REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

THIRD DIVISION

PHILIPPINE AIRLINES, INC., *Petitioner,*

- *versus* -

COMMISSIONER OF INTERNAL REVENUE AND COMMISSIONER OF CUSTOMS, *Respondents.*

CTA CASE NO. 11228

Members:

MANAHAN, *Chairperson,*
REYES-FAJARDO, *and*
ANGELES, *JJ.*

Promulgated:

JUN 20 2025 1:12 p.m.

x - x

R E S O L U T I O N

MANAHAN, *J.*:

For resolution of the Court are the following: (1) respondent Commissioner of Internal Revenue (CIR)'s *Motion for Reconsideration (Re: Decision promulgated 19 December 2024)* filed on January 17, 2025, with petitioner's *Comment (Re: Respondent CIR's Motion for Reconsideration dated 17 January 2024)* filed on January 28, 2025; and (2) respondent Commissioner of Customs (COC)'s *Motion for Reconsideration* filed on January 23, 2025, with petitioner's *Comment (Re: Respondent COC's Motion for Reconsideration dated 23 January 2025)* filed on March 24, 2025.

For easy reference, the dispositive portion of the assailed Decision provides:

> **ACCORDINGLY**, the instant Petition for Revival of Judgment is **GRANTED**. Consequently, the judgment rendered in CTA Case No. 8361 Decision promulgated on March 26, 2014 is **REVIVED** and the Commissioner of Internal Revenue is **ORDERED TO REFUND** in favor of petitioner Philippine Airlines, Inc. the amount of One Million Nine Hundred Forty-Eight Thousand One Hundred Seventy-Five and 7/100 Pesos (P1,948,175.07), representing

petitioner's erroneously paid excise taxes on October 26, 2009. Let the corresponding Writ of Execution be issued.

SO ORDERED.[1]

In their respective motions, both respondent CIR and COC essentially assert that a regular court, or a Regional Trial Court, has jurisdiction over the instant case which is an original action incapable of pecuniary estimation, and which should be instituted within ten (10) years from the time the judgment has become final.

On the other hand, petitioner counters that the instant motion is only filed to circumvent and disregard settled laws, rules, and jurisprudence.

After careful consideration, the Court finds the instant motion unmeritorious.

As previously discussed in the assailed Decision, the Court of Tax Appeals (CTA) has jurisdiction over "other matters" arising under the 1997 National Internal Revenue Code (NIRC), as amended. To reiterate, Section 7 (a)(1) of Republic Act (RA) No. 1125, as amended by RA No. 9282, provides:

> Section 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**, where the National Internal Revenue Code provides for a specific period for action, in which case the inaction shall be deemed a denial *(Emphasis supplied)*

While the above-quoted provision refers only to the appellate jurisdiction of the CTA, jurisprudence affirms that the latter carries with it the "*authority to control all auxiliary and incidental matters necessary to the efficient and proper exercise*

[1] Decision, Docket, p. 446.

of that jurisdiction."[2] In this regard, the case of *The City of Manila v. Hon. Caridad H. Grecia-Cuerdo* is instructive:

> A grant of appellate jurisdiction implies that there is included in it the power necessary to exercise it effectively, to make all orders that will preserve the subject of the action, and to give effect to the final determination of the appeal. It carries with it the power to protect that jurisdiction and to make the decisions of the court thereunder effective. ***The court, in aid of its appellate jurisdiction, has authority to control all auxiliary and incidental matters necessary to the efficient and proper exercise of that jurisdiction.*** For this purpose, it may, when necessary, prohibit or restrain the performance of any act which might interfere with the proper exercise of its rightful jurisdiction in cases pending before it.

Considering that the CTA has authority to control all auxiliary and incidental matters necessary to the efficient and proper exercise of its jurisdiction, the Court finds no error when it found in the assailed Decision that:

> Here, the present Petition for Revival of Judgment stemmed from PAL's refund claim. Based on Section 7 of RA No. 1125, as amended, and the ruling of the Supreme Court in the *Manila Medical* case, the CTA has jurisdiction over the instant Petition under 'other matters.' Thus, the denial of respondent COC's Motion to dismiss is in order.[3]

Furthermore, in the case of *Heirs of Numeriano Miranda, Sr., et al., v. Pablo R. Miranda,*[4] the Supreme Court categorically held that:

> An action for revival of judgment may be filed either 'in the same court where said judgment was rendered or in the place where the plaintiff or defendant resides, or in any other place designated by the statutes which treat of the venue of actions in general.

Thus, an action for revival of judgment may be filed in the same court where said judgment was rendered, among others.

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[2] *The City of Manila v. Hon. Caridad H. Grecia-Cuerdo*, G.R. No. 175723, February 04, 2014 [Per J. Peralta, En Banc].
[3] Decision, Docket, p. 444.
[4] G.R. No. 179638, July 8, 2013.

In this case, the judgment subject of the present action for revival of judgment was rendered on March 26, 2014 by this Court's Second (2nd) Division in CTA Case No. 8361. Following the ruling of the Supreme Court in *Miranda*, the action for revival of judgment may be filed in the CTA. Hence, the Court has jurisdiction over the same.

To encapsulate, respondents failed to convince the Court that it has no jurisdiction over petitioner's action for revival of judgment. Hence, the denial of respondents' respective motions is proper.

ACCORDINGLY, respondent CIR's *Motion for Reconsideration (Re: Decision promulgated 19 December 2024)* and respondent COC's *Motion for Reconsideration* are both **DENIED**, for lack of merit.

SO ORDERED.

Catherine T. Manahan

CATHERINE T. MANAHAN
Associate Justice

Marian Ivy F. Reyes-Fajardo
(With due respect, I maintain my Dissenting Opinion in the Decision dated 12/19/24)
MARIAN IVY F. REYES-FAJARDO
Associate Justice

HENRY S. ANGELES
Associate Justice