which respondent filed a *Comment (To Petitioner's Motion to Allow the Petitioner to Present Rebuttal Evidence dated January 28, 2025)*[45] on February 25, 2025. Thereafter, the Court granted petitioner's *Motion to Allow the Petitioner to Present Rebuttal Evidence* and noted the attached *Supplemental Judicial Affidavit of Neil Ian Parentela*.[46]

During the presentation of petitioner's rebuttal evidence, petitioner recalled Mr. Parentela to the witness stand.[47] The parties stipulated on Exhibits "P-7" to "P-9", including sub-markings.[48] Petitioner thereafter orally offered Exhibits "P-7", "P-8", "P-9", "P-9-a", "P-9-b", "P-9-c", "P-10" and "P-11". With no objection from respondent, the Court admitted Exhibits "P-7" to "P-11", including sub-markings. Consequently, the parties were given 30 days, or until July 3, 2025, to file their respective memoranda. [49]

Petitioner filed its *Memorandum* on July 3, 2025,[50] while respondent filed his *Memorandum* on July 4, 2025.[51]

On August 11, 2025, this case was submitted for decision.[52]

THE ISSUES

As stipulated by the parties, the issues for the Court's resolution are:

1. Whether or not the LOA, MO, and WSD are null and void;
2. Whether or not the BOC has jurisdiction over the seized items;
3. Whether or not the Court has jurisdiction over the instant case; and

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44 *Id.* at 714–716.
45 *Id.* at 737–739.
46 *Id.* at 747, Notice of Resolution dated March 28, 2025.
47 *Id.* at 781–783, Order dated June 3, 2025.
48 *Id.* at 782.
49 *Id.*
50 *Id.* at 801–808.
51 *Id.* at 786–797.
52 *Id.* at 814, Notice of Resolution.

4. Whether or not the goods/items found at petitioner's warehouses are liable for forfeiture pursuant to Section 1113 of the Customs Modernization and Tariff Act (CMTA).[53]

Petitioner's arguments

Petitioner assails the validity of the LOA, MO, WSD and the ensuing forfeiture of assorted goods found in Warehouse B15 L5 located at Golden Sun 999 Industrial Park, San Simon, Pampanga.

Petitioner argues that the LOA and MO are void for vagueness as they failed to specify the precise task, the correct warehouse, the offense allegedly violated, and the specific goods to be searched and seized. Petitioner further contends that the sketch plan used was erroneous and that no prior coordination was made with the barangay concerned.

Petitioner likewise argues that the BOC lacked jurisdiction over the seized goods because these consisted of locally purchased raw materials (*e.g.*, tawas, salt, chlorine, muriatic acid, kalamansi, oxalic acid, empty bottles and sacks); long-owned used machines and accessories; and finished dishwashing products manufactured in the Philippines. According to petitioner, these items do not constitute "imported goods" and were not under customs custody.

Petitioner further claims that its right to due process was violated due to the absence of a complainant/witness, the lack of an inventory/return of the WSD, and the continued padlocking of its warehouse. Citing constitutional protections against unreasonable searches and seizures and jurisprudence, petitioner prays that the Court reverse the District Collector's *Decision* dated December 1, 2022 and the COC's *Resolution* dated March 9, 2023; quash the WSD dated July 12, 2022; order the opening of the warehouse; and direct the return of the seized items found in B15 L5, allegedly valued at ₱80,000.00.

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[53] *Id.* at 540, JSFI, Issues; 591, Pre-Trial Order, IV. Issue/s To Be Tried or Resolved.

Respondent's arguments

Respondent contends that the LOA dated June 8, 2022 and MO No. 06-09-2022-337 authorized a composite team to inspect petitioner's warehouse pursuant to Section 224 of the CMTA. According to respondent, the team served the LOA on June 10, 2022 and discovered in Warehouse B10 L18 multiple textile rolls and foams bearing famous marks (*e.g.*, Hello Kitty, Paul Frank, Louis Vuitton, Mickey Mouse, One Piece, Adidas, Cocomelon), and in Warehouse B15 L5 assorted dishwashing liquids, lubricants, beads, pendants, used machines, plastic bottles, tissue/alcohol bottles, motorcycle accessories, and chemicals.

Respondent asserts that the team demanded proof of payment of duties and taxes and that petitioner, as the purported owner of the goods, failed to produce valid receipts within the 15-day period prescribed under Section 224 of the CMTA.

Respondent further states that, on July 12, 2022, the District Collector issued the WSD; hearings ensued, and petitioner filed its Position Paper and Reply. The District Collector and, on appeal, the COC both ordered forfeiture under Sections 224 and 1113 of the CMTA.

Accordingly, respondent argues that the items found in Warehouse B15 L5 were lawfully forfeited because petitioner failed to present proof of local purchase and payment of duties and taxes within the prescribed period; hence, the instant *Petition for Review* should be denied.

THE COURT'S RULING

The Petition for Review was timely filed.

Before addressing the substantive issues, the Court must first determine whether it has jurisdiction over the instant *Petition for Review*.

Under Section 7(a)(4) of Republic Act (RA) No. 1125, as amended by RA No. 9282, the Court of Tax Appeals (CTA) has exclusive appellate jurisdiction to review decisions of the COC in cases involving seizure or forfeiture of property:

> SEC. 7. *Jurisdiction.* - The CTA shall exercise:
>
> a. Exclusive appellate jurisdiction to review by appeal, as herein provided:
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> . . . .
>
> 4. **Decisions of the Commissioner of Customs in cases involving** liability for customs duties, fees or other money charges, **seizure**, detention or release of property affected, fines, **forfeitures** or other penalties in relation thereto, or other matters arising under the Customs Law or other laws administered by the Bureau of Customs[.] (Emphasis supplied)

This jurisdictional grant is echoed in Section 3(a)(4), Rule 4 of the Revised Rules of the Court of Tax Appeals (RRCTA).[54]

In forfeiture cases, an aggrieved party may appeal the decision of the District Collector to the COC within 15 days from receipt thereof. Thereafter, a party adversely affected by the decision of the COC may seek judicial review before this Court by filing a Petition for Review within 30 days from receipt of the assailed decision or ruling.

The governing provisions are Sections 1126 and 1136 of the CMTA, in relation to Sections 3(a) and 4(a), Rule 8 of the RRCTA, which provide:

> SEC. 1126. *Appeal to the Commissioner.* – **In forfeiture cases, the person aggrieved by the decision of a District Collector may, within fifteen (15) days** or five (5) days in case of perishable goods, from receipt of the decision, **file a written notice of appeal, together with the required appeal fee to the District Collector, furnishing a copy to the Commissioner. The District Collector shall immediately transmit all the records of the proceedings to the**

[54] SEC. 3. *Cases within the jurisdiction of the Court in Division.* – The Court in Division shall exercise:

(a) Exclusive original or appellate jurisdiction to review by appeal the following:

. . .

(4) **Decisions of the Commissioner of Customs in cases involving** liability for customs duties, fees or other money charges, **seizure**, detention or release of property affected, fines, **forfeitures** or other penalties in relation thereto, or other matters arising under the Customs Law or other laws administered by the Bureau of Customs[.] (Emphasis supplied)

> **Commissioner, who shall review and decide on the appeal within thirty (30) days from receipt of the records**, or fifteen (15) days in the case of perishable goods: *Provided,* That if within thirty (30) days, no decision is rendered, the decision of the District Collector under appeal shall be deemed affirmed. An appeal filed beyond the period herein prescribed shall be dismissed. (Emphasis supplied)
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> SEC. 1136. *Review by the CTA.* – Unless otherwise provided in this Act or by any other law, **the party aggrieved by the ruling or decisions of the Commissioner may appeal to the CTA, in the manner and within the period prescribed by law and regulations**. Decisions of the Secretary of Finance when required by this Act, may likewise be appealed to the CTA.
>
> Unless an appeal is made to the CTA in the manner and within the period prescribed by law and regulations, the ruling or decision of the Commissioner or the Secretary of Finance shall be final and executory. (Emphasis supplied)
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> RULE 8
> PROCEDURE IN CIVIL CASES
>
> SEC. 3. *Who may appeal; period to file petition.* – (a) **A party adversely affected** by a decision, ruling or the inaction of the Commissioner of Internal Revenue on disputed assessments or claims for refund of internal revenue taxes, or **by a decision or ruling of the Commissioner of Customs, ... may appeal to the Court by petition for review filed within thirty days after receipt of a copy of such decision or ruling**, ... (Emphasis supplied)
>
> SEC. 4. *Where to appeal; mode of appeal.* – (a) **An appeal from** a decision or ruling or the inaction of the Commissioner of Internal Revenue on disputed assessments or claim for refund of internal revenue taxes erroneously or illegally collected, **the decision or ruling of the Commissioner of Customs**, ... , **shall be taken to the Court by filing before it a petition for review as provided in Rule 42 of the Rules of Court. The Court in Division shall act on the appeal.** (Emphasis supplied)

Applying the foregoing provisions, the Court finds that the instant *Petition for Review* was timely filed.

