REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL SECOND DIVISION

ROYAL CARGO INC., *Petitioner,*	**CTA AC No. 270**
-versus-	*Members:* **BACORRO-VILLENA,** *Acting Chairperson, and* **CUI-DAVID,** *JJ.*
CITY TREASURER OF PARAÑAQUE CITY, *Respondent.*	Promulgated: DEC 13 2023

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DECISION

CUI-DAVID, J.:

Before this Court is a Petition for Review[1] filed by petitioner Royal Cargo Inc. (petitioner) against respondent City Treasurer of Parañaque City (respondent) assailing the Orders dated May 27, 2022[2] (first assailed Order) and July 18, 2022[3] (second assailed Order) of the Regional Trial Court (RTC), Branch 258, Parañaque City, dismissing petitioner's complaint and denying petitioner's motion for reconsideration, respectively.

THE PARTIES

Petitioner is a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, primarily engaged in international and domestic freight forwarding, transporting, conveying, and carrying of goods, wares merchandise, products, and all kinds of cargoes or freights of any size, weight and dimension either by land, sea and air to any point or place of destination outside the Philippines,[4] with principal office address at Royal Cargo, No. 4

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[1] Docket, pp. 5-18.
[2] *Id.*, pp. 23-25.
[3] *Id.*, p. 26.
[4] Par. 5, Parties, *id.*, p. 6

Sta. Agueda Avenue, Pascor Drive, Brgy. Sta. Niño, Parañaque City.[5]

Respondent is an official of the Local Government Unit (LGU) of Parañaque City and is vested with the authority to collect all local taxes, fees, and charges due to the City Government of Parañaque. He holds office at the Parañaque City Hall, Hernandez Avenue, San Antonio Valley 1, Parañaque City.[6]

THE FACTS

In January 2020, upon petitioner's application for renewal of its business permit for calendar year (CY) 2020, respondent issued a Statement of Account (SOA) with Bill No. 200419139 dated January 18, 2020,[7] indicating the local business tax (LBT), among others, to be paid by petitioner in the amount of ₱24,119,556.79.

Petitioner paid the assessed LBT so as not to delay the renewal of its business permit,[8] broken down as follows:

Period	**Date of Payment**	**OR Number**	**Amount**
1st Quarter	January 28, 2020	2295118	₱ 6,001,299.96
2nd Quarter	July 16, 2020	2418359	6,001,299.96
3rd Quarter	July 16, 2020	2418360	6,001,299.96
		TOTAL	₱18,003,899.88

Petitioner was issued Mayor's Permits for CY 2020 for every installment paid.[9]

On November 24, 2021, petitioner filed a written claim for a refund[10] with respondent[11] in the amount of ₱12,334,525.00, allegedly representing its excess LBT paid.

[5] Par. 1, *Complaint*, RTC *rollo* – Vol. I, p. 6, vis-à-vis par. 1, *Answer (With Special and Affirmative Defenses)*, RTC *rollo* – Vol. I, p. 455.
[6] *Id.*
[7] Exhibit "B" of *Complaint*, RTC *rollo* – Vol. I, p. 31.
[8] Par. 5, *Complaint*, RTC *rollo* – Vol. I, p. 7, vis-à-vis par. 1, *Answer (With Special and Affirmative Defenses)*, RTC *rollo* – Vol. I, p. 455.
[9] Par. 7, *Complaint*, RTC *rollo* – Vol. I, p. 7, vis-à-vis par. 1, *Answer (With Special and Affirmative Defenses)*, RTC *rollo* – Vol. I, p. 455.
[10] Exhibit "I" of *Complaint*, RTC *rollo* – Vol. I, pp. 433-436.
[11] Par. 23, *Complaint*, RTC *rollo* – Vol. I, p. 9, vis-à-vis pars. 3 & 6, *Answer (With Special and Affirmative Defenses)*, RTC *rollo* – Vol. I, p. 455.

On January 12, 2022, the Supreme Court issued Memorandum Order No. 10-2022,[12] physically closing the courts in the National Capital Region from January 13, 2022, until January 31, 2022, due to the increasing rise of COVID-19 cases and extending the filing periods of any pleadings that will fall due on January 2022 until February 1, 2022, as per Administrative Circular No. 01-2022.[13]

On February 2, 2022,[14] petitioner filed its judicial claim for refund by way of a *Complaint*[15] with the RTC Parañaque City. The case was docketed as Civil Case No. 2022-009 and was raffled to the court *a quo*.

On February 9, 2022, the court *a quo* issued a *Summons*[16] to respondent and was served on March 4, 2022.[17]

On April 1, 2022, respondent filed a *Motion for Extension to File Answer,*[18] praying for an additional period of 30 days from April 4, 2022, or until May 3, 2022, to file an Answer. The said motion was granted by the court *a quo* on April 4, 2022.[19]

On May 2, 2022, respondent filed an *Answer (with Special and Affirmative Defenses)*.[20]

On May 4, 2022, the court *a quo* issued an Order[21] submitting for resolution the affirmative defenses raised by respondent in his Answer.

On May 27, 2022, the court *a quo* rendered the *first* assailed Order[22] disposing of the case as follows:

> All told, the instant case for Collection of a Sum of Money is hereby dismissed on the ground of prescription.
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> SO ORDERED.

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[12] RE: RISING CASES OF COVID 19 INFECTION/PHYSICAL CLOSURE OF COURTS IN SELECT AREAS.
[13] RE: EXTENSION OF THE DEADLINES FOR THE FILING OF ANY AND ALL PLEADINGS AND OTHER COURT SUBMISSIONS FALLING DUE IN THE MONTH OF JANUARY 2022 IN ALL COURTS, January 10, 2022.
[14] The next working day considering that February 1, 2022 was declared a special non-working holiday (Chinese New Year) as per Proclamation No. 1236 s. 2021.
[15] RTC *rollo* – Vol. I, pp. 6-12.
[16] *Id.*, p. 447.
[17] *Id.*, p. 448.
[18] *Id.*, pp. 451-452.
[19] Order, *id.*, p. 453.
[20] *Id.*, pp. 454-468.
[21] *Id.*, p. 479.
[22] *Supra*, note 2.

The court *a quo* declared that the questioned tax assessment dated January 18, 2020, is considered final for petitioner's failure to file a written protest thereto within 60 days from receipt under Section 195 of the Local Government Code (LGC).

On June 15, 2022, petitioner filed a *Motion for Reconsideration (Re: Order dated May 27, 2022)*,[23] which the court *a quo* denied in the *second* assailed Order[24] on July 18, 2022. The dispositive part reads:

> After going over the allegations in the instant motion as well as the arguments raised in the Opposition thereto, this Court resolves to maintain the Order being assailed. This Court reiterates its assessment in the Order dated May 27, 2022.
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> In view thereof, the instant motion is hereby DENIED. The Order dated May 27, 2022 stands.
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> SO ORDERED[.]

On August 25, 2022, petitioner filed the present Petition for Review.[25]

On September 8, 2022, the Court ordered respondent to file a comment within ten (10) days from notice.[26]

On October 10, 2022, respondent filed his *Opposition (to Petition for Review dated 23 August 2022)*.[27]

On October 18, 2022, the Court gave the parties thirty (30) days from notice to file their respective memoranda and ordered the Branch Clerk of Court or the Officer-In-Charge of the court *a quo* to elevate the entire original records of the case within ten (10) days from notice.[28]

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[23] RTC *rollo* – Vol I, pp. 489-497.
[24] *Supra*, note 3.
[25] *Supra*, note 1.
[26] Resolution, Docket, p. 461.
[27] Docket, pp. 463-471.
[28] Resolution, *id.*, p. 475.

