REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

THIRD DIVISION

PEOPLE OF THE PHILIPPINES, *Plaintiff,*	**CTA Criminal Case No. O-122** For: Failure to file income tax return for taxable year 1998 and to pay the income tax due thereon in Violation of Section 255 of the 1997 NIRC
- versus -	Members:
EDUARDO C. FONTANILLA, No. 4 Comet St., Meteor Homes and/or No. 117 Champaca St., United Paranaque IV Subd. Sucat, Paranaque City, *Accused.*	**MANAHAN**, *Chairperson,* **REYES-FAJARDO**, *and* **ANGELES**, *JJ.* Promulgated: JUL 26 2024 9:50 a.m.

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RESOLUTION

On March 25, 2009, an Information was filed against accused Eduardo C. Fontanilla, charging him for violation of Section 255 of the National Internal Revenue Code of 1997. The accusatory portion of which states:

> That on or about April 15, 1999, in Paranaque City, and within the jurisdiction of the Honorable Court, the accused Eduardo C. Fontanilla, manager of Systems Industrial Builders and Developers, Corp., a registered taxpayer with Taxpayer Identification No. 000-065-861, and at the time required by law, rules and regulations to file his income tax return for taxable year 1998 and pay the said income tax due thereon in the amount of Twelve Million Two Hundred Seventy Thousand Four Hundred Eighty Five and 27/100 (P12,270,485.27) Pesos, did then and there willfully, unlawfully and feloniously fail and refuse to file said income tax return, much less pay the said amount of income tax due for the said taxable year 1998 despite due notice and demand from the BIR Commissioner.

CONTRARY TO LAW.

This case merits dismissal.

Section 7(b)(1) of Republic Act (RA) No. 1125, as amended by RA No. 9282, reads:

> Sec. 7. Jurisdiction. - The CTA shall exercise:
>
> ...
>
> b. Jurisdiction over cases involving criminal offenses as herein provided:
>
> **1. Exclusive original jurisdiction over all criminal offenses arising from violations of the** National Internal Revenue Code or **Tariff and Customs Code** and other laws administered by the Bureau of Internal Revenue or the Bureau of Customs: Provided, however, That offenses or felonies mentioned in this paragraph where the principal amount of taxes and fees, **exclusive of charges and penalties**, claimed is less than One million pesos (P1,000,000.00) or where there is no specified amount claimed shall be tried by the regular Courts and the jurisdiction of the CTA shall be appellate. ...[1]

Relatedly, Section 3(b)(1), Rule 4[2] of the Revised Rules of the Court of Tax Appeals (RRCTA)[3] clarified that the CTA in Division possesses exclusive original jurisdiction over tax criminal offenses, provided the following conditions concur: *first*, the offense charged pertains to, among others, violation of the NIRC; and *second*, the principal amount of taxes and fees claimed, *exclusive of charges and penalties* is at least ₱1,000,000.00. In turn, the jurisdiction of a court over a criminal case is determined by the allegations in the complaint or information. Once it is so shown, the court may validly take cognizance of the case.[4]

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1 Boldfacing supplied.

2 SECTION 3. *Cases Within the Jurisdiction of the Court in Divisions.* — The Court in Divisions shall exercise:
...
(b) Exclusive jurisdiction over cases involving criminal offenses, to wit: | | |
(1) Original jurisdiction over all criminal offenses arising from violations of the National Internal Revenue Code or Tariff and Customs Code and other laws administered by the Bureau of Internal Revenue or the Bureau of Customs, where the principal amount of taxes and fees, exclusive of charges and penalties, claimed is one million pesos or more; ... Boldfacing supplied.

3 A.M. No. 05-11-07-CTA.

4 *Cabral v. Bracamonte*, G.R. No. 233174, January 23, 2019.

Indeed, the Information charged the accused for violation of Section 255 of the NIRC. Stated therein is that the amount of the alleged income tax due for the taxable year 1998 was Twelve Million Two Hundred Seventy Thousand Four Hundred Eighty-Five and 27/100 (₱12,270,485.27). Yet, these averments hardly suffice to bestow the Court with jurisdiction over CTA Crim. Case No. 122. The Information *failed* to expressly state that the amount of Twelve Million Two Hundred Seventy Thousand Four Hundred Eighty-Five and 27/100 (₱12,270,4855.27), pertaining to the principal amount of taxes and fees, is *exclusive* of charges and penalties as mandated by Section 7(b)(1) of RA No. 1125, as amended by RA No. 9282, in relation to Section 3(b)(1), Rule 4 of the RRCTA.

In sum, the allegations in the prosecution's Information failed to demonstrate the Court's jurisdiction over this case. For this reason, dismissal of CTA Criminal Case No. O-122 is in order.

WHEREFORE, CTA Criminal Case No. O-122 is withdrawn from the archives and accordingly **DISMISSED** for lack of jurisdiction.

SO ORDERED.

Catherine T. Manahan

CATHERINE T. MANAHAN
Associate Justice

Marian Ivy F. Reyes-Fajardo

MARIAN IVY F. REYES-FAJARDO
Associate Justice

HENRY S. ANGELES
Associate Justice