



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, Third Division, issued a Resolution dated April 27, 2022, which reads as follows:

“G.R. No. 244723 (MT ALPINE MAGNOLIA, *petitioner*, v. COMMISSIONER OF BUREAU OF CUSTOMS AND DISTRICT COLLECTOR OF BATAAN, *respondent*). — In seeking judicial recourse, an aggrieved party must avail of the proper remedy in the appropriate forum. A petition for certiorari, being a special civil action focused on the exercise of grave abuse of discretion amounting to lack or excess of jurisdiction, cannot be filed in the same tribunal whose actions are being assailed. Instead, it must be elevated to a higher court.¹

This Court resolves the Petition for Review on Certiorari filed by MT Alpine Magnolia (MT Alpine) assailing the Resolutions² of the Court of Tax Appeals *En Banc* in affirming the interlocutory order Resolutions³ of the Court of Tax Appeals First Division.

On December 9, 2016, MT Alpine, left the Singapore port for Tagoloan Misamis Oriental/ Cagayan de Oro to deliver its cargo of fuel oil.⁴ From Cagayan de Oro, MT Alpine proceeded to Limay, Bataan.⁵ There, the port authorities, including officers from the Bureau of Customs, went onboard for entry formality proceedings.⁶ Afterwards, the vessel discharged its cargo without any issue or untoward incidents.⁷

¹ *Commissioner of Internal Revenue v. Kepco*, 787 Phil. 698 (2016) [Per J. Peralta, En Banc].

² *Rollo*, pp. 71–80; 95–97. The July 25, 2018 and January 23, 2019 in CTA EB No. 1811 Resolutions were penned by Associate Justice Roman G. Del Rosario and concurred in by Associate Justice Juanito C. Castañeda, Jr., Lovell R. Baustista, Erlinda P. UY, Caesar A. Casanova, Esperanza R. Fabon-Victorino, Cielto N. Mindaro-Grulla, Ma. Belen M. Ringpis-Liban and Catherine T. Manahan. of the Court of Tax Appeals En Banc, Quezon City. Meanwhile, Justice Cielto N. Mindaro-Grulla was inhibited on January 23, 2019 Resolution.

³ Id. at 71. The November 24, 2017 and January 5, 2018 Resolutions were not attached in the *rollo*.

⁴ Id. at 135–136.

⁵ Id. at 136.

⁶ Id. at 138.

⁷ Id. at 138–139.

On December 17, 2016, members of the Bureau of Customs and Philippine Coastguard boarded the vessel and served a copy of a Warrant of Seizure and Detention.⁸

MT Alpine filed a letter protest to the warrant of seizure and the discharge stoppage.⁹ Nonetheless, the District Collector of Bataan directed the seizure and forfeiture of MT Alpine. This was affirmed by the Commissioner of the Bureau of Customs.¹⁰

On March 24, 2017, MT Alpine filed a petition for review¹¹ with motion for immediate release of vessel with the Court of Tax Appeals First Division. On March 31, 2017, MT Alpine submitted the Judicial affidavits of its witnesses.¹² Thereafter, the witnesses were presented before the Court of Tax Appeals First Division with no objections or reservation from the Bureau of Customs or District Collector of Bataan to conduct cross-examination.¹³

In its August 4, 2017 Resolution,¹⁴ the Court of Tax Appeals First Division granted the motion for the vessel's release subject to the filing of a surety bond in the amount of One Billion Pesos.

The Court of Tax Appeals First Division found MT Alpine to be a common carrier which was not chartered or leased for purposes of conveying or transporting persons or cargo and ruled that it was exempt from seizure and forfeiture.¹⁵ The Court of Tax Appeals First Division also maintained that MT Alpine had no knowledge or participation in the smuggling activity or loop loading.¹⁶

In its August 18, 2017 Resolution,¹⁷ the Court of Tax Appeals First Division approved the compliance of MT Alpine with the posting of a surety bond amounting to One Billion Pesos. The Court of Tax Appeals First Division ordered the release of the vessel. Afterwards, the Commissioner of the Bureau of Customs issued a Release Order on August 30, 2017.¹⁸

Trial proceeded on the main case and MT Alpine adopted the evidence it presented during the preliminary hearing. On October 18, 2017, it filed its

⁸ Id. at 139.

⁹ Id. at 140.

¹⁰ Id. at 43.

¹¹ Id. at 484.

¹² Id. at 44.

¹³ Id.

¹⁴ Id. at 484–536. The August 04, 2017 Resolution in CTA Case No. 9554 was penned by Presiding Justice Roman G. Del Rosario and concurred in by Associate Justices Erlinda P. Uy and Cieleto N. Mindaro-Grulla of the First Division of the Court of Tax Appeals, Quezon.

¹⁵ Id. at 500–501, 506–515.

¹⁶ Id. at 515–521.

¹⁷ Id. at 537–539.

¹⁸ Id. at 46.

formal offer of evidence, which was opposed by the Commissioner of the Bureau of Customs.¹⁹ The Commissioner alleged that it was denied due process because it was not allowed to cross examine MT Alpine's witnesses during the hearing on the motion to release the vessel.²⁰

In its November 24, 2017 Resolution, the Court of Tax Appeals First Division denied the comment of the Commissioner of the Bureau of Customs. The Commissioner sought reconsideration but was likewise denied.²¹

On March 12, 2018, the Commissioner of the Bureau of Customs and District Collector of Bataan filed a petition for certiorari before the Court of Tax Appeals En Banc, assailing the Division's November 24, 2017 and January 5, 2018 Resolutions. MT Alpine was directed to comment on the petition for certiorari.²²

MT Alpine filed its comment and moved for the summary dismissal of the petition for certiorari asserting that the Court of Tax Appeals En Banc lacks jurisdiction to decide a Rule 65 petition against an interlocutory order of a Court of Tax Appeals Division.²³

On July 25, 2018, the Court of Tax Appeals En Banc²⁴ denied MT Alpine's motion for the summary dismissal of the petition for certiorari and affirmed its jurisdiction over an interlocutory order of a division of the Court of Tax Appeals.²⁵ It explained that issuance of writs of certiorari over interlocutory orders of a division was incidental to its appellate jurisdiction to review decisions, resolutions, or orders of a division.²⁶ The dispositive portion of the Court of Tax Appeals En Banc's July 25, 2018 Resolution read:

WHEREFORE, Private Respondent's prayer for summary dismissal of the Petition for Certiorari is **DENIED**. The Court *En Banc* has jurisdiction.

Petitioners' "Reply (To Private Respondent's Comment/Opposition [Re: Petition for Certiorari dated 7 March 2018] dated 12 April 2018, on the Issue [Alone] of the Honorable Court *En Banc*'s Jurisdiction)" is **NOTED**.

Further, after considering the arguments raised by Petitioners in their Petition for Certiorari filed on March 12, 2018 with Comment from Private Respondent, the Court resolves to give **DUE COURSE** to the Petition for Certiorari.

¹⁹ Id.

²⁰ Id. at 47.

²¹ Id.

²² Id. at 48.

²³ Id.

²⁴ Id. at 10-19.

²⁵ Id. at 12-13.

²⁶ Id. at 17.

WHEREFORE, the parties are hereby granted a period of thirty (30) days from notice within which to file their respective memoranda. After the filing of the required pleading or the lapse of the period granted, the Petition for Certiorari shall be deemed submitted for decision.

SO ORDERED.²⁷ (Emphasis in the original)

MT Alpine moved for a reconsideration of the Court of Tax Appeals En Banc's July 25, 2018 Resolution.

Meanwhile, on October 22, 2018, the First Division, ruling on the main case, granted MT Alpine's petition for review and reversed the order of forfeiture.²⁸

In its January 23, 2019 Resolution, the Court of Tax Appeals En Banc²⁹ denied MT Alpine's motion for reconsideration. The dispositive portion of the Resolution reads:

WHEREFORE, Private Respondent's "Motion for Reconsideration (Re: Resolution dated 25 July 2018)" is **DENIED** for lack of merit.

Considering that Petitioners filed their "Manifestation (In Lieu of Memorandum)" on August 30, 2018, while Private Respondent filed its "Memorandum (*Ad Cautelam*)" on September 20, 2018, in compliance of the July 25, 2018 Resolution, the case is now submitted for decision.

SO ORDERED.³⁰ (Emphasis in the original)

Hence, this Petition for Review.³¹

Petitioner MT Alpine asserts that *Commissioner of Internal v. Kepco Ilijan Corporation*³² already clarified that a petition for certiorari is not a continuation of the appellate process but is a separate action focused on actions which were supposedly issued without jurisdiction. Thus, it cannot be filed before the same tribunal whose actions are being assailed but must be brought before a higher court.³³

Petitioner likewise points out that while the Court of Tax Appeals En Banc has jurisdiction over the final orders, decisions, or resolutions of the

²⁷ Id. at 18–19.

²⁸ Id. at 43.

²⁹ Id. at 21–23.

³⁰ Id. at 23.

³¹ Id. at 39–68.

³² 787 Phil. 698 (2016) [Per J. Peralta, En Banc].

³³ *Rollo*, p. 50.

division, it does not have jurisdiction over the division's interlocutory orders.³⁴

Respondents, on the other hand, assert that they availed of the proper remedy when they filed a petition for certiorari before the Court of Tax Appeals En Banc to assail an interlocutory order of its First Division.³⁵ It adds that petitioner's reliance on *Kepeco and Commissioner of Internal Revenue v. Court of Tax Appeals and CBK Power Company Limited*³⁶ is misplaced given substantial differences between the two cases and the petition at hand.³⁷ It contends that it is *City of Manila v. Hon. Grecia-Cuerdo*³⁸ that applies.³⁹ It adds that it was correct in filing its petition with the Court of Tax Appeal En Banc pursuant to the doctrine of hierarchy of courts as it should refrain from burdening this Court with issues of interlocutory orders of the Court of Tax Appeals First Division.⁴⁰

The primary issue for this Court's resolution is whether or not the Court of Tax Appeals En Banc has jurisdiction over a petition for certiorari assailing an interlocutory order of the Court of Tax Appeals First Division.

The petition has merit.

I

First, this Court finds that the present petition is now moot considering the developments on the main case and the subject matter of the herein petition for certiorari. While the parties did not apprise the Court of this development, the records of the Court of Tax Appeals First Division reveal that on January 23, 2020, the Court of Tax Appeals En Banc denied the petition for certiorari filed by the respondents assailing the resolution that admitted petitioner's Formal Offer of Evidence. The Motion for Reconsideration filed by respondents was likewise denied on January 6, 2021. Moreover, the Court of Tax Appeals First Division promulgated a Decision on July 15, 2020 and a Resolution on February 16, 2021 on the main case.⁴¹

By virtue of the supervening events, there is no longer a justiciable controversy in the petition at hand⁴² and an adjudication of the same case would serve no practical value or substantial relief to petitioner. The question

³⁴ *Rollo*, pp. 51-58.

³⁵ *Id.* at p. 613.

³⁶ 765 Phil. 140 (2015) [Per J. Peralta, Third Division]

³⁷ *Rollo*, pp. 614-619.

³⁸ 726 Phil. 9-28 (2014). [Per J. Peralta, En Banc].

³⁹ *Rollo*, p. 616.

⁴⁰ *Id.* at 615.

⁴¹ <<https://cta.judiciary.gov.ph/history2>>

⁴² *Peñafrancia Sugar Mill Inc. v. Sugar Regulatory Administration*, 728 Phil. 535 (2014) [Per J. Perlas-Bernabe, Second Division].

raised by petitioners regarding the jurisdiction of the Court of Tax Appeals En Banc over the petition for certiorari filed by respondents has become moot.

Nevertheless, this Court finds it necessary to tackle the issue of jurisdiction to finally lay the question to rest and to formulate “controlling principles to guide the Bench, the Bar and the public.”⁴³

II

Jurisdiction is “the power and authority of a court to hear, try, and decide a case.”⁴⁴ Before a court or a quasi-judicial agency may dispose of a case, it must first ascertain its authority to do so.⁴⁵ The adjudicating body must look to the law that confers its jurisdiction as this may never be dictated by the parties or the courts.⁴⁶ If the deciding body determines that it has no jurisdiction over a subject matter, all it may do is dismiss the action. Any action in excess of this would be rendered nugatory.⁴⁷

The central issue at the case at hand is the jurisdiction of the Court of Tax Appeals En Banc over a petition for certiorari assailing an interlocutory order of one of its divisions.

The Court of Tax Appeals En Banc has appellate jurisdiction over resolutions of its divisions. This is laid down in Republic Act No. 1125, amended by Republic Act No. 9282 which provides:

SECTION 11. Section 18 of the same Act is hereby amended as follows:

“SEC. 18. *Appeal to the Court of Tax Appeals En Banc.* – No civil proceeding involving matter arising under the National Internal Revenue Code, the Tariff and Customs Code or the Local Government Code shall be maintained, except as herein provided, until and unless an appeal has been previously filed with the CTA and disposed of in accordance with the provisions of this Act.

“*A party adversely affected by a resolution of a Division of the CTA on a motion for reconsideration or new trial, may file a petition for review with the CTA en banc.*” (Emphasis supplied)

⁴³ *Kilusang Mayo Uno v. Aquino*, G.R. No. 210500, April 2, 2019, <<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/65208>> [Per J. Leonen, En Banc].

⁴⁴ *Mactel Corp. v. City Government of Makati*, G.R. No. 244602, July 14, 2021 <<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/67446>> [Per J. Carandang, First Division].

⁴⁵ Id.

⁴⁶ *Mitsubishi Motors Philippines Corporation v. Bureau of Customs*, 760 Phil. 954 (2015) [Per J. Perlas-Bernabe, First Division].

⁴⁷ *Bilag v. Ay-ay*, 809 Phil. 236–248 (2017) [Per J. Perlas-Bernabe, First Division].

The jurisdiction of the Court of Tax Appeals En Banc is further enumerated in Rule 4 of the Revised Rules of the Court of Tax Appeals,⁴⁸ thus:

SECTION 2. *Cases Within the Jurisdiction of the Court En Banc.* – The Court *en banc* shall exercise exclusive appellate jurisdiction to review by appeal the following:

(a) Decisions or resolutions on motions for reconsideration or new trial of the Court in Divisions in the exercise of its exclusive appellate jurisdiction over:

(1) Cases arising from administrative agencies – Bureau of Internal Revenue, Bureau of Customs, Department of Finance, Department of Trade and Industry, Department of Agriculture;

(2) Local tax cases decided by the Regional Trial Courts in the exercise of their original jurisdiction; and

(3) Tax collection cases decided by the Regional Trial Courts in the exercise of their original jurisdiction involving final and executory assessments for taxes, fees, charges and penalties, where the principal amount of taxes and penalties claimed is less than one million pesos;

(b) Decisions, resolutions or orders of the Regional Trial Courts in local tax cases decided or resolved by them in the exercise of their appellate jurisdiction;

(c) Decisions, resolutions or orders of the Regional Trial Courts in tax collection cases decided or resolved by them in the exercise of their appellate jurisdiction;

(d) Decisions, resolutions or orders on motions for reconsideration or new trial of the Court in Division in the exercise of its exclusive original jurisdiction over tax collection cases;

(e) Decisions of the Central Board of Assessment Appeals (CBAA) in the exercise of its appellate jurisdiction over cases involving the assessment and taxation of real property originally decided by the provincial or city board of assessment appeals;

(f) Decisions, resolutions or orders on motions for reconsideration or new trial of the Court in Division in the exercise of its exclusive original jurisdiction over cases involving criminal offenses arising from violations of the National Internal Revenue Code or the Tariff and Customs Code and other laws administered by the Bureau of Internal Revenue or Bureau of Customs;

⁴⁸ A.M. No. 05-11-07-CTA, November 22, 2005.

(g) Decisions, resolutions or orders on motions for reconsideration or new trial of the Court in Division in the exercise of its exclusive appellate jurisdiction over criminal offenses mentioned in the preceding subparagraph; and

(h) Decisions, resolutions or orders of the Regional Trial Courts in the exercise of their appellate jurisdiction over criminal offenses mentioned in subparagraph [.] (Emphasis supplied)

A reading of the statutory provisions above show that a party aggrieved by a decision, resolution, or order of a division of the Court of Tax Appeals may elevate the case to the En Banc on a petition for review. Evidently, the Court of Tax Appeals En Banc has appellate jurisdiction over the decisions or resolutions of its division and has the authority to amend or modify a decision promulgated therein. However, it is silent on its jurisdiction over petitions for certiorari assailing interlocutory orders issued by one of its divisions. This is because the remedy from an interlocutory order allegedly rendered without or in excess of jurisdiction or with grave abuse of discretion is not an appeal in the ordinary sense, but a special civil action for certiorari.

A writ of certiorari is an extraordinary remedy to correct errors of jurisdiction or grave abuse of discretion amounting to lack or excess of jurisdiction. Rule 65 of the Rules of Civil Procedure provides:

SECTION 1. *Petition for Certiorari.* — When any tribunal, board or officer exercising judicial or quasi-judicial functions has acted without or in excess of its or his jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction, and there is no appeal, or any plain, speedy, and adequate remedy in the ordinary course of law, a person aggrieved thereby may file a verified petition in the proper court, alleging the facts with certainty and praying that judgment be rendered annulling or modifying the proceedings of such tribunal, board or officer, and granting such incidental reliefs as law and justice may require.

As provided in the law, a writ of certiorari is issued when it is found that a certain tribunal acts without or more than its jurisdiction.

Petitioner cites *Kepeco*, contending that the Court of Tax Appeals, as a collegiate body, cannot have a hierarchy between its divisions and its En Banc.⁴⁹ It maintains that its En Banc does not have the power to issue a writ of certiorari against its co-equal such as its divisions. Instead, it claims that an aggrieved party must elevate its case to a higher court for instances of grave abuse of discretion on the part of one of a division.

⁴⁹ *Rollo*, p. 50.

In *Kepeco*, the Court of Tax Appeals First Division granted Kepeco's application for input tax refund. The decision of the Court of Tax Appeals First Division became final and executory. Thereafter, public respondent filed a petition for annulment of judgment before the Court of Tax Appeals En Banc but was dismissed due to improper remedy. Aggrieved, public respondent filed a petition for certiorari before this Court. This Court held:

Instead, what remained as a remedy for the petitioner was to file a petition for *certiorari* under Rule 65, which could have been filed as an original action before this Court and not before the CTA *En Banc*. *Certiorari* is available when there is no appeal or any other plain, speedy and adequate remedy in the ordinary course of law, such as in the case at bar. Since the petition below invoked the gross and palpable negligence of petitioner's counsel which is allegedly tantamount to its being deprived of due process and its day in court as party-litigant and, as it also invokes lack of jurisdiction of the CTA First Division to entertain the petition filed by private respondent since the same allegedly fails to comply with the reglementary periods for judicial remedies involving administrative claims for refund of excess unutilized input VAT under the National Internal Revenue Code (NIRC), which periods it claims to be jurisdictional, then the proper remedy that petitioner should have availed of was indeed a petition for *certiorari* under Rule 65, an original or independent action premised on the public respondent having acted without or in excess of jurisdiction or with grave abuse of discretion amounting to lack or excess of jurisdiction. **However, since a *certiorari* petition is not a continuation of the appellate process borne out of the original case but is a separate action focused on actions that are in excess or wanting of jurisdiction, then it cannot be filed in the same tribunal whose actions are being assailed but is instead cognizable by a higher tribunal which, in the case of the CTA, is this Court.** In the case involving petitioner, the petition could have been filed directly with this Court, even without any need to file a motion for reconsideration with the CTA division or *En Banc*, as the case appears to fall under one of the recognized exceptions to the rule requiring such a motion as a prerequisite to filing such petition.⁵⁰ (Emphasis supplied and citations omitted).

In *Kepeco*, this Court held that the expanded jurisdiction of the Court of Tax Appeals as well as its own rules do not provide for a scenario where the Court sitting En Banc can annul a decision of one of its divisions. In the same vein, this Court held that the Court of Tax Appeals En Banc cannot entertain a certiorari petition assailing an action of its division, explaining that as a collegiate court, it would be tantamount to reversing its own judgment.

This was reiterated in *Commissioner of Internal Revenue v. City Super*,⁵¹ where this Court specifically stated that an interlocutory order of the

⁵⁰ *Commission of Internal Revenue v. Kepeco Iligan Corp.*, 787 Phil. 698, 708–709 (2016) [Per J. Peralta, En Banc].

⁵¹ G.R. No. 239464, May 10, 2021 <<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/67428>> [Per J. Leonen, Third Division].

Court of Tax Appeals division is a proper subject of a petition for certiorari before this Court. It held —

Contrary to respondent's claim, the Court of Tax Appeals' December 15, 2017 and March 20, 2018 Resolutions were interlocutory orders, only partially disposing of the issues raised in CTA Case No. 9117. When the Resolutions were issued, hearings on the merits of the documentary stamp tax assessment were underway. The Court of Tax Appeals resolved the issue of prescription ahead of the others since respondent specifically moved for it in an Urgent Motion. Respondent's subsequent payment of the documentary stamp tax assessment did not affect the Resolutions' nature itself.

Being interlocutory orders, the Resolutions were the proper subject of a Rule 65 petition. (Citations omitted)

The rule was explained in *CBK Power Company Limited* citing *Santos v. People*,⁵² thus:

We first address the procedural issue raised by private respondent in its Comment. Private respondent claims that petitioner chose an erroneous remedy when it filed a petition for certiorari with us since the proper remedy on any adverse resolution of any division of the CTA is an appeal by way of a petition for review with the CTA en banc; that it is provided under Section 2(a)(1) of Rule 4 of the Revised Rules of the Court of Tax Appeals (RRCTA) that the Court en banc shall exercise exclusive appellate jurisdiction to review by appeal the decision or resolutions on motions for reconsideration or new trial of the Court in division in the exercise of its exclusive appellate jurisdiction over cases arising from administrative agencies such as the Bureau of Internal Revenue.

We are not persuaded.

In *Santos v. People, et al.* where petitioner argues that a resolution of a CTA Division denying a motion to quash, an interlocutory order, is a proper subject of an appeal to the CTA en banc under Section 18 of Republic Act No. 1125, as amended, we ruled in the negative and disposed the argument as follows:

....

According to Section 1, Rule 41 of the Revised Rules of Court, governing appeals from the Regional Trial Courts (RTCs) to the Court of Appeals, an appeal may be taken only from a judgment or final order that completely disposes of the case or of a matter therein when declared by the Rules to be appealable. Said provision, thus, explicitly states that no appeal may be taken from an interlocutory order.

It is, therefore, clear that the CTA en banc has jurisdiction over final order or judgment but not over interlocutory orders issued by the CTA in division.⁵³ (Emphasis supplied and citations omitted)

⁵² 585 Phil. 337 (2008) [Per J. Chico-Nazario, Third Division].

The nature of the Court of Tax Appeals is that of a collegial court, like this Court, the Court of Appeals, or the Sandiganbayan. Like other collegial courts, the Court of Tax Appeals function either in divisions consisting of three justices, or as an En Banc where all nine justices sit to adjudicate or exercise its other functions. However, whether a decision, resolution, or order is issued by the court sitting in as a division or as En Banc, such adjudication is regarded as one of the Court itself.⁵⁴ What this Court in the prior rulings on the matter wish to emphasize is that the court acting in its divisions is not a separate and distinct court from its En Banc. Verily, the same court may not be called upon to review and reverse a decision of one of its divisions. To do so would create a hierarchy between the division and the En Banc when no such hierarchy exists.

