

**[ BOC MEMORANDUM ORDER NO. 2-2003, January 08, 2003 ]**

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

**I. Objectives**

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

**II. General Provision**

1. 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
2. This is without prejudice to the authority of the Commissioner of Customs to order that closure proceedings be instituted against a CBW.

**III. Procedure**

1. 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.