On November 14, 2022, the Court received the transmittal letter[29] dated November 11, 2022 from Atty. Kelly A. Sarmiento, Branch Clerk of the court *a quo*, forwarding the entire original records of the case, consisting of two (2) volumes with 970 pages, which the Court noted on November 22, 2022.[30]

On December 22, 2022, petitioner filed its Memorandum.[31]

On January 23, 2023, the Court submitted the case for decision considering petitioner's Memorandum and considering further the Report dated January 17, 2023 of the Records Division that respondent failed to file a memorandum.[32]

On January 26, 2023, the Court received respondent's Memorandum[33] posted on December 27, 2022.

On January 31, 2023, the Court received respondent's Manifestation[34] with the attached Memorandum filed *via* courier.

On February 9, 2023, the Court issued a Resolution[35] noting and admitting respondent's Memorandum and Manifestation filed *via* courier.

THE ISSUES

Petitioner assigns the following errors for the Court's resolution:

I.
THE COURT *A QUO* ERRED WHEN IT RULED THAT PETITIONER DID NOT COMPLY WITH SECTION 195 OF LGC.

II.
THE COURT *A QUO* GRAVELY ERRED WHEN IT RULED THAT PRESCRIPTION HAS SET IN.

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[29] Docket, pp. 476-478.
[30] Resolution, *id.*, p. 483.
[31] Docket, pp. 484-495.
[32] Resolution, *id.*, p. 499.
[33] Docket, unpaged.
[34] *Id.*
[35] *Id.*

Petitioner's arguments:

Petitioner asserts that the SOA is not the assessment contemplated by law, which would give rise to the applicability of Section 195 of the LGC, but is merely an order of payment;[36] and so, it did not avail of the remedy provided under Section 195 but of Section 196 of the LGC by virtue of its alleged overpayment of tax.[37] Petitioner insists that it complied with the basic precepts of LBT refund by filing administrative and judicial claims for refund within the 2-year prescriptive period.[38]

Respondent's arguments:

Respondent argues that the petitioner's complaint, while denominated as one for reimbursement of allegedly overpaid LBT, seeks a review of the correctness of the subject assessment. As such, petitioner's administrative remedy should have been pursued under Section 195 of the LGC, which requires the prior filing of a written protest within 60 days from notice of the subject assessment. Respondent concludes that the court *a quo* committed no reversible error in issuing the assailed Orders since the assessment had become final and unappealable upon the lapse of 60 days from petitioner's notice thereof, without the latter filing the requisite written protest to contest the validity of the assessment under Section 195 of the LGC.[39]

THE COURT'S RULING

The *Petition* is meritorious.

The Court has jurisdiction over the instant Petition.

Before the Court delves into the merits of the case, We shall first determine whether the Court has jurisdiction to take cognizance of this case.

Section 7(a)(3) of Republic Act (RA) No. 9282, amending RA No. 1125, provides that:

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[36] Pars. 21-27, *Petition for Review*, Docket, pp. 9-11.
[37] Par. 28, *id.*, p. 11.
[38] Par. 45, *id.*, p. 15.
[39] Pars. 1-17, *Opposition (to Petition for Review dated 23 August 2022)*, Docket, p. 463.

> SEC. 7. *Jurisdiction.* — The CTA shall exercise:
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> (a) Exclusive appellate jurisdiction to review by appeal, as herein provided:
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> ... ...
>
> (3) Decisions, orders, or resolutions of the Regional Trial Court in local tax cases originally decided or resolved by them in the exercise of their original or appellate jurisdiction; ...

The above provision is implemented by Section 3(a)(3), Rule 4 of the Revised Rules of the Court of Tax Appeals (RRCTA), to wit:

> SEC. 3. *Cases within the jurisdiction of the Court in Division.* — The Court in Division shall exercise:
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> (a) Exclusive original or appellate jurisdiction to review by appeal the following:
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> ... ...
>
> (3) Decisions, resolutions or orders of the Regional Trial Courts in local tax cases decided or resolved by them in the exercise of their original jurisdiction.

Records show that on July 26, 2022,[40] petitioner received the *second* assailed Order of the court *a quo* denying its Motion for Reconsideration. Under Section 3(a), Rule 8[41] of the RRCTA, petitioner had thirty (30) days from receipt of the *second* assailed Order on July 26, 2022, or until August 25, 2022, to file a *Petition for Review* before the CTA. Hence, petitioner timely filed the instant *Petition for Review* on August 25, 2022.

Having settled that the Petition was timely filed, We likewise rule that the CTA has the requisite jurisdiction to take cognizance of this Petition.

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[40] RTC *rollo* – Vol. I, p. 507.
[41] SEC. 3. *Who may appeal; period to file petition.* – (a) A party adversely affected by a decision, ruling or the inaction of the ... Regional Trial Court in the exercise of its original jurisdiction may appeal to the Court by petition for review filed within thirty days after receipt of a copy of such decision or ruling, ...

The court a quo erred in applying Section 195, instead of Section 196 of the LGC.

Sections 195 and 196 of the LGC govern the taxpayer's remedies for taxes collected by LGUs, except for real property taxes, to wit:

> SEC. 195. *Protest of Assessment.* - When the local treasurer or his duly authorized representative finds that correct taxes, fees, or charges have not been paid, he shall issue **a notice of assessment stating the nature of the tax, fee, or charge, the amount of deficiency, the *surcharges, interests,* and *penalties*.** Within sixty (60) days from the receipt of the notice of assessment, the taxpayer may file a written protest with the local treasurer contesting the assessment; otherwise, the assessment shall become final and executory. The local treasurer shall decide the protest within sixty (60) days from the time of its filing. If the local treasurer finds the protest to be wholly or partly meritorious, he shall issue a notice cancelling wholly or partially the assessment. However, if the local treasurer finds the assessment to be wholly or partly correct, he shall deny the protest wholly or partly with notice to the taxpayer. **The taxpayer shall have thirty (30) days from the receipt of the denial of the protest or from the lapse of the sixty (60) day period prescribed herein within which to appeal with the court of competent jurisdiction otherwise the assessment becomes conclusive and unappealable.**
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> SEC. 196. *Claim for Refund of Tax Credit.* - No case or proceeding shall be maintained in any court for the recovery of any tax, fee, or charge erroneously or illegally collected until **a written claim for refund or credit has been filed with the local treasurer**. No case or proceeding shall be entertained in any court after the expiration of two (2) years from the date of the payment of such tax, fee, or charge, or from the date the taxpayer is entitled to a refund or credit. [*Emphasis supplied*]

It is apparent that the two remedies are different. Section 195 is triggered by an assessment stating the nature of the tax, fee, or charge, the amount of deficiency, and the surcharges, interests, and penalties issued by the local treasurer, while Section 196 is initiated by the taxpayer by way of a written claim for refund or credit filed with the local treasurer.

The Supreme Court further distinguished these two remedies in the *City of Manila v. Cosmos Bottling Corporation*[42] (*Cosmos*):

> [Section 195] provides the procedure for contesting an assessment issued by the local treasurer; whereas, [Section 196] provides the procedure for the recovery of an erroneously paid or illegally collected tax, fee or charge. ... In Section 195, it is the written protest with the local treasurer that constitutes the administrative remedy; while in Section 196, it is the written claim for refund or credit with the same office. As to form, the law does not particularly provide any for a protest or refund claim to be considered valid. It suffices that the written protest or refund is addressed to the local treasurer expressing in substance its desired relief. The title or denomination used in describing the letter would not ordinarily put control over the content of the letter.
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> Obviously, **the application of Section 195 is triggered by an assessment made by the local treasurer or his duly authorized representative** for nonpayment of the correct taxes, fees or charges. Should the taxpayer find the assessment to be erroneous or excessive, he may contest it by filing a written protest before the local tre asurer within the reglementary period of sixty (60) days from receipt of the notice; otherwise, the assessment shall become conclusive. The local treasurer has sixty (60) days to decide said protest. In case of denial of the protest or inaction by the local treasurer, the taxpayer may appeal 27 with the court of competent jurisdiction; otherwise, the assessment becomes conclusive and unappealable.
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> On the other hand, **Section 196 may be invoked by a taxpayer who claims to have erroneously paid a tax, fee or charge, or that such tax, fee or charge had been illegally collected from him**. The provision requires the taxpayer to first file a written claim for refund before bringing a suit in court which must be initiated within two years from the date of payment. By necessary implication, the administrative remedy of claim for refund with the local treasurer must be initiated also within such two-year prescriptive period but before the judicial action.
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> ... ...
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> Additionally, **Section 196 does *not* expressly mention an assessment made by the local treasurer**. This simply means that its applicability does not depend upon the existence of an assessment notice. By consequence, **a taxpayer may proceed to the remedy of refund of taxes even without a prior protest against an assessment that**

[42] G.R. No. 196681, June 27, 2018.

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> **was *not* issued in the first place**. This is not to say that an application for refund can never be precipitated by a previously issued assessment, for it is entirely possible that the taxpayer, who had received a notice of assessment, paid the assessed tax, fee or charge believing it to be erroneous or illegal. Thus, under such circumstance, the taxpayer may subsequently direct his claim pursuant to Section 196 of the LGC.
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> ... ...
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> Needless to say, there is nothing to prevent the taxpayer from paying the tax under protest or simultaneous to a protest. There are compelling reasons why a taxpayer would prefer to pay while maintaining a protest against the assessment. For instance, a taxpayer who is engaged in business would be hard-pressed to secure a business permit unless he pays an assessment for business tax and/or regulatory fees. Also, a taxpayer may pay the assessment in order to avoid further penalties, or save his properties from levy and distraint proceedings. [*Emphasis supplied*]

In fine, Section 195 provides the procedure for contesting an *assessment* issued by the local treasurer, while Section 196 provides the procedure for recovering an erroneously paid or illegally collected tax, fee, or charge through a *refund* or *credit.* Both sections require that the taxpayer should first exhaust the administrative remedies referred to therein before bringing the appropriate action in court, such as a ***written protest*** with the local treasurer, in case of Section 195, and a ***written claim for refund or credit*** with the same office, in case of Section 196.

In resolving that petitioner availed of the wrong remedy, the court *a quo* considered the SOA as the notice of assessment from which petitioner should have filed a *written protest* within 60 days from receipt under Section 195 of the LGC.

Petitioner contends, however, that the SOA issued against it cannot be the notice of assessment contemplated under Section 195 of the LGC because a notice of assessment involves a computation based on deficiency taxes, fees, and charges when the local treasurer finds that the correct taxes, fees, or charges were not paid.

We find for petitioner.

The guiding factor in determining the appropriate remedy is the LGU's basis for the collection of tax.[43] Section 195 of the LGC states that it is the remedy against a notice of assessment stating "the nature of the tax, fee, or charge, the amount of deficiency, the surcharges, interests, and penalties."

Further, a reference to the local tax ordinance is vital, as declared in *Yamane v. BA Lepanto Condominium Corporation* (*BA Lepanto*):[44]

> Ostensibly, **the notice of assessment**, which stands as the first instance the taxpayer is officially made aware of the pending tax liability, **should be sufficiently informative to apprise the taxpayer the legal basis of the tax**. Section 195 of the Local Government Code does not go as far as to expressly require that the notice of assessment specifically cite the provision of the ordinance involved but **it does require that it state the nature of the tax, fee or charge, the amount of deficiency, surcharges, interests and penalties**. In this case, the notice of assessment sent to the Corporation did state that the assessment was for business taxes, as well as the amount of the assessment. There may have been *prima facie* compliance with the requirement under Section 195. However, in this case, the Revenue Code provides multiple provisions on business taxes, and at varying rates. Hence, we could appreciate the Corporation's confusion, as expressed in its protest, as to the exact legal basis for the tax. **Reference to the local tax ordinance is vital**, for the power of local government units to impose local taxes is exercised through the appropriate ordinance enacted by the *sanggunian*, and not by the Local Government Code alone. What determines tax liability is the tax ordinance, the Local Government Code being the enabling law for the local legislative body. [*Emphasis supplied*]

The details that must be contained in the notice of assessment, as stressed in *BA Lepanto,* were reiterated in the recent case of *National Power Corporation v. The Province of Pampanga, et al.*,[45] to wit:

> Verily, taxpayers must be informed of the nature of the deficiency tax, fee, or charge, as well as the amount of deficiency, surcharge, interest, and penalty. Failure of the taxing authority to sufficiently inform the taxpayer of the facts and law used as bases for the assessment will render the assessment void. In *Commissioner of Internal Revenue v. Fitness by Design, Inc.*, albeit involving national internal

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[43] *International Container Terminal Services, Inc. v. City of Manila*, G.R. No. 185622, October 17, 2018.
[44] G.R. No. 154993, October 25, 2005.
[45] G.R. No. 230648 (Resolution), October 6, 2021.

> revenue taxes, the Court explained the importance of the notice requirement with due regard to the taxpayers' constitutional rights[.]
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> ... ...
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> Without doubt, the mandate of providing the taxpayer with notice of the facts and laws used as bases for the assessment is not to be mechanically applied. The purpose of this requirement is to adequately inform the taxpayer of the basis of the assessment to enable him to prepare for an intelligent or "effective" protest or appeal of the assessment or decision. Thus, substantial compliance with the law is allowed if the taxpayer is later fully apprised of the basis of the deficiency taxes assessment, which enabled him to file an effective protest.
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> Here, **the Assessment Letter hardly complies with the requirements of Section 195 of the LGC and implementing rules that will enable NPC to file an effective protest**. The letter quoted provisions of the Tax Ordinance of the Province of Pampanga imposing franchise tax and penalties for non-payment or late payment. **Glaringly absent, however, are the amount of the alleged deficiency tax, surcharges, interest, and penalties. The period covered by the assessment was not also indicated.** Although Section 195 of the LGC does not expressly require the taxable period to be stated in the notice of assessment, **the period is important to determine compliance with the prescriptive period when the Provincial Treasurer is authorized by law to assess and collect deficiency taxes.** [*Emphasis supplied*]

In this case, the SOA pertains to the payment of LBT and other regulatory fees such as Mayor's permit fee, sanitary permit fees, inspection fees, barangay clearance, and processing fees that were issued by the Business Permits & Licensing Office (BPLO) of the City of Parañaque as a condition for the renewal of petitioner's business permit for 2020. The SOA merely tabulated the amount and nature of the tax and fees assessed but did not contain the amount of deficiency tax, surcharges, interests, and penalties due from petitioner. The SOA also did not indicate the period covered for purposes of prescription and was signed by the Chief of the BPLO and not the local treasurer.

Hence, the SOA issued to petitioner is akin to the "assessment" referred to in the case of *International Container Terminal Services, Inc. v. City of Manila*[46] (*ICTSI* case) that the Supreme Court did *not* consider as the "notice of assessment" required under Section 195 of the LGC, *viz.*:

> Here, no notice of assessment for deficiency taxes was issued by respondent City Treasurer to petitioner for the taxes collected after the first three (3) quarters of 1999. ...
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> ... ...
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> **The "assessments"** from the fourth quarter of 1999 onwards **were Municipal License Receipts; Mayor's Permit, Business Taxes, Fees & Charges Receipts**; and Official Receipts **issued by the Office of the City Treasurer for local business taxes, which must be paid as prerequisites for the renewal of petitioner's business permit** in respondent City of Manila. While these receipts state the amount and nature of the tax assessed, **they do not contain any amount of deficiency, surcharges, interests, and penalties due from petitioner. They cannot be considered the "notice of assessment" required under Section 195 of the Local Government Code.**
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> **When petitioner paid these taxes and filed written claims for refund before respondent City Treasurer, the subsequent denial of these claims should have prompted resort to the remedy laid down in Section 196**, specifically the filing of a judicial case for the recovery of the allegedly erroneous or illegally collected tax within the two (2)-year period. [*Emphasis supplied*]

The Supreme Court emphasizes that due process is at the core of the requirements for a valid notice of assessment.[47]

Following the *ICTSI* case, We rule that the subject SOA cannot be considered the "notice of assessment" required under Section 195 of the LGC since it did not contain any amount of deficiency, surcharges, interests, and penalties due from petitioner.

Indeed, petitioner correctly availed of the remedy under Section 196 of the LGC, which does not require a prior notice of assessment for a claim for refund to prosper.

[46] G.R. No. 185622, October 17, 2018.
[47] *City of Iloilo v. Philippine Ports Authority*, G.R. No. 233861, January 12, 2021.

The court a quo erred in ruling that prescription has set in.

Having settled that Section 196 of the LGC is the proper remedy in this case, We now proceed to determine whether petitioner's written claim for refund has prescribed.

Petitioner avers that it had paid the amounts stated in the SOA and filed administrative and judicial claims for refund within the 2-year prescriptive period.

Respondent counters that petitioner's written claim for refund was filed one year and ten months after receiving the "assessment" on January 18, 2020. Thus, the court *a quo* is correct in dismissing the case because the "assessment" has already become final and executory under Section 195 of the LGC.

As quoted earlier, Section 196 of the LGC requires that a written claim for refund or credit must be first filed with the local treasurer, and thereafter, a case or proceeding must be brought in court within two (2) years from the date of the payment of erroneously or illegally collected tax, fee, or charge.

Here, petitioner timely filed its administrative and judicial claims in accordance with Section 196 of the LGC:

Date of Payment	Administrative claim filed	Judicial claim filed	End of 2-year prescriptive period
January 28, 2020	November 24, 2021	February 2, 2022	February 2, 2022[48]
July 16, 2020	November 24, 2021	February 2, 2022	July 16, 2022
July 16, 2020	November 24, 2021	February 2, 2022	July 16, 2022

In fine, petitioner's invocation of Section 196 of the LGC is proper, and the administrative and judicial claims were timely filed; hence, the court *a quo* erred in dismissing the same.

[48] See *supra*, note 13. Pursuant to Supreme Court Administrative Circular No. 01-2022 (RE: EXTENSION OF THE DEADLINES FOR THE FILING OF ANY AND ALL PLEADINGS AND OTHER COURT SUBMISSIONS FALLING DUE IN THE MONTH OF JANUARY 2022 IN ALL COURTS) issued on January 10, 2022, "the filing periods of any and all pleadings and other court submissions falling due in the month of January 10, 2022 in **all courts** are hereby **EXTENDED** until February 1, 2022." Considering that February 1, 2022 fell on a holiday (Chinese New Year), petitioner had until the next working day, or February 2, 2022 to file its judicial claim for refund.

Since there has been no trial on the merits and the court *a quo* has not received any evidence on the factual issues of the case, the Court deems it proper to remand the case to the court *a quo* for the reception of evidence to determine whether petitioner is entitled to its claim for refund under Section 196 of the LGC.

WHEREFORE, premises considered, the instant *Petition for Review* is **GRANTED**. Accordingly, the Orders dated May 27, 2022, and July 18, 2022, respectively, of the Regional Trial Court, Branch 258, Paranaque City, in Civil Case No. 2022-009, are **REVERSED** and **SET ASIDE,** and the case is **REMANDED** to the court *a quo* for the determination of the amount to be refunded to petitioner, if any.

SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

I CONCUR:

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

ATTESTATION

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

JEAN MARIE A. BACORRO-VILLENA
Associate Justice
Special 2nd Division Acting Chairperson

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, and the Special 2nd Division Acting Chairperson's Attestation, it is hereby certified that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MA. BELEN M. RINGPIS-LIBAN
Acting Presiding Justice