REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

CALTEX (PHILIPPINES) INC.,
Petitioner,

versus

C. T. A. CASE NO. 1375

THE BOARD OF ASSESSMENT APPEALS; THE PROVINCIAL ASSESSOR AND THE PROVINCIAL TREASURER OF BATANGAS, and THE PROVINCE OF BATANGAS,
Respondents.

May 27, 1971

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D E C I S I O N

This is an appeal from the decision of the Board of Assessment Appeals of Batangas, dated March 22, 1963, which fixed the value, for real property taxation, of certain parcels of land belonging to petitioner at ₱10.00 per square meter of first class industrial land and ₱8.50 per square meter of second class industrial land.

It appears that petitioner acquired sometime in 1952 certain parcels of land in the province of Batangas (located in Batangas, now a city, and Bauan) with an aggregate area of 1,375,321.45 square meters for use of its oil refinery and housing sites for its officers and employees at approximately ₱0.68 per square meter, or a total purchase price of ₱938,867.27. After acquisition of these parcels of land, they were classified into first, second and third class industrial land and assessed for real property taxation at ₱4.00, ₱3.50 and ₱2.50, respectively. Beginning with the year 1961, the Provincial Assessor of Batangas reassessed the said parcels of land into first and second class industrial land at ₱15.00 and ₱12.50 per square meter, respectively. Not satisfied with the reassessment, petitioner appealed to the Board of Assessment Appeals of Batangas which, in a decision rendered on March 22, 1963, reduced the assessment of the Provincial Assessor from ₱15.00 to ₱10.00, in the case of the first class industrial land, and from ₱12.50 to ₱8.50, in the case of the second class industrial land effective January 1, 1963. In the meantime, petitioner paid the real property tax on the basis of the reassessment made by the Provincial Assessor from 1961 to 1967. (See Amended Petition for Review, dated July 15, 1968.)

On May 10, 1971, the parties entered into a compromise agreement for a revaluation of said parcels of land at ₱8.00 per square meter for first class and ₱6.00 per square meter for second class industrial land, and have asked this Court to approve said compromise agreement.

The compromise agreement submitted by the parties reads as follows:

> COME NOW the necessary parties in the above-entitled case, assisted by their respective counsel, and by way of compromise respectfully submit this agreement to this Honorable Court.
>
> The parties agree that:
>
> 1. Beginning January 1, 1961 thru and until the year ended December 31, 1969, the real properties of the petitioner consisting of the parcels of lands located in Bauan, Batangas enumerated and identified in Annex "A", attached to the Petition for Review in this case, shall be assessed for real property tax purposes, as follows:
>
> 1st Class - Land comprising the industrial compound, occupied by and within 20 meters from the outside walls of all buildings, machineries and other structures within said compound . . . . .₱8.00 per sq. m.
>
> 2nd Class - All other portions of the industrial compound not included in the first class . . . . ₱6.00 per sq. m.
>
> 2. All payments of real property taxes on the aforesaid properties made by the petitioner in excess of the taxes due in accordance with the assessments referred to in the preceding paragraph shall be credited to the petitioner by the respondents and shall be applied to the payment of the real property taxes due or shall be due from the petitioner in equal amounts beginning with the year 1971 until 1975.
>
> 3. Petitioner will not claim costs of this suit.

DECISION -
CTA CASE NO. 1375

WHEREFORE, it is respectfully prayed that judgment be rendered in accordance with the foregoing Compromise Agreement.

Finding the compromise agreement in order, fair and equitable to both parties, the same is hereby approved. Accordingly, the decision appealed from is hereby modified in conformity with the compromise agreement. Any overpayment made by petitioner on account of the reduction of the assessment of the Provincial Assessor from 1961 to 1969 is hereby ordered to be credited in favor of petitioner to be applied in payment of the real property tax due on said property beginning with the year 1971. Without pronouncement as to costs.

SO ORDERED.

Quezon City, May 27, 1971.

ROMAN M. UMALI
Presiding Judge

WE CONCUR:

ESTANISLAO R. ALVAREZ
Associate Judge

RAMON L. AVANCEÑA
Associate Judge