REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

SPECIAL THIRD DIVISION

NATIONAL FOOD AUTHORITY, Represented by its Regional Manager, JONATHAN D. YAZON, Petitioner,	**CTA AC NO. 275**
	Present:
vs.	**RINGPIS-LIBAN**, *Chairperson*, **MODESTO-SAN PEDRO**, and **FERRER-FLORES**, *JJ.*
CITY GOVERNMENT OF CABANATUAN, CITY ASSESSOR AND CITY TREASURER OF CABANATUAN CITY, NUEVA ECIJA, Respondents.	Promulgated: AUG 2 8 2025 9:15 am

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AMENDED DECISION

FERRER-FLORES, J.:

Before this Court is petitioner's **Motion for Reconsideration (Of the Decision Dated 20 May 2024)** filed on July 10, 2024, without respondents' comment as per Records Verification dated April 10, 2025.

On May 20, 2024, the Court promulgated the Decision dismissing the present *Petition for Review* for being filed out of time, the dispositive portion of which states:

> **WHEREFORE**, premises considered, the *Petition for Review with Motion for Suspension of Collection of Tax* is hereby **DISMISSED** for lack of jurisdiction.
>
> **SO ORDERED.**

In its *Motion*, petitioner primarily asserts that the Court erred in ruling that the *Petition for Review* was belatedly filed on October 24, 2022, thereby, depriving the Court of jurisdiction to rule on the merits of the case. Petitioner assails the conclusion that it should have filed the subject *Petition* within 30 days from receipt of the Resolution dated August 18, 2022, rendered by the Regional Trial Court (RTC) – Branch 86 of Cabanatuan City (assailed RTC Resolution), on September 5, 2022 through a certain "Shaun Bael". Petitioner contends that the September 5, 2022 receipt of Mr. Shaun Brylle G. Bael should not be the reckoning date for the filing of the *Petition for Review* since Mr. Bael, who is a Job Order employee under the Nueva Ecija Branch office of the National Food Authority (NFA), is not authorized to receive the said Resolution on behalf of petitioner.

Moreover, petitioner points out that it is represented by NFA Legal Affairs Department with its office on record being at the NFA Central Office Building along Visayas Avenue, Quezon City, Metro Manila. Allegedly, its counsel only received a copy of the assailed RTC Resolution, on September 23, 2022, through registered mail No. RE 655 381 375 ZZ. As such, the running of any reglementary period should only commence upon service to its counsel of record, either personally or by registered mail, at its office address in Quezon City. Petitioner, thus, maintains that its *Petition for Review* was timely filed on October 24, 2024.

After due consideration, the Court finds merit in petitioner's *Motion for Reconsideration*.

Section 2 of Rule 13 of Rules of Court,[1] provides the general rule that service to a party that has appeared on record by counsel, shall be made upon the said counsel, unless otherwise ordered by the court, to wit:

> SEC. 2. *Filing and service, defined.* – Filing is the act of submitting the pleading or other paper to court.
>
> Service is the act of providing a party with a copy of the pleading or any other court submission. **If a party has appeared by counsel, service upon the party shall be made upon his or her counsel,** unless service upon the party and the party's counsel is ordered by the court. Where one counsel appears for several parties, such counsel shall only be entitled to one copy of any paper served by the opposite side. *(Emphasis supplied)*

Perforce, in the case of *Mercedes S. Gatmaytan vs. Francisco Dolor, et al.*,[2] the Supreme Court reiterated the said rule that when a party is represented and has appeared by counsel, service shall, as a rule, be made upon his or her counsel, viz.:

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[1] As amended by Administrative Matter No. 19-10-20-SC, otherwise known as "*2019 Amendments to the 1997 Rules of Civil Procedure*", which took effect on May 1, 2020.
[2] G.R. No. 198120, February 20, 2017.

II.

Reckoning the date when a party is deemed to have been given notice of the judgment or final order subject of his or her Motion for Reconsideration depends on the manner by which the judgment of final order was served upon the party himself or herself.

