REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

OFFICE OF THE PROVINCIAL TREASURER OF BATAAN, REPRESENTED BY THE PROVINCIAL TREASURER, EMERLINDA S. TALENTO, PROVINCE OF BATAAN, WALLY DE LARA DIZON, KRISTINE MONSALE AND REGISTER OF DEEDS OF BATAAN, Petitioners,	CTA AC NO. 205 Members: DEL ROSARIO, *P.J., Chairperson* FABON-VICTORINO, *and* MANAHAN, *JJ.*

-versus-

BATARASA CONSOLIDATED, INC., RUEL SANTOS ACOT, ARMI PITPITAN MARAVILLO, ARNI SIOCO DOMINGO, MICHAEL MUARES NACION, CHERYL GRACE LUTERO, HELENITA SAYAWAN PABIANO, VANESSA REOVOCA DIESO, ANTONIO GABEN GABAISAN, HENRY SENOC MALINAO, ARNULGO BITANGA ORDENIZA, MELVIN ZAMORA CAMYON, JOVENCIO BOHA BAYRON, JR., CARLITO ARNOZA GONZAGA, NOEL NARIDO TADEPA, ALEXANDER MAGPANTAY BALTAZAR, MELDY PACIA CAPINO, GERADO L. RAMIREZ, FLORENTINO GACILOS, VICTOR MASIBAY, AGUSTIN DEROD, ROLANDO RADAZA,

JOEL RONDEZ, NELYNDA DECLARO, ROWENA N. ABANCI, MARY ANN G. SALIDO, CYNDI V. SY, CLYNT E. DE JESUS, MARIMEL M. AUMENTADO, JORGE T. AMORA, JUAN MIGUEL R. BONDOC, APRIL MARIE M. VIAJE, JOSE MARIANO R. BONDOC III, ETHELBERT P. DAPITON, ERNIE PONCE, LUCIANO PONCE, JOEL WAJE, LOURDES LEOSAME, DIOMEDES MANALANSAN, ALBERTO PANTIG, JOSEPH CAWILI, RONNIE D. DOMINGO, ROLAND T. MANGULABNAN, HERMINIO NUGUID, RUPERTO LOS BANEZ, REYNALDO DELA CRUZ, joined by their respective spouses and represented by their attorney-in-fact, BATARASA Consolidated, Inc.,

Respondents.

Promulgated:

JAN 14 2020 1:45 pm

x- -x

DECISION

***Fabon-Victorino, J.*:**

In this *Joint Petition for Review*[1] filed on July 4, 2018, petitioners Office of the Provincial Treasurer of Bataan, represented by its Provincial Treasurer, Emerlinda S. Talento, *et al.*, seek to set aside and annul the Decision dated November 24, 2017 and the Order dated May 30, 2018, both rendered by the Regional Trial Court, Branch 1 of Balanga City, Bataan, in Civil Case No. 9313, entitled *"Batarasa Consolidated Inc. et al. versus Office of the Provincial Treasurer, rep. by Provincial Treasurer Emerlinda*

[1] CTA AC No. 205 Docket, pp. 8-40.

S. Talento, et al.

THE FACTS AND THE PROCEEDINGS

The following are the petitioners:

1) The Office of the Provincial Treasurer of Bataan, represented by its Provincial Treasurer Emerlinda S. Talento, is an office and instrumentality of the Province of Bataan, in charge of its treasuries and collection of taxes, with office at the Provincial Capitol Building, Capitol, Balanga City, Bataan;[2]

2) The Province of Bataan is a local government unit with the power to sue and be sued, with office situated at the Capitol, Balanga City, Bataan;[3]

3) Wally De Lara Dizon is of legal age, and a resident of No. 231 Capihan St., Cupang, Balanga City, Bataan;[4]

4) Kristine Monsale is of legal age, and a resident of No. 427 Jasmin St., San Jose, Balanga City, Bataan;[5] and

5) The Register of Deeds of Bataan is the repository of land titles and deeds with office at Capitol Compound, Balanga City, Bataan.[6]

On the other hand, respondent BATARASA Consolidated, Inc., is a domestic corporation with office address at Unit G, 11th Floor, Strata 100, F. Ortigas, Jr.

