REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

PEOPLE OF THE PHILIPPINES,
Petitioner,

- versus -

HON. ANA TERESA T. CORNEJO-TOMACRUZ, IN HER CAPACITY AS PRESIDING JUDGE OF THE REGIONAL TRIAL COURT OF PASIG CITY, BRANCH 157, RAPPLER HOLDINGS CORPORATION, and MARIA A. RESSA,
Respondents.

CTA EB No. 3037
(CTA Case SCA No. 0014)

Present:

RINGPIS-LIBAN, *P.J.*,
BACORRO-VILLENA,
MODESTO-SAN PEDRO,
REYES-FAJARDO,
CUI-DAVID,
FERRER-FLORES, *and*
ANGELES, *JJ.*

Promulgated:

MAY 28 2026 2:53 p.m.

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DECISION

REYES-FAJARDO, *J.*:

For action is a Petition for Review[1] under Rule 43 of the Revised Rules of Court, in relation to Section 4(b), Rule 8 of the Revised Rules of the Court of Tax Appeals (RRCTA), filed by the People of the Philippines. This Petition assails the Decision[2] dated July 16, 2024 and the Resolution[3] dated October 9, 2024 in CTA SCA Case No. 0014. The Court of Tax Appeals Second Division (Court in Division), in denying the Petition for *Certiorari* under Rule 65 of the Revised Rules of Court filed by petitioner People of the Philippines against respondents Hon. Ana Teresa T. Cornejo-Tomacruz, in her capacity as Presiding Judge

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1 *Rollo*, pp. 10-66.
2 Docket- Vol. II, pp. 688-702.
3 *Id.* at pp. 798-802.

of the Regional Trial Court of Pasig City, Branch 157, Rappler Holdings Corporation, and Maria A. Ressa, found that there was no grave abuse of discretion amounting to lack or excess of jurisdiction in the issuance of the Decision dated September 12, 2023 and Order dated October 16, 2023 in Criminal Case No. R-PSG-18-02983-CR.

PARTIES

Petitioner, People of the Philippines, is the plaintiff in Criminal Case No. R-PSG-18-02983-CR and the petitioner in CTA SCA Case No. 0014. It may be served with pleadings, notices and judicial processes through the Office of the Solicitor General.[4]

Public Respondent Hon. Ana Teresa T. Cornejo-Tomacruz is the Presiding Judge of Regional Trial Court of Pasig City, Branch 157 (RTC-Pasig), who issued the Decision dated September 12, 2023 and the Order dated October 16, 2023 in Criminal Case No. R-PSG-18-02983-CR. She is impleaded in her official capacity as a nominal party.[5]

Private Respondent Rappler Holdings Corporation (RHC) is a domestic corporation with registered address at 3/F North Wing Estancia Offices, Capitol Commons, Ortigas Center, Pasig City, with Taxpayer Identification Number (TIN) 008-923-940-000. Private Respondent Maria A. Ressa is the President and Chief Executive Officer (CEO) of RHC.[6]

FACTS

On January 24, 2018, Atty. Abigail Joy D. Gamboa, Officer-in-Charge (OIC) and Chief of the National Investigation Division (NID) of the Bureau of Internal Revenue (BIR), issued NID Memorandum Assignment No. CRD/AJDG 2018-01-024-0083 directing BIR Group Supervisor (GS) Editha V. Quilantang and Revenue Officers (ROs) Rosanna F. Berba and Ed Al Renzie B. Salles, to conduct a thorough investigation into the tax compliance of Rappler, Inc. (RI) and RHC

4 *Id.*, Petition for Review, The Parties, par. 6, p. 12.
5 *Id.*, Petition for Review, The Parties, par. 7, p. 12.
6 *Id.*, Petition for Review, The Parties, pars. 8 and 9, p. 12.

in connection with securities transactions made through the issuance of Philippine Depositary Receipts (PDRs).[7]

On March 2, 2018, then Commissioner of Internal Revenue Caesar R. Dulay issued Letter of Authority (LOA) No. eLA201600007402.[8] The LOA authorized GS Editha Quilantang and ROs Ed Al Renzie B. Salles and Rosanna Berba to examine RHC's books of accounts and other accounting records for all internal revenue taxes (AIRT) for the period from January 1, 2014 to December 31, 2015.

