

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL THIRD DIVISION

SKY CABLE CORPORATION,
Petitioner,

CTA AC No. 319

Members:

-versus-

REYES-FAJARDO, Chairperson,
and ANGELES, JJ.

QUEZON CITY AND THE
OFFICE OF THE CITY
TREASURER OF QUEZON
CITY,

Promulgated:

Respondents.

AUG 24 2026

4:18 p.m.

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DECISION

REYES-FAJARDO, J.:

THE CASE

Before the Court is a Petition for Review filed on April 1, 2024,¹ seeking to reverse and set aside the Decision dated April 15, 2023² and the Resolution dated December 1, 2023³ rendered by the Regional Trial Court (RTC) of Quezon City, Branch 219, in Civil Case Nos. R-QZN-21-04409-CV and R-QZN-22-01473-CV, entitled "*Sky Cable Corporation v. Quezon City and the Office of the City Treasurer of Quezon City.*"

Petitioner also seeks the cancellation of the City Tax reflected in Business Tax Bill Nos. 1697038 and 1810420, dated January 13, 2021 and July 15, 2021, respectively, insofar as the taxes were computed based on gross receipts derived from outside Quezon City. It further prays that respondent Office of the City Treasurer of Quezon City be

¹ Docket - Vol. I, pp. 400 to 444.

² Docket - Vol. I, p. 493 to Docket - Vol. II, p. 504.

³ Docket - Vol. II, p. 505.

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ordered to refund or issue a tax credit in the aggregate amount of ₱6,611,002.46, representing the alleged excess taxes paid for the first and fourth quarters of 2021, or ₱3,305,501.23 for each quarter.

THE PARTIES

Petitioner Sky Cable Corporation is a domestic corporation duly organized and existing under Philippine laws, with principal office at the 6th Floor, ELJ Communications Centre, Mother Ignacia Street, Quezon City.⁴

Respondent Quezon City is a duly constituted public corporation,⁵ while respondent Office of the City Treasurer of Quezon City (respondent City Treasurer) is the office charged with the assessment and collection of local taxes in Quezon City.⁶

ANTECEDENTS AT THE ADMINISTRATIVE LEVEL

For the renewal of its Quezon City business permit for taxable year 2021, petitioner submitted to respondent City Treasurer its Sales and Evaluation Form, together with its previous Business Permit; 2020 Tax Bills and Official Receipts; 2020 value-added tax returns, audited financial statements, and income tax return; and a Certification dated January 8, 2021. In the Certification, petitioner declared gross receipts from its Quezon City operations amounting to ₱2,324,790,866.48 for the year ended December 31, 2020.⁷

**On Business Tax Bill No. 1697038
for the first quarter of taxable
year 2021**

⁴ Par. 1, The Parties, *Complaint*, vis-à-vis par. 1, Admissions and Denials, *Answer*, RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 1, pp. 2 and 184, respectively.

⁵ Par. 2, The Parties, *Complaint*, vis-à-vis par. 1, Admission and Denials, *Answer*, RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 1, pp. 2 and 184, respectively.

⁶ Par. 3, The Parties, *Complaint*, vis-à-vis par. 1, Admission and Denials, *Answer*, RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 1, pp. 2 and 184, respectively.

⁷ Refer to pars. 3 to 4, Stipulation of the parties, Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, p. 795.

On January 13, 2021, petitioner received Business Tax Bill No. 1697038 for the first quarter of 2021, reflecting a total amount due of ₱7,674,759.40, inclusive of City Tax amounting to ₱7,668,796.60.⁸

On January 20, 2021, petitioner paid the amount stated in Business Tax Bill No. 1697038.⁹

On January 21, 2021, petitioner notified respondent City Treasurer, through its head, Edgar T. Villanueva, that its payment of Business Tax Bill No. 1697038 was made under protest.¹⁰

On February 19, 2021, petitioner filed with respondent City Treasurer a Letter of Protest¹¹ contesting Business Tax Bill No. 1697038.¹² Respondent City Treasurer did not act on the Letter.¹³

**On Business Tax Bill No. 1810420
for the fourth quarter of taxable
year 2021**

On July 15, 2021, petitioner received Business Tax Bill No. 1810420 for the fourth quarter of 2021, reflecting a total amount due of ₱7,670,746.60, inclusive of City Tax amounting to ₱7,668,796.60.¹⁴

⁸ Par. 5, Stipulation of the parties, Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, pp. 795 to 796; RTC Docket (Civil Case Nos. R-QZN-21-04409-CV) – Vol. 1, p. 165.

