CTA Form No. 8 (For DCC)

22-000493-0074

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

CTA CASE NO. SCA-0002

HEIRS OF SPOUSES EDUARDO M. FRANCO and CELIA C. FRANCO namely, Maria Isabel C. Franco-Ignacio, Ferdinand C. Franco, Et al.,
Petitioners,

- versus -

NOTICE OF RESOLUTION

REPUBLIC OF THE PHILIPPINES, THE COMMISSIONER OF INTERNAL REVENUE and THE REGISTER OF DEEDS OF VALENZUELA CITY,
Respondents.

To:

OFFICE OF THE SOLICITOR GENERAL
134 Amorsolo St., Legazpi Village
Makati City

ATTY. FELIX PAUL R. VELASCO III
ATTY. NIKI BERYL B. DELA CRUZ
Bureau of Internal Revenue
Room 703, Litigation Division, BIR National Office Building
Sen. Miriam P. Defensor-Santiago Avenue
Diliman, Quezon City

ROMULO MABANTA BUENAVENTURA SAYOC & DE LOS ANGELES
21st Floor, AIA Tower
8767 Paseo de Roxas, Makati City

THE REGISTER OF DEEDS OF VALENZUELA CITY
3/F, Comelec Building
Poblacion, Malinta
Valenzuela City

GREETINGS:

You are hereby notified by these presents that on **April 28, 2026,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **April 28, 2026.**

Atty. Maria Johoanna F. Chan-Te
Executive Clerk of Court III

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

HEIRS OF SPOUSES EDUARDO M. FRANCO and CELIA C. FRANCO namely, **Maria Isabel C. Franco-Ignacio, Ferdinand C. Franco, Maria Cecilia C. Franco-Cruz, and the Heirs of Eduardo C. Franco, Jr. namely, Nancy A. Franco, Ivy Christine A. Franco, Franchesca Mae A. Franco-Lukban, Junile Emancel A. Franco, Marian Edylene A. Franco and Eduardo Angelo A. Franco,**

Petitioners,

CTA SCA Case No. **0002**
(Formerly CTA Case No. 11003)

Members:

BACORRO-VILLENA, *Acting Chairperson* *and*
CUI-DAVID, *JJ.*

- versus -

REPUBLIC OF THE PHILIPPINES, THE COMMISSIONER OF INTERNAL REVENUE and THE REGISTER OF DEEDS OF VALENZUELA CITY,

Respondents.

Promulgated:
APR 2 8 2026; 10:45AM

x - x

RESOLUTION

BACORRO-VILLENA, J.:

For the Court's resolution is respondent Commissioner of Internal Revenue's (**CIR's**) "Motion for Reconsideration (Re: Decision dated 16 December 2025)"[1] (**MR**) personally filed on 06 January 2026 and emailed on 07 January 2026, with petitioner Heirs of Spouses Eduardo M. Franco

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[1] Division Docket, pp. 1630-1674.

and Celia C. Franco namely, Maria Isabel C. Franco-Ignacio, Ferdinand C. Franco, Maria Cecilia C. Franco-Cruz, and the Heirs of Eduardo C. Franco, Jr. namely, Nancy A. Franco, Ivy Christine A. Franco, Franchesca Mae A. Franco-Lukban, Junile Emancel A. Franco, Marian Edylene A. Franco and Eduardo Angelo A. Franco (collectively referred to as **petitioner-heirs**'), "Comment/Opposition (To Respondent' [MR])" (**Comment**) filed *via* registered mail and emailed on 23 January 2026.

Respondent CIR oppugns this Court's Decision[2] promulgated on 16 December 2025 (**assailed Decision**), the dispositive portion of which states:

> ...
>
> **WHEREFORE**, premises considered, the Petition for *Certiorari* filed by petitioners Heirs of Spouses Eduardo M. Franco and Celia C. Franco namely, Maria Isabel C. Franco-Ignacio, Ferdinand C. Franco, Maria Cecilia C. Franco-Cruz, and the Heirs of Eduardo C. Franco, Jr. namely, Nancy A. Franco, Ivy Christine A. Franco, Franchesca Mae A. Franco-Lukban, Junile Emancel A. Franco, Marian Edylene A. Franco and Eduardo Angelo A. Franco on 14 October 2022, is **GRANTED**.
>
> 1. Assessment Notice Nos. D33990 and D34273 for calendar years 2009 and 2010 are **DECLARED VOID**;
>
> 2. Consequently, the Warrant of Distraint and/or Levy, the Notice of Tax Lien, the Notice of Levy, the forfeiture and the consolidation of titles in favor of respondent Republic of the Philippines are likewise **DECLARED VOID** and are **SET ASIDE**;
>
> 3. Respondent Register of Deeds of Valenzuela City is **DIRECTED** to:
>
>   a. **CANCEL** the Transfer Certificates of Title issued in the name of respondent Republic of the Philippines covering the subject properties (TCT Nos. 013-2017003463, 013-2017003465 and 013-2017003484), and
>
>   b. **REINSTATE** the corresponding titles in the names of Spouses Eduardo M. Franco and Celia C. Franco, or in the names of their respective Estates, without prejudice to the settlement of said Estates under existing laws and procedures;

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[2] Id., pp. 1592-1629.

4. Respondent Commissioner of Internal Revenue is **ORDERED** to **LIFT** and **CANCEL** all annotations of lien, levy, encumbrance, forfeiture, or similar adverse claims on the subject properties, and to cause the immediate recall of any certificates or instruments issued pursuant to the void acts herein nullified; and

5. Respondent or any person acting on his or her behalf, is **ENJOINED** and **PROHIBITED** from further enforcing the deficiency tax assessments covered by Assessment Notice Nos. D33990 and D34273.

SO ORDERED.[3]

...

Respondent CIR, in his or her MR, argues that: (1) this Court has no jurisdiction over the petition because, despite its caption, the case is in reality an action for reconveyance of properties already consolidated in the name of the Republic, which falls within the exclusive original jurisdiction of the Regional Trial Court (**RTC**) under Section 19 of Batas Pambansa (**BP**) Blg. 129;[4] (2) the Court of Tax Appeals (**CTA**), being a court of special and limited jurisdiction, may exercise *certiorari* powers only in aid of its appellate jurisdiction, and since the present case does not involve a decision on a disputed assessment, refund, or other similar tax matter enumerated under Section 7[5] of Republic Act (**RA**) No. 1125,[6] as amended, it lies beyond its competence; (3) there is, in fact, no "disputed assessment" to review because petitioner-heirs admittedly failed to file a valid protest against the assessment notices within the period prescribed under Section 228 of the National Internal Revenue Code (**NIRC**) of 1997, as amended, thereby rendering the assessments final, executory and demandable; (4) the issues raised do not fall within "other matters arising under the NIRC," which, under the doctrine of *ejusdem generis*, must be of the same nature as disputed assessments or refund claims and must involve quasi-judicial acts of the CIR, whereas the present controversy concerns reconveyance and enforcement of collection through levy and forfeiture, acts that are executive or ministerial in nature; and (5) petitioners are barred by laches and procedural infirmities from assailing the validity of the assessments and subsequent forfeiture, having failed to avail of the proper administrative

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3 Id., p. 1627-1628; Emphasis in the original text.

4 AN ACT REORGANIZING THE JUDICIARY, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES.

5 **SEC. 7.** *Jurisdiction.*

6 AN ACT CREATING THE COURT OF TAX APPEALS.

and judicial remedies at the earliest opportunity, and having filed the petition only after the lapse of several years, rendering *certiorari* improper for being a substitute for a lost appeal.

In their Comment, petitioner-heirs counter that respondent CIR's MR is merely *pro forma*, as it simply reiterates arguments already passed upon and resolved in the assailed Decision without pointing to any specific error of fact or law, much less substantiating why such alleged errors warrant reversal.

We resolve.

At the outset, the Court notes that respondent CIR's arguments merely rehash issues —particularly jurisdiction and the timeliness of the petition—that the assailed Decision has already exhaustively addressed and passed upon. Nevertheless, if only to emphasize, and to put an end to any lingering doubt, the Court reproduces the relevant portions of the assailed Decision:[7]

> ...
> THE COURT OF TAX APPEALS (CTA) HAS SUBJECT-MATTER JURISDICTION OVER THE INSTANT PETITION FOR *CERTIORARI*.
>
> Respondent CIR argues that the Court, as a court of special jurisdiction, does not have the authority to pass upon an action for reconveyance, which seeks cancellation of titles already consolidated in favor of respondent Republic of the Philippines as such is not a "disputed decision" as contemplated under RA 1125, as amended by RA 9282.
>
> We disagree with such a narrow construction.
>
> Section 7(a)(1) of RA 1125, as amended by RA 9282, provides:
>
> ...
> **SEC. 7.** *Jurisdiction.* — The CTA shall exercise:
>
> (a) Exclusive appellate jurisdiction to review by appeal, as herein provided:

[7] Supra at note 2, pp. 1607-1618; Citation omitted, emphasis, italics and underscoring in the original text.

> (1) Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or **<u>other matters arising under the National Internal Revenue [Code]</u> or other laws administered by the Bureau of Internal Revenue**[.]
>
> ...

Likewise, Section 3(a)(1), Rule 4 of the Revised Rules of the Court of Tax Appeals (**RRCTA**) provides:

> ...
>
> SEC. 3. *Cases within the jurisdiction of the Court in Division.* — The Court in Division shall exercise:
>
> (a) Exclusive original over or appellate jurisdiction to review by appeal the following:
>
> (1) Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or **<u>other matters arising under the National Internal Revenue Code</u> or other laws administered by the Bureau of Internal Revenue**[.]
>
> ...

In the case of *Golden Donuts, Inc. v. Commissioner of Internal Revenue* (**Golden Donuts**), the Supreme Court, citing *The City of Manila, et al. v. Hon. Caridad H. Grecia-Cuerdo, et al.* (**Grecia-Cuerdo**), ruled that the CTA, having exclusive jurisdiction to resolve all tax problems, may take cognizance of a petition for *certiorari* to determine whether there is grave abuse of discretion amounting to lack or excess of jurisdiction committed by the BIR in issuing an LOA against therein taxpayer as well as the *subpoena duces tecum*, to wit:

> ...
>
> In the case of *City of Manila v. Grecia-Cuerdo (City of Manila)*, this Court for the first time recognized the CTA's jurisdiction over petitions for *certiorari* under Rule 65 of the Rules of Court over interlocutory orders issued by the Regional Trial [C]ourt in a local tax case. Thus:
>
> ...
>
> ... [W]hile there is no express grant of such power, with respect to the CTA, Section 1, Article VIII of the 1987 Constitution provides, nonetheless, that **judicial power shall be vested in one Supreme Court and in such lower courts as may be established by law** and that **judicial power includes the duty of the courts of**

> **justice** to settle actual controversies involving rights which are legally demandable and enforceable, and **to determine whether or not there has been a grave abuse of discretion amounting to lack or excess of jurisdiction on the part of any branch or instrumentality of the Government**.
>
> ...
>
> **Indeed, in order for any appellate court to effectively exercise its appellate jurisdiction, it must have the authority to issue, among others, a writ of *certiorari*. In transferring exclusive jurisdiction over appealed tax cases to the CTA, it can reasonably be assumed that the law intended to transfer also such power as is deemed necessary, if not indispensable, in aid of such appellate jurisdiction.** There is no perceivable reason why the transfer should only be considered as partial, not total.
>
> ...
>
> Furthermore, **Section 6, Rule 135** of the present Rules of Court **provides that when by law, jurisdiction is conferred on a court or judicial officer, all auxiliary writs, processes and other means necessary to carry it into effect may be employed by such court** or officer.
>
> ...
>
> Under Section 7 of R.A. 9282 which expanded the jurisdiction of the CTA, the latter is given exclusive appellate jurisdiction over "Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or other matters arising under the National Internal Revenue or other laws administered by the Bureau of Internal Revenue." **Following the ruling of the Court in *City of Manila,* the CTA may take cognizance of a petition for *certiorari* to determine whether there is grave abuse of discretion amounting to lack or excess of jurisdiction committed by the BIR in issuing the 2017 LOA against GDI as well as the subpoena *duces tecum* considering that a previous investigation of the same taxable year 2007 was already conducted pursuant to the 2008 LOA and GDI has already settled its tax liabilities arising out of said investigation.**
>
> ...

Similarly, in the case of *Banco de Oro, et al. v. Republic of the Philippines, et al.* (**BDO**), the Supreme Court echoed its pronouncement in *Grecia-Cuerdo*, where it declared in no uncertain terms that petitions for *certiorari* against the acts and omissions of quasi-judicial agencies, including the CIR, should be filed with the CTA, *viz*:

...

> Section 7 of Republic Act No. 1125, as amended, is explicit that, except for local taxes, **appeals from the decisions of quasi-judicial agencies (Commissioner of Internal Revenue**, Commissioner of Customs, Secretary of Finance, Central Board of Assessment Appeals, Secretary of Trade and Industry) **on tax-related problems must be brought *exclusively* to the Court of Tax Appeals.**
>
> In other words, within the judicial system, **the law intends the Court of Tax Appeals to have exclusive jurisdiction to resolve all tax problems. Petitions for writs of *certiorari* against the acts and omissions of the said quasi-judicial agencies should, thus, be filed before the Court of Tax Appeals.**
>
> ...

It is a settled rule that what determines the nature of the action and which court has jurisdiction over it are the allegations of the petition and the character of the relief sought. The cause of action in a petition is not determined by the designation given to it by the parties. The allegations in the body of the petition define or describe it. The designation or caption is not controlling more than the allegations in the petition. It is not even an indispensable part of the petition. Accordingly, a review of the allegations is proper in order to determine the real nature of the cause of action pleaded in the petition and if petitioner-heirs' ultimate objective in filing the same involves a tax problem, which this Court may take cognizance of.

The petition pertinently alleges as follows:

> ...
>
> 19. **On 28 November 2013, a Follow-up Letter re: Letter Notice (LN) No. 25A-RLF-11-00-000101 was issued by the Respondent addressed to EMF informing the latter of the discrepancy resulting from the Reconciliations of Listing for Enforcement (RELIEF) and Third-Party Matching — Bureau of Customs (TPM-BOC) Data** Program.
>
> > **19.1. None of the Petitioners were served with a copy of the Follow-up Letter dated 28 November 2013.**
>
> 20. On 14 October 2014, Assessment Notices for alleged deficiency 2009 income tax and VAT were issued by the BIR signed by Regional Director Gerardo R. Florendo and addressed to the deceased EMF, the details of which are as follows:
>
> ...
>
> > **20.1. None of the Petitioners were served with copies of the Assessment Notices for deficiency**

> **2009 income tax and VAT when they were issued in 2014.**

21. On 2 February 2015, **Assessment Notices for alleged deficiency 2010 income tax and VAT were issued by the BIR signed by Regional Director Gerardo R. Florendo and addressed to the deceased EMF**, the details of which are as follows:

...

> 21.1. None of the Petitioners were served with copies of the said Assessment Notices for deficiency 2010 income tax and VAT when they were issued in 2015.

22. As far as Petitioners know, **no Letter of Authority (LOA), Notice of Informal Conference (NIC), Preliminary Assessment Notice (PAN), and Formal Letter of Demand (FLD) were issued against the deceased EMF** prior to the issuance of the Assessment Notices for deficiency 2009 and 2010 income tax and VAT.

23. The Assessment Notices issued by the BIR in 2014 and 2015 **merely show the computation** of basic tax due, surcharge, and interest but do not in any way present nor discuss the legal and factual basis of the assessment

24. On 8 April 2015, a Warrant of Distraint and/or Levy (WDL) was issued by the BIR Revenue Region No. 5 against the Subject Properties of the deceased EMF to enforce collection of alleged deficiency 2009 income tax and VAT in the amount of P9,639,628.50 due from EMF.

25. On 23 September 2015, the WDL was constructively served on the business address of the deceased taxpayer because the taxpayer or his authorized representatives were not present.

> **25.1. None of the Petitioners were served with a copy of the WDL.**

26. On 9 November 2015, the BIR directed the Register of Deeds of Valenzuela City to record or register the Notice of Tax Lien issued against the Subject Properties registered in the name of the Franco Spouses in connection with EMF's alleged deficiency 2009 and 2010 income tax and VAT liabilities in the total amount of P16,847,837.60 per Assessment Notice Nos. 33990 and 34273 dated 14 October 2014 and 2 February 2015.

> **26.1. None of the Petitioners were served with a copy of the Notice of Tax Lien.**

27. On the same date, a Notice of Levy on Real Property' was issued by the BIR against the Subject Properties to satisfy EMF's alleged deficiency 2009 and 2010 income tax and VAT liabilities in the total amount of P16,847,837.60.

> **27.1. None of the Petitioners were served with a copy of the Notice of Levy on Real Property dated 9 November 2015.**
>
> ...
>
> 47. On 26 July 2019, the Petitioners through the Dacanay Law Office wrote a follow-up letter to Respondent CIR seeking the **approval of the compromise settlement agreement** and the lifting of the levy on the Subject Properties and delist them from auction.
>
> ...
>
> IV.
>
> GROUNDS FOR THE PETITION
>
> A.
>
> RESPONDENT [COMMISSIONER OF INTERNAL REVENUE] ACTED WITH GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN FORFEITING THE SUBJECT PROPERTIES BELONGING TO THE PETITIONERS **WITHOUT DUE NOTICE**.
>
> B.
>
> RESPONDENT [COMMISSIONER OF INTERNAL REVENUE] ACTED WITH GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN FORFEITING CCF'S CONJUGAL SHARE IN THE SUBJECT PROPERTIES EVEN IF **NO DEFICIENCY TAX ASSESSMENTS WERE PREVIOUSLY ISSUED AGAINST CCF**.
>
> C.
>
> RESPONDENT [COMMISSIONER OF INTERNAL REVENUE] ACTED WITH GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN FORFEITING THE SUBJECT PROPERTIES TO ENFORCE **COLLECTION OF TAX ASSESSMENTS** THAT SHE KNEW TO BE VOID DUE TO THE ABSENCE OF A LETTER OF AUTHORITY.
>
> D.
>
> RESPONDENT [COMMISSIONER OF INTERNAL REVENUE] ACTED WITH GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OR EXCESS OF JURISDICTION IN WITHHOLDING APPROVAL OF PETITIONERS APPLICATION FOR COMPROMISE ON THE FLIMSY GROUND THAT PAYMENT OF **THE COMPROMISE AMOUNT CANNOT BE TRACED IN THE BIR'S INTEGRATED TAX SYSTEM DESPITE THE PRESENTATION OF SUFFICIENT EVIDENCE OF PAYMENT BY THE PETITIONERS.**
>
> ...

It is clear from the foregoing allegations that despite assailing the supposedly illegal forfeiture of petitioner-heirs' property in order to satisfy the deceased E. Franco's deficiency taxes, the forfeiture issue is but *ancillary* to their more fundamental challenge, *i.e.*, the validity of the assessment and collection proceedings undertaken by respondent CIR, since petitioner-heirs, as E. Franco's successors-in-interest, were never notified of such proceedings and no LOA had been issued, thereby violating their right to due process, as well as the alleged unjust withholding of the approval of petitioner-heirs' application for compromise, which are squarely within the "other matters" arising from the NIRC of 1997, as amended. Simply stated, **the petition's ultimate objective is thus to nullify the underlying assessments and the consequent collection efforts of respondent CIR**, for the validity of the forfeiture and the prayer for reconveyance necessarily rise or fall with the validity of the assailed assessment and collection proceedings. That the Letter of Protest—whose denial spawned this case—ultimately alleged "considering that no LOA was issued in the issuance of Assessments notices to the Heirs, it is respectfully submitted that the [AN] Nos. 33990 and 34273 are NULL and VOID. Consequently, the entire proceedings conducted by this good Office which led to the forfeiture of the subject properties in the name of Mr. Eduardo M. Franco are likewise void", confirms this characterization.

This is not novel.

The Supreme Court took the same view in *Demetrio R. Alcantara v. Republic of the Philippines, etc.*, to wit:

> ...
> The complaint pertinently alleges as follows:
>
> 11. That the above-described real property was purchased by the plaintiff with his hard-earned money on instalment basis from its former owner with the plan to put up his own residential house thereon where he could spend the rest of his life upon his return from the United States of America after retirement[.]...
>
> ...
>
> 12. That the plaintiff's ownership of the above-described real property is evidenced by a Transfer Certificate of Title No. T-113015 issued in his name by the Register of Deeds of Davao City, a machine copy of which is attached hereto as <u>ANNEX "A"</u> to form part hereof;
>
> ...
>
> 14. That however, when the **plaintiff [thru his authorized representative] wanted to pay the realty tax for this year [1997] for the above-described property, his payment was not accepted by the office of the Davao City Assessor for the reason that the owner of the said property is no longer the plaintiff but a certain MAXIMO LAGAHIT** - which fact brought shock waves to the plaintiff;

15. That upon hearing the shocking information that his above-described property is already owned by a certain MAXIMO LAGAHIT, the plaintiff caused the verification of the existence of his aforesaid TCT No. T-113015 with the Office of the Register of Deeds of Davao City and he was surprised to find out **that it was <u>cancelled on 5-18-93</u> by the Register of Deeds of Davao City without giving him due process of law** and **a new TCT No. T-195677 was issued in the name of the Republic of the Philippines**; A CERTIFIED TRUE COPY of the <u>cancelled</u> TCT No. T-113015 is attached hereto as <u>ANNEX "G"</u>;

16. That after knowing that his said TCT No. [T]-113015 was cancelled without giving him due process of law, plaintiff further caused the verification of the same and he found out that the defendants committed the following **unlawful acts and irregularities as their basis for depriving the plaintiff of his property without due process of law, namely:**

16.1 ***Beyond the period of limitation prescribed by law [See Sec. 203, NIRC]*** and long after the plaintiff had left Davao City for the United States of America, the BIR made it appear that it assessed plaintiff's income tax returns for <u>1982</u> and <u>1983</u> with alleged deficiency income taxes and interests amounting to P30,797.36; Worse, the BIR <u>falsely</u> made it appear in its alleged INCOME TAX ASSESSMENT NOTICES that the plaintiff was residing at Ecoland Subdivision, Matina, Davao City, altho the truth was that he and his family left Davao City in <u>August 1985</u> for the United States of America; Neither were the alleged INCOME TAX ASSESSMENT NOTICES published in a newspaper of general circulation; Machine copies of the alleged INCOME TAX ASSESSMENT NOTICES are attached hereto as <u>ANNEXES "H" and "H-1"</u>;

16.2 **On the basis of the aforesaid illegal assessment made beyond the period of limitation prescribed by law and altho NO NOTICE thereof whatsoever was validly served on the plaintiff**, defendants BIR, Themistocles R. Montalban, and Amerigo D. Villegas pursued in their illegal acts of levying and seizing plaintiff's above-described property by issuing

(a) **A farcical WARRANT OF DISTRAINT AND/OR LEVY wherein they <u>FALSELY</u> stated that the plaintiff "*failed and refused and still fails and refuses to pay the deficiency income taxes of ₱32,076.52 notwithstanding the demands made by them*" and defendant AMERIGO D. VILLEGAS** also <u>FALSELY</u> certified thereunder that <u>"a copy of the warrant of distraint and/or levy was [A] served to the taxpayer or his representative as acknowledged hereunder [B]] served constructively because the taxpayer or his representative refused to acknowledge the service of the warrant, or was not in the premises</u>." A machine (sic) of the WARRANT OF DISTRAINT AND/OR LEVY is attached hereto as <u>ANNEX "I"</u>;

(b) A farcical NOTICE OF SEIZURE OF REAL PROPERTY **<u>dated March 6, 1992</u>** indicating <u>FALSELY</u> plaintiff's address as being at Ecoland, Matina, Davao City, a machine copy of which is attached as <u>ANNEX "J"</u>; Altho defendant

> AMERIGO D. VILLEGAS knew very well that the plaintiff had emigrated to the United States of America per his letter **dated February 27, 1989**, a machine copy of which is attached hereto as ANNEX "K", he FALSELY made it appear in the said NOTICE OF SEIZURE OF REAL PROPERTY that the plaintiff's address was at Ecoland, Matina, Davao City; Worse, he made an empty certification therein that he served a copy thereof to a certain Mr. Baldovino S. Lagbao who had absolutely NO CONTACT with the plaintiff and which kind of service was not authorized by law *[See Sec. 213. NIRC]*.
>
> (c) **A DECLARATION OF FORFEITURE OF REAL PROPERTY** on May 6, 1992 without any notice whatsoever to the plaintiff, a machine copy of which is attached hereto as ANNEX "L";
>
> 16.3 On May 13, 1993 defendant TEODORICA R. ARCEGA wrote a letter to the Register of Deeds of Davao City requesting the latter to issue a new title of the subject property in the name of the Republic of the Philippines altho, as clearly shown in the foregoing facts, the proceedings undertaken by the public defendants are *null* and *void **ab initio*** for lack of the requisite due process of law; A machine copy of the letter is attached hereto as ANNEX "M";
>
> ...

It is clear from the foregoing allegations that despite assailing the supposedly illegal confiscation of his property in order to satisfy his tax liabilities, Alcantara was really challenging the assessment and collection of taxes made against him for being in violation of his right to due process. As such, the complaint concerned the validity of the assessment and eventual collection of the taxes by the BIR. The declaration of nullity of the sale and reconveyance was founded on the validity of the assessment and eventual collection by the BIR. That the main relief sought by his complaint was "***to declare the assessments conducted by the BIR on the Income Tax Returns of [Alcantara] for 1982 and 1983 as null and void ab initio*" as well as to declare all notices and deeds in relation to collection of the assessed taxed liabilities as null and void bolsters this conclusion.**

Accordingly, the CA correctly determined that the RTC had no jurisdiction to resolve the issues raised in Alcantara's complaint.

...

The complaint was brought to assail the assessment and collection made by the Commissioner of Internal Revenue. Based on Republic Act No. 1125, prior to its amendment by Republic Act No. 9282, the <u>CTA had exclusive appellate jurisdiction</u> over the appeal of the decisions of the Commissioner of Internal Revenue, to wit[.]

...

Despite the prayer for reconveyance, applying the ultimate objective test, since the cause of action turns on the application and construction of the NIRC of 1997, as amended, exclusive jurisdiction lies with the CTA.

We shall now determine the timeliness of the instant petition.

THE INSTANT PETITION FOR *CERTIORARI* WAS TIMELY FILED.

Section 4, Rule 65 of the RCP, as amended, states:

> ...
> Sec. 4. *When and where to file the petition.* -The petition shall be filed not later than **sixty (60) days from notice of the judgment, order or resolution**. In case a motion for reconsideration or new trial is timely filed, whether such motion is required or not, the petition shall be filed not later than sixty (60) days counted from the notice of the **denial of the motion**.
> ...

Based on the foregoing provision, all Rule 65 petitions must be filed not later than 60 days from notice of judgment, order or resolution.

Here, what is being assailed is the denial of petitioner-heirs' reconsideration before respondent CIR, himself or herself. Considering that petitioner-heirs received the Denial Letter on 18 August 2022, counting 60 days therefrom, petitioner-heirs had until 17 October 2022 to file the present Petition for *Certiorari* before this Court. The instant petition filed on 14 October 2022 has, therefore, been timely filed and this Court successfully acquired jurisdiction over the instant case.

Respondent CIR argues that the 60-day period should be reckoned from actual knowledge of the auction as early as April 2016, of the second auction by May 2019 or of the denial of their request to hold or delist the auction by the letter dated 05 November 2021 and not from the receipt of the denial of the reconsideration.

Respondent CIR's argument does not hold water.

In determining when to reckon the 60-day period, the decisive inquiry is the point at which the assailed judicial or quasi-judicial act was performed, for it is that act which gives rise to the right to seek relief under Rule 65. Here, notices of auction do not commence the running of the 60-day because they are merely administrative collection steps and do not constitute an exercise of quasi-judicial authority that adjudicate the parties' rights. In the same vein, the 05 November 2021 letter denying the request to hold or delist the auction of the subject properties cannot be treated as the proper reckoning point. Even assuming *arguendo* it bore a quasi-judicial character, it (*i.e.*, denial of the holding or delisting the properties on the ground of a *pending* compromise) is not the action being challenged by petitioner-heirs. As earlier discussed, they are assailing the assessment and collection procedures adjudicated and passed upon in the Denial Letter received by petitioner-heirs on 18 August 2022. Thus, the 60-day period is counted from receipt of that denial, consistent with Section 4, Rule 65 of the RCP, as amended.

Having established the Court's jurisdiction over the present petition and the timeliness of its filing, We shall now proceed to determine its propriety

...

In *Ortigas and Company Limited Partnership v. Judge Tirso Velasco, et al.*,[8] the Supreme Court declared:

...

The filing of a motion for reconsideration, authorized by Rule 52 of the Rules of Court, does not impose on the Court the obligation to deal individually and specifically with the grounds relied upon therefor, in much the same way that the Court does in its judgment or final order as regards the issues raised and submitted for decision. This would be a useless formality or ritual invariably involving merely a reiteration of the reasons already set forth in the judgment or final order for rejecting the arguments advanced by the movant; and it would be a needless act, too, with respect to issues raised for the first time, these being, as above stated, deemed waived because not asserted at the first opportunity. It suffices for the Court to deal generally and summarily with the motion for reconsideration, and merely state a legal ground for its denial (Sec. 14, Art. VIII, Constitution); *i.e.*, the motion contains merely a reiteration or rehash of arguments already submitted to and pronounced without merit by the Court in its judgment, or the basic issues have already been passed upon, or the motion discloses no substantial argument or cogent reason to warrant reconsideration or modification of the judgment or final order; or the arguments in the motion are too unsubstantial to require consideration, etc.

...

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8 G.R. No. 109645, 04 March 1996.

WHEREFORE, premises considered, respondent Commissioner of Internal Revenue's "Motion for Reconsideration (Re: Decision dated 16 December 2025)" personally filed on 06 January 2026 and emailed on 07 January 2026, is hereby **DENIED** for lack of merit.

SO ORDERED.

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

I CONCUR:

LANEE S. CUI-DAVID
Associate Justice