



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, Third Division, issued a Resolution dated August 31, 2022, which reads as follows:

“G.R. No. 261464 [Formerly UDK 17524] (City Government of Pagadian, City Treasurer and City Assessor of Pagadian City v. National Food Authority).—This Petition for Review on *Certiorari*¹ under Rule 45 of the Rules of Court rails against the *Decision*² dated 27 July 2020 and the *Resolution*³ dated 19 October 2021 of the Court of Appeals (CA) in CA-G.R. SP No. 08997-MIN, which affirmed the *Decision*⁴ dated 25 September 2017 and the *Resolution*⁵ dated 28 August 2018 of the Regional Trial Court (RTC) of Pagadian City, Branch 21, declaring the National Food Authority (NFA) as a government instrumentality whose real properties used in governmental functions are exempt from payment of real property tax.⁶

The Petition must necessarily fail.

Petitioner, the City Government of Pagadian wrongly filed an appeal before the CA as the Court of Tax Appeals (CTA) has exclusive appellate jurisdiction over local tax cases decided by RTCs. As plain as a pikestaff, the assailed *Decision* is void for having been rendered without jurisdiction.

In *City of Lapu-Lapu v. Phil. Economic Zone Authority*,⁷ the Court laid down the following procedural guidelines in questioning the legality of an assessment of real property taxes issued by a local government, thus:

¹ *Rollo*, pp. 6-13.

² *Id.* at 146-158. Penned by Associate Justice Evalyn M. Arellano-Morales with Associate Justices Edgardo A. Camello and Angelene Mary W. Quimpo-Sale, concurring.

³ *Id.* at 168-169; penned by Associate Justice Evalyn M. Arellano-Morales with Associate Justices Edgardo A. Camello and Lily V. Biton, concurring.

⁴ *Id.* at 109-116. Penned by Acting Presiding Judge Benjamin R. Lamzaderas.

⁵ *Id.* at 136-142. Penned by Judge Ivy F. Damayo-Elvina.

⁶ *Id.* at 116.

⁷ 748 Phil. 473-568 (2014).

In case of an illegal assessment where the assessment was issued without authority, exhaustion of administrative remedies is not necessary and the taxpayer may directly resort to judicial action. The taxpayer shall file a complaint for injunction before the Regional Trial Court to enjoin the local government unit from collecting real property taxes.

The party unsatisfied with the decision of the Regional Trial Court shall **file an appeal**, not a petition for certiorari, **before the Court of Tax Appeals**, the complaint being a **local tax case decided by the Regional Trial Court**. The appeal shall be filed within fifteen (15) days from notice of the trial court's decision.

The Court of Tax Appeals' decision may then be appealed before this court through a petition for review on certiorari under Rule 45 of the Rules of Court raising pure questions of law.

In case the local government unit has issued a **notice of delinquency**, the taxpayer may file a complaint for injunction to enjoin the impending sale of the real property at public auction. In case the local government unit has already sold the property at public auction, the taxpayer must first deposit with the court the amount for which the real property was sold, together with interest of 2% per month from the date of sale to the time of the institution of action. The taxpayer may then file a complaint to assail the validity of the public auction. The **decisions of the Regional Trial Court in these cases** shall be **appealable before the Court of Tax Appeals**, and the latter's decisions appealable before this court through a petition for review on certiorari under Rule 45 of the Rules of Court.⁸ (Emphasis supplied.)

For filing an appeal before the wrong court, which acted without jurisdiction to take cognizance of the same, the Decision⁹ of the RTC dated 25 September 2017 declaring the NFA as a government instrumentality whose real properties used in governmental functions are exempt from payment of real property tax, has become final and executory.

WHEREFORE, the Petition for Review on *Certiorari* is hereby **DENIED**. The Decision dated 27 July 2020 and the Resolution dated 19 October 2021 of the Court of Appeals in CA-G.R. SP No. 08997-MIN are declared **VOID** for having been rendered without jurisdiction. The Decision dated 25 September 2017 and the Resolution dated 28 August 2018 of the Regional Trial Court of Pagadian City, Branch 21, declaring the National Food Authority as a government instrumentality whose real properties used in governmental functions are exempt from payment of real property tax have become **FINAL** and **EXECUTORY**.

⁸ Id. at 534-536.

⁹ Supra note 4.

Let an entry of judgment be immediately issued in this case.

SO ORDERED.”

By authority of the Court:

Misael C. Battung III
MISAEAL DOMINGO C. BATTUNG III
Division Clerk of Court
nlh72

Atty. Glenn Eric L. Peralta
Counsel for Petitioners
CITY GOVERNMENT OF PAGADIAN
City Hall Complex, 7016 Pagadian City

Judgment Division
JUDICIAL RECORDS OFFICE
Supreme Court, Manila

COURT OF APPEALS
CA G.R. SP No. 08997-MIN
9000 Cagayan de Oro City

Atty. Maria Theresa C. Santos-Villafuente
Counsel for Respondent
NFA Legal Affairs Department
Philsugin Building, North Avenue
1100 Quezon City

The Presiding Judge
REGIONAL TRIAL COURT
Branch 21, 7016 Pagadian City
(SPL CIVIL CASE No. 0094-2K16)

PHILIPPINE JUDICIAL ACADEMY
Research Publications and Linkages Office
Supreme Court, Manila
[research_philja@yahoo.com]

PUBLIC INFORMATION OFFICE
Supreme Court, Manila
[For uploading pursuant to A.M. 12-7-1-SC]

LIBRARY SERVICES
Supreme Court, Manila

G.R. No. 261464

(95)
URES