

## SPECIAL SECOND DIVISION

[ G.R. No. 187425, July 18, 2012 ]

### COMMISSIONER OF CUSTOMS, PETITIONER, VS. AGFHA INCORPORATED, RESPONDENT.

#### R E S O L U T I O N

##### MENDOZA, J.:

For resolution is the Motion for Clarification/Correction<sup>[1]</sup> filed by Agfha Incorporated (*respondent*) praying that the dispositive portion of the March 28, 2011 Decision of the Court be clarified and corrected insofar as the rate of interest on the obligation of the petitioner, Commissioner of Customs (*petitioner*), to respondent is concerned.

Records show that on October 18, 2005, the Second Division of the Court of Tax Appeals (CTA-2D) issued its Resolution<sup>[2]</sup> holding petitioner liable to pay respondent the amount of US\$160,348.08, which represented the value of the subject lost shipment that was seized by petitioner from respondent, payable in Philippine currency and computed at the exchange rate prevailing at the time of actual payment. The dispositive portion of the CTA-2D Resolution reads, as follows:

WHEREFORE, premises considered, respondent Commissioner of Customs' "Motion for Partial Reconsideration" is hereby PARTIALLY GRANTED. The Resolution dated May 17, 2005 is hereby MODIFIED but only insofar as the Court did not impose the payment of the proper duties and taxes on the subject shipment. Accordingly, the dispositive portion of Our Resolution, dated May 17, 2005, is hereby MODIFIED to read as follows:

WHEREFORE, premises considered, the Bureau of Customs is adjudged liable to petitioner AGFHA, Inc. for the value of the subject shipment in the amount of ONE HUNPRED SIXTY THOUSAND THREE HUNDRED FORTY EIGHT and 08/100 US Dollars (US\$160, 348. 08), subject, however, to the payment of the prescribed taxes and duties, at the time of the importation. The Bureau of Customs' liability may be paid in Philippine Currency, computed at the exchange rate prevailing at the time of actual payment, **with legal interests thereon at the rate of 6% per annum computed from February 1993 up to the finality of this Resolution. In lieu of the 6% interest, the rate of legal interest shall be 12% per annum upon finality of this Resolution until the value of the subject shipment is fully paid.**