When, however, a party is represented and has appeared by counsel, service shall, as a rule, be made upon his or her counsel. As Rule 13, Section 2 of the 1997 Rules of Civil Procedure provides:

> Section 2. Filing and Service, Defined. —
>
> xxx xxx xxx
>
> Service is the act of providing a party with a copy of the pleading or paper concerned. *If any party has appeared by counsel, service upon him shall be made upon his counsel or one of them, unless service upon the party himself is ordered by the court.* Where one counsel appears for several parties, he shall only be entitled to one copy of any paper served upon him by the opposite side. (Emphasis supplied)

In *Delos Santos v. Elizalde*, this Court explained the reason for equating service upon counsels with service upon the parties themselves:

> **To reiterate, service upon the parties' counsels of record is tantamount to service upon the parties themselves, but service upon the parties themselves is not considered service upon their lawyers. The reason is simple — the parties, generally, have no formal education or knowledge of the rules of procedure, specifically, the mechanics of an appeal or availment of legal remedies; thus, they may also be unaware of the rights and duties of a litigant relative to the receipt of a decision. More importantly, it is best for the courts to deal only with one person in the interest of orderly procedure — either the lawyer retained by the party or the party him/herself if s/he does not intend to hire a lawyer.**

xxx xxx xxx

While petitioner filed a Motion for Reconsideration of the Regional Trial Court's March 27, 2006 Decision, there is a dispute as to the date from which the 15-day period for filing a Motion for Reconsideration must be reckoned. That is, there is a dispute as to when petitioner was given notice of the Decision. The Court of Appeals refused to entertain petitioner's appeal reasoning that the judgment appealed from has attained finality. This, according to it, is because petitioner belatedly filed her Motion for Reconsideration on June 16, 2006 considering that her counsel supposedly received notice of it on April 14, 2006. Petitioner insists that the Motion was timely filed, her counsel having received notice of it only on June 1, 2006.

xxx xxx xxx

> **We sustain petitioner's position that the service made on her counsel's former address was ineffectual.** *xxx* **Petitioner is correct in saying that the 15-day period must be reckoned from the date when service was made at the updated address. To hold otherwise would be to condone a glaring violation of her right to due process. It is to say that she might as well not be given notice of the Decision rendered by the Regional Trial Court. In this respect, we sustain petitioner.** *xxx. (Citations omitted; emphasis supplied)*

To support its arguments, petitioner attached to its *Motion for Reconsideration* the following annexes to prove that service was only made on its counsel on September 23, 2022, to wit:

a. Annex A – *Certification* dated June 28, 2024[3] issued by Chief Personnel Specialist, Lily Beth Sunga of the NFA Human Resource Development & Services Division, stating that Shaun Bael was not previously nor currently employed by the NFA Legal Affairs Department;

b. Annex B – *Certificate of Employment* dated June 7, 2024[4] issued by the OIC – Branch Manager of the NFA Nueva Ecija Branch Office, Cecilia L. Perez, stating that Shaun Bael is an Accounts Analyst with Job Order Status in the NFA – Nueva Ecija Branch Office;

c. Annex C – *Certification* dated July 2, 2024[5] signed by the Chief of the Administration/Records Unit of the Quezon City Central Post Office, Philippines Postal Corporation, Minerva V. Casanova, stating that Registered Letter No. RE 655 381 375 ZZ was posted on August 26, 2022 at Cabanatuan MDC addressed to the NFA at 7th Floor, NFA Central Office Bldg., Visayas Ave., Brgy. Vasra, Quezon City and duly received by authorized representative Mr. Prudencio Alfaro on September 23, 2022; and,

d. Annex D – *Resolution* dated August 18, 2022[6] rendered by the RTC – Branch 86 of Cabanatuan City, which is the subject of the *Petition for Review*, stamped received by the NFA Legal Affairs on September 23, 2022, and stamped as certified true copy by the Branch Clerk of Court of RTC – Branch 86, Cabanatuan City, Atty. Hannah Grace P. Ignacio on August 24, 2022.

