497 Phil. 23

THIRD DIVISION

[G.R. NO. 151857, April 28, 2005]

CALAMBA STEEL CENTER, INC. (FORMERLY JS STEEL CORPORATION), PETITIONER, VS. COMMISSIONER OF INTERNAL REVENUE, RESPONDENT.

D E C I S I O N

PANGANIBAN, J.:

A tax refund may be claimed even *beyond* the taxable year following that in which the tax credit arises. Hence, excess income taxes paid in 1995 that have not been applied to or used in 1996 may still be the subject of a tax refund in 1997, provided that the claim for such refund is filed with the internal revenue commissioner within two years after payment of said taxes. As a caveat, the Court stresses that the recognition of the entitlement to a tax refund does not necessarily mean the automatic payment of the sum claimed in the final adjustment return of the taxpayer. The amount of the claim must still be proven in the normal course.

The Case

Before us is a Petition for Review[1] under Rule 45 of the Rules of Court, assailing the January 10, 2002 Decision[2] of the Court of Appeals (CA) in CA-GR SP No. 58838. The assailed Decision disposed as follows:

> **"IN VIEW OF ALL THE FOREGOING, the instant petition is *DISMISSED* and the assailed Decision and Resolution are *AFFIRMED*. Costs against Petitioner."**[3]

The Facts

Quoting the Court of Tax Appeals (CTA), the CA narrated the antecedents as follows:

> "Petitioner is a domestic corporation engaged in the manufacture of steel blanks for use by manufacturers of automotive, electrical, electronics in industrial and household appliances.
>
> "Petitioner filed an Amended Corporate Annual Income Tax Return on June 4,

1996 declaring a net taxable income of P9,461,597.00, tax credits of P6,471,246.00 and tax due in the amount of P3,311,559.00.

"Petitioner also reported quarterly payments for the second and third quarters of 1995 in the amounts of P2,328,747.26 and P1,082,108.00, respectively.

"It is the proposition of the [p]etitioner that for the year 1995, several of its clients withheld taxes from their income payments to [p]etitioner and remitted the same to the Bureau of Internal Revenue (BIR) in the sum of P3,159,687.00. Petitioner further alleged that due to its income/loss positions for the three quarters of 1996, it was unable to use the excess tax paid for and in its behalf by the withholding agents.

"Thus, an administrative claim was filed by the [p]etitioner on April 10, 1997 for the refund of P3,159,687.00 representing excess or unused creditable withholding taxes for the year 1995. The instant petition was subsequently filed on April 18, 1997.

"Respondent, in his Answer, averred, among others, that:

> '1) Petitioner has no cause of action;
>
> '2) Petitioner failed to comply with the procedural requirements set out in Section 5 of Revenue Regulations No. [(RR)] 12-94;
>
> '3) It is incumbent upon [p]etitioner to prove by competent and sufficient evidence that the tax refund or tax credit being sought is allowed under the National Internal Revenue Code and its implementing rules and regulations; and
>
> '4) Claims for tax refund or tax credit are construed strictly against the taxpayer as they partake the nature of tax exemption.

"To buttress its claim, [p]etitioner presented documentary and testimonial evidence. Respondent, on the other hand, presented the [r]evenue [o]fficer who conducted the examination of [p]etitioner's claim and found petitioner liable for deficiency value added tax. Petitioner also presented rebuttal evidence.

"The sole issue submitted for [o]ur determination is whether or not [p]etitioner is entitled to the refund of P3,159,687.00 representing excess or overpaid income tax for the taxable year 1995."[4]

Ruling of the Court of Appeals

In denying petitioner's refund, the CA reasoned out that no evidence other than that presented before the CTA was adduced to prove that excess tax payments had been made in 1995. From the inception of the case to the formal offer of its evidence, petitioner did not present its 1996 income tax return to disclose its total income tax liability, thus making it difficult to determine whether such excess tax payments were utilized in 1996.

Hence, this Petition.[5]

The Issue

Petitioner raises this sole issue for our consideration:

> "Whether the Court of Appeals gravely erred when, while purportedly requiring petitioner to submit its 1996 annual income tax return to support its claim for refund, nonetheless ignored the existence of the tax return extant on the record the authenticity of which has not been denied or its admissibility opposed by the Commissioner of Internal Revenue."[6]

The Court's Ruling

The Petition is partly meritorious.

Sole Issue:
Entitlement to Tax Refund

Section 69 of the National Internal Revenue Code (NIRC)[7] provides:

> "Sec. 69. Final adjustment return. -- Every corporation liable to tax under Section 24 shall file a final adjustment return covering the total taxable income for the preceding calendar or fiscal year. If the sum of the quarterly tax payments made during the said taxable year is not equal to the total tax due on the entire taxable net income of that year the corporation shall either:
>
> '(a) Pay the excess tax still due; or
>
> '(b) Be refunded the excess amount paid, as the case may be.
>
> "In case the corporation is entitled to a refund of the excess estimated quarterly income taxes paid, the refundable amount shown on its final adjustment return may be credited against the estimated quarterly income tax liabilities for the taxable quarters of the succeeding taxable year."

Tax Refund
Allowed by NIRC

A perusal of this provision shows that a *taxable corporation* is entitled to a *tax refund* when the sum of the quarterly *income taxes* it paid during a taxable year exceeds its total *income tax* due also for that year. Consequently, the refundable amount that is shown on its *final adjustment return* may be credited, at its option, against its quarterly *income tax liabilities* for the next taxable year.

Petitioner is a corporation liable to pay *income taxes* under Section 24 of the NIRC. Hence, it is a *taxable corporation*. In 1995, it reported that it had excess *income taxes* that had been paid for and on its behalf by its *withholding agents*; and that, applying the above-quoted Section 69, this excess should be credited against its *income tax liabilities* for 1996. However, it claimed in 1997 that it should get a refund, because it was still unable to use the excess income taxes paid in 1995 against its *tax liabilities* in 1996. Is this possible? Stating the argument otherwise, may excess *income taxes* paid in 1995 that could not be applied to taxes due in 1996 be refunded in 1997?

The answer is in the affirmative. Here are the reasons:

Claim of Tax Refund Beyond the Succeeding Taxable Year

First, a tax refund may be claimed even beyond the *taxable year* following that in which the tax credit arises.

No provision in our tax law limits the entitlement to such a refund, other than the requirement that the filing of the administrative claim for it be made by the taxpayer within a two-year prescriptive period. Section 204(3) of the NIRC states that no refund of taxes "shall be allowed unless the taxpayer files in writing with the Commissioner [the] claim for x x x refund within two years after the payment of the tax."

Applying the aforequoted legal provisions, if the excess *income taxes paid* in a given taxable year have not been entirely used by a *taxable corporation* against its quarterly income tax liabilities for the *next taxable year*, the unused amount of the excess may still be refunded, provided that the claim for such a refund is made within two years after payment of the tax. Petitioner filed its claim in 1997 -- well within the two-year prescriptive period. Thus, its unused tax credits in 1995 may still be refunded.

Even the phrase "succeeding *taxable year*" in the second paragraph of the said Section 69 is a limitation that applies only to a *tax credit*, not a *tax refund*. Petitioner herein does not claim a *tax credit*, but a *tax refund*. Therefore, the statutory limitation does not apply.

Income Payments Merely Declared Part of Gross Income

Second, to be able to claim a *tax refund*, a taxpayer only needs to *declare* the income payments it received as part of its *gross income* and to *establish* the fact of withholding.

Section 5 of RR 12-94[8] states:

x x x x x x x x x

> "(a) Claims for Tax Credit or Refund of income tax deducted and withheld on income payments shall be given due course only when it is shown on the return that the income payment received has been declared as part of the gross income and the fact of withholding is established by a copy of the Withholding Tax Statement duly issued by the payor to the payee showing the amount paid and the amount of tax withheld therefrom.
>
> "(b) Excess Credits. -- A taxpayer's excess expanded withholding tax credits for the taxable quarter/taxable year shall automatically be allowed as a credit for purposes of filing his income tax return for the taxable quarter/taxable year immediately succeeding the taxable quarter/taxable year in which the aforesaid excess credit arose, provided, however, he submits with his income tax return a copy of his income tax return for the aforesaid previous taxable period showing the amount of his aforementioned excess withholding tax credits.
>
> "If the taxpayer, in lieu of the aforesaid automatic application of his excess credit, wants a cash refund or a tax credit certificate for use in payment of his other national internal tax liabilities, he shall make a written request therefor. Upon filing of his request, the taxpayer's income tax return showing the excess expanded withholding tax credits shall be examined. The excess expanded withholding tax, if any, shall be determined and refunded/credited to the taxpayer-applicant. The refund/credit shall be made within a period of sixty (60) days from date of the taxpayer's request provided, however, that the taxpayer-applicant submitted for audit all his pertinent accounting records and that the aforesaid records established the veracity of his claim for a refund/credit of his excess expanded withholding tax credits."

That petitioner filed its amended 1995 *income tax return* in 1996 is uncontested. In addition, the resulting investigation by the BIR on August 15, 1997, reveals that the income accounts were "correctly declared based on the existing supporting documents."[9] Therefore, there is no need for petitioner to show again the income payments it received in 1995 as part of its *gross income* in 1996.

That petitioner filed its 1996 final adjustment return in 1997 is the crux of the controversy. However, as will be demonstrated shortly, the lack of such a return will not defeat its entitlement to a refund.

Tax Refund Provisions:
Question of Law

Third, it is a cardinal rule that "only legal issues may be raised"[10] in petitions for review under Rule 45.[11]

The proper interpretation of the provisions on *tax refund* is a *question of law* that "does not call for an examination of the probative value of the evidence presented by the parties-litigants."[12] Having been unable to use the excess income taxes paid in 1995 against its other *tax liabilities* in 1996, petitioner clearly deserves a refund. It cannot by any sweeping denial be deprived of what rightfully belongs to it.

The truth or falsity of the contents of or entries in the 1996 *final adjustment return*, which has not been formally offered in evidence and examined by respondent, involves, however, a *question of fact*. This Court is not a trier of facts. Neither is it a collection agency for the government. Although we rule that petitioner is entitled to a *tax refund*, the amount of that refund is a matter for the CTA to determine judiciously based on the records that include its own copy of petitioner's 1996 final adjustment return.

Liberal Constructionof Rules

Fourth, ordinary rules of procedure frown upon the submission of *final adjustment returns* after trial has been conducted. However, both the CTA law and jurisprudence mandate that the proceedings before the tax court "shall not be governed strictly by technical rules of evidence."[13] As a rule, its findings of fact[14] (as well as that of the CA) are final, binding and conclusive[15] on the parties and upon this Court; however, as an exception, such findings may be reviewed or disturbed on appeal[16] when they are not supported by evidence.[17]

Our Rules of Court apply "by analogy or in a suppletory[18] character and whenever practicable and convenient"[19] and "shall be liberally construed in order to promote their objective of securing a just, speedy and inexpensive disposition of every action and proceeding."[20] After all, "[t]he paramount consideration remains the ascertainment of truth."[21]

In the present case, the 1996 *final adjustment return* was attached as Annex A to the Reply to Comment filed by petitioner with the CA.[22] The return shows a negative amount for its *taxable income* that year. Therefore, it could not have applied or used the excess tax credits of 1995 against its *tax liabilities* in 1996.

Judicial Notice
of Attached Return

Fifth, the CA and CTA could have taken judicial notice of the 1996 *final adjustment return* which had been attached in CTA Case No. 5799. "Judicial notice takes the place of proof

and is of equal force."[23]

As a general rule, courts are not authorized to take judicial notice of the contents of records in other cases tried or pending in the same court, even when those cases were heard or are actually pending before the same judge. However, this rule admits of exceptions, as when reference to such records is sufficiently made without objection from the opposing parties:

> "'. . . [I]n the absence of objection, and as a matter of convenience to all parties, a court may properly treat all or any part of the original record of a case filed in its archives as read into the record of a case pending before it, when, with the knowledge of the opposing party, reference is made to it for that purpose, by name and number or in some other manner by which it is sufficiently designated; or when the original record of the former case or any part of it, is actually withdrawn from the archives by the court's direction, at the request or with the consent of the parties, and admitted as a part of the record of the case then pending.'"[24]

Prior to rendering its Decision on January 12, 2000, the CTA was already well-aware of the existence of another case pending before it, involving the same subject matter, parties and causes of action.[25] Because of the close connection of that case with the matter in controversy, the CTA could have easily taken judicial notice[26] of the contested document attached in that other case.

Furthermore, there was no objection raised to the inclusion of the said 1996 *final adjustment return* in petitioner's Reply to Comment before the CA. Despite clear reference to that return, a reference made with the knowledge of respondent, the latter still failed to controvert petitioner's claim. The appellate court should have cast aside strict technicalities[27] and decided the case on the basis of such uncontested return. Verily, it had the authority to "take judicial notice of its records and of the facts [that] the record establishes."[28]

Section 2 of Rule 129 provides that courts "may take judicial notice of matters x x x ought to be known to judges because of their judicial functions."[29] If the lower courts really believed that petitioner was not entitled to a *tax refund*, they could have easily required respondent to ascertain its veracity and accuracy[30] and to prove that petitioner did not suffer any *net loss* in 1996.

Contrary to the contention of petitioner, *BPI-Family Savings Bank v. CA*[31] (on which it rests its entire arguments) is not on all fours with the facts of this case.

While the petitioner in that case also filed a written claim for a *tax refund*, and likewise failed to present its 1990 corporate annual income *tax return*, it nonetheless offered in evidence its top-ranking official's testimony and certification pertaining to only *two taxable*

years (1989 and 1990). The said return was attached only to its Motion for Reconsideration before the CTA.

Petitioner in this case offered documentary and testimonial evidence that extended **beyond** *two taxable years*, because the excess credits in the first (1995) *taxable year* had not been used up during the second (1996) *taxable year*, and because the claim for the refund of those credits had been filed during the third (1997) *taxable year*. Its final adjustment return was instead attached to its Reply to Comment filed before the CA.

Moreover, in *BPI-Family Savings Bank*, petitioner was able to show "the undisputed fact: that petitioner had suffered a *net loss* in 1990 x x x."[32] In the instant case, there is no such "undisputed fact" as yet. The mere admission into the records of petitioner's 1996 *final adjustment return* is not a sufficient proof of the truth of the contents of or entries in that return.

In addition, the BIR in *BPI-Family Savings Bank* did not controvert the veracity of the return or file an opposition to the Motion and the return. Despite the fact that the return was ignored by both the CA and the CTA, the latter even declared in another case (CTA Case No. 4897) that petitioner had suffered a *net loss* for *taxable year* 1990. When attached to the Petition for Review filed before this Court, that Decision was not at all claimed by the BIR to be fraudulent or nonexistent. The Bureau merely contended that this Court should not take judicial notice of the said Decision.

In this case, however, the BIR has not been given the chance to challenge the veracity of petitioner's *final adjustment return*. Neither has the CTA decided any other case categorically declaring a *net loss* for petitioner in *taxable year* 1996. After this return was attached to petitioner's Reply to Comment before the CA, the appellate court should have required the filing of other responsive pleadings from respondent, as was necessary and proper for it to rule upon the return.

Admissibility Versus Weight

Indeed, "[a]dmissibility x x x is one thing, weight is another."[33] "To admit evidence and not to believe it are not incompatible with each other x x x."[34] Mere allegations by petitioner of the figures in its 1996 *final adjustment return* are not a sufficient proof of the amount of its refund entitlement. They do not even constitute evidence[35] adverse to respondent, against whom they are being presented.[36]

While it seems that the "[non-production] of a document which courts almost invariably expect will be produced 'unavoidably throws a suspicion over the cause,'"[37] this is not really the conclusion to be arrived at here. When petitioner purportedly filed its administrative claim for a *tax refund* on April 10, 1997, the deadline for filing the 1996 *final adjustment return* was not yet over. Hence, it could not have attached this return to its claim.

For reasons unknown even to this Court, petitioner failed to offer such return as evidence during the trial phase of this case. For its negligence, petitioner "cannot be allowed to seek refuge in a liberal application of the [r]ules"[38] by giving it a blanket approval of the total refund it claims. "While in certain instances, we allow a relaxation in the application of the rules, we never intend to forge a weapon for erring litigants to violate the rules with impunity. The liberal interpretation and application of rules apply only in proper cases of demonstrable merit and under justifiable causes and circumstances."[39]

It would not be proper to allow petitioner to simply prevail and compel a refund in the amount it claims, without affording the government a reasonable opportunity to contest the former's allegations.[40] Negligence consisting of the unexplained failure to offer the exhibit should not be rewarded with undeserved leniency. Petitioner still bears the burden of proving the amount of its claim for tax refund. After all, "[t]ax refunds are in the nature of tax exemptions"[41] and are to be construed *strictissimi juris* against the taxpayer.

Finally, even in the absence of a *final adjustment return* or any claim for a **tax refund,** respondent is authorized by law to examine any book, paper, record or other data that may be relevant or material to such inquiry.[42] Failure to make an assessment of petitioner's proper tax liability or to contest the return could be errors or omissions of administrative officers that should never be allowed to jeopardize the government's financial position.

Verily, "the officers of the Bureau of Internal Revenue should receive the support of the courts when these officers attempt to perform in a conscientious and lawful manner the duties imposed upon them by law."[43] Only after it is shown that "if something is received when there is no right to demand it, and it was duly delivered through mistake, the obligation to return it arises."[44]

In brief, we hold that petitioner is entitled to a refund; however, the amount must still be proved in proper proceedings before the CTA.

WHEREFORE, the Petition is hereby PARTLY GRANTED, and the assailed Decision SET ASIDE. The case is REMANDED to the Court of Tax Appeals for the proper and immediate determination of the amount to be refunded to petitioner on the basis of the latter's 1996 final adjustment return. No pronouncement as to costs.

SO ORDERED.

Sandoval-Gutierrez, Corona, Carpio-Morales, and *Garcia, JJ.*, concur.

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[1] *Rollo*, pp. 10-28.

[2] Id., pp. 106-114. Eleventh Division. Penned by Justice Conrado M. Vasquez Jr. (Division chair), with the concurrence of Justices Andres B. Reyes Jr. and Amelita G. Tolentino (members).

[3] Assailed CA Decision, p. 8; *rollo*, p. 113.

[4] Id., pp. 1-3 & 106-108.

[5] This case was deemed submitted for decision on May 5, 2003, upon this Court's receipt of Respondent's Memorandum, signed by Solicitor General Alfredo L. Benipayo, Assistant Solicitor General Fernanda Lampas Peralta and Associate Solicitor Mark Anthony A. Atienza. Petitioner's Memorandum, signed by Atty. Paciano F. Fallar Jr., was received by this Court on February 5, 2003.

[6] Petitioner's Memorandum, pp. 9-10; *rollo*, pp. 198-199. Original in upper case.

[7] The NIRC refers to the National Internal Revenue Code of 1986, the law prevailing when petitioner filed its administrative claim for refund of income taxes paid in 1995. See §42, Presidential Decree No. (PD) 1994.

Today, §76 of Republic Act No. (RA) 8424 further amends §69 of the NIRC.

[8] Additional amendments to RR 6-85, otherwise known as "Expanded Withholding Tax Regulations," are found in RR 12-94 dated June 27, 1994.

[9] *Rollo*, p. 46.

[10] *Miranda v. CA,* 177 SCRA 303, 306, September 7, 1989, per Griño-Aquino, J.

[11] *Collector of Customs for the Port of Manila v. CA*, 158 SCRA 293, 297, February 29, 1988.

[12] *Crisolo v. CA,* 68 SCRA 435, 440, December 29, 1975, per Esguerra, J.

[13] §8 of RA 1125 as amended, and *AB Leasing and Finance Corp. v. Commissioner of Internal Revenue,* 405 SCRA 380, 388, July 8, 2003, per Carpio Morales, J. (quoting *Purakan Plantation Co. v. Domingo*, 15 SCRA 151, 157, October 29, 1965).

[14] See *Aznar v. CTA*, 58 SCRA 519, 532, August 23, 1974.

[15] *Astraquillo v. Javier*, 121 Phil. 138, 145, January 30, 1965.

[16] *Republic v. IAC*, 196 SCRA 335, 340, April 26, 1991.

[17] *Commissioner of Internal Revenue v. Embroidery and Garments Industries (Phil.), Inc.*, 364 Phil. 541, 546, March 22, 1999.

[18] See *Pérez v. CTA,* 101 Phil. 630, 634, May 29, 1957, per Félix, J.

[19] §4 of Rule 1 of the Rules of Court.

[20] §6 of Rule 1 of the Rules of Court.

[21] *BPI-Family Savings Bank v. CA*, 386 Phil. 719, 726, April 12, 2000, per Panganiban, J.

[22] *Rollo*, p. 98.

[23] *Marcelo Steel Corp. v. CA*, 60 SCRA 167, 171, October 8, 1974, per Barredo, J. (quoting Moran, CJ., Comments on the Rules of Court, Vol. 5, p. 39, citing *Alzua v. Johnson*, 21 Phil. 308, January 31, 1912; *Jones v. United States,* 137 U.S. 202, 214-216, 11 S.Ct. 80, 84-85, November 24, 1890; *Graves v. Kelly*, 62. Ind. App. 164, 112 NE 899, 901, June 2, 1916; *Charles Boldt Co. v. Turner Bros. Co.*, 199 Fed. 139, 144, 117 C.C.A. 621, April 12, 1912; and *Davis v. Southern Ry. Co.*, 170 NC, 582, 87 SE 745, 749-750, Am. Ann. Cas. 1918A, 861, January 12, 1916).

[24] *Occidental Land Transportation Co., Inc. v. CA*, 220 SCRA 167, 175, March 19, 1993, per Nocon, J. (citing *Tabuena v. CA*, 274 Phil. 51, 57, May 6, 1991, per Cruz, J., and *U.S. v. Claveria*, 29 Phil. 527, 532, February 13, 1915, per Carson, J.).

[25] See *Tiburcio v. People's Homesite & Housing Corp.*, 106 Phil. 477, 483-484, October 31, 1959.

[26] See Paras, Rules of Court Annotated, Vol. 4 (2nd ed., 1991), p. 52 (cited in *Republic v. CA*, August 18, 1997, 343 Phil. 428, 436-437, per Vitug, J.).

[27] "x x x [A] strict and rigid application of technicalities that tend to frustrate rather than promote substantial justice must be avoided." *Jaro v. CA*, 427 Phil. 532, 548, February 19, 2002, per Carpio, J.

[28] *De Los Angeles v. Hon. Cabahug,* 106 Phil. 839, 844, December 29, 1959, per Gutiérrez David, J.

[29] §2 of Rule 129 of the Rules of Court.

[30] The examination, verification and audit of taxpayers' income tax returns after being filed lawfully belong to respondent, who has the necessary facilities and personnel to conduct such tasks. The CTA shall simply limit itself to whatever papers or documents are presented before it as evidence, in accordance with the rules of procedure. See *British Traders' Insurance Co., Ltd. v. Commissioner of Internal Revenue*, 121 Phil. 696, 704, April 30, 1965.

[31] 386 Phil. 719, April 12, 2000.

[32] *BPI-Family Savings Bank, Inc. v. CA*, supra, p. 728, per Panganiban, J. Italics supplied.

[33] *Ormoc Sugar Co., Inc. v. Osco Workers' Fraternity Labor Union (OWFLU)*, 110 Phil. 627, 631, January 23, 1961, per Labrador, J.

[34] *Ledesma v. Realubin*, 118 Phil. 625, 629, July 31, 1963, per Reyes, J.B.L., J.

[35] See *Lagasca v. De Vera*, 79 Phil. 376, 381, October 29, 1947.

[36] See *Sambrano v. Red Line Transportation Co., Inc*., 68 Phil. 652, 655, September 30, 1939.

[37] *Republic v. Sandiganbayan*, 325 Phil. 762, 810, March 29, 1996, per Francisco, J.

[38] *Commissioner of Internal Revenue v. A. Soriano Corp.*, 334 Phil. 965, 972, January 31, 1997, per Francisco, J.

[39] NorHon. Parentela Jr., 446 Phil. 462, 472, February 27, 2003, per Quisumbing, J.ris v.

[40] An examination of the final adjustment return must be conducted, and a refund made within sixty days from date of claim, if all pertinent records have been submitted to establish the veracity of such claim. §5(b) of RR 12-94.

[41] *Commissioner of Internal Revenue v. Solidbank Corp*., 416 SCRA 436, 461, November 25, 2003, per Panganiban, J. (citing *Commissioner of Internal Revenue v. SC Johnson & Son, Inc.*, 368 Phil. 388, 411, June 25, 1999; *Magsaysay Lines, Inc. v. CA,* 329 Phil. 310, 324, August 12, 1996; and *Commissioner of Internal Revenue v. Tokyo Shipping Co., Ltd.*, 314 Phil. 220, 228, May 26, 1995).

[42] §7(1) of the NIRC. See *Citibank, N.A. v. CA*, 345 Phil. 695, 713, October 10, 1997.

[43] *Jose Sy Jong Chuy v. Reyes*, 59 Phil. 244, 259, December 22, 1933, per Malcolm, J.

[44] *Gonzalo Puyat & Sons, Inc. v. City of Manila*, 117 Phil. 985, 989, April 30, 1963, per Paredes, J. (citing Art. 2154 of the Civil Code).
