CTA Form No. 8 (For DCC)

07-000169-0004

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

CTA CRIM. CASE NO. O-053

PEOPLE OF THE PHILIPPINES,
Plaintiff,

- versus -

NOTICE OF RESOLUTION

TESS S. VALERIANO,
Accused.

To:

CITY PROSECUTOR GIOVANNE T. LIM
2nd Floor, Manila City Hall
Padere Burgos Avenue
Ermita, Manila

ATTY. ROWELL B. VICENTE
Bureau of Internal Revenue-Revenue Region No. 6
Legal Division, 7th to 10th Floors
Philippine Bible Society Tower
890 United Nations Avenue
Ermita, Manila

GREETINGS:

You are hereby notified by these presents that on **July 9, 2026,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **July 15, 2026.**

Atty. Mary Grace S. Ringpis
Executive Clerk of Court II

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

PEOPLE OF THE PHILIPPINES, *Plaintiff,*	**CTA CRIM. CASE NO. 0-053** I.S. No. 06G-13500 For: Violation of Sec. 255 in relation to Secs. 253(d) and 256 of the National Internal Revenue Code of 1997, as amended
-versus-	Members:
TESS S. VALERIANO The Capital Insurance & Surety Co., Inc. Penthouse 1 Prestige Tower, Emerald Avenue, Ortigas Center, Pasig City (AT LARGE) *Accused.*	**RINGPIS-LIBAN,** *Chairperson,* **REYES-FAJARDO,** and **ANGELES,** *JJ.* Promulgated: JUL 09 2026 ; 1:40PM

x- -x

RESOLUTION

Accused Tess S. Valeriano is charged for violation of Section 255 in relation to Sections 253(d) and 256 of the National Internal Revenue Code of 1997 (NIRC), as amended. The pertinent portion of the *Information*[1] is quoted below:

> "That on or about **March 10, 2005**, and continuously up to the present, in the City of Manila, Philippines, the said accused, being then the President of Capital Insurance & Surety Co., Inc., located at Penthouse 1 Prestige Tower, Emerald Avenue, Ortigas Center, Pasig City, did then and there willfully, unlawfully and knowingly fail and refuse to pay unto the Bureau of Internal Revenue said corporation's deficiency internal revenue tax liabilities for the year 1993 in the aggregate amount of P14,775,643.52 including penalty of P2,822,298.35, in violation of the said Section 255 in relation to Sections 253(d) and 256 of the Tax Code of 1997 as amended by Republic Act No. 8424.

[1] Division Docket, p. 1.

CONTRARY TO LAW."

In the Resolution dated August 31, 2007,[2] the Court found the existence of probable cause to hold the accused for trial, thereby ordering the issuance of a Warrant of Arrest against accused Valeriano. Subsequently, a *Warrant of Arrest*[3] commanding the arrest of accused Valeriano was issued on September 3, 2007.

In the *Return of Warrant of Arrest*[4] posted on October 22, 2007 by the Supervising Agent of the Anti-Fraud and Computer Crimes Division of the National Bureau of Investigation (AFCCD-NBI), it was disclosed that the given address of the accused was already occupied by another company and that considerable effort to locate the new office and/or the whereabouts of the accused proved futile.

Thus, pursuant to the Resolution dated November 6, 2007,[5] an *Alias Warrant of Arrest*[6] was issued on November 8, 2007, to be returned to the Court only upon the arrest of the accused. Thereafter, or on May 15, 2009, the Court ordered that the instant case be archived.[7]

Meanwhile, the number of criminal cases archived due to the failure of authorities to cause the arrest of the accused, as well as the successive dismissal of recent cases on the ground of prescription, among others, prompted this Court to review the archived cases, including the present case.

Section 7 of Republic Act (RA) No. 1125, as amended by RA No. 9282 (CTA Law),[8] provides the jurisdiction of the CTA over criminal cases, to wit:

> SEC. 7. *Jurisdiction*. — The CTA shall exercise:
> "(a) Exclusive appellate jurisdiction to review by appeal, as herein provided:
>
> xxx xxx xxx
>
> (b) **Jurisdiction over cases involving criminal offenses as herein provided:**

[2] Division Docket, pp. 31-32.
[3] Division Docket, p. 33.
[4] Division Docket, p. 34.
[5] Division Docket, p. 38.
[6] Division Docket, p. 39.
[7] Resolution dated May 15, 2009, Division Docket, p. 45.
[8] *Expanding the Jurisdiction of the Court of Tax Appeals*, March 30, 2004.

> "(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. Any provision of law or the Rules of Court to the contrary notwithstanding, the criminal action and the corresponding civil action for the recovery of civil liability for taxes and penalties shall at all times be simultaneously instituted with, and jointly determined in the same proceeding by the CTA, the filing of the criminal action being deemed to necessarily carry with it the filing of the civil action, and no right to reserve the filing of such civil action separately from the criminal action will be recognized xxx xxx xxx
>
> *(Emphasis supplied)*

Likewise, Section 3, Rule 4 of the Revised Rules of the Court of Tax Appeals (RRCTA) enumerates the cases within the jurisdiction of the Court in Division, *viz.*:

> 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:
>
> xxx xxx xxx
>
> (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;** and xxx xxx xxx
>
> *(Emphasis supplied)*

Based on the foregoing, to vest jurisdiction upon this Court, the criminal case brought before it must involve a violation of the NIRC, Tariff and Customs Code or other law administered by the Bureau of

Internal Revenue (BIR), and a claim the principal amount of which is equivalent to One Million Pesos (₱1,000,000.00) or more, exclusive of charges and penalties.

Relatedly, it is an established principle in criminal law that **the jurisdiction of the court over a criminal case is determined by the allegations in the complaint or Information.**[9] The allegations in the complaint or Information characterize not only the crime to be prosecuted but also the court before which the crime must be tried.[10]

In order to determine the jurisdiction of the court in criminal cases, the complaint or Information must be examined for the purpose of ascertaining whether or not the facts set out therein are within the jurisdiction of the court.[11] Failure of the **Information itself** to allege matters that vest jurisdiction upon the court with which it is filed renders the same fatally defective.[12] Certainly, evidence presented could not cure the defect of the Information.[13]

Applying the foregoing, after a careful review of the *Information*[14] filed by the prosecution, the Court finds the same to be gravely wanting of allegations sufficient to qualify the present case as one falling within the jurisdiction of the CTA.

Based on the said *Information*, accused Valeriano is charged for alleged violation of Section 255 in relation to Sections 253(d) and 256 of the NIRC. **While the said Information specifies an amount for which the accused is allegedly liable (*i.e.*, P14,775,643.52 including penalty of P2,822,298.35), it fails to clearly establish whether such amount is equivalent to One Million Pesos (₱1,000,000.00) or more, exclusive of charges and penalties, which is the jurisdictional amount required for criminal cases originally filed before the CTA.**

A perusal of the said *Information* reveals that there is nothing therein that states or implies that the alleged amount of tax liabilities pertains to the **basic or principal amount** of tax liabilities of the accused for taxable year 1993, **exclusive of charges and penalties.** Contrarily, the alleged amount of tax liabilities "in the aggregate amount of P14,775,643.52" remains vague and indeterminate, leaving

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[9] *Macasaet v. People*, G.R. No. 156747, February 23, 2005.
[10] *Buaya v. Polo*, G.R. No. 75079, January 26, 1989.
[11] *Supra*, note 10.
[12] Supra, note 9.
[13] *Chavez v. Court of Appeals*, G.R. No. 125813, February 6, 2007.
[14] *Supra*, note 1.

the Court unable to ascertain whether such amount consists of the basic or principal amount only, or if it includes any interest and/or surcharges and/or other charges, considering that the taxable period covered by the subject assessment dates back to 1993.

Neither is the phrase "including penalty of P2,822,298.35" sufficient to clarify the ambiguity on the principal amount of taxes and fees involved, since other charges may still apply.

Neither can this Court consider matters *aliunde* in the examination of the said *Information*.[15]

As the said *Information* failed to allege that the principal amount of taxes and fees claimed is at least One Million Pesos (₱1,000,000.00), exclusive of charges and penalties, as required by the above-cited provisions of the CTA Law and RRCTA, in accordance with prevailing jurisprudence, the same is rendered fatally defective.

Verily, failure of the prosecution to properly lay the basis for invoking the jurisdiction of the CTA effectively denied the said court of the power to take cognizance of this case.

ACCORDINGLY, CTA Crim. Case No. O-053 is hereby **WITHDRAWN** from the archives and **DISMISSED** for lack of jurisdiction. Let the *Warrant of Arrest* issued against accused be **RECALLED** and **SET ASIDE**.

SO ORDERED.

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

MARIAN IVY F. REYES-FAJARDO
Associate Justice

HENRY S. ANGELES
Associate Justice

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[15] *Dela Chica v. Sandiganbayan*, G.R. No. 144823, December 8, 2003.