⁹ Par. 8, Stipulation of the parties, Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, p. 796; RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 1, p. 166.

¹⁰ Par. 11, Stipulation of the parties, Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, p. 796; RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 1, p. 167.

¹¹ Erroneously described in par. 12, Stipulation of the parties, Pre-Trial Order dated November 17, 2022 as “Letter of Protest with a Claim for Refund or Credit”, as the same pertains only to the “Letter of Protest in Connection with Business Tax Assessment of Sky Cable Corporation.” The said paragraph appears to have mixed up the two Letters of Protest filed by petitioner, the first one was filed on February 19, 2021 and pertains to Business Tax Bill No. 1697038 for the 1st quarter of 2021, while the second one was filed on November 2, 2021 and pertains to Business Tax Bill No. 1810420 for the 4th quarter of 2021.

¹² Par. 12, Stipulation of the parties, Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, p. 796; RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 1, pp. 168 to 171.

¹³ Par. 14, Stipulation of the Parties, Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, p. 796.

¹⁴ Par. 6, Stipulation of the parties, Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, p. 796; RTC Docket (Civil Case No. R-QZN-22-01473-CV), p. 35.

On October 4, 2021, petitioner paid the amount stated in Business Tax Bill No. 1810420.¹⁵

On November 2, 2021, petitioner filed with respondent City Treasurer a Letter of Protest dated October 28, 2021, contesting Business Tax Bill No. 1810420.¹⁶ Respondent City Treasurer likewise took no action.¹⁷

PROCEEDINGS BEFORE THE COURT A QUO

Proceedings in Civil Case No. R-QZN-21-04409-CV

On June 7, 2021, petitioner filed a Complaint with the RTC of Quezon City,¹⁸ seeking the cancellation of the City Tax reflected in Business Tax Bill No. 1697038, insofar as it was computed based on gross receipts derived from outside Quezon City, and a refund or tax credit in the amount of ₱3,305,501.23. The case was docketed as Civil Case No. R-QZN-21-04409-CV and raffled to Branch 219.

On October 20, 2021,¹⁹ respondents filed their Answer, alleging that petitioner's action had prescribed and that the Complaint failed to state a cause of action.

Proceedings in Civil Case No. R-QZN-22-01473-CV

On February 17, 2022, petitioner filed a Complaint²⁰ with the RTC of Quezon City, seeking the cancellation of the City Tax reflected in Business Tax Bill No. 1810420, insofar as it was computed based on gross receipts derived from outside Quezon City, and a refund or tax credit in the amount of ₱3,305,501.23. The case was

¹⁵ Par. 9, Stipulation of the parties, Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, p. 796; RTC Docket (Civil Case No. R-QZN-22-01473-CV), p. 36.

¹⁶ Par. 12, Stipulation of the parties, Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, p. 796; RTC Docket (Civil Case No. R-QZN-22-01473-CV), pp. 37 to 40.

¹⁷ Par. 14, Stipulation of the Parties, Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, p. 796.

¹⁸ RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 1, pp. 2 to 20.

¹⁹ RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 1, pp. 183 to 191.

²⁰ RTC Docket (Civil Case No. R-QZN-22-01473-CV), pp. 1 to 23.

docketed as Civil Case No. R-QZN-22-01473-CV and raffled to Branch 95.

On April 8, 2022,²¹ respondents filed their Answer, arguing that petitioner could not collaterally attack the validity of Quezon City Ordinance No. SP-91, Series of 1993, as amended; that the Quezon City Revenue Code was consistent with and should be harmonized with the Local Government Code (LGC) of 1991; that petitioner was barred by estoppel and laches; and that petitioner was not entitled to a refund or tax credit.

Consolidation and Proceedings in the Consolidated Cases

On June 17, 2022,²² petitioner moved to consolidate Civil Case Nos. R-QZN-21-04409-CV and R-QZN-22-01473-CV with Civil Case No. R-QZN-21-08820-CV, a related case then pending before Branch 104.

On July 19, 2022,²³ Branch 95 granted the Motion for Consolidation and ordered the transmission of the records of Civil Case No. R-QZN-22-01473-CV for consolidation with Civil Case No. R-QZN-21-04409-CV pending before Branch 219. On July 21, 2022, Branch 95 transmitted the records of Civil Case No. R-QZN-22-01473-CV to Branch 219.²⁴

On September 5, 2022,²⁵ Branch 219 partly granted petitioner's Motion for Consolidation. It consolidated Civil Case No. R-QZN-22-01473-CV with Civil Case No. R-QZN-21-04409-CV but denied the consolidation of Civil Case No. R-QZN-21-08820-CV because the latter had already passed the pre-trial stage and could no longer be consolidated pursuant to A.M. No. 11-6-10-SC.

On November 16, 2022,²⁶ respondents filed a Motion to Dismiss, seeking the dismissal with prejudice of petitioner's

²¹ RTC Docket (Civil Case No. R-QZN-22-01473-CV), pp. 240 to 260.

²² RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 1, pp. 259 to 264.

²³ RTC Docket (Civil Case No. R-QZN-22-01473-CV), pp. 359 to 360.

²⁴ Transmittal dated July 19, 2022 from the RTC of Quezon City - Branch 95, RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, pp. 689 to 690.

²⁵ RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, pp. 705 to 707.

²⁶ RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, pp. 801 to 808.

Complaints on the grounds of lack of jurisdiction over the subject matter and prescription.

On November 17, 2022,²⁷ the Court *a quo* conducted the pre-trial conference, referred the consolidated cases to the Philippine Mediation Center, and directed the parties to submit their respective memoranda. Upon the parties' agreement, the Court *a quo* further declared that, should mediation fail, the cases would be decided on the basis of the pleadings, exhibits, and memoranda on record. The corresponding Pre-Trial Order was issued on the same date.²⁸

On December 7, 2022,²⁹ petitioner filed its Comment/Opposition to respondents' Motion to Dismiss.

On December 14, 2022³⁰ and 16, 2022,³¹ petitioner and respondents, respectively, filed their Memoranda.

On December 21, 2022,³² the Court *a quo* declared that, should mediation fail, the issues raised in respondents' Motion to Dismiss would be resolved in the Decision in the consolidated cases.

On January 16, 2023, the Philippine Mediation Center, Quezon City Unit, reported that the parties had failed to reach an agreement.³³

On January 23, 2023,³⁴ the Court *a quo* noted the Mediator's Report and submitted the consolidated cases for decision on the basis of the pleadings, exhibits, and memoranda filed by the parties.

²⁷ Minute of the Session dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, p. 791; Pre-Trial Order dated November 17, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, pp. 792 to 800.

²⁸ RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, pp. 792 to 800.

²⁹ RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, pp. 801 to 808.

³⁰ RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, pp. 839 to 861; Refer to petitioner's *Manifestation* dated February 28, 2023, stating that it filed its *Memorandum* through registered mail on December 14, 2022, RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, pp. 865 to 869.

³¹ RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, pp. 817 to 837.

³² RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, p. 862.

³³ RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, p. 863.

³⁴ RTC Docket (Civil Case No. R-QZN-21-04409-CV) - Vol. 2, p. 864.

On March 15, 2023, petitioner filed a Manifestation³⁵ informing the Court *a quo* that, on January 20, 2023, Branch 104 had rendered a Decision in Civil Case No. R-QZN-21-08820-CV, involving the same parties and petitioner's second-quarter local business tax payment for 2021, granting petitioner's claim for refund or tax credit.³⁶

On March 21, 2023,³⁷ respondents filed their Comment on petitioner's Manifestation.

On April 15, 2023, the Court *a quo* rendered the assailed Decision³⁸ dismissing Civil Case Nos. R-QZN-21-04409-CV and R-QZN-22-01473-CV on the ground of forum shopping.

On October 24, 2023,³⁹ petitioner filed by registered mail its Motion for Reconsideration of the Decision dated April 15, 2023.

On November 15, 2023,⁴⁰ respondents filed their Comment/Opposition to petitioner's Motion for Reconsideration.

On December 1, 2023,⁴¹ the Court *a quo* issued the assailed Resolution denying petitioner's Motion for Reconsideration.

PROCEEDINGS BEFORE THE COURT

On March 12, 2024,⁴² petitioner filed a Motion for Extension of Time to File Petition for Review, alleging that it received the assailed Resolution on February 12, 2024 and had until March 13, 2024 within which to appeal. It sought an additional period of fifteen (15) days, or until April 1, 2024, within which to file its Petition for Review.

On April 1, 2024,⁴³ petitioner filed the present Petition for Review.

³⁵ RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, pp. 865 to 869.

³⁶ RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, pp. 873 to 878.

³⁷ RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, pp. 880 to 883.

³⁸ RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, pp. 889 to 900.

³⁹ RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, pp. 901 to 911.

⁴⁰ RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, pp. 912 to 918.

⁴¹ RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 2, p. 925.

⁴² Docket – Vol. I, pp. 5 to 8.

⁴³ Docket – Vol. I, pp. 400 to 444.

On June 4, 2024,⁴⁴ the Court granted petitioner's Motion for Extension and directed respondents to comment on the Petition for Review.

On July 4, 2024,⁴⁵ respondents filed their Comment/Opposition.

On January 28, 2025, the RTC of Quezon City, Branch 219, transmitted to this Court the records of Civil Case Nos. R-QZN-21-04409-CV and R-QZN-22-01473-CV.⁴⁶

On July 17, 2025,⁴⁷ respondents filed a Motion for Leave of Court to Admit Memorandum, with their Memorandum attached thereto.

On August 8, 2025,⁴⁸ petitioner filed its Memorandum.

On August 11, 2025,⁴⁹ the Court granted respondents' Motion for Leave and admitted their attached Memorandum as part of the records.

On August 20, 2025, the case was submitted for decision.⁵⁰

ISSUES

The Court shall resolve:

1. whether the Court *a quo* erred in dismissing petitioner's Complaints on the ground of forum shopping, notwithstanding that the separate actions involved local business tax payments for different quarters of taxable year 2021; and

⁴⁴ Docket – Vol. II, pp. 773 to 774.

⁴⁵ Docket – Vol. II, pp. 780 to 796.

⁴⁶ RTC of Quezon City – Branch 219's Letter of Transmittal dated January 28, 2025, Docket – Vol. II, pp. 882 to 887.

⁴⁷ Docket – Vol. II, pp. 900 to 903.

⁴⁸ Docket – Vol. II, pp. 929 to 962.

⁴⁹ Docket – Vol. II, p. 965.

⁵⁰ Minute Resolution dated August 20, 2025, Docket – Vol. II, p. 967.

2. if so, whether petitioner's claims for refund or tax credit may nevertheless prosper under Sections 195 and 196 of the LGC of 1991.

Petitioner's arguments:

Petitioner argues that it did not commit forum shopping in filing Civil Case Nos. R-QZN-21-04409-CV, R-QZN-21-08820-CV, and R-QZN-22-01473-CV. Although the cases involve the same parties and related facts, each concerns a distinct Business Tax Bill for a different quarter, with separate dates of issuance, payment, and administrative protest.⁵¹

On the merits, petitioner contends that respondent City Treasurer erroneously applied the 30%-70% allocation under Section 150 of the LGC of 1991 and Section 23 of the Quezon City Revenue Code by including 30% of such gross receipts in its Quezon City tax base, resulting in the taxation of the same receipts by Quezon City and the local government units where its branches are located.⁵² Petitioner further contends that its Letters of Protest incorporated written claims for refund or tax credit, which respondent City Treasurer failed to act upon. It thus seeks the refund or credit of the alleged excess taxes under Section 196 of the LGC of 1991.⁵³

Respondents' counter-arguments:

Respondents counter that the court *a quo* correctly dismissed the Complaints on the ground of forum shopping because the three (3) cases involve the same parties, issues, and reliefs.

They further argue that, even absent forum shopping, petitioner's claims are barred by prescription, laches, and estoppel. They likewise contend that petitioner has no cause of action and is not entitled to a refund or tax credit, having judicially admitted the constitutionality and validity of the Quezon City Revenue Code.

⁵¹ Par. 68, Arguments/Discussion, *Petition for Review*, Docket – Vol. I, p. 420.

⁵² Par. 93, Arguments/Discussion, *Petition for Review*, Docket – Vol. I, p. 429.

⁵³ Par. 101, Arguments/Discussion, *Petition for Review*, Docket – Vol. I, p. 431.

THE COURT'S RULING

The Petition for Review lacks merit.

The Court has jurisdiction over the present appeal.

Under Section 7(a)(3)⁵⁴ of Republic Act (RA) No. 1125, as amended by RA No. 9282,⁵⁵ and Section 3(a)(3), Rule 4⁵⁶ of the Revised Rules of the Court of Tax Appeals (RRCTA),⁵⁷ the Court in Division exercises exclusive appellate jurisdiction over decisions, resolutions, or orders of RTCs in local tax cases decided in the exercise of their original jurisdiction.

As to the period for appeal, Section 11 of RA No. 1125, as amended, provides that a party adversely affected by a decision or ruling of the RTC may appeal to the Court of Tax Appeals (CTA) within thirty (30) days from receipt thereof:

SEC. 11. Who May Appeal; Mode of Appeal; Effect of Appeal.

— Any party adversely affected by a **decision, ruling** or inaction of the Commissioner of Internal Revenue, the Commissioner of Customs, the Secretary of Finance, the Secretary of Trade and Industry or the Secretary of Agriculture or the Central Board of Assessment Appeals or the **Regional Trial Courts may file an appeal with the CTA within thirty (30) days after the receipt of**

⁵⁴ SEC. 7. Jurisdiction. — The CTA shall exercise:

(a) Exclusive appellate jurisdiction to review by appeal, as herein provided:

...

(3) Decisions, orders or resolutions of the Regional Trial Courts in local tax cases originally decided or resolved by them in the exercise of their original or appellate jurisdiction; . . .

⁵⁵ An Act Expanding the Jurisdiction of the Court of Tax Appeals, Elevating Its Rank to the Level of a Collegiate Court with Special Jurisdiction and Enlarging its Membership, Amending for the Purpose Certain Sections of Republic Act No. 1125, as amended, otherwise known as the Law Creating the Court of Tax Appeals, and for Other Purposes, March 30, 2004.

⁵⁶ 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:

...

(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. . .

⁵⁷ A.M. No. 05-11-07-CTA, November 22, 2005.

such decision or ruling or after the expiration of the period fixed by law for action as referred to in Section 7(a)(2) herein.⁵⁸

Here, petitioner received the assailed Resolution denying its Motion for Reconsideration on February 12, 2024. Counting thirty (30) days therefrom, petitioner had until March 13, 2024 within which to appeal.⁵⁹

On March 12, 2024, before the expiration of the original period, petitioner filed a Motion for Extension of Time to File Petition for Review.⁶⁰ Petitioner was then granted an additional period of fifteen (15) days to appeal.⁶¹ Although the extended period ordinarily ended on March 28, 2024, March 28 and 29, 2024 were regular holidays, while March 30 and 31, 2024 fell on a weekend. Thus, the deadline was moved to the next working day, April 1, 2024. Petitioner filed the present Petition for Review on that date.

Accordingly, the Petition was timely filed, and the Court properly acquired jurisdiction over the present appeal.

The Court *a quo* erred in dismissing the Complaints on the ground of forum shopping.

Forum shopping exists when the elements of *litis pendentia* are present or when a judgment in one case would amount to *res judicata* in another.⁶² *Litis pendentia* requires: (1) identity of parties, or at least parties representing the same interests; (2) substantial identity of rights asserted and reliefs sought, founded on the same facts; and (3) such identity between the cases that a judgment in one, regardless of which party prevails, would amount to *res judicata* in the other.⁶³

In determining whether causes of action are identical, the controlling test is whether the same evidence would support and

⁵⁸ Emphasis supplied.

⁵⁹ Motion for Extension of Time to File Petition for Review, Docket – Vol. I, pp. 5 to 8.

⁶⁰ *Id.*

⁶¹ Resolution dated June 4, 2024, Docket – Vol. II, pp. 773 to 774.

⁶² *The Heirs of Inocentes Mampo and Raymundo A. Mampo, represented by Azucena C. Mampo, Jra. v. Josefina Morada*, G.R. No. 214526, November 3, 2020.

⁶³ *Fernandez v. Fernandez*, G.R. Nos. 266667, 266686, 266757, and 266762, January 29, 2026; *Mercury Drug Corporation (Distribution Center) Employees Union-FFW v. Mercury Drug Corporation*, G.R. No. 263812, February 24, 2026.

sustain both actions.⁶⁴ It is also material whether the cause of action in the subsequent case already existed when the earlier action was filed.⁶⁵

Here, only the first requisite—identity of parties—is present. Although the three Complaints invoke the same legal theory, each seeks the recovery of a separate quarterly payment arising from a distinct Business Tax Bill, corresponding payment, and administrