

**[BC CUSTOMS MEMORANDUM ORDER NO. 33-96,
October 24, 1996]**

**PROCEDURES TO BE FOLLOWED IN THE ISSUANCE AND
UTILIZATION OF CERTIFICATES OF BALANCE (COB)**

I

Objectives

- 1.1 To secure the advance deposit collection system of the Bureau.
- 1.2 To insure an efficient and systematic issuance of Certificates of Balance.
- 1.3 To monitor and secure the utilization of Certificates of Balance

II

Scope

This Order shall apply only to ports covered by CAO 2-95 on the mandatory payment of Customs duties and taxes through authorized agent banks.

III

General Provisions

3.1 Making of Entries Entitled to (COB)

It shall be the responsibility of the importers/brokers to call the attention of the Bureau that the advance deposit in the IED shall have a balance after application of the duties and taxes payable on the shipment at hand. To do this, the word "SUBJECT TO ISSUANCE OF COB" shall be marked on the empty space at the bottom of the IEIRD.

3.2 Segregation of Market Entries at the Collection Division

The OLRS operator shall segregate all entries marked as in 3.1 above after the lifting of duty stop and forward the same to the Chief of Collection Division for issuance of COB.

3.3 Issuance of Certificates of Balance

3.3.1 Issuing Authority — It shall be the responsibility of the Chief of the Collection Division of the port where the IED was first presented for application, to issue/indorse COB on all succeeding shipments covering the same L/C whether they

shall be utilized on the same port or to the other ports. It shall also be his/her responsibility to maintain the computer file of all records of utilization of the particular advance deposit in the IED as well as to secure all original copies of COB and IED until it has been fully utilized.

3.3.2 Automated Certificate of Balance System (ACOBS) — The Chief, Collection Division shall utilize this computer system in issuing COB as well as for validating applications of COB and generation of indorsement.

IV

Operational Provisions

4.1 The Receiving Clerk shall forward the entry documents to the AMPP Clerk for the processing of entry for first partial application (original copy of IED attached to the entry) or to the Chief, Collection Division for succeeding applications (COB attached to the entry).

4.2 The AMPP clerks shall process the entry for the first partial application utilizing the Collection Division's AMPP System.

4.3 The PVS clerk shall process the entry for succeeding applications utilizing the Payment Verification System after verification from ACOBS by the Chief, Collection Division.

4.4 The OLRs Unit, after lifting of the duty stop must forward entries to the Chief Collection Division marked as in 3.2 above for the issuance of COB utilizing ACOBS. The original copy of the COB shall be given to the importer which the duplicate copy shall be kept in suspense file together with the original and triplicate copies of the IED until its full utilization.

4.5 For succeeding applications, the importer/broker shall proceed to the Chief Collection Division who issued the COB and present the original copy of the COB for validation and issuance of indorsement.

4.6 Machine Validation of IEIRD

4.6.1 When an IEIRD is presented to the Chief, Collection Division by the importer/broker for application of COB, the entry must be machine validated with the following information on the Free Disposal Portion of the IEIRD after verification from ACOBS.

COB Reference Number
Date of COB
Amount being applied

4.6.2 The Chief, Collection Division must then sign on top of his/her printed name below the machine validated amount.

4.7 Presentation of COB to AAB when the amount in the COB is less than the total duties and taxes payable per IEIRD.