REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

Second Division

PEOPLE OF THE PHILIPPINES, *Plaintiff,*	**CTA Crim. Case No. O-1215** (NPS No. VI-14-INV-22L-00915)
-versus-	"Violation of Sec. 255 in rel. to Sec. 27(a) of R.A. No. 8424" (Tax Reform Act of 1997)
JAM MHEGAN JAGORIN y MONTES, *Accused*	Members: **RINGPIS-LIBAN,** *Chairperson,* **MODESTO-SAN PEDRO,** *and* **FERRER-FLORES,** *JJ.*
	Promulgated: OCT 08 2024

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RESOLUTION

4:13 p.m.

Before the Court is an Information, filed by plaintiff on August 20, 2024.

The Court lacks jurisdiction over this case.

First, the Court notes a critical lack in the Information: plaintiff only impleaded accused Jam Mhegan Jagorin y Montes. However, she committed the alleged crime only in her capacity as the "treasurer of GHLEJ Trading Corporation," as narrated in the Information itself. Consequently, GHLEJ Trading Corporation is the juridical person that actually committed the crime alleged and, as such, is an indispensable party in this case. As an indispensable party was not impleaded, all subsequent actions of this Court in this case would be null and void for lack of jurisdiction.[1]

This exclusion would not be enough to warrant the outright dismissal of the case, as the Court could still implead the indispensable party after receiving the Information,[2] on its own initiative or on motion.[3] However, such

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[1] *People v. Go*, G.R. No. 201644, September 24, 2014.
[2] *Id.*
[3] *De Manguerra v. Risos*, G.R. No. 210816, December 10, 2010.

remedies cannot cure the other jurisdictional issue arising here: that of prescription.

Under *Section 281 of the National Internal Revenue Code of 1997, as amended* ("*NIRC*"), the government has five years from either the commission of the crime or the date of its discovery within which to prosecute any violation of the *NIRC*. The period is interrupted when "proceedings are instituted against the guilty persons." In the case of criminal actions heard before the CTA in Division, such as in this case, proceedings are deemed instituted upon the filing of an Information with the CTA, following *Rule 9, Section 2 of the Revised Rules of the Court of Tax Appeals, as amended*. Finally, following *Lim v. Court of Appeals*[4] and *Tupaz v. Ulep*,[5] the prescriptive period then started upon the commission of the suspected crime, which the Supreme Court identified with the finality of the assessment, attained after the lapse of 30 days from the taxpayer's receipt of the assessment, coupled with the taxpayer's willful refusal to pay the assessed taxes within the period for doing so.

The Information claims that the crime was committed "on or about June 2018." However, accused received the Formal Letter of Demand ("FLD") with attached assessment notices on March 21, 2018. The crime was thus committed on April 21, 2018, once the period for acting on the FLD had lapsed. This concomitantly gave plaintiff until April 21, 2023 within which to file the Information.

The Information was filed on August 20, 2024, over a year after the lapse of the five-year period for prosecuting a violation of the *NIRC*. Notably, the Department of Justice issued its final Resolution recommending the filing of this Information on February 27, 2023. The Information itself is also dated February 27, 2023. Plaintiff thus had over a year within which to timely file the Information but seemingly neglected to do so.

Due to said negligence, the government's right to prosecute the subject violation has prescribed. This Court consequently lacks any jurisdiction over this case and has no option but to dismiss it.

ACCORDINGLY, CTA Crim. Case No. O-1215 is hereby **DISMISSED** on the ground of prescription.

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[4] G.R. Nos. L-48134-37, October 18, 1990.
[5] G.R. No. 127777, October 1, 1999.

SO ORDERED.

Ma. Belen M. Ringpis-Liban

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

(On Leave)
CORAZON G. FERRER-FLORES
Associate Justice