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[2] Par. 3, respondent's *Complaint*, vis-à-vis Par. 2, petitioner's *Answer With Affirmative Defenses and Compulsory Counterclaim*, RTC Docket – Vol. 1, pp. 6 and 143, respectively.
[3] Par. 4, *ibid.*
[4] Par. 5, *ibid.*
[5] Par. 6, *ibid.*
[6] Par. 7, *ibid.*

Avenue, Ortigas Center, Pasig City. It is the attorney-in-fact of the rest of the respondents, namely:

1) Rhuel Santos Acot, of legal age, married and a resident of 776 King's Road, Brgy. Highway Hills, Mandaluyong City;

2) Armi Pitpitan Maravillo, of legal age, married and a resident of B14L6, P-1 Ateneo Housing Project, Barangka, Marikina City;

3) Arni Sioco Domingo, of legal age, married and a resident of 2443-C Arellano Ave., Singalong Manila;

4) Michael Muares Nacion, of legal age, single and a resident of Poolside Victoria Valley Condominium, Antipolo Rizal;

5) Cheryl Grace Lutero, of legal age, married and a resident of Brgy. Debolo, Iloilo City;

6) Helenita Sayawan Pabiano, of legal age, married and a resident of Bagangga, Davao Oriental;

7) Vanessa Reovoca Dieso, of legal age, single and a resident of Bacalan, Sebaste Antique;

8) Antonio Gaben Gabaisan, of legal age, single and a resident of Antiquera, Palatian;

9) Henry Senoc Malinao, of legal age, single and a resident of Laca, Padre Burgos, Southern Leyta *(sic)*;

10) Arnulgo Bitanga Ordeniza, of legal age, married and a resident of Lamacan, Sibonga, Cebu;

11) Melvin Zamora Camyon, of legal age, single and a resident of Brgy. Maytubig, Isabela Negros Occidental;

12) Jovencio Boha Bayron, Jr., of legal age, married and a resident of Sitio Pasto, Brgy. San Isidro, Mabini Bohol;

13) Carlito Arnoza Gonzaga, of legal age, married and a resident of Daang Bangkal, Taktak Road, Antipolo City;

14) Noel Narido Tadepa, of legal age, married and a resident of de la Paz, Antipolo City;

15) Alexander Magpantay Baltazar, of legal age, married and a resident of Brgy. Pag-asa, Binangonan Rizal;

16) Meldy Pacia Capino, of legal age, single, and a resident of No. 30 Dao St., Feria Old Balara, Quezon City;

17) Gerardo L. Ramirez, of legal age, single and a resident of 221 Katipunan Road, Blue Ridge, Quezon City;

18) Florentino Gacilos, of legal age, married and a resident of B15 L88, NTA Ville, Brgy. San Jose, Rodriguez Rizal;

19) Victor Masibay, of legal age, married, and a resident of Lower Citadel, de la Paz, Poblacion, Antipolo Rizal;

20) Agustin L. Derod, of legal age, single and a resident of Mangga I, Lantian, Labangan, Zamboanga del Sur;

21) Rolando B. Radaza, of legal age, single and a resident of 46-A Durian St., Project 2, Quezon City;

22) Joel B. Rondez, of legal age, married and a resident of 711 Bangkal Extension, Meycauayan Bulacan;

23) Nelynda Declaro, of legal age, single and a resident of No. 26-A Luningning St., Dona Damiana Village, Rosario, Pasig City;

24) Rowena N. Abancio, of legal age, single and a resident of No. 133 MC Guinto St., Malasaga, Pinagbuhatan, Pasig City;

25) Mary Ann G. Salido, of legal age, single and a resident of A-5 Family Compound, Karuhatan, Valenzuela City;

26) Cyndi V. Sy, of legal age, single and a resident of 125 Kasagaan St., Marulas, Valenzuela City;

27) Clynt E. De Jesus, of legal age, single and a resident of Daticor, Matiao, Mati, Davao Oriental;

28) Marimel M. Aumentado, of legal age, single and a resident of 74 Gen. Luna St., Infanta Quezon;

29) Jorge T. Amora, of legal age, married and a resident of Daangbakal, de la Paz, Antipolo City;

30) Juan Miguel R. Bondoc, of legal age, single and a resident of La Cumbre Estate, Capitol Hills, Diliman, Quezon City;

31) April Marie M. Viaje, of legal age, single and a resident of 10-B Octagon Ave., de la Paz, Pasig City;

32) Jose Mariano R. Bondoc III, of legal age, single and a resident of La Cumbre Estate, Capitol Hills, Diliman, Quezon City;

33) Ethelbert P. Dapiton, of legal age, married and a resident of 72 Niugan, Malolos City, Bulacan;

34) Ernie Ponce, of legal age, married and a resident of Brgy. Culis, Hermosa Bataan;

35) Luciano Ponce, of legal age, married and a resident of Brgy. Culis, Hermosa Bataan;

36) Joel Waje, of legal age, single and a resident of Brgy. Culis, Hermosa Bataan;

37) Lourdes Leosame, of legal age, married and a resident of Brgy. Culis, Hermosa Bataan;

38) Diomedes Manalansan, of legal age, single and a resident of Brgy. Culis, Hermosa, Bataan;

39) Alberto Pantig, of legal age, married and a resident of Brgy. Culis, Hermosa, Bataan;

40) Joseph Cawili, of legal age, single and a resident of Brgy. Culis, Hermosa, Bataan;

41) Ronnie D. Domingo, of legal age, married and a resident of Brgy. Culis, Hermosa, Bataan;

42) Rolando T. Mangulabnan, of legal age, married and a resident of Brgy. Culis, Hermosa, Bataan;

43) Herminio Nuguid, of legal age, married and a resident of Brgy. Culis, Hermosa, Bataan;
44) Ruperto Los Banez, of legal age, married and a resident of Brgy. Culis, Hermosa, Bataan; and

45) Reynaldo De La Cruz, of legal age, married and a resident of Brgy. Culis, Hermosa, Bataan; joined by their respective spouses.

Pursuant to Republic Act (RA) No. 6657, otherwise known as the Comprehensive Agrarian Reform Program (CARP),[7] certain individuals were granted parcels of land located in the Province of Bataan, and were accordingly issued in their favor *Certificates of Land Ownership Award* (CLOA) and *Original Certificates of Title (OCT), viz.*:

Certificate of Land Ownership Award (CLOA) No.	Date of issuance of CLOA	Original Certificate of Title (OCT) No.	Date of issuance of OCT
00123036	September 9, 1998	CLOA - 10128	September 30, 1998[8]
00123037	September 9, 1998	CLOA - 10129	September 30, 1998[9]
00123038	September 9, 1998	CLOA - 10130	September 30, 1998[10]
00123039	September 9, 1998	CLOA - 10131	September 30, 1998[11]
00123040	September 9, 1998	CLOA - 10132	September 30, 1998[12]
00123042	September 14, 1998	CLOA - 10134	September 30, 1998[13]
00123044	September 14, 1998	CLOA - 10136	September 30, 1998[14]

Some years later, the grantees sold to individual respondents the properties respectively awarded to them via separate Deeds of Sale all dated September 4, 2009, to wit:

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[7] Republic Act No. 6657, AN ACT INSTITUTING A COMPREHENSIVE AGRARIAN REFORM PROGRAM TO PROMOTE SOCIAL JUSTICE AND INDUSTRIALIZATION, PROVIDING MECHANISM FOR ITS IMPLEMENTATION, AND FOR OTHER PURPOSES.
[8] Vol. 2 RTC Docket, pp. 259 to 260.
[9] *Ibid.,* pp. 265 to 268.
[10] *Ibid.,* pp. 273 to 274.
[11] *Ibid.,* pp. 277 to 278.
[12] *Ibid.,* pp. 281 to 283.
[13] *Ibid.,* pp. 287 to 288.
[14] *Ibid.,* pp. 293 to 294.

Title No.	Name of buyers (respondents herein)	Amount of consideration
OCT No. CLOA 10128	Rhuel Santos Acot, Armi Pitpitan Maravillo, Arni Sioco Domingo, Michael Muares Nacion, Cheryl Grace Lutero, Helenita Sayawan Pabiano, Vanessa Reovoca Dieso, Antonio Gaben Gabaisan, Henry Senoc Malinao, and Arnulfo Bitanga Ordeñiza[15]	₱2,386,775.00
OCT No. CLOA 10129	Melvin Zamora Camyon, Jovencio Boha Bayron, Jr., Carlito Arnoza Gonzaga, Noel Narido Tadepa, Alexander Magpantay Balatazar, Meldy Pacia Capino, Gerardo L. Ramirez, Florentino Gacilos, Victor Masibay, Agustin L. Derod[16]	₱2,431,690.00
OCT No. CLOA 10130	Rolando B. Radaza, and Joel B. Rondez[17]	₱ 443,720.00
OCT No. CLOA 10131	Nelynda Declaro, and Rowena N. Abancio[18]	₱ 301,910.00
OCT No. CLOA 10132	Mary Ann G. Salido, Cyndi V. Sy, Clynt E. De Jesus, Batarasa Consolidated, Inc., Marimel M. Aumentado, Jorge T. Amora, Juan Miguel R. Bondoc, April Marie M. Viaje, Jose Mariano R. Bondoc III, and Ethelbert P. Dapiton[19]	₱2,336,025.00
OCT No. CLOA 10134	Ernie Ponce, Luciano Ponce, Joel Waje, Lourdes Leosame, Diomedes Manalansan, Alberto Pantig, Joseph Gawili, Ronnie D. Domingo, Roland T. Mangulabnan, and Herminio Nuguid[20]	₱2,458,525.00
OCT No. CLOA 10136	Ruperto Los Banez, and Reynaldo De La Cruz[21]	₱490,700.00

[15] Vol 2 RTC Docket, pp. 261 to 264 and pp. 436 to 439.
[16] *Ibid.*, pp. 269 to 272; pp. 440 to 443.
[17] *Ibid.*, pp. 275 to 276; pp. 444 to 445.
[18] *Ibid.*, pp. 279 to 280; pp. 446 to 447.
[19] *Ibid.*, pp. 284 to 286; pp. 448 to 451.
[20] *Ibid.*, pp. 289 to 292; pp. 452 to 455.
[21] *Ibid.*, pp. 293 to 296; pp. 456 to 457.

It appears however that the parcels of land covered by OCT CLOA Nos. 10128, 10129, 10130, 10131, 10132, 10134 and 10136 had been levied for real property tax delinquencies and sold at public auction on October 15, 2008 by petitioner Office of the Provincial Treasurer of Bataan.

Three (3) parcels of land covered by OCT CLOA Nos. 10130 and 10131 were sold and awarded to petitioner Wally De Lara Dizon;[22] one (1) parcel of land covered by OCT CLOA No. 10136 to Kristine Monsale,[23] while the remaining four (4) parcels of land covered by OCT CLOA Nos. 10129, 10129, 10132 and 10134 were declared forfeited in favor of petitioner Province of Bataan,[24] for lack of bidders.

On September 22, 2009, or within the one-year redemption period, respondent Batarasa Consolidated Inc., represented by Legaspi Ravas, Jr. and Engineer Smith Fabonan, appeared before petitioner Office of the Provincial Treasurer of Bataan to tender payment for the 7 parcels of land, allegedly representing the shareholdings of individual respondents who issued a Special Power of Attorney in their favor. Petitioner Office of the Provincial Treasurer of Bataan,[25] however, refused to accept the offer for the seven (7) parcels of land.

On October 1, 2009, petitioner Office of the Provincial Treasurer of Bataan received a Letter dated September 30, 2009 from the De Dios Law Office, as counsel for respondent individuals,[26] reiterating the latter's request to redeem the 7 parcels of land covered by OCT CLOA Nos. 10128, 10129, 10130, 10131, 10132, 10134 and 10136 and to accept Security Bank Manager's Check No. 0000016806 dated September 1, 2009 in the amount of ₱2,289,472.91 and Security Bank Manager's Check No. 0000016824 dated September 15, 2009 in the amount of ₱311,267.70 as redemption price.

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[22] OCT CLOA Nos. 10130 and 10131.
[23] OCT CLOA No. 10136.
[24] OCT CLOA Nos. 10128, 10129, 10132 and 10134.
[25] Par. 1 (Stipulated facts), Pre-Trial Order dated December 2, 2010, vol. 1 RTC Docket, p. 176.
[26] Par. 3, *Ibid.,* p. 176; Vol. 2, RTC Docket, pp. 310 to 311.

In a Letter dated October 5, 2009 addressed to respondent individuals, through De Dios Law Office,[27] petitioner Office of the Provincial Treasurer of Bataan explained the grounds for its refusal to accept the payment for redemption.

This prompted respondents to file a *Complaint* with the RTC Branch 1, Balanga City, Bataan against petitioners[28] on October 12, 2009. The case docketed as Civil Case No. 9313 for injunction and damages also prayed for an order directing petitioner Office of the Provincial Treasurer of Bataan to accept the redemption price of ₱2,600,740.61 consigned at the Office of the Clerk of Court and for issuance of the respective certificates of redemption in favor of respondent individuals; and for petitioner Register of Deeds of Bataan to cancel the notices of levies, certificates of sale and all liens against the auctioned properties.

On September 7, 2010, petitioners filed their *Answer with Affirmative Defenses and Compulsory Counterclaim.*[29]

After trial on the merits or on November 24, 2017, RTC Branch 1, Balanga City, Bataan rendered the assailed Decision which reads as follows:

> "WHEREFORE, premises considered, judgment is hereby rendered in favor of the plaintiffs and against the defendants, to wit:
>
> 1. Ordering the defendants to receive from the plaintiffs the redemption price equivalent to the amount of the delinquent tax, including the interest due thereon, and the expenses of sale from the date of delinquency to the date of sale, plus interest of not more than two percent (2) per month on the purchase price from the date of sale to the date of redemption

[27] Par. 4, (Stipulated facts), Pre-Trial Order dated December 2, 2010, vol. 1 RTC Docket, p. 176; Vol. 2, RTC Docket, pp. 465 to 467.
[28] Vol. 1 RTC Docket, pp. 2 to 17.
[29] *Ibid.*, pp. 143 to 149.

pursuant to Section 261 of the Local Government Code, representing the levied and auctioned properties described and embraced by OCT CLOA Nos. 10128, 10129, 10130, 10131, 10132, 10134, and 10136;

2. Ordering the Register of Deeds of Bataan to cancel the new titles if any were issued relative to the levy and the auction sale of the properties described in the above titles;

No cost.

SO ORDERED.

Unconvinced, both parties[30] filed their respective motions for reconsideration which were denied by the Court in the Order dated May 30, 2018,[31] as follows:

> WHEREFORE, the two (2) present motion for reconsiderations filed by the defendants and plaintiff are DENIED. The assailed decision dated November 24, 2017 is hereby maintained.
>
> SO ORDERED."

On July 4, 2018, petitioners filed a *Joint Petition for Review* which was raffled to the Court's Third Division.

On July 20, 2018, the Court issued a Resolution[32] directing respondents to file their comment, within ten (10) days from receipt thereof.

In the Resolution dated September 3, 2018,[33] the Court granted respondents' prayer[34] for extension of until August

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[30] *Joint Motion for Reconsideration* filed on December 20, 2017, and *Motion for Partial Reconsideration (Re: Decision dated 24 November 2017)* filed on January 12, 2018, Vol. 2, RTC Docket, pp. 715 to 730, and 733 to 753, respectively.
[31] Vol. 2, RTC Docket, pp. 876 to 878.
[32] CTA AC No. 205 Docket, pp. 146 to 147.
[33] *Ibid.*, pp. 226 to 227.

21, 2018 to file their Comment to petitioners' *Joint Petition for Review.*[35]

In the Resolution dated September 11, 2018[36], the Court granted respondents' motion and accordingly admitted the belatedly filed *Comment to the Joint Petition for Review.*[37] Further, the Court granted the parties thirty (30) days from notice, within which to file their respective memoranda.

On October 1, 2018, the case was ordered[38] transferred to the Court's First Division.

On October 19, 2018[39] respondents filed their Memorandum, while petitioners filed theirs on October 23, 2018[40] in compliance with the Court's directive.

On December 7, 2018[41], the Branch Clerk of Court of the RTC Branch 1, Balanga City, Bataan, elevated the entire original record of Civil Case No. 9313 in compliance with the Court's Resolution[42] dated November 12, 2018.

On January 15, 2019, the instant case was submitted for decision.[43]

THE ISSUES

The issues[44] raised by petitioners are as follows:

> 1. Whether or not this Honorable Court has jurisdiction over the subject matter of the petition.

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[34] *Ibid.*, pp. 148 to 151.
[35] *Ibid.*, pp. 154 to 157.
[36] CTA AC No. 205 Docket, pp. 229 to 230.
[37] *Ibid.*, pp. 158 to 223.
[38] *Ibid.*, p. 231.
[39] *Ibid.*, pp. 286 to 355.
[40] *Ibid.*, pp. 233 to 285.
[41] *Ibid.*, pp. 361 to 384.
[42] *Ibid.*, p. 360.
[43] *Ibid.*, p. 388.
[44] Statement of the Issues Involved, Memorandum for the Petitioners, CTA AC No. 205 p. 238.

> 2. Whether or not the Regional Trial Court of Bataan was correct in recognizing the right of the respondents to redeem the subject properties on the basis solely of the presumption of regularity arising from the mere fact that the deeds of sale in their favor were *"notarized by a notary public."*
>
> 3. Whether or not the Regional Trial Court can correctly ignore and completely disregard competent evidence tending to show that the original owners/ vendors of the properties are fictitious or non-existent persons.
>
> 4. Whether or not the Regional Trial Court can correctly apply in this case the ruling that redemption should be looked upon with liberality and favor.

Petitioners' arguments

Petitioners invoke the competence of this Court to hear and determine the present Joint Petition for Review. They claim that the RTC gravely erred when it recognized the rights of the respondents to redeem the subject parcels of land based solely on the presumption of regularity arising from the fact that the Deeds of Sale executed over the subject properties were "notarized by a notary public." The RTC also inexplicably ignored and completely disregarded evidence which would show that the agrarian beneficiaries/vendors of the properties were fictitious or non-existent persons. Finally, they claim that the RTC gravely erred when it applied the tenet that redemption should be looked upon with liberality and favor.

Respondents' counter-arguments

Respondents, on the other hand argue that: a) the Court lacks jurisdiction over the subject matter of the instant *Joint Petition*; b) the assailed Decision and Order attained finality upon the lapse of the period to appeal with the Court of Appeals (CA) under Rule 2, Rule 41 of the Rules of Court; c) petitioner Provincial Treasurer's Office had the ministerial duty to allow the redemption of the subject properties; d) respondents have the right to redeem the subject properties; e) petitioners have failed to rebut by sufficient evidence the existence of the registered owners and the consideration for the sale of the subject properties in favor of respondents; f) respondents are entitled to the nullification of the foreclosure proceedings, considering that the realty taxes for which the subject properties were sold were in fact paid; and g) that respondents are entitled to damages due to petitioner's bad faith in refusing to accept the redemption price, and in conducting the foreclosure proceedings which had no basis in law and jurisprudence.

The first issue raised for the determination of the Court is its jurisdiction over the present action.

A question of jurisdiction cannot be taken lightly considering that the existence of jurisdiction over the subject matter is the primary concern of the court, for thereon would depend the validity of its entire proceedings.[45] Lack of jurisdiction over an action or the subject matter of an action cannot be cured by the silence, acquiescence, or even by express consent of the parties. If the court has no jurisdiction over the nature of an action, it may dismiss the same *ex mero moto* or *motu proprio*.[46]

Jurisdiction is defined as the power and authority of a court to hear, try, and decide a case. For the court or an adjudicative body to have authority to dispose of the case on the merits, it must first acquire, among others, jurisdiction over the subject matter which is the power to hear and determine the general class to which the proceedings in question belong; it is conferred by law and not by the consent or acquiescence of any or all of the parties or by erroneous belief of the court that it exists. Thus, **when a court has no jurisdiction over the subject matter, the only power it has is to dismiss the action**.[47]

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[45] *Commissioner of Internal Revenue* v. Villa, L-23988, January 2, 1968.
[46] *Malana, et al, v. Tappa, et al.*, G.R. No. 181303, September 17, 2009.
[47] *Mitsubishi Motors Philippines Corporation v. Bureau of Customs*, G.R. No. 209830, June 17, 2015.

Let it be emphasized that Court of Tax Appeals (CTA) is a court of special jurisdiction, hence, it can only take cognizance of matters that are clearly within its jurisdiction.[48] The jurisdiction of the CTA is expressly provided in Section 7(a)(3) of R.A. No. 1125, as amended by R.A. No. 9282, which reads as follows:

> Sec. 7. Jurisdiction. — The CTA shall exercise:
>
> (a) **Exclusive appellate jurisdiction to review by appeal**, as herein provided:
>
> (1) Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or other matters arising under the National Internal Revenue Code or other laws administered by the Bureau of Internal Revenue;
>
> (2) Inaction by the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or other matters arising under the National Internal Revenue Code or other laws administered by the Bureau of Internal Revenue, where the National Internal Revenue Code provides a specific period for action, in which case the inaction shall be deemed a denial;
>
> (3) **Decisions, orders or resolutions of the Regional Trial Courts in local tax cases originally decided or resolved by them in the exercise of their original or appellate jurisdiction**;
>
> (4) Decisions of the Commissioner of Customs in cases involving liability for customs duties, fees or other money charges, seizure, detention, or release of property affected, fines,

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[48] *Allied Banking Corporation v. Commissioner of Internal Revenue*, G.R. No. 175097, February 5, 2010, 611 SCRA 657.

> forfeitures or other penalties in relation thereto, or other matters arising under the Customs Law or other laws administered by the Bureau of Customs;
>
> (5) Decisions of the Central Board of Assessment Appeals 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;
>
> (6) Decisions of the Secretary of Finance on customs cases elevated to him automatically for review from decisions of the Commissioner of Customs which are adverse to the Government under Section 2315 of the Tariff and Customs Code;
>
> (7) Decisions of the Secretary of Trade and Industry, in the case of non-agricultural product, commodity or article, and the Secretary of Agriculture in the case of agricultural product, commodity or article, involving dumping and countervailing duties under Sections 301 and 302, respectively, of the Tariff and Customs Code, and safeguard measures under Republic Act No. 8800, where either party may appeal the decision to impose or not to impose said duties. (emphases supplied)

Corollarily, Section 3 of Rule 4 of the Revised Rules of the Court of Tax Appeals (RRCTA) provides as follows:

> SEC. 3 *Cases within the jurisdiction of the Court in Division.* - The Court in Division shall exercise:
>
> (a) Exclusive original over or appellate jurisdiction to review by appeal of the following:
>
> xxx xxx xxx

> (3) **Decisions, resolutions or orders of the Regional Trial Courts in local tax cases decided or resolved by them in the exercise of their original jurisdiction**; xxxx (emphasis supplied)

Thus, the appellate jurisdiction of this Court over decisions, orders, or resolutions of the RTC becomes operative when the latter has ruled on a local tax case, *i.e.*, one which is in the nature of a tax or which primarily involves a tax issue. Local taxes include those involving real property tax (RPT), which is governed by Book II, Title II of RA No. 7160, or Local Government Code of 1991. Among the possible issues are the legality or validity of the RPT assessment; protests of assessments; disputed assessments, surcharges, or penalties; legality or validity of a tax ordinance; claims for tax refund/credit; claims for tax exemption; actions to collect the tax due; and even prescription of assessments.[49]

In other words, cases appealed from the RTC is appealable to the Court in Division insofar as said decisions, resolutions or orders of the RTC involve local tax cases decided or resolved by the latter in the exercise of its original jurisdiction.

Further, if the action before the RTC involves a prayer to restrain the collection of RPT, the same may also be treated as a local tax case, since in ruling as to whether to restrain the collection, the RTC must first rule on the propriety of the assessment. In other words, in filing an action for injunction to restrain collection, the concerned taxpayer was in effect also challenging the validity of the RPT assessment.[50]

Moreover, when the appeal comes from a judicial remedy which questions the authority of the local

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[49] *Herarc Realty Corporation v. The Provincial Treasurer of Batangas, et al.*, G.R. No. 210736, September 5, 2018, citing *Salva v. Magpile*, G.R. No. 220440, November 8, 2017, and *Ignacio v. Office of the City Treasurer of Quezon City*, G.R. No. 221620, September 11, 2017.

[50] See *CE Casecnan Water and Energy Company, Inc. v. The Province of Nueva Ecija, et al.*, G.R. No. 196278, June 17, 2015.

government to impose the tax, the aforequoted Section 7(a)(3) RA No. 1125, as amended, applies.[51]

Perusal of the record however reveals that the instant case cannot be classified as a local tax case. Clear from the allegations in the Joint Petition that the case involves redemption of delinquent properties sold due to non-payment of real property taxes. While there may be a local tax involved, there is no indication that petitioners seek for the nullification or setting aside of the assessment issued against them.

It is also evident that the ruling of the RTC does not involve any tax issue. Neither does it pertain to *any* of the following: (1) the legality or validity of an RPT assessment; (2) protest of assessments; (3) disputed assessments, surcharges, or penalties; (4) legality or validity of a tax ordinance; (5) claims for tax refund/credit; (6) claims for tax exemption; (7) actions to collect the tax due; and (8) prescription of assessments. There is likewise no indication that the case below: (i) involves a prayer to restrain the collection of RPT, or any tax for that matter; and (ii) questions the authority of a local government unit to impose the tax.

Note that respondents filed the *Complaint* [52] before the RTC–Bataan for: (1) injunction to restrain petitioners to effect the transfer of ownership of the subject parcels of land, and for petitioner Register of Deeds of Bataan from cancelling OCT CLOA Nos. 10128, 10129, 10130, 10131, 10132, 10134 and 10136, and issuing new titles in favor petitioners Province of Bataan, Wally De Lara Dizon, and Kristine Monsale; (2) consignation; (3) to compel petitioner Treasurer's Office to accept the redemption price of ₱2,600,740.61 and to issue certificates of redemption in favor of respondents; and (4) damages.

Additionally, petitioner Provincial Treasurer's Office based its refusal to accept the offer to redeem the subject

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[51] *National Power Corporation v. Municipal Government of Navotas, et al.*, G.R. No. 192300, November 24, 2014.
[52] Vol. 1 RTC Docket, pp. 2 to 17.

properties on the lack of proper verification of identities of respondents' representatives at the time of redemption.

Irrefragably, the assailed Decision does not pertain to a local tax case referred to in Section 7(a)(3) of RA No. 1125, as amended by RA No. 9282, hence, this Court is without jurisdiction to entertain the same.

As earlier stated, this Court, being a court of special jurisdiction, can take cognizance only of matters that are clearly within its jurisdiction.[53]

Let it be reiterated that jurisdiction over the subject matter or nature of an action is fundamental for a court to act on a given controversy,[54] and is conferred only by law and not by the consent or waiver upon a court which, otherwise, would have no jurisdiction over the subject matter or nature of an action. If the court has no jurisdiction over the nature of an action, its only jurisdiction is to dismiss the case. The court could not decide the case on the merits.[55]

WHEREFORE, the instant *Joint Petition for Review* is **DISMISSED** on jurisdictional ground.

SO ORDERED.

ESPERANZA R. FABON-VICTORINO
Associate Justice

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[53] *Allied Banking Corporation v. Commissioner of Internal Revenue*, G.R. 175097, February 5, 2010.
[54] *Commissioner of Internal Revenue v. Villa, et al.*, G.R. No. L-23988, January 2, 1968.
[55] See *De Guzman, et al. v. Escalona, et al.*, G.R. No. L-51773, May 16, 1980, 97 SCRA 619, 627.

We concur:

ROMAN G. DEL ROSARIO
Presiding Justice

CATHERINE T. MANAHAN
Associate Justice

CERTIFICATION

Pursuant to Section 13 of Article VIII of the Constitution, it is hereby certified that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

ROMAN G. DEL ROSARIO
Presiding Justice