From the above attachments, petitioner was able to show that: *(1)*, the service of the assailed RTC Resolution made upon Shaun Bael, who was

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[3] Docket – Vol. 2, p. 827.
[4] Docket – Vol. 2, p. 828.
[5] Docket – Vol. 2, p. 829.
[6] Docket – Vol. 2, pp. 830 to 834.

actually employed by the NFA Nueva Ecija Branch Office, on September 5, 2022 was ineffective, as it was not made to its counsel of record; and, *(2)* since the valid service was actually made to petitioner's counsel of record on September 23, 2022, the reglementary period for the filing of its *Petition for Review* should be reckoned therefrom. Correspondingly, counting 30 days from petitioner's valid and effective receipt on September 23, 2022, petitioner had until October 23, 2022 to file its *Petition for Review* with this Court. Since October 23, 2022 fell on a Sunday, the *Petition for Review* was filed the next working day on October 24, 2022. Evidently, petitioner was able to clarify and establish that its *Petition for Review* was filed on time.

That having been settled, the Court shall now proceed to discuss the merits of the present case.

To recall, during the hearing held on February 23, 2023,[7] the parties agreed that there is no factual issue in this case and, in fact, respondent's counsel admitted all the annexes appended to the *Petition for Review* filed on October 24, 2024. The parties further agreed that the only issue to be resolved in this case is whether NFA is liable for the payment of real property tax (RPT) on its property located in Imelda District, Cabanatuan City, Nueva Ecija. For the said reasons, witnesses were no longer presented and the parties agreed to submit their respective *Memoranda*.

In the *Memorandum (for Petitioner)*,[8] petitioner primarily asserts that the NFA is a government instrumentality and not a government-owned and controlled corporation (GOCC). Consequently, as a government instrumentality, the NFA is exempt from the payment of RPT.

On the other hand, in the *Memorandum for Respondents-Appellees City Government of Cabanatuan, et al.*,[9] respondents mainly argue that the action for prohibition is an improper remedy in the present case and that petitioner NFA should be estopped from questioning the assessment made by respondent.

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7 Minutes of the hearing held on February 23, 2023, Docket – Vol. 2, p. 604.
8 Docket – Vol. 2, pp. 751 to 784.
9 Docket – Vol. 2, pp. 615 to 630.

THE RULING OF THE COURT

The Court finds the *Petition for Review* meritorious.

Central to the resolution of the present controversy of the NFA's exemption from RPT is its status as a government entity, particularly, whether it is a government instrumentality or a GOCC. This is because Sections 133(o) and 234 of the Local Government Code (LGC) of 1991 provides for exemption from RPT in this wise:

> Section 133. *Common Limitations on the Taxing Powers of Local Government Units.* - Unless otherwise provided herein, the **exercise of the taxing powers** of provinces, cities, municipalities, and barangays **shall not extend to the levy** of the following:
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> xxx xxx xxx
>
> (o) **Taxes, fees or charges of any kind on the National Government, its agencies and instrumentalities, and local government units.**
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> xxx xxx xxx
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> SECTION 234. *Exemptions from Real Property Tax.* — The following are exempted from payment of the real property tax:
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> (a) **Real property owned by the Republic of the Philippines or any of its political subdivisions** except when the beneficial use thereof has been granted, for consideration or otherwise, to a taxable person;
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> (b) Charitable institutions, churches, parsonages or convents appurtenant thereto, mosques, non-profit or religious cemeteries and all lands, buildings, and improvements actually, directly, and exclusively used for religious, charitable or educational purposes;
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> (c) All machineries and equipment that are actually, directly and exclusively used by local water districts and government-owned or -controlled corporations engaged in the supply and distribution of water and/or generation and transmission of electric power;
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> (d) All real property owned by duly registered cooperatives as provided for under R.A. No. 6938; and
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> (e) Machinery and equipment used for pollution control and environmental protection.

> Except as provided herein, **any exemption from payment of real property tax previously granted to, or presently enjoyed by, all persons, whether natural or juridical, including all government-owned or - controlled corporations are hereby withdrawn upon the effectivity of this Code**. *(Emphasis supplied)*

Based on the foregoing, in general, government instrumentalities are exempt from RPT, while the RPT exemption previously granted to, or presently enjoyed by GOCCs, among others, was withdrawn upon the effectivity of LGC of 1991. As such, GOCCs are now subject to RPT.

On May 21, 2024, no less than the Supreme Court promulgated *National Food Authority, represented by Atty. Ma. Theresa S. Villafuerte, CPA, in her capacity as Department Manager of NFA Legal Affairs Department vs. City Government of Tagum, City Assessor and City Treasurer of Tagum, Province of Davao Del Norte (NFA vs. City Government of Tagum)*,[10] addressing the very same issue of NFA's RPT exemption which shall be discussed below.

Petitioner is a government instrumentality.

In *NFA vs. City Government of Tagum*,[11] the Supreme Court categorically held that petitioner NFA is a **government instrumentality** having met the criteria laid down in *Philippine Heart Center vs. The Local Government of Quezon City, et al.* We quote:

> To recall, Republic Act No. 10149 was passed into law, incorporating the classification of and definition of government instrumentalities, as follows:
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>> Section 3(n). *Definition of Term.* — **Government Instrumentalities with Corporate Powers (GJCP)/Government Corporate Entities (GCE) refer to instrumentalities or agencies of the government, which are neither corporations nor agencies integrated within the departmental framework, but vested by law with special functions or jurisdiction, endowed with some if not all corporate powers, administering special funds, and enjoying operational autonomy usually through a charter** including, but not limited to, the following: the Manila International Airport Authority (MIAA), the Philippine Ports Authority (PPA), the Philippine Deposit Insurance Corporation (PDIC), the Metropolitan Waterworks and Sewerage System (MWSS), the Laguna

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[10] G.R. No. 261472, May 21, 2024.

[11] *Ibid.*

> Lake Development Authority (LLDA), the Philippine Fisheries Development Authority (PFDA), the Bases Conversion and Development Authority (BCDA), the Cebu Port Authority (CPA), the Cagayan de Oro Port Authority, the San Fernando Port Authority, the Local Water Utilities Administration (LWUA) and the Asian Productivity Organization (APO). (Emphasis supplied)

In *Philippine Heart Center v. The Local Government of Quezon City, et al.*, for an agency to be classified as a government instrumentality vested with corporate powers, the following elements must concur: (a) it performs governmental functions; and (b) it enjoys operational autonomy. NFA passes these twin criteria.

(1) *NFA performs special governmental functions.* When NFA was transformed into a government corporation attached to the Office of the President under Presidential Decree No. 1770, its powers and functions were broadened for the purpose of promoting the integrated growth and development of the grains industry so that it can adequately function as an institution conscious of its social responsibilities and capable of providing adequate and continuous food supply to the nation and of contributing to its proper share to national economy.

The passage of Republic Act No. 11203 or the "Rice Tariffication Law" repealed several provisions of the charter of NFA. Under Section 8 thereof, it was mandated to maintain sufficient rice buffer stock to be sourced solely from local farmers to be used for emergency situations and to sustain the disaster relief programs of the government during natural or man-made calamities.

Thus, *NFA was refocused on the acquisition, maintenance, and distribution of rice buffer stock.* It shall maintain an optimal level of national rice inventory to be sourced solely from local farmers and to distribute rice during emergency/calamity situations and sustain the disaster relief program of the government during natural or man-made calamities. It thus performs essential public service.

(2) *NFA is vested with corporate powers under Presidential Decree No. 4, as amended.* Its powers and functions for this purpose — the acquisition, maintenance, and distribution of rice buffer stock — remain, including its capitalization, funding, and sovereign guarantee. *It is still a government corporation as designated under Presidential Decree No. 1770 under the supervision and control of the Department of Agriculture.*

NFA therefore bears the essential characteristics of a government instrumentality vested with corporate powers and exempt from real property taxes. NFA's corporate status does not divest itself of its character as a government instrumentality. For despite its corporate status, it is really the resources and reputation of the Republic that are at stake in the capitalization and operations of the government entity.

(3) *NFA is not a GOCC. It was not organized as a stock or non-stock corporation.*

> Under Section 3 of the Revised Corporation Code, corporations formed or organized under this Code may be stock or non-stock corporations. Stock corporations are those which have capital stock divided into shares and are authorized to distribute to the holders of such shares, dividends, or allotments of the surplus profits on the basis of the shares held. All other corporations are non-stock corporations.
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> While it has capitalization divided into shares of stock wholly owned by the National Government, it has no stockholders or voting shares. It is not even authorized to declare, much less, distribute dividends. Its surpluses (or income) are controlled by the President of the Philippines in accordance with fund requirements of the NFA and funds available in the Treasury. Thus, it is not a stock corporation. Nor is it a non-stock corporation because it has no members. Even if we were to assume that the National Government is its sole member, it is still not a non-stock corporation as a non-stock corporation cannot distribute any part of their income to their members.
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> (4) *NFA is operationally autonomous*. NFA is not integrated within the department framework, only under the supervision and control of the Department of Agriculture. Under Executive Order No. 62, the NFA Council, the governing NFA body corporate was reorganized designating the following officials:
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> xxx xxx xxx
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> In sum, **NFA is a government instrumentality**. While it is not integrated within the department framework, it is vested with special functions or jurisdiction and endowed with some corporate powers. It administers special funds and enjoys operational autonomy under a charter. *(Emphasis and italics in the original; citations omitted)*

In view of the foregoing discussion, the NFA is a government instrumentality vested with special functions and corporate powers which administers special funds while enjoying operational autonomy.

With that being settled, the NFA's exemption from RPT likewise follows.

Petitioner is exempt from RPT.

As cited earlier, the LGC of 1991 provides that the taxing powers of the LGUs does not extend to the levy of taxes, fees or charges of any kind on the National Government, its agencies and instrumentalities, and local government units.[12] Furthermore, real property owned by the Republic of the Philippines or any of its political subdivisions are exempt from RPT, except

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[12] Section 133(o) of the LGC of 1991.

when the beneficial use thereof has been granted, for consideration or otherwise, to a taxable person.[13]

Inasmuch as the NFA has been declared to be a government instrumentality, it also follows that its properties are generally exempt from RPT. The Supreme Court, in *NFA vs. City Government of Tagum,*[14] discussed the NFA's exemption in this wise:

> A government instrumentality falls under Section 133 (o) of the Local Gov't. Code states:
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> xxx xxx xxx
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> It recognizes the basic principle that local governments cannot tax the national government, which historically merely delegated to local governments the power to tax. While the 1987 Constitution now includes taxation as one of the powers of local governments, local governments may only exercise such power "subject to such guidelines and limitations as the Congress may provide."
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> More, given the mandate and purpose of NFA, its status as a government instrumentality, its properties are thus properties of public dominion intended for public use or service. **As such, they are exempt from real property tax under Section 133 (o) but under Section 234 (a) of the Local Gov't. Code.**
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> xxx xxx xxx
>
> In *Philippine Heart Center v. The Local Government of Quezon City, et al.*, the Court categorically ruled that properties of public dominion are outside the commerce of man. These properties are exempt from levy, encumbrance, or disposition through public or private sale. Properties of public dominion, being for public use, are not subject to levy, encumbrance, or disposition through public or private sale. Any encumbrance, levy on execution or auction sale of any property of public dominion is void for being contrary to public policy. Essential public services will stop if properties of public dominion are subject to encumbrances, foreclosures, and auction sale.
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> **Nevertheless, the exemption from real property under Section 234 (a) of the LGC is not available when the beneficial use has been granted to, for and in consideration or otherwise, to a taxable person.** Thus, the Court has invariably held that a government instrumentality, though vested with corporate powers, are exempt from real property tax but the exemption shall not extend to taxable private entities to whom the beneficial use of the government instrumentality's properties has been vested.

[13] Section 234(a) of the LGC of 1991.
[14] *Supra* at note 10.

> In *Lung Center of the Philippines v. Quezon City*, the Court ordained that the portions of the land leased to private entities as well as those parts of the hospital leased to private individuals are not exempt from real property taxes. On the other hand, the portions of the land occupied by the hospital and portions of the hospital used for its patients, whether paying or non-paying, are exempt.
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> Too, in *Government Service Insurance System v. City Treasurer and City Assessor of the City of Manila*, the Court nullified the real property tax assessments issued by the City of Manila to the Government Service Insurance System, except the assessment pertaining to the leased Katigbak property served on the Manila Hotel Corporation as lessee which has actual and beneficial use thereof.
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> Further, in *PFDA v. Central Board of Assessment Appeals*, the Court declared void all the real property tax assessments issued by the City of Lucena on the Lucena Fishing Port Complex except for the portions that the Philippine Fisheries Development Authority has leased to private parties.
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> Finally, in *MWSS v. Local Government of Quezon*, the Court declared the real properties of the MWSS exempt from the real property taxes imposed by the Quezon City Government. It also nullified all the real estate tax assessments, including the final notices of real estate tax delinquencies, issued on the real properties of the MWSS in Quezon City except for the portions that were alleged and proven to have been leased to private parties.
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> **As there are no allegations here that the beneficial use of the real properties of NFA belongs to a taxable person, its land, buildings, and machineries, located in Barangay Magdum, Tagum City, Province of Davao del Norte are exempt from real property tax under Section 133 (o) and Section 234 (a) of the LGC of 1991, as amended.** *(Emphasis supplied)*

Note, however, that the exemption from RPT under Section 234 (a) of the LGC of 1991 is not available when the beneficial use has been granted to, for and in consideration or otherwise, to a taxable person.

Here, similar to the aforecited case, there are no allegations that the beneficial use of the real properties of NFA was granted to a taxable person. In the *Petition For Review* before this Court, the NFA alleged that the subject real properties are being utilized by NFA in furtherance of its public service operations.[15] Its witnesses likewise testified that the properties subject of this case are used as offices for NFA's operation in Cabanatuan City and warehouses used for storage of NFA's buffer stock.[16] The same was not controverted by the respondents.

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[15] Par. 16 of the *Petition for Review*, Docket – Vol. 1, p. 18.

[16] Q&A No. 16, Judicial Affidavit of Ms. Lolita O. Sanderin, Annex "K", *Petition for Review*, Docket – Vol. 1, p. 250; *See also* Q&A Nos. 20 to 23, Annex "K", *Petition for Review*, Docket – Vol. 1, pp. 309

Verily, the beneficial use of the subject properties has not been granted to a taxable person but rather, it is NFA, a government instrumentality, utilizing the properties. As such, the subject real properties should be exempt from RPT.

Petitioner properly availed of the remedy of Petition for Prohibition before the RTC.

As to respondents' argument that the action for prohibition is an improper remedy in the case at bar, the Supreme Court *En Banc* similarly settled the issue in the cited case of *NFA vs. City Government of Tagum*[17] in this wise, viz.:

> **NFA properly availed of the extraordinary remedy of prohibition before the trial court**
>
> A question of law arises when there is doubt as to what the law is on a certain state of facts, while there is a question of fact when the doubt arises as to the truth or falsity of the alleged facts. It must not involve an examination of the probative value of the evidence presented by the litigants or any of them. The resolution of the issue must rest solely on what the law provides on the given set of circumstances. Once it is clear that the issue invites a review of the evidence presented, the question posed is one of fact. Thus, the test of whether a question is one of law or, of fact is not the appellation given to such question by the party raising the same; rather, it is whether the appellate court can determine the issue raised without reviewing or evaluating the evidence, in which case, it is a question of law; otherwise, it is a question of fact.
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> The resolution of whether NFA is a government instrumentality rests solely on what the law provides. As a creation of law, does it conform to the definition of a government instrumentality? This is a pure question of law, the resolution of which does not require presentation of evidence.
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> In *MWSS v. CBAA*, We held that based on the arguments and allegations of MWSS, it was not challenging the reasonableness or correctness of the assessment nor asserting an error in the computation of assessed tax. Rather, it was assailing the authority of the city assessor and treasurer to assess arid collect real property taxes from it—a government instrumentality. The issue of whether a local government entity is authorized to assess and collect real property taxes from a government entity is a pure question of law.

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to 310, *vis-à-vis* Annexes "D" to "D-19" of the Judicial Affidavit of Director Elimar C. Regindin, Docket – Vol. 1, pp. 345 to 363.

[17] *Supra* at note 10.

> In the oft-cited case of *Ty v. Hon. Trampe*, the Court held that the rule on exhaustion of administrative remedies does not apply when the controversy does not involve questions of fact but only of law. The protest contemplated under Section 252 of the LGC is required when there is question as to the reasonableness or correctness of the amount assessed, while an appeal to the LBAA under Section 226 of the LGC is fruitful only where questions of fact are involved. Accordingly, when the very authority and power of the assessor to impose the assessment, and of the treasurer to collect real property taxes are in question, the proper recourse is a judicial action.
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> xxx xxx xxx
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> Thus, contrary to the ruling of the Court of Tax Appeals *En Banc*, NFA did properly avail itself of the extraordinary remedy of prohibition before the trial court. The remedies of certiorari and prohibition may issue to correct errors of jurisdiction committed not only by a tribunal, corporation, board or officer exercising judicial, quasi-judicial or ministerial functions but also to set right, undo, and restrain any act of grave abuse of discretion amounting to lack or excess of jurisdiction by any branch or instrumentality of the government, even if the latter does not exercise judicial, quasi-judicial or ministerial functions.
>
> So must it be. *(Citations omitted)*

In sum, since petitioner NFA is a government instrumentality, its real properties which are being used by NFA for public service are exempt from RPT. In view thereof, the Notices of Delinquency issued by the respondents are void for lack of legal basis.

WHEREFORE, in light of the foregoing considerations, the **Motion for Reconsideration (Of the Decision Dated 20 May 2024)** is **GRANTED**. Accordingly, the dispositive portion of the Decision dated May 20, 2024, is hereby amended to read as follows:

> **WHEREFORE**, premises considered, the present *Petition for Review* is **GRANTED.** Accordingly, the assailed Order dated July 26, 2022 and Resolution dated August 18, 2022, both rendered by RTC – Branch 86 of Cabanatuan City, in Special Civil Case No. 8857, are **REVERSED** and **SET ASIDE.**

Consequently, the Notices of Delinquency issued by the respondent City Treasurer of the City of Cabanatuan, demanding payment of real property taxes in the total amount of ₱143,165,780.67 against the National Food Authority in relation to the real properties located at Maharlika Highway, Imelda District, Cabanatuan City, Nueva Ecija covered by Transfer Certificate of Title No. 59467 are hereby declared **VOID**.

SO ORDERED.

SO ORDERED.

CORAZON G. FERRER-FLORES
Associate Justice

WE CONCUR:

(On leave)
MA. BELEN M. RINGPIS-LIBAN
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

ATTESTATION

I attest that the conclusions in the above Amended Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice
Acting Division Chairperson

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution and the Division Chairperson's Attestation, it is hereby certified that the conclusions in the above Amended 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