Citing *The City of Manila v. Judge Grecia-Cuerdo*,⁵⁵ respondents assert that the Court of Tax Appeals En Banc is granted the power to issue writs of certiorari over actions of its divisions as part of its appellate jurisdiction. Thus, this Court held:

The foregoing notwithstanding, while there is no express grant of such power, with respect to the CTA, Section 1, Article VIII of the 1987 Constitution provides, nonetheless, that judicial power shall be vested in one Supreme Court and in such lower courts as may be established by law and that judicial power includes the duty of the courts of justice to settle actual controversies involving rights which are legally demandable and enforceable, and **to determine whether or not there has been a grave abuse of discretion amounting to lack or excess of jurisdiction on the part of any branch or instrumentality of the Government.**

On the strength of the above constitutional provisions, it can be fairly interpreted that the power of the CTA includes that of determining whether or not there has been grave abuse of discretion amounting to lack or excess of jurisdiction on the part of the RTC in issuing an interlocutory order in cases falling within the exclusive appellate jurisdiction of the tax court. It, thus, follows that the CTA, by constitutional mandate, is vested with jurisdiction to issue writs of *certiorari* in these cases.

Indeed, in order for any appellate court, to effectively exercise its appellate jurisdiction, it must have the authority to issue, among others, a writ of *certiorari*. In transferring exclusive jurisdiction over appealed tax cases to the CTA, it can reasonably be assumed that the law intended to

⁵³ *Commissioner of Internal Revenue v. Court of Tax Appeals*, 765 Phil. 140,147– (2015) [Per J. Peralta, Third Division].

⁵⁴ CONST., art VIII, sec. 4(3):

....

(3) Cases or matters heard by a division shall be decided or resolved with the concurrence of a majority of the Members who actually took part in the deliberations on the issues in the case and voted thereon, and in no case, without the concurrence of at least three of such Members. When the required number is not obtained, the case shall be decided en banc; Provided, that no doctrine or principle of law laid down by the court in a decision rendered en banc or in division may be modified or reversed except by the court sitting en banc.

⁵⁵ 726 Phil. 9 (2014) [Per J. Peralta, En Banc].

transfer also such power as is deemed necessary, if not indispensable, in aid of such appellate jurisdiction. There is no perceivable reason why the transfer should only be considered as partial, not total.⁵⁶ (Emphasis in the original)

Respondents' reliance on *Grecia-Cuerdo* is misplaced. There, the Regional Trial Court issued an interlocutory order, granting a taxpayer's prayer for preliminary injunction against the City of Manila. The City of Manila moved for a reconsideration but was denied. Consequently, it filed a petition for certiorari before the Court of Appeals. The Court of Appeals dismissed the petition, ruling that appellate jurisdiction for tax cases is vested in the Court of Tax Appeals. The City of Manila then elevated the case to this Court. This Court affirmed the Court of Appeals' decision, holding that the Court of Tax Appeals has the power to determine the propriety of the Regional Trial Court's interlocutory orders in cases falling within the exclusive appellate jurisdiction of the Court of Tax Appeals.⁵⁷

Similarly in *Philippine American Life and General Insurance Co. v. Secretary of Finance and Commissioner of Internal Revenue*,⁵⁸ this Court reiterated that the Court of Tax Appeals has the power of certiorari in cases within its appellate jurisdiction, including adverse rulings of the Commissioner of Internal Revenue and the Secretary of Finance.

In *Banco De Oro v. Republic*,⁵⁹ this Court held that the Court of Tax Appeals has the jurisdiction over questions of constitutionality or validity of tax laws, rules and regulations, or other administrative issuances. In doing so, this Court likewise enunciated that the specialized authority of the Tax Court allows it exclusive jurisdiction to entertain tax-related issues, including petitions for certiorari. It was held:

In other words, within the judicial system, the law intends the Court of Tax Appeals to have exclusive jurisdiction to resolve all tax problems. Petitions for writs of certiorari against the acts and omissions of the said quasi-judicial agencies should, thus, be filed before the Court of Tax Appeals.

Republic Act No. 9282, a special and later law than Batas Pambansa Blg. 129 provides an exception to the original jurisdiction of the Regional Trial Courts over actions questioning the constitutionality or validity of tax laws or regulations. Except for local tax cases, actions directly challenging the constitutionality or validity of a tax law or regulation or administrative issuance may be filed directly before the Court of Tax Appeals.⁶⁰ (Emphasis Supplied and citations omitted)

⁵⁶ Id. at 24.

⁵⁷ Id. at 15–16.

⁵⁸ 747 Phil. 811 (2014) [Per J. Velasco, Third Division].

⁵⁹ 793 Phil. 97 (2016) [Per J. Leonen, En Banc].

⁶⁰ Id. at 124–125.

Nevertheless, it must be emphasized that the pronouncements in *Grecia-Cuerdo*, *Phil-am*, and *Banco De Oro* qualified that the Court of Tax Appeals' jurisdiction over petitions for writs of certiorari are restricted against the acts and omissions of a lower court or tribunal, that is, the Regional Trial Court, and quasi-judicial agencies. This was further emphasized in the recent case, *Mactel Corp. v. City Government of Makati*,⁶¹ where this Court specifically stated that the ruling in *Grecia-Cuerdo* only applied to cases of interlocutory orders issued by Regional Trial Courts in local tax cases.

Accordingly, in resolving similar petitions for certiorari, this Court puts much emphasis on where the assailed interlocutory order originated. This Court, in promulgating the aforementioned cases did not intend to imply that the Court of Tax Appeals En Banc may take cognizance of questions of jurisdiction of its own division. It has been established that a collegiate court whether sitting En Banc or in divisions, are not considered separate and distinct courts.⁶² That said, a hierarchy between the two does not exist.⁶³ None of the cases above can be taken to imply that the divisions of a court are inferior to the same court sitting En Banc. The pronouncements made on the issues herein shall serve as guide posts to the bench, the bar, and the public in future analogous cases.

FOR THESE REASONS, the Petition for Review on Certiorari is **DISMISSED** for being moot.

SO ORDERED. (Lazaro-Javier, *J.*, on official business)

By authority of the Court:

Misael Domingo C. Battung III
MISAELO DOMINGO C. BATTUNG III
Division Clerk of Court

Atty. Richard P. Sanchez
 DEL ROSARIO & DEL ROSARIO
 Counsel for Petitioner
 14th Floor, Del Rosario Law Building
 21st Drive corner 20th Drive
 Bonifacio Global City
 1630 Taguig City

⁶¹ G.R. No. 244602, July 14, 2021, <<https://elibrary.judiciary.gov.ph/thebookshelf/showdocs/1/67446>> [Per J. Carandang, First Division]. Where this Court held “Additionally, the Court acknowledged in the case of *City of Manila v. Judge Grecia-Cuerdo*, that the CTA also has jurisdiction over a special civil action for *certiorari* assailing an interlocutory order issued by the RTC in a local tax case. Again, for the CTA to take cognizance of a petition for certiorari, the interlocutory order must have been issued by the RTC on a local tax case.

⁶² CONST., art VIII, sec. 4(3)

⁶³ *Land Bank of the Philippines v. Suntay*, 678 Phil. 879, 912 (2011) [Per J. Bersamin, First Division].

COURT OF TAX APPEALS

Agham Road, Diliman
1104 Quezon City
(CTA EB No. 1811)
(CTA Case No. 9554)

OFFICE OF THE SOLICITOR GENERAL

134 Amorsolo Street
Legaspi Village, 1229 Makati City

Legal Division

BUREAU OF CUSTOMS
1018 Port Area, Manila

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

Judgment Division

JUDICIAL RECORDS OFFICE
Supreme Court, Manila

G.R. No. 244723

jay

09
(146)
URES