REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SECOND DIVISION

PEOPLE OF THE PHILIPPINES,
Plaintiff,

- versus -

ROLANDO A. CUEVAS,
Owner/Proprietor of MONACAT TRADING
(with business address at Unit 2, Matic Building, National Highway, Canlalay, Biñan City, Laguna or
2915 Calia Street, Elvinda Village, San Pedro City, Laguna)

MERMELINDA C. DELA CRUZ
Room 437, 4th Floor, Regina Building, Escolta, Manila
(All at Large),
Accused.

CTA CRIM. CASE NO. O-1181

For: Violation of Section 3602, in relation to Section 2503 of the Tariff and Customs Code of the Philippines (TCCP), as amended

Members:

RINGPIS-LIBAN, *Chairperson,*
MODESTO-SAN PEDRO, *and*
FERRER-FLORES, *JJ.*

Promulgated:

APR 1 6 2025 11:40 a.m.

x - x

RESOLUTION

On July 10, 2024, the prosecution filed the *Information* dated June 28, 2022 against herein accused, **ROLANDO A. CUEVAS** and **MERMELINDA C. DELA CRUZ**, for violation of Section 3602 in relation to Section 2503 of the Tariff and Customs Code of the Philippines, as amended, allegedly committed as follows:

> On or about 24 July 2015, at the Port of Batangas, Philippines, and within the jurisdiction of this Honorable Court, the above-named accused, ROLANDO A. CUEVAS and MERMELINDA C. DELA CRUZ, owner/proprietor and manager of Monacat Trading, respectively, with evident intent to defraud the Government of the Republic of the Philippines through the importation of luxury vehicles into this country, did then and there, willfully and unlawfully, conspiring and confederating with one another, by means of fraudulent practice, knowingly commit misdeclaration

> in the description of goods by means of false statements and information, that is: Monacat Trading, through accused, in its submission of false and fraudulent invoice and declaration of one (1) unit of a brand new silver Mercedez Benz C200 sedan with Chassis No. WDD209342FF137940 in container van number MSKU3857137 covered by Bill of Lading No. MCC821022 with Invoice and Packing List No. BCL821025-2015 under Import Entry No. C-6381 that arrived from Japan, with taxes and duties amounting to One Million Three Hundred Eighty-Seven Thousand Seven Hundred Forty-One Pesos and Twenty-Four Centavos (P1,387,741.24), exclusive of surcharges and penalties, but was nonetheless found to contain one (1) unit of a 2015 brand new Mercedes Benz CLK DTM AMG, a misdeclaration and gross undervaluation of more than thirty-percent (30%) of the imported article, to the damage and prejudice of the government.
>
> **CONTRARY TO LAW.**

Legaspina Uayan Josol Alparaque filed a *Formal Entry of Appearance* on September 20, 2024 as counsel for the accused Dela Cruz. Said counsel, however, failed to file a soft copy of the same pursuant to *En Banc* Resolution No. 8-2024.[1]

On November 18, 2024, the Court directed the prosecution to attach the original or the certified true copies of the annexes referred to in the *Complaint-Affidavit* of Alexander D.G. Ugay and Doy O. De Castro which was appended to the *Information*. The Court further directed the counsel of accused Dela Cruz to comply with *En Banc* Resolution No. 8-2024.

Legaspina Uayan Josol Alparaque filed the soft copy of its *Formal Entry of Appearance* on December 2, 2024 in compliance with *En Banc* Resolution No. 8-2024.

A review of the records of the case shows that the prosecution received on December 02, 2024[2] the Court's Resolution dated November 18, 2024. Counting five days therefrom, the prosecution should have filed the said annexes on December 9, 2024.[3] Despite notice, however, the prosecution has failed to comply with the same.[4]

With that, the Court shall now determine whether there is existence of reasonable certainty of conviction based on the documents submitted.

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1 Records Verification dated September 25, 2024, Docket, p. 70.
2 Notice of Resolution dated November 18, 2024, Docket, p. 76.
3 Considering December 7, 2024 fell on Saturday, the next business day is December 9, 2024.
4 Records Verification dated January 22, 2025, Docket.

Pursuant to Section 4 of Rule 9 of the 2005 Revised Rules of the Court of Tax Appeals (RRCTA), as amended,[5] the Court shall determine the existence or non-existence of probable cause.

Corollary thereto, the prosecution submitted the original/certified true copies of the following supporting documents for the examination of the Court:

1. Resolution dated June 28, 2022 signed by Assistant State Prosecutors Agnes Farida S. Bagaforo-Arellano II and Christine Fatima V. Estepa, recommended by Senior Deputy State Prosecutor Miguel F. Gudio, Jr., and approved by Prosecutor General Benedicto A. Malcontento;

2. Investigation Data Form XVI-INV-15J-00377 dated October 9, 2015;

3. Referral for Preliminary Investigation dated October 9, 2015, signed by Commissioner Alberto D. Lina of the Bureau of Customs; and,

4. Complaint-Affidavit of Alexander D.G. Ugay and Doy O. De Castro, members of the Enforcement and Security Services of the Enforcement Group of the Bureau of Customs, without any attached annexes.

Enshrined in Section 2, Article III[6] of our Constitution is the inviolable right of the people to be secured in their persons, properties and effects against unreasonable searches and seizures and that no search warrant or warrant of arrest shall issue except upon finding of probable cause.

Upon filing of an information in court, trial court judges[7] must determine the existence or non-existence of probable cause based on their personal evaluation of the prosecutor's report and its supporting documents.

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[5] SEC. 4. *Warrant of arrest.* – Within ten days from the filing of the information, the Division of the Court to which the case was raffled shall evaluate the resolution of the public prosecutor and its supporting evidence. The Division may immediately dismiss the case if it finds that the evidence on record clearly fails to establish probable cause. If the Division finds probable cause, it shall issue a warrant of arrest signed by the Chairman of the Division. In case of doubt on the existence of probable cause, the Division may order the prosecutor to present additional evidence, *ex parte*, within five days from notice.

[6] *Section 2.* The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures of whatever nature and for any purpose shall be inviolable, and no search warrant or warrant of arrest shall issue except upon probable cause to be determined personally by the judge after examination under oath or affirmation of the complainant and the witnesses he may produce, and particularly describing the place to be searched and the persons or things to be seized.

[7] In this case, Justices.

They may dismiss the case, issue an arrest warrant, or require the submission of additional evidence.[8]

Probable cause for the purpose of issuing a warrant of arrest pertains to facts and circumstances which would lead a reasonably discreet and prudent person to believe that an offense has been committed by the person sought to be arrested.[9]

After a careful consideration of the allegations in the *Information* and personally examining and evaluating the supporting documents submitted, without the annexes directed by the Court to be submitted by the prosecution, the Court finds the supporting documents on record insufficient to establish a *prima facie* case against the accused.

WHEREFORE, premises considered, the instant *Information* is **DISMISSED without prejudice**.

SO ORDERED.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

[8] *Maza vs. Turla*, G.R. No. 187094, 15 February 2017.
[9] *Relampagos vs. Sandiganbayan (Second Division)*, G.R. No. 235480, 27 January 2021.