On November 14, 2018, private respondent RHC and Maria A. Ressa, were charged before RTC-Pasig in Criminal Case No. R-PSG-18-02983-CR entitled *"People of the Philippines vs. Rappler Holdings Corporation/Maria A. Ressa,"* for violation of Section 255 of the 1997 National Internal Revenue Code (NIRC), as amended. Specifically, they failed to supply correct and accurate information in RHC's quarterly VAT return for the second quarter of TY 2015, deliberately not disclosing VATable sales receipts from RHC's PDR transactions with NBM. The accusatory portion of the Information in Criminal Case No. R-PSG-18-02983-CR reads:[9]

> Criminal Case No. R-PSG-18-02983-CR
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> That on or about July 2015, and subsequent thereto, in Pasig City, and within the jurisdiction of this Honorable Court, the above-named accused, Maria A. Ressa, being the President of Rappler Holdings Corporation (RHC), a domestic corporation holding business at Level 3, Northwing, Estancia Offices, Capitol Commons, Pasig City, and registered with the Bureau of Internal Revenue (BIR) Revenue District Office (RDO) No. 43-Pasig City, under Tax Identification No. (TIN) 008-923-940-000, did then and there, willfully and unlawfully fail to supply correct and accurate information in the quarterly value-added tax return of RHC for the second (2nd) quarter of tax year 2015, by then and there, failing to report therein the total quarterly sales receipts coming from the issue and sale by RHC of Philippine Depositary Receipts (PDRs), as a dealer in securities, to NBM Rappler, L.P. in the total amount of Two Million Four Hundred Fifty-Two Thousand One Hundred Fifty-Four Pesos and Eighty-Seven Centavos

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7 *Id.*, Petition for Review, attached to Annex B as Annex E.

8 *Id.*, Petition for Review, attached to Annex B as Annex M.

9 Docket, Annex "P" attached to the Petition for *Certiorari*, pp. 287-289.

> (Php2,452,154.87), thereby resulting in deficiency value-added tax, in the amount of Two Hundred Ninety-Four Thousand Two Hundred Fifty-Eight Pesos and Fifty-Eight Centavos (Php294,258.58), exclusive of surcharge and interest, to the damage and prejudice of the government.
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> **CONTRARY TO LAW.**

On December 18, 2018, private respondent RHC received the BIR's Preliminary Assessment Notice (PAN).[10] Subsequently, on April 15, 2019, it was served with the Final Assessment Notice (FAN).[11]

On July 22, 2020, private respondent Maria A. Ressa was arraigned and entered a plea of "not guilty" to the offense charged. Likewise, Ms. Glenda Gloria appeared in court as the duly authorized representative of private respondent RHC and, on behalf of the corporation, also pleaded "not guilty" to the offense charged.[12]

On September 12, 2023, public respondent rendered a Decision, acquitting RHC and Maria A. Ressa of the offense charged. RTC-Pasig ruled that the PDR subscription price was not income, gain, or revenue but capital intended for RHC's subscription to RI shares. Consequently, RHC bore no responsibility for any deficiency VAT, and private respondents were absolved of criminal and civil liability. The dispositive portion of which states:[13]

> **WHEREFORE**, in view of the foregoing, the accused Rappler Holdings Corporation and Maria A. Ressa are hereby **ACQUITTED** in Criminal Case No. R-PSG-18-02983-CR for violation of Section 255 of the 1997 National Internal Revenue Code, as amended, on the ground that they did not commit the offense charged in the Information. Meanwhile, the civil aspect of the case is **DISMISSED**.
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> **SO ORDERED.**

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10 *Rollo*, Petition for Review, attached to Annex B as Annex Q.

11 *Id.*, Petition for Review, attached to Annex B as Annex R.

12 *Id.*, Petition for *Certiorari*, The Relevant Facts and Judicial Antecedents, par. 31, p. 17.

13 Docket, Annex "A" attached to the Petition for *Certiorari*, pp. 68-85

On September 27, 2023, petitioner filed a Motion for Reconsideration,[14] which was denied outright for being in violation of the right of the accused against double jeopardy in the assailed Order dated October 16, 2023,[15] the dispositive portion of which states:

> Acting on the Motion for Reconsideration, with the Comment/Opposition filed by the accused on October 11, 2023, the same is DENIED outright for being in violation of the right of the accused against double jeopardy.
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> ...
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> SO ORDERED.

On December 29, 2023, petitioner filed a Petition for *Certiorari* before the Court in Division, docketed as CTA SCA Case No. 0014,[16] to which private respondents filed their Comment/Opposition on March 11, 2024.[17]

On July 16, 2024, the Court in Division rendered the assailed Decision. It held that the averments raised by petitioner do not seek to correct errors of jurisdiction but, rather, aim to reverse the alleged mistakes in the findings of the public respondent, a remedy that cannot properly be pursued through a petition for *certiorari*. The dispositive portion of the Decision reads:

> **WHEREFORE**, premises considered, the Petition for *Certiorari* filed on December 29, 2023 is **DENIED** for lack of merit.
>
> **SO ORDERED.**

On October 9, 2024, the Court in Division rendered the equally assailed Resolution denying petitioner's Motion for Reconsideration. The dispositive portion reads:

> **WHEREFORE,** premises considered, Petitioner's "Motion for Reconsideration (of the Decision dated July 16, 2024)" is **DENIED** for lack of merit.

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14 *Id.*, Petition for *Certiorari*, The Relevant Facts and Judicial Antecedents, par. 35 and Annex "C" attached to the Petition for *Certiorari*, pp. 20 and 88-103.

15 *Id.*, Annex "B" attached to the Petition for *Certiorari*, p. 86.

16 Docket, pp. 8-59.

17 *Id.*, pp. 597-681.

SO ORDERED.

On December 16, 2024, within the extended period granted,[18] petitioner filed a Petition for Review with the Court *En Banc*,[19] to which private respondents filed their Comment/Opposition To Petition for Review Dated 9 December 2024 on April 21, 2025.[20]

Under Resolution dated May 28, 2025, CTA EB No. 3037 was submitted for decision.[21]

ISSUE

Whether the Court in Division erred in ruling that public respondent did not act with grave abuse of discretion in issuing the challenged decision and resolution, which acquitted private respondents of the criminal charge for violation of Section 255 of the NIRC, as amended, and absolved them of civil liability?

ARGUMENTS

Petitioner contends that RHC willfully failed to file a correct tax return and to pay the tax lawfully due, in violation of Section 255 of the NIRC, as amended, for the purported willful non-disclosure of VATable sales receipts from RHC's PDR transactions with NBM. Petitioner faults RTC- Pasig for not finding that RHC is a dealer of securities and that the transaction in question, i.e., RHC's issuance of PDRs to NBM was a VAT-taxable transaction under Sections 105 and 108 of the NIRC, as amended, having been issued in the course of RHC's business as a dealer in securities. Hence, it concludes that RTC-Pasig committed grave abuse of discretion amounting to lack or excess of jurisdiction in rendering its Decision dated September 12, 2023, and Order dated October 14, 2023. For this reason, petitioner argues that

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18 *Rollo*, p. 9. Petitioner had fifteen (15) days from receipt of the resolution on November 21, 2024, or until December 6, 2024, within which to file a Petition for Review. On December 2, 2024, petitioner filed a Motion for Extension of Time to File Petition for Review. On December 4, 2024, the Court *En Banc* issued a Minute Resolution granting petitioner until December 21, 2024, to file its Petition for Review. Petitioner timely filed its Petition for Review within the extended period granted by the Court on December 16, 2024. *Rollo*, p. 9.

19 *Id.* at pp. 75-133

20 *Id.* at pp. 132-958.

21 *Id.* at p. 982.

the Court in Division erred in denying its special civil action for *certiorari*.

Private respondents counter that RTC-Pasig did not commit grave abuse of discretion amounting to jurisdictional error in rendering its Decision dated September 12, 2023, and Order dated October 14, 2023. They argue that, for them to be held criminally liable for the purported willful non-disclosure and non-payment of VAT on VATable sales receipts, petitioner must first establish that RHC's issuance of PDRs to NBM was undertaken in the course of RHC's business as a dealer in securities. However, private respondents explain that RHC operates as a holding company and not as a dealer in securities. They stress that the issuance of PDRs to NBM was a legitimate investment transaction. This characterization was likewise confirmed in *People v. Rappler Holdings Corp.*, CTA EB Case No. 126 (CTA Crim. Case Nos. O-679, O-680, O-681 and O-682) and CTA EB SCA Case No. 0001[22], where the CTA held that the issuance of PDRs to NBM and OM constituted an investment transaction and did *not* result in VAT liability. In fine, RTC Pasig's acquittal of private respondents is final and unappealable, and its finding of non-liability for VAT is supported by both law and evidence. On this account, the Court in Division is correct in denying petitioner's special civil action for *certiorari*.

RULING

The Petition fails to impress.

At the outset, the Court *En Banc* observes that petitioner failed to comply with Section 2, Rule 6[23] of the Revised Rules of the Court of Tax Appeals, in relation to Section 6, Rule 43[24] of the Rules of Court.

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22 February 21, 2025.

23 SEC. 2. *Petition for review; contents.* - The petition for review shall contain allegations showing the jurisdiction of the Court, a concise statement of the complete facts and a summary statement of the issues involved in the case, as well as the reasons relied upon for the review of the challenged decision. The petition shall be verified and must contain a certification against forum shopping as provided in Section 3, Rule 46 of the Rules of Court. **A clearly legible duplicate original or certified true copy of the decision appealed from shall be attached to the petition.** (RTCA, Rule 5, sec. 2a) (Boldfacing supplied)

24 RULE 43: Appeals From the Court of Tax Appeals and Quasi-Judicial Agencies to the Court of Appeals
Section 6. *Contents of the petition.* — The petition for review shall ... (c) **be accompanied by a clearly legible duplicate original or a certified true copy of the award, judgment, final order or resolution appealed from, together with certified true copies of such material**

Specifically, the Petition in CTA EB No. 3037 was not accompanied by a clearly legible duplicate original or a certified true copy of the assailed decision and resolution. This failure warrants the dismissal of the present petition pursuant to Section 7, Rule 43 of the Rules of Court, which provides:

> SEC. 7. *Effect of failure to comply with requirements.* - The failure of the petitioner to comply with any of the foregoing requirements regarding the payment of the docket and other lawful fees, the deposit for costs, proof of service of the petition, **and the contents of and the documents which should accompany the petition shall be sufficient ground for the dismissal thereof.**[25]

At any rate, even if the Court *En Banc* ignores the procedural error committed by petitioner, the Petition is devoid of merit.

To recall, in its decision, RTC-Pasig concedes that PDRs were issued to NBM. However, it also found that this was an investment transaction and that there was no documentary evidence of the purchase of securities and their resale that would have made the transaction part of the regular course of business to gain profit. Hence, RTC-Pasig acquitted private respondents of the crime charged under the Information dated November 14, 2018 and excused them from payment of VAT liability.[26]

Petitioner attempted through a special civil action for *certiorari*,[27] and the Court in Division rejected[28] its plea to overturn RTC-Pasig's verdict.

The Court in Division is right.

Recent jurisprudence[29] describes grave abuse of discretion, as follows:

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portions of the record referred to therein and other supporting papers; ... (Boldfacing supplied)

25 Boldfacing supplied.

26 *Supra* note 13.

27 *Supra* note 16.

28 *Supra* notes 2 and 3.

29 *Maria Claudia Belinda Candano-Lim v. David Lim and the Republic of the Philippines*, G.R. Nos. 262727-28, January 27, 2025; Citations omitted.

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> There is grave abuse of discretion when an act is "done contrary to the Constitution, the law or jurisprudence;" where there are palpable errors of jurisdiction or a gross misapprehension of facts; or when the respondent court acted in utter and blatant disregard of the Constitution or the applicable laws, rules, or evidence. **No grave abuse of discretion exists if the assailed ruling has basis in the evidence and the applicable law and jurisprudence.**[30]

In its Petition for Certiorari in CTA SCA Case No. 0014, petitioner laid down matters allegedly showing RTC-Pasig's grave abuse of discretion amounting to lack or excess in jurisdiction in rendering its Decision[31] dated September 12, 2023, and Order[32] dated October 14, 2023. Specifically, petitioner faults RTC-Pasig for failing to appreciate the sufficiency of evidence purportedly showing that private respondent RHC's issuance of PDRs to NBM was a transaction subject to VAT under Sections 105 and 108 of the NIRC, as amended, and that RHC's omission to declare this transaction in its VAT Return and pay the corresponding tax was willful. Petitioner also questions RTC- Pasig's conclusion that the issuance of the PDR's to NBM was an investment transaction.

Simply put, petitioner wants the Court in Division to re-weigh and re-assess the evidence presented, as well as the factual and legal findings arrived at. Jurisprudence has constantly ruled that reviewing the intrinsic correctness of a judgment of the lower court is *beyond* the ambit of a special civil action for *certiorari.*

For instance, *Miranda v. Sandiganbayan, et al. (Miranda)*[33] pronounced that:

> It is a fundamental aphorism in law that a review of facts and evidence is not the province of the extraordinary remedy of certiorari, which is *extra ordinem* - beyond the ambit of appeal. To stress, certiorari is a remedy designed for the correction of errors of jurisdiction, not errors of judgment. Let us not lose sight of the true function of the writ of certiorari — "to keep an inferior court within the bounds of its jurisdiction or to prevent it from committing such a grave abuse of discretion amounting to excess of jurisdiction." ...

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30 Boldfacing ours.
31 *Supra* note 13.
32 *Supra* note 19.
33 G.R. Nos. 144760-61, August 2, 2017. Citations omitted.

Rebuta v. People (Rebuta)[34] doubled down on the foregoing ruling in *Miranda* by holding that:

> [A special civil action for *certiorari*] does not include an inquiry on the correctness of the evaluation of the evidence. It bears stressing that a review under Rule 65 of the Rules of Court "*only asks the question of whether there has been a validly rendered decision, not the question of whether the decision is legally correct.*"
>
> ... Errors of judgment are not correctible by *certiorari* because these are not of such magnitude as to effectively deprive the trial court of jurisdiction to try the case before it. In the case of *People v. Sandiganbayan,* the Court held:
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>> **... [T]he alleged misapplication of facts and evidence, and whatever flawed conclusions of the Sandiganbayan, is an error in judgment, not of jurisdiction, and therefore not within the province of a special civil action for *certiorari*.** Erroneous conclusions based on evidence do not, by the mere fact that errors were committed, rise to the level of grave abuse of discretion. For as long as a court acts within its jurisdiction, any supposed error committed in the exercise thereof will amount to nothing more than an error of judgment reviewable and may be corrected by a timely appeal. The rationale of this rule is that, when a court exercises its jurisdiction, an error committed while so engaged does not deprive it of the jurisdiction being exercised when the error is commited. Otherwise, every mistake made by a court will deprive it of its jurisdiction and every erroneous judgment will be a void judgment.
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>> **Necessarily, *certiorari* will not lie for the purpose of reviewing the intrinsic correctness of a judgment of the lower court on the basis either of the law or the facts of the case, or of the wisdom or legal soundness of the decision.**[35]

Therefore, based on *Miranda* and *Rebuta,* the Court in Division committed no reversible error in denying petitioner's Petition for Certiorari in CTA SCA No. 0014 because the points it advanced are supposed errors of judgment, rather than errors of jurisdiction. To stress, even if the findings of the court are incorrect, as long as it has

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34 G.R. No. 246306, July 26, 2023, citing *People v. Sandiganbayan,* G.R. No. 228281, June 14, 2021.

35 Boldfacing supplied.

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jurisdiction over the case, such correction is normally beyond the province of *certiorari*.[36]

In addition, to allow the reliefs desired by petitioner would be offensive of private respondents' right against double jeopardy. Indeed, *People of the Philippines v. XXX*[37] is plain in that "[t]he right of an accused against being placed twice in jeopardy for the same crime is guaranteed by our Constitution. Thus, the [Supreme] Court has consistently recognized the finality-of-acquittal rule, which ordains that a verdict of acquittal is immediately final and that a review of the merits of an acquittal places the accused in double jeopardy. This rule prevents the State, through the prosecution, from appealing acquittals or seeking a more severe penalty on appeal."

The Court *En Banc* is aware of the following exceptions on the prohibition on double jeopardy, namely: (1) where there has been deprivation of due process and where there is a finding of a mistrial, or (2) where there has been a grave abuse of discretion under exceptional circumstances.[38] However, none of these incidents exist here. To be precise, petitioner was accorded ample opportunity to present evidence in support of its cause before RTC-Pasig. It simply fell short in securing a conviction against private respondents.

To end this discussion, the Court *En Banc* finds it suitable to remind petitioner of the following declaration in *Dormido v. Office of the Ombudsman:*[39]

> The term grave abuse of discretion has, ironically, fallen victim to procedural abuse. As a last-ditch remedy to turn the odds to their favor, vengeful litigants resort to indiscriminate imputation of the term to the public officer that issued a verdict adverse to them, in manifest indifference to the soundness of its exercise or the frailty of their cause. Rules must not be stretched for personal retribution, or even if such purpose be pursued, it must have a solid grounding in fact and law. Such situation is not the case at hand.

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36 *Ala-Martin v. Sultan*, G.R. No. 117512, October 2, 2001; and *Lalican v. Hon. Vergara*, G.R. No. 108619, July 31, 1997.

37 G.R. No. 262846, February 18, 2025, citing, Section 21 of Article III of the 1987 Philippine Constitution, which reads: No person shall be twice put in jeopardy of punishment for the same offense. If an act is punished by a law and an ordinance, conviction or acquittal under either shall constitute a bar to another prosecution for the same act; *Rebuta v. People, G.R. No. 246306*, July 26, 2023; and *People v. Dela Torre*, G.R. No. 137953-58, April 11, 2002.

38 See *People v. Arcega*, G.R. No. 237489, August 27, 2020.

39 G.R. No. 198241, February 24, 2020.

WHEREFORE, the Petition for Review, filed by the People of the Philippines on December 16, 2024 in CTA EB No. 3037, is **DENIED** for lack of merit. The Decision dated July 16, 2024 and the Resolution dated October 9, 2024 in CTA SCA Case No. 0014 are **AFFIRMED**.

SO ORDERED.

Marian Ivy F. Reyes-Fajardo
MARIAN IVY F. REYES-FAJARDO
Associate Justice

WE CONCUR:

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

Inhibited
MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

LANEE S. CUI-DAVID
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

Inhibited
HENRY S. ANGELES
Associate Justice

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, 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.

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice