REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
MANILA

SERREE INVESTMENT COMPANY,
Petitioner,

- versus -

COMMISSIONER OF CUSTOMS,
Respondent.

C.T.A.
CASES NOS. 938
& 939

x - - - - - - - - - - - - x

D E C I S I O N

The above-entitled cases both relate to importations made by petitioner which were ordered forfeited by the Collector of Customs of Manila for violation of Circulars Nos. 44 and 45 of the Central Bank, in relation to Section 1363(f) of the Administrative Code. On appeal to the Commissioner of Customs, the orders of forfeiture were affirmed, hence the appeal to this Court by petitioner.

In C.T.A. No. 938, petitioner imported from Hongkong 340 packages containing melon seeds and 3 cases containing paper lanterns. As the said shipments were not covered by any release certificate issued by the Central Bank as required by Circulars Nos. 44 and 45 of said Bank, seizure proceedings were instituted for the forfeiture of said goods by virtue of Section 1363(f) of the Administrative Code. Pending seizure proceedings, the goods were released to petitioner upon the filing of the necessary surety bonds. for the sums of ₱7,675.73, ₱18,300.00 and ₱960.00. After hearing, the Collector of Customs of Manila decreed the forfeiture of the goods and ordered petitioner and the

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sureties to pay the aforesaid amounts, jointly and severally.

In C.T.A. No. 939, petitioner imported from Hongkong 75 packages of garlic. This importation was not also covered by a release certificate issued by the Central Bank as required by Circulars Nos. 44 and 45, for which reason seizure proceedings were instituted pursuant to Section 1363(f) of the Administrative Code. Pending the seizure proceedings, the goods were sold at public auction to avoid loss by deterioration. After hearing, the goods were ordered forfeited and the proceeds of the sale accounted for as customs receipt.

Petitioner questions the legality of the forfeiture of the aforesaid importations on three grounds, viz: (1) that the Central Bank has no power to regulate importations which do not involve sales of foreign exchange; (2) that Central Bank Circulars Nos. 44 and 45 are invalid for not having been promulgated in accordance with Republic Act No. 265; and (3) that said circulars of the Central Bank do not authorize the institution of seizure and forfeiture proceedings in case of violation thereof.

The questions raised by petitioner are not new. In several cases decided by the Supreme Court, the latest of which is Pascual v. Commissioner, G. R. No. L-12219, April 25, 1962, the same arguments were rejected as untenable. Therefore, that the Central Bank has authority to regulate importations which do not involve the sale of foreign exchange; that Circulars Nos. 44 and 45 have been validly promulgated; and that goods imported in violation of said circulars are subject to seizure and forfeiture, are not now open to question.

WHEREFORE, the decisions appealed from are hereby affirmed, with costs against petitioner.

SO ORDERED.

Manila, August 13, 1962.

R. M. Umali
ROMAN M. UMALI
Associate Judge

WE CONCUR:

MARIANO NABLE
Presiding Judge

AUGUSTO M. LUCIANO
Associate Judge

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