Records show that petitioner received the assailed *Decision* of the District Collector on December 6, 2022.[55] Within the 15-day period prescribed under Section 1126 of the CMTA,

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[55] *Id.* at 539–540, *Amended Joint Stipulations of Facts and Issues* (Amended JSFI), Summary of Admitted Facts, par. 7; 590, Pre-Trial Order, III. Admitted Facts and Stipulation of Facts, par. 7.

petitioner filed its Notice of Appeal[56] and Memorandum of Appeal[57] before the COC on December 16, 2022. The appeal was subsequently resolved by the COC through the assailed *Resolution*, a copy of which petitioner received on March 13, 2023.[58]

Pursuant to Section 1136 of the CMTA, in relation to Sections 3(a) and 4(a), Rule 8 of the RRCTA, petitioner had 30 days from receipt of the assailed *Resolution*, or until **April 12, 2023**, to file a *Petition for Review* before this Court.

The records further show that petitioner filed the instant *Petition for Review* on **April 12, 2023**, well within the reglementary period. Accordingly, this Court validly acquired jurisdiction over the present case.

The LOA, MO, and WSD were validly issued and complied with the CMTA and its implementing issuances.

Petitioner assails the validity of the LOA, MO, and WSD, arguing that these issuances were vague and failed to sufficiently identify the warehouse to be inspected, the goods to be searched and seized, and the particular violation allegedly committed.

The contention lacks merit.

Section 224 of the CMTA expressly authorizes the COC, or customs officers duly authorized in writing by the COC, to demand proof of payment of duties and taxes on imported goods openly offered for sale or kept in storage. Should the interested party fail to produce such proof within 15 days from demand, the goods may be seized and subjected to forfeiture proceedings, thus:

> SEC. 224. *Power to Inspect and Visit.* – The Commissioner or any customs officer who is authorized in writing by the Commissioner, may demand evidence of payment of duties and taxes on imported goods openly for sale or kept in storage. **In the event that the interested party**

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[56] BOC Records, pp. 23–26.
[57] *Id.* at 27–35.
[58] Docket – Vol. I, p. 7, *Petition for Review*, Timeliness of the Petition, par. 1; BOC Records, p. 8, LBC Express, Inc. Official Receipt No. PRT0121863 with tracking number 1272 0036 4181.

> **fails to produce such evidence within fifteen (15) days, the goods may be seized and subjected to forfeiture proceedings**: *Provided,* That **during the proceedings, the interested party shall be given the opportunity to prove or show the source of the goods and the payment of duties and taxes thereon**: *Provided, further,* That when the warrant of seizure has been issued but subsequent documents presented evidencing proper payment are found to be authentic and in order, the District Collector shall, within fifteen (15) days from the receipt of the motion to quash or recall the warrant, cause the immediate release of the goods seized, subject to clearance by the Commissioner: *Provided, finally,* That the release thereof shall not be contrary to law. (Emphasis supplied)

Corollary thereto, Customs Administrative Order (CAO) No. 10-2020,[59] which implements, among others, Section 224 of the CMTA, defines and regulates the concept of "constructive customs custody." Under Section 3.5 thereof, **constructive customs custody** exists when, after an inventory conducted pursuant to a Letter of Authority (LOA), customs officers and the owner of the goods enter into a written agreement that the goods shall not be removed or disposed of pending the resolution of the issue of whether the proper duties and taxes have been paid.[60]

Complementing this provision, Section 5 of CAO No. 10-2020 provides that, upon lawful demand by the COC or an authorized customs officer, the owner or possessor of imported goods is given **15 days** within which to present and establish: (a) proof of payment of the correct duties and taxes or exemption therefrom; (b) proof of local purchase and payment of the correct duties and taxes by the original importer; or (c) proof that the goods were locally produced or manufactured. During such period, the goods are placed under constructive customs custody. Should the interested party fail to produce the required evidence within 15 days, the goods become subject to seizure and forfeiture proceedings.[61]

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[59] Seizure and Forfeiture Proceedings and Appeals Process, May 11, 2020.

[60] SEC. 3. *Definition of Terms.* For purposes of this CAO, the following terms are defined accordingly:

. . . .

> 3.5. *Constructive Customs Custody* — shall refer to the situation where, falling short of physical seizure or possession, the Customs Officers and the owner of the goods enter into a written agreement after the inventory to the effect that the goods, subject of a Letter of Authority (LOA), shall not be removed or disposed of pending disposition or resolution on the issue of whether proper payment of duties and taxes has been made.

[61] SEC. 5. *Seizure and Forfeiture of Imported Goods Pursuant to the Commissioner's Power to Inspect and Visit.* — The Commissioner or any customs officer who is authorized in writing by the Commissioner, may demand evidence of payment of duties and taxes on imported goods openly for sale or kept in storage.

CAO No. 10-2020 further recognizes that, even after the issuance of a Warrant of Seizure and Detention (WSD), seized goods may still be released under certain circumstances. In particular, the claimant may avail of **voluntary payment of duties and taxes**, provided that proof of local purchase is presented. Absent such proof, the claimant is presumed to be the importer of the goods in his possession, subject to the conditions and exceptions provided under the Order.[62]

In the present case, the inspection that led to seizure was carried out pursuant to a valid LOA and MO, both of which were issued and signed by then Customs Commissioner Rey Leonardo B. Guerrero on June 8, 2022. Following the inventory of the goods found in Warehouse B15 L5, petitioner was required to submit proof of payment of duties and taxes within 15 days; but petitioner failed to do so.

Thereafter, the District Collector validly issued the WSD and conducted hearings prior to forfeiture.

While petitioner assails the LOA and MO for their alleged lack of specificity, neither the CMTA nor CAO No. 03-2019[63] requires an LOA[64] or an MO[65] to enumerate every item suspected of having been imported without payment of duties and taxes, or to identify the specific offense at the time of inspection. Rather, these issuances serve to authorize customs officers to conduct inspections and to demand proof of payment

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5.1. Presentation of the Proof of Payment of Duties and Taxes within the fifteen (15)-day period. During the said period, the goods shall be placed under Constructive Customs Custody provided that the same may be released if any of the following documents are presented and verified:
5.1.1. Proof of payment of correct duties and taxes or proof of exemption from payment of duties and taxes;
5.1.2. Proof of local purchase and payment of correct duties and taxes by the original importer; or
5.1.3. Proof that the goods were locally produced or manufactured.
In the event that the interested party fails to produce such evidence within the said fifteen (15)-day period, the goods shall be seized and subjected to forfeiture proceedings.

62 SEC. 5. *Seizure and Forfeiture of Imported Goods Pursuant to the Commissioner's Power to Inspect and Visit.* —
....
5.2. A Warrant of Seizure and Detention has been issued.
5.2.1. The goods seized may be released to the owner under the following circumstances:
....
d. Voluntary payment of duties and taxes, provided that claimant presented a proof of local purchase.

If the owner cannot present proof of local purchase, it is presumed that he is the importer of the goods in his possession. However, if the owner can overcome such presumption provided that all the conditions stated in Section 14.4 of this Order are complied with, the goods may be released provided that an offer to settle the case by payment of the redemption value of the goods shall have been made and accepted.

63 Customs Jurisdiction and Exercise of Police Authority, April 1, 2019.

64 *Id.*, 3.18. Letter of Authority (LOA) — shall refer to a written authorization signed by the Commissioner of Customs in the exercise of the power to visit and inspect premises and goods, identifying the Customs Officers authorized to demand evidence of payment of duties and taxes on imported goods openly offered for sale or kept in storage

65 *Id.*, 3.19. Mission Order (MO) — shall refer to the written directive or order issued by the Commissioner of Customs or other Customs Officer authorized in writing by the Commissioner, to carry out specific instructions given to any Customs Officer, or any deputized officer who must be a government employee holding regular plantilla position.

of duties and taxes on imported goods openly offered for sale or kept in storage.

Moreover, the procedural sufficiency of the LOA and MO, coupled with petitioner's opportunity to contest the seizure before both the District Collector and the COC, which it exercised by filing pleadings and participating in hearings, negates any claim of due process infirmity.

The BOC has jurisdiction over the subject goods.

The BOC's jurisdiction over imported goods is not confined to customs ports. Jurisprudence consistently holds that importation is deemed terminated only upon payment of the proper duties and taxes and the lawful release of the goods.[66] Until such termination, goods remain subject to customs jurisdiction even if found in warehouses or commercial premises outside the customs zone.[67]

This doctrine is operationalized under CAO No. 10-2020, which places goods inspected under Section 224 of the CMTA under constructive customs custody during the 15-day period given to the owner or possessor to present proof of payment of duties and taxes, proof of local purchase, or proof that the goods were locally produced or manufactured. Failure to present any of these documents within the prescribed period renders the goods subject to seizure and forfeiture proceedings.[68]

Further, CAO No. 03-2019 clarifies that customs jurisdiction extends to suspected smuggled goods "found anywhere in the Philippines,"[69] subject to the applicable rules on deputization and the exercise of police authority.

In *Papa v. Mago (Mago),*[70] the Supreme Court recognized persons with police authority under the Tariff and Customs Code to search warehouses and vehicles, distinct from dwelling

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[66] *Papa v. Mago*, G.R. No. 27360, February 28, 1968 [Per J. Zaldivar, *En Banc*], cited in *Viduya v. Berdiago*, G.R. No. 29218, October 29, 1976 [Per J. Fernando, Second Division] and *General Travel Service, Ltd. v. David*, G.R. No. 19259, September 23, 1966 [Per J. Makalintal, *En Banc*].

[67] *Id.*

[68] Sec. 5, CAO No. 10-2020.

[69] SEC. 1. *Scope.* — This CAO covers the exercise of customs jurisdiction and control over the following:

....

1.2 Suspected smuggled goods and prohibited importation and goods intended for exportation, found anywhere in the Philippines[.]

[70] G.R. No. 27360, February 28, 1968 [Per J. Zaldivar, *En Banc*].

houses, without a judicial warrant and affirmed the BOC's jurisdiction over goods where importation remained incomplete.

In this case, petitioner failed to demonstrate the lawful termination of the importation. Accordingly, the BOC properly exercised jurisdiction over the subject goods.

Petitioner's main defense—that the items in Warehouse B15 L5 are locally sourced or long-owned—demands documentary substantiation within the 15-day period under Section 224 of the CMTA or through voluntary payment procedures recognized in Section 5 of CAO No. 10-2020 where proof of local purchase or payment of correct duties and taxes is unavailable. The record shows that petitioner failed to submit valid receipts or proof of payment of duties and taxes within the prescribed period, prompting the issuance of the WSD and eventual forfeiture.

Indeed, petitioner's bare assertion of local purchase, unsupported by competent documentary evidence such as official receipts or proof of tax payment, failed to rebut the imported nature of the goods in question.

The forfeiture of the subject goods was proper under Section 224, instead of Section 1113, of the CMTA.

Section 224 operates independently from fraud-based seizure provisions under Section 1113[71] of the CMTA. For

[71] SEC. 1113. *Property Subject to Seizure and Forfeiture.* – Property that shall be subject to seizure and forfeiture include:
(a) Any vehicle, vessel or aircraft, including cargo, which shall be used unlawfully in the importation or exportation of goods or in conveying or transporting smuggled goods in commercial quantities into or from any Philippine port or place. The mere carrying or holding on board of smuggled goods in commercial quantities shall subject such vehicle, vessel, aircraft, or any other craft to forfeiture: Provided, That the vehicle, vessel, aircraft or any other craft is not used as a common carrier which has been chartered or leased for purposes of conveying or transporting persons or cargo;
(b) Any vessel engaging in the coastwise trade which shall have on board goods of foreign growth, produce, or manufacture in excess of the amount necessary for sea stores, without such goods having been properly entered or legally imported;
(c) Any vessel or aircraft into which shall be transferred cargo unloaded contrary to law prior to the arrival of the importing vessel or aircraft at the port of destination;
(d) Any part of the cargo, stores, or supplies of a vessel or aircraft arriving from a foreign port which is unloaded before arrival at the vessel's or aircraft's port of destination and without authority from the customs officer; but such cargo, ship, or aircraft stores and supplies shall not be forfeited if such unloading was due to accident, stress of weather, or other necessity and is subsequently approved by the District Collector;
(e) Goods which are fraudulently concealed in or removed contrary to law from any public or private warehouse, container yard, or container freight station under customs supervision;

forfeiture to attach under Section 224, it is sufficient that imported goods are found openly offered for sale or stored and that the possessor fails to present proof of payment of duties and taxes within the period prescribed by law. This construction is consistent with CAO No. 10-2020, which expressly recognizes forfeiture in such circumstances. Requiring proof of fraud would unduly circumscribe the preventive and regulatory nature of the customs police power[72] under the CMTA, as implemented by CAO No. 03-2019.

As earlier discussed, Section 224 of the CMTA empowers the COC and customs officers authorized in writing to inspect business premises and demand proof of payment of duties and taxes on imported goods openly offered for sale or kept in storage. Upon the failure of the interested party to produce such proof within 15 days from lawful demand, the goods may be seized and subjected to forfeiture proceedings.

This authority is consistent with the long-recognized scope of customs police power in furtherance of revenue protection and the suppression of smuggling. In *Mago*,[73] the Supreme Court upheld the authority of customs officers exercising police powers to conduct searches and seizures in the enforcement of customs laws and categorically held:

(f) Goods, the importation or exportation of which are effected or attempted contrary to law, or any goods of prohibited importation or exportation, and all other goods which, in the opinion of the District Collector, have been used, are or were entered to be used as instruments in the importation or the exportation of the former;
(g) Unmanifested goods found on any vessel or aircraft if manifest therefor is required;
(h) Sea stores or aircraft stores adjudged by the District Collector to be excessive, when the duties and taxes assessed by the District Collector thereon are not paid or secured forthwith upon assessment of the same;
(i) Any package of imported goods which is found upon examination to contain goods not specified in the invoice or goods declaration including all other packages purportedly containing imported goods similar to those declared in the invoice or goods declaration to be the contents of the misdeclared package;
(j) Boxes, cases, trunks, envelopes, and other containers of whatever character used as receptacle or as device to conceal goods which are subject to forfeiture under this Act or which are so designed as to conceal the character of such goods;
(k) Any conveyance actually used for the transport of goods subject to forfeiture under this Act, with its equipage or trappings, and any vehicle similarly used, together with its equipment and appurtenances. The mere conveyance of smuggled goods by such transport vehicle shall be sufficient cause for the outright seizure and confiscation of such transport vehicle but the forfeiture shall not be effected if it is established that the owner of the means of conveyance used as aforesaid, is engaged as common carrier and not chartered or leased, or that the agent in charge thereof at the time, has no knowledge of the unlawful act; and
(l) Goods sought to be imported or exported:
(1) Without going through a customs office, whether the act was consummated, frustrated, or attempted;
(2) Found in the baggage of a person arriving from abroad and undeclared by such person;
(3) Through a false declaration or affidavit executed by the owner, importer, exporter, or consignee concerning the importation of such, goods;
(4) On the strength of a false invoice or other document executed by the owner, importer, exporter, or consignee concerning the importation or exportation of such goods; or
(5) Through any other practice or device contrary to law by means of which such goods entered through a customs office to the prejudice of the government.

