REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

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 EB No. 2344** (CTA AC No. 205) Present: Del Rosario, *P.J.,* Castañeda, Jr., Uy, Ringpis-Liban, Manahan, Bacorro-Villena, and Modesto-San Pedro, *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:
JUN 2 9 2021
3:02 p.m.

x---x

DECISION

CASTAÑEDA, JR., *J.:*

This Joint Petition for Review[1] filed on October 14, 2020 pursuant to Sections 3(b) and 4(b), Rule 8 of the Revised Rules of the Court of Tax Appeals (RRCTA) seeks the reversal of the Decision dated January 14, 2020,[2] (Assailed Decision) as well as the Resolution dated July 29, 2020[3] (Assailed Resolution) of the First Division (Court in Division)[4] of this Court in CTA AC No. 205.

The respective dispositive portions of the Assailed Decision and Resolution are quoted hereunder:

Assailed Decision:

> "**WHEREFORE**, the instant *Joint Petition for Review* is **DISMISSED** on jurisdictional ground.
>
> **SO ORDERED**."

[1] Court *En Banc's* Docket, pp. 1-16.
[2] *Ibid.*, pp. 19-39.
[3] *Id.*, pp. 40-44.
[4] Composed of Presiding Justice Roman G. Del Rosario as Chairperson, Associate Justice Esperanza R. Fabon-Victorino and Associate Justice Catherine T. Manahan as members.

Assailed Resolution:

"**WHEREFORE,** petitioners' Motion for Reconsideration dated February 12, 2020 is **DENIED**. The impugned Decision dated January 14, 2020 is **AFFIRMED**.

SO ORDERED."

THE FACTS

The facts of the present case, as found by the Court in Division in its Decision dated January 14, 2020, are as follows:[5]

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

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

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

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

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[5] Court *En Banc's* Docket, pp. 62-72 (Citations omitted).

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 Dela Paz, Antipolo City; Jr

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., Dela 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), 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 Certificate 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
00123037	September 9, 1998	CLOA-10129	September 30, 1998
00123038	September 9, 1998	CLOA-10130	September 30, 1998
00123039	September 9, 1998	CLOA-10131	September 30, 1998
00123040	September 9, 1998	CLOA-10132	September 30, 1998
00123042	September 14, 1998	CLOA-10134	September 30, 1998
00123044	September 14, 1998	CLOA-10136	September 30, 1998

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:

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	₱2,386,775.00

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OCT No. CLOA 10129	Melvin Zamora Camyon, Jovencio Boha Bayron, Jr., Carlito Arnoza Gonzaga, Noel Narido Tadepa, Alexander Magpantay Baltazar, Meldy Pacia Capino, Gerardo L. Ramirez, Florentino Gacilos, Victor Masibay, Agustin L. Derod	₱2,431,690.00
OCT No. CLOA 10130	Rolando B. Radaza, and Joel B. Rondez	₱443,720.00
OCT No. CLOA 10131	Nelynda Declaro, and Rowena N. Abancio	₱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	₱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	₱2,458,525.00
OCT No. CLOA 10136	Ruperto Los Banez, and Reynaldo De La Cruz	₱490,700.00

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; one (1) parcel of land covered by OCT CLOA No. 10136 to Kristine Monsale, 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, 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, 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, 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 P2,289,472.91 and Security Bank Manager's Check No. 0000016824 dated September 15, 2009 in the amount of P311,267.70 as redemption price.

In a Letter dated October 5, 2009 addressed to respondent individuals, through De Dios Law Office, 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 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 P2,600,740.61 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.*

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 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 filed their respective motions for reconsideration which were denied by the Court in the Order dated May 30, 2018, 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 directing respondents to file their comment, within ten (10) days from receipt thereof.

In the Resolution dated September 3, 2018, the Court granted respondents' prayer for extension of until August 21, 2018 to file their Comment to petitioners' *Joint Petition for Review.*

In the Resolution dated September 11, 2018, the Court granted respondents' motion and accordingly admitted the belatedly filed *Comment to the Joint Petition for Review.* 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 transferred to the Court's First Division.

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

On December 7, 2018, 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 dated November 12, 2018.

On January 15, 2019, the instant case was submitted for decision."

On January 14, 2020, the Court in Division rendered the Assailed Decision denying petitioners' Joint Petition for Review for lack of jurisdiction.

Aggrieved, petitioners filed a Motion for Reconsideration dated March 12, 2020 which the Court in Division denied in the Assailed Resolution.

On October 14, 2020, petitioners filed the present Joint Petition for Review. On February 11, 2021, respondents filed their Comment to the Petition for Review.

In a Resolution dated March 16, 2021, the Court *En Banc* submitted the present case for decision.

THE ISSUES

Petitioners filed the present Joint Petition for Review before the Court *En Banc* to raise the following issues, to wit:

"1. Whether or not the First Division of this Honorable Court committed a reversible error in unduly restricting the scope of the jurisdiction of the Court of Tax Appeals in contravention of the express provisions of the law which defined it;

2. Whether or not the First Division has overlooked the other issues which established this Honorable Court's

jurisdiction over the present petition even if its restrictive interpretation were to be applied; and

3. Whether or not this Honorable Court can validly exercise its jurisdiction over the petition."

THE COURT *EN BANC*'S RULING

After careful review of the facts, the arguments of the parties as well as the applicable law and jurisprudence, the Court *En Banc* finds the present Joint Petition for Review bereft of any merit. Both the Assailed Decision and Resolution must be upheld for being in accordance with the applicable law and jurisprudence.

In the Joint Petition for Review, petitioners posit that both the Assailed Decision and Resolution unduly restrict the Court of Tax Appeals' (CTA) scope of jurisdiction contrary to a clear provision of law.[6] According to them, the CTA's jurisdiction as defined by law and as ruled by the Supreme Court is expansive enough to cover and apply to the present Petition.[7] Petitioners maintain that the present case qualifies as a local tax case as it involves the proper application of Section 261 of the Local Government Code on who may exercise the right of redemption of property which had been sold at public auction.[8] Petitioners pointed out that the said statutory provision falls under Chapter VI, Book II, Title II (Real Property Taxation) of the Local Government Code.[9]

Petitioners likewise contend that both the Assailed Decision and Resolution overlooked the issues on the validity of the real property tax (RPT) assessments and prescription that have been raised by respondents themselves and which established CTA's jurisdiction over the petition.[10] Petitioners assert that the respondents amended their Complaint before the Regional Trial Court (RTC) as to include the above two (2) issues, namely: (1) validity of the RPT assessment and (2) prescription of the assessment.[11]

At the outset, it must be emphasized that the Court *En Banc* fully agrees with the Court in Division in finding that this Court has no jurisdiction over the present controversy. As such, this Court has no other option but to dismiss the same.[12]

[6] *Id.*, pp. 7-10.
[7] *Id.*
[8] *Id.*
[9] *Id.*
[10] *Id.*, pp. 10-15.
[11] *Id.*
[12] *Mitsubishi Motors Philippines Corporation v. Bureau of Customs*, G.R. No. 209830, June 17, 2015.

It is worth mentioning that the CTA is a court of special and limited jurisdiction. It can only take cognizance of matters which are clearly within its jurisdiction. Section 7(a)(3) of Republic Act (RA) No. 1125, as amended, provides:

> "Sec. 7. *Jurisdiction.* — The CTA shall exercise:
>
> (a) Exclusive appellate jurisdiction to review by appeal, as herein provided:
>
> (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;" *(Emphasis supplied)*

As correctly enunciated by the Court in Division, 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.[13]

In *Ignacio v. Office of the City Treasurer of Quezon City,*[14] the Supreme Court held that:

> "[C]ases decided by the RTC which involve issues relating to the power of the local government to impose real property taxes are considered as local tax cases, which fall under the appellate jurisdiction of the CTA. To note, these issues may, *inter alia,* involve the legality or validity of the real property tax 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."

Moreover, in *CE Casecnan Water and Energy Company, Inc. v. The Province of Nueva Ecija et al.*,[15] the Supreme Court had treated an injunction suit as a local tax case. The Supreme Court held that the prayer to restrain the collection of RPT amounts to an implicit challenge to the propriety of the RPT assessment because in ruling as to whether to restrain the collection, the RTC must first necessarily rule on the propriety of the assessment.

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[13] Citing *Herarc Realty Corporation v. The Provincial Treasurer of Batangas, et. al.*, G.R. No. 210736, September 5, 2018.

[14] G.R. No. 221620, September 11, 2017.

[15] G.R. No. 196278, June 17, 2015.

Guided by the foregoing, the Court *En Banc* holds that respondents' Complaint before the RTC cannot be considered as a local tax case. Basic is the rule that subject-matter jurisdiction is conferred by law and determined from the material averments in the complaint. In *Padlan v. Dinglasan*,[16] the Supreme Court explained:

> "x x x [I]n order to determine which court has jurisdiction over the action, an examination of the complaint is essential. Basic as a hornbook principle is that jurisdiction over the subject matter of a case is conferred by law and determined by the allegations in the complaint which comprise a concise statement of the ultimate facts constituting the plaintiff's cause of action. **The nature of an action, as well as which court or body has jurisdiction over it, is determined based on the allegations contained in the complaint of the plaintiff, irrespective of whether or not the plaintiff is entitled to recover upon all or some of the claims asserted therein. The averments in the complaint and the character of the relief sought are the ones to be consulted.** Once vested by the allegations in the complaint, jurisdiction also remains vested irrespective of whether or not the plaintiff is entitled to recover upon all or some of the claims asserted therein.
>
> **What determines the jurisdiction of the court is the nature of the action pleaded as appearing from the allegations in the complaint. The averments therein and the character of the relief sought are the ones to be consulted.**" *(Emphasis supplied and citations omitted)*

It is clear in the material averments as well as in the relief sought in the Complaint filed before the RTC that the said action was filed to compel petitioners to allow the redemption by the respondents of the delinquent properties foreclosed under a tax sale. While it may be true that the resolution of the said action calls for the proper application of Section 261 of the Local Government Code on who may exercise the right of redemption of property which had been sold at public auction, that fact does not *per se* transform the dispute into a local tax case. In *Salva v. Magpile*,[17] the Supreme Court did not consider the petition therein as a local tax case even though the dispute arose from the alleged non-compliance of the respondents therein with the pertinent provisions of the Local Government Code on tax delinquency sale. As such, the Supreme Court ruled that the said case was properly appealed to the Court of Appeals. According to the Supreme Court:

[16] G.R. No. 180321, March 20, 2013.
[17] G.R. No. 220440, November 8, 2017.

> "The above notwithstanding, the CA correctly asserted its jurisdiction in this case. **Here, the dispute arose from the alleged non-compliance of the respondents with the pertinent provisions of the LGC on tax delinquency sale.** A plain reading of Magpile's petition before the RTC would show that he did not assail the legality or validity and reasonableness or correctness of the real property tax assessment and collection. In fact, he categorically and repeatedly admits in his pleadings that he failed to pay the real property tax from 1998 up to 2006. As the CA ruled, what he is questioning is the alleged denial of due process in the levying of his property. Basic is the rule that the allegations in the complaint and the character of the relief sought determine the nature of an action. **In order for the trial court to resolve Magpile's petition, the issues regarding the legality/validity or reasonableness/correctness of the real property tax assessment and collection need not be dealt with. At bar, the issue of the validity and legality of the tax sale is not essentially related to the issue of the demandability of the real property tax.** Therefore, the non-dismissal of Magpile's appeal by the CA was in order." *(Emphasis supplied and citations omitted)*

In their Complaint before the RTC, respondents essentially anchored their claim on their purported right to redeem the foreclosed properties under Section 261 of the Local Government Code. On the other hand, petitioners' refusal to accept the offer to redeem the foreclosed properties was putatively because of their need to verify the identities of the parties seeking to exercise the right of redemption. Verily, the trial court can fully resolve such an issue without having to pass upon the legality or validity of the RPT assessment. Similar to the ruling in *Salva*, the issue of validity or legality of the tax sale in the present case is not essentially related to the issue of the demandability of the RPT assessment. If truth be told, far from challenging the legality or validity of the RPT assessment, respondents' offer to redeem the foreclosed properties by payment of the redemption price (representing the delinquent tax plus interest and expenses of sale) pursuant to Section 261 of the Local Government Code may even be construed as their implicit recognition of the correctness let alone validity of the RPT assessment.

The Court *En Banc* also does not find any merit in petitioners' assertion that the Complaint before the RTC was amended to include the issue of validity of the RPT assessment and prescription. A careful review of the records, however, reveals that no amendment of the Complaint was actually made. What the respondents were actually arguing in their Memorandum dated October 16, 2018[18] filed before the Court in Division

[18] CTA AC No. 205 Docket, pp. 298-303.

was that their Complaint was "effectively amended to conform to evidence" pursuant to Section 5, Rule 10 of the Rules of Court because they allegedly were able to present evidence (tax declarations, official receipts and certification) during trial proving previous payment of the taxes for which the properties were foreclosed. Nevertheless, no actual amendment of the Complaint was ever made and this non-amendment was even noted by the RTC in its Decision.[19]

At any rate, the respondents cannot validly raise such issues to the RTC and the latter cannot validly rule upon the same. The issue of whether or not the RPT due on the delinquent properties were already paid prior to the foreclosure sale and whether or not the RPT assessment has prescribed are questions of fact intrinsically touching upon the correctness or reasonableness (not validity or legality) of the RPT assessment. The resolution of such issues certainly entails presentation and calibration of evidence. Accordingly, jurisdiction over the same is vested upon the relevant local board of assessment appeals (LBAA) pursuant to Section 226 of the Local Government Code.[20]

WHEREFORE, the present Joint Petition for Review is **DENIED** for lack of merit.

SO ORDERED.

Juanito C. Castañeda, Jr.
JUANITO C. CASTAÑEDA, JR.
Associate Justice

WE CONCUR:

ROMAN G. DEL ROSARIO
Presiding Justice

ERLINDA P. UY
Associate Justice

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[19] *Id.*, p. 052.
[20] *Ty v. Trampe*, G.R. No. 117577, December 1, 1995; *Olivares v. Marquez*, G.R. No. 155591, September 22, 2004; *National Power Corporation v. Province of Quezon*, G.R. No. 171586, January 25, 2010; *National Power Corporation v. Municipal Government of Navotas*, G.R. No. 192300, November 24, 2014; *City of Lapu-Lapu v. Philippine Economic Zone Authority*, G.R. Nos. 184203 & 187583, November 26, 2014.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

CATHERINE T. MANAHAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

CERTIFICATION

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

ROMAN G. DEL ROSARIO
Presiding Justice