REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

THIRD DIVISION

PEOPLE OF THE PHILIPPINES,
Plaintiff,

- versus -

GEMMA AIDA BELARMA y TORREDA,
Accused.

CTA Crim. Case Nos. O-434, O-435, O-436, O-440, O-441, and O-442

Members:

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

Promulgated:
MAR 20 2025
1:00 p.m.

x - x

RESOLUTION

On July 28, 2014, an Information was filed against accused Gemma Aida Belarma y Torreda, docketed as CTA Criminal Case No. O-435. Said information charged the accused for violation of Section 3601 (*Unlawful Importation*), in relation to Sections 101 paragraph (k), 2503 and 2530 paragraph (f) of the Tariff and Customs Code of the Philippines (TCCP), as amended, the accusatory portion of which reads:

CTA Crim. Case No. O-435

> That on or about March 22, 2013, in Cebu City, Philippines and within the jurisdiction of this Honorable Court, the above-named accused with the evident intent to defraud the government of the Republic of the Philippines of the legitimate duties accruing to it from merchandise imported to this country, did then and there willfully, unlawfully and knowingly fraudulently import or bring into the Philippines, or assist in so doing contrary to law,

the following merchandise, to wit; declared as "**Granite Slab**" in Bill of Lading No. **APLU074765393**, on board the vessel S/S **CAFÉ FRANKLIN**, which arrived from the Port of Vietnam, but found to contain about five hundred twenty (520) bags of "**White Rice**" per 10 x 20 container van, without the requisite import permit from the National Food Authority (NFA), and with an approximate market value of **SIX MILLION SIX HUNDRED FIFTY SIX THOUSAND PESOS (₱6,656,000.00)**, to the damage and prejudice of the Government of the Philippines in principal duties and taxes amounting to **THREE MILLION EIGHT HUNDRED FORTY THREE THOUSAND NINE HUNDRED FIFTY FIVE PESOS (₱3,843,955.00).**

This case must be dismissed.

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]

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1 Boldfacing supplied.

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 pertain to, among others, violation of the TCCP; 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]

Indeed, the Information dated July 28, 2014 charged accused for violation of Section 3601(Unlawful Importation), in relation to Sections 101 paragraph (k), 2503 and 2530 paragraph (f) of the TCCP, as amended. Equally stated therein are the amounts consisting of: (1) approximate market value of the alleged imported articles in the amount of ₱6,656,000.00; and (2) principal duties and taxes in the amount of ₱3,843,955.00.

Yet, these averments hardly suffice to bestow the Court with jurisdiction over CTA Crim. Case No. O-435. Ponder on these points:

First. 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 commands that the customs duties and taxes must be *exclusive* of charges and penalties. No such averment is found in the Information.

Second. Section 3519 of the TCCP defines taxes as follows:

> SEC. 3519. Words and Phrases Defined. - As used in this Code:
>
> ...

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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.

> "Taxes" includes all **taxes, fees and charges** imposed by the Bureau of Customs and the Bureau of Internal Revenue;[5]

Since the Information *failed* to expressly state that the amount of ₱3,843,955.00, pertaining to principal duties and taxes is *exclusive* of charges and penalties, the taxes referred to therein are understood as taxes, fees and charges, based on Section 3519 of the TCCP.

In sum, the allegation in the prosecution's Information failed to demonstrate the Court's jurisdiction over this case. For this reason, dismissal of CTA Crim. Case No. O-435 is in order.

WHEREFORE, the Court **RESOLVES** to:

a. **WITHDRAW** from the archives CTA Crim. Case No. O-435; and

b. **DISMISS** CTA Crim. Case No. O-435 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

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[5] Boldfacing supplied.