[72] See *Commissioner of Customs v. Makasiar, et al.*, G.R. No. 79307, August 29, 1989 [Per J. Cortes, Third Division].
[73] *Papa v. Mago*, G.R. No. L-27360, February 28, 1968 [Per J. Zaldivar, En Banc].

> It is our considered view, therefore, that except in the case of the search of a dwelling house, persons exercising police authority under the customs law may effect search and seizure without a search warrant in the enforcement of customs laws.

Although *Mago* was decided under the former Tariff and Customs Code, its underlying rationale remains applicable under the CMTA. Indeed, Section 219 of the CMTA expressly authorizes persons exercising customs police authority to enter, pass through, and search warehouses, stores, buildings, and other non-dwelling premises. Thus, the doctrine recognized in *Mago* is not only consistent with, but is substantially reflected in, the current customs framework.

Moreover, forfeiture proceedings are proceedings *in rem*, directed against the goods themselves.[74] Consequently, the burden of proof rests upon the claimant to establish the lawful importation and payment of duties and taxes, or that the goods are locally produced or validly acquired with their duties and taxes duly paid.[75] This principle is now codified in Section 1123[76] of the CMTA and has been consistently applied in jurisprudence.[77]

Again, petitioner's claims of local purchase and local manufacture are unsupported by documentary evidence.

First, the delivery receipts[78] and sales invoices[79] do not comply with the invoicing requirements prescribed by law[80] and

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[74] *The Commissioner of Customs v. Manila Star Ferry, Inc.*, G.R. Nos. 31776-78, October 21, 1993 [Per J. Quiason, First Division]; *Acting Commissioner of Customs v. Court of Tax Appeals*, G.R. No. 62636, April 27, 1984 [Per J. Melencio-Herrera, First Division].

[75] See *Agriex Co., Ltd. v. Villanueva*, G.R. No. 158150, September 10, 2014 [Per J. Bersamin, First Division]; *Carrara Marble Philippines, Inc. v. Commissioner of Customs*, G.R. No. 129680, September 1, 1999 [Per C.J. Davide, Jr., First Division].

[76] SEC. 1123. *Burden of Proof in Forfeiture Proceedings.* – In all proceedings for the forfeiture of any vehicle, vessel, aircraft, or goods under this Act, the burden of proof shall be borne by the claimant.

[77] *Bureau of Customs v. Devanadera*, G.R. No. 193253, September 8, 2015 [Per J. Peralta, *En Banc*]; *Agriex Co., Ltd. v. Villanueva*, G.R. No. 158150, September 10, 2014 [Per J. Bersamin, First Division]

[78] Docket – Vol. II, p. 631, Exhibit "P-5"; BOC Records, p. 63.

[79] Docket – Vol. II, pp. 632–641, Exhibit "P-5-A" to "P-5-J"; BOC Records, pp. 64–73.

[80] Sections 113, 237(A) & 238 of the NIRC of 1997, as amended, state:
SEC. 113. *Invoicing and Accounting Requirements for VAT-Registered Persons.* -
(A) Invoicing Requirements. - A VAT-registered person shall issue a VAT invoice for every sale, barter, exchange, or lease of goods or properties and for every sale, barter or exchange of services: *Provided*, That a digital sales or commercial invoice shall be issued for every sale, barter, or exchange of digital services made by a VAT-registered nonresident digital service provider.

(B) Information Contained in the VAT Invoice. - The following information shall be indicated in the VAT invoice:
(1) **A statement that the seller is a VAT-registered person, followed by the seller's Taxpayer's Identification Number;**
(2) The total amount which the purchaser pays or is obligated to pay to the seller with the indication that such amount includes the value-added tax: Provided, That:

the pertinent regulations[81] of the Bureau of Internal Revenue. They do not contain the required details such as the seller's

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(a) **The amount of the tax shall be shown as a separate item in the invoice;**
(b) If the sale is exempt from value-added tax, the term **VAT-exempt sale** shall be written or printed on the invoice;
(c) If the sale is subject to zero percent (0%) value-added tax, the term **'*zero-rated sale*'** shall be written or printed on the invoice.
(d) If the sale involves goods, properties or services some of which are subject to and some of which are VAT zero-rated or VAT exempt, the invoice shall clearly indicate the **break-down of the sale price between its taxable, exempt and zero-rated components, and the calculation of the value-added tax on each portion of the sale shall be shown on the invoice**: Provided, That the seller may issue separate invoices for the taxable, exempt, and zero-rated components of the sale.
(3) The date of transaction, quantity, unit cost and description of the goods or properties or nature of the service; and
(4) In the case of **sales in the amount of One thousand pesos (P1,000) or more where the sale or transfer is made to a VAT-registered person, the name, address and** Taxpayer **Identification Number of the purchaser, customer or client.** (Emphasis supplied)

SEC. 237. *Issuance of Sales or Commercial Invoices.* –
(A) *Issuance.* - All persons subject to an internal revenue tax shall, at the point of each sale and transfer of merchandise or for services rendered valued at Five hundred pesos (Php500.00) or more, **issue duly registered sale or commercial invoices, showing the** name, **Taxpayer Identification Number**, date of transaction, quantity, unit cost and description of merchandise or nature of service: Provided, That the amount herein stated shall be adjusted to its present values every three (3) years using the consumer price index, as published by the Philippine Statistics Authority: Provided, further, That the seller shall issue sale or commercial invoices when the buyer so requires regardless of the amount of transaction: Provided, however, That if the sales amount per transaction is below the threshold, the seller will issue one (1) invoice for the aggregate sales amount for such sales at the end of the day: Provided, further, That the aggregate sales amount at the end of the day is at least Five hundred pesos (Php500.00): Provided, finally, That VAT-registered persons shall issue duly registered sale or commercial invoices regardless of the amount of the sale and transfer of merchandise or for services rendered." (Emphasis supplied)

SEC. 238. *Printing of Sales or Commercial Invoices.* - All persons who are engaged in business shall secure free of charge from the Bureau of Internal Revenue an authority to print sales or commercial invoices before a printer can print the same.

No authority to print sales or commercial invoices shall be granted unless **the invoices** to be printed **are serially numbered and shall show**, among other things, the name, **Taxpayer Identification Number** and business address of the person or entity to use the same, **and such other information that may be required by rules and regulations to be promulgated by the Secretary of Finance, upon recommendation of the Commissioner**. (Emphasis supplied)

[81] Section 4.113-1 of Revenue Regulations No. 16-2005 (Consolidated Value-Added Tax Regulations of 2005) states:
SEC. 4.113-1. *Invoicing Requirements.* —
(A) A VAT-registered person shall issue: —
(1) A VAT invoice for every sale, barter or exchange of goods or properties; and
(2) A VAT official receipt for every lease of goods or properties, and for every sale, barter or exchange of services.

Only VAT-registered persons are required to print their TIN followed by the word "VAT" in their invoice or official receipts. Said documents shall be considered as a "VAT Invoice" or VAT official receipt. All purchases covered by invoices/receipts other than VAT Invoice/VAT Official Receipt shall not give rise to any input tax.

VAT invoice/official receipt shall be prepared at least in duplicate, the original to be given to the buyer and the duplicate to be retained by the seller as part of his accounting records.

(B) *Information contained in VAT invoice or VAT official receipt.* — The following information shall be indicated in VAT invoice or VAT official receipt:
(1) A statement that the seller is a VAT-registered person, followed by his TIN;
(2) The total amount which the purchaser pays or is obligated to pay to the seller with the indication that such amount includes the VAT; Provided, That:
(a) The amount of tax shall be shown as a separate item in the invoice or receipt;
(b) If the sale is exempt from VAT, the term "VAT-exempt sale" shall be written or printed prominently on the invoice or receipt;
(c) If the sale is subject to zero percent (0%) VAT, the term "zero-rated sale" shall be written or printed prominently on the invoice or receipt;
(d) If the sale involves goods, properties or services some of which are subject to and some of which are VAT zero-rated or VAT-exempt, the invoice or receipt shall clearly indicate the break-down of the sale price between its taxable, exempt and zero-rated components, and the calculation of the VAT on each portion of the sale shall be shown on the invoice or receipt. The seller has the option to issue separate invoices or receipts for the taxable, exempt, and zero-rated components of the sale.

Taxpayer Identification Number (TIN), VAT registration status, and the required VAT breakdown. As such, they cannot be considered valid sales or commercial invoices issued in the ordinary course of business.

Second, the delivery receipts do not indicate the complete names and addresses of the sender and recipient. More importantly, by their very nature, delivery receipts merely acknowledge the transfer or delivery of goods; they do not establish ownership, purchase, or payment. They are not substitutes for official receipts or duly compliant sales invoices and, therefore, have no evidentiary value in establishing a legitimate or local acquisition.

Third, even assuming that the documents reflect actual transactions, they do not sufficiently establish that the goods were locally manufactured or acquired from domestic sources. Neither do they negate the possibility that the goods were unlawfully imported.

Absent competent proof of local purchase or local manufacture, such as official receipts,[82] petitioner failed to

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(3) In the case of sales in the amount of one thousand pesos (P1,000.00) or more where the sale or transfer is made to a VAT-registered person, the name, business style, if any, address and TIN of the purchaser, customer or client, shall be indicated in addition to the information required in (1) and (2) of this Section.

82 TSN, Neil Ian D. Parentela, March 5, 2024, pp. 18–20:

PRESIDING JUSTICE ROMAN G. DEL ROSARIO:

...

You were saying that the raw materials that were confiscated from petitioner were actually purchased from certain Pacheco Trading. Do you remember that? Yes. Please answer.

MR. NEIL IAN D. PARENTELA:
A. Yes, Your Honors.

PRESIDING JUSTICE ROMAN G. DEL ROSARIO:
And your proof of purchase would be the Delivery Receipts. Is that it?

MR. NEIL IAN D. PARENTELA:
A. Yes, Your Honors.

PRESIDING JUSTICE ROMAN G. DEL ROSARIO:
So, there is no Official Receipt?

MR. NEIL IAN D. PARENTELA:
A. No, Your Honors.

PRESIDING JUSTICE ROMAN G. DEL ROSARIO:
Is it a regular practice in your office, just to purchase, supposedly, without demanding for a receipt, rather, an Official Receipt?

MR. NEIL IAN D. PARENTELA:
Actually, Your Honors, our product is not yet out in the market, so, we are still purchasing some samples *para ma-check po, kung okay po.*

PRESIDING JUSTICE ROMAN G. DEL ROSARIO:

discharge the burden of proof imposed upon claimants in forfeiture proceedings under Section 1123 of the CMTA.

Petitioner's failure to establish the local origin of the goods, or to present proof of payment of the corresponding duties and taxes, left unrebutted the basis for the seizure and forfeiture proceedings initiated under Section 224 of the CMTA. Hence, the Court finds petitioner's reliance on defective and non-compliant sales invoices and delivery receipts misplaced. Not only are these documents non-compliant with applicable invoicing requirements, but **they are also insufficient to prove lawful acquisition, local manufacture, or payment of the proper duties and taxes.** As such, they cannot overcome the presumption of regularity accorded to customs seizure and forfeiture proceedings.

Petitioner's reliance on constitutional protections against unreasonable searches and seizures is misplaced. As discussed, the Supreme Court in *Mago* recognized the validity of warrantless customs searches of warehouses and other non-dwelling premises in the enforcement of customs laws. Here, the inspection was conducted pursuant to a duly issued LOA and MO and was undertaken within the scope of the customs officers' lawful authority. Consequently, the inspection and the ensuing seizure and forfeiture proceedings cannot be deemed violative of petitioner's constitutional rights.

In fine, petitioner failed to present competent and credible evidence establishing the lawful acquisition, local manufacture, or lawful importation of the seized goods. Accordingly, the Court finds no factual or legal basis to disturb the seizure and

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No. We are talking here of a purchase. When there is a purchase, ordinarily, there is a confirmation of payment and that is by way of an Official Receipt. A Delivery Receipt (Inaudible) supposedly the receipt of goods but without payment. Meaning, it is possible that the items covered by the Delivery Receipt could have been returned and there was actually no purchase after all. So, other than the Delivery Receipts, there is any other document to confirm that there was an actual purchase of your materials from Pacheco Trading.

MR. NEIL IAN D. PARENTELA:
A. As of now, Your Honors, our purchasing staff is the one who purchase the material. So, I am not the one who (Interrupted).

PRESIDING JUSTICE ROMAN G. DEL ROSARIO:
So, you have no idea?

MR. NEIL IAN D. PARENTELA:
A. Yes. I have no idea.

PRESIDING JUSTICE ROMAN G. DEL ROSARIO:
Yes. But the point is you are trying to establish something here. And if you have no idea, then, in other words, you are not able to confirm the actual purchase. Anyway, thank you for that.

forfeiture proceedings conducted by the BOC, much less to grant the reliefs sought in the *Petition*.

WHEREFORE, premises considered, the *Petition for Review* is hereby **DENIED** for lack of merit. Accordingly, the *Decision* dated December 1, 2022 of the District Collector and the *Resolution* dated March 9, 2023 of the Commissioner of Customs ordering the forfeiture of the seized goods found in Warehouse B15 L5 are hereby **AFFIRMED**.

SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

I CONCUR:

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

JEAN MARIE A. BACORRO-VILLENA
Associate Justice
Acting Chairperson

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, and the Special First Division Acting Chairperson's Attestation, it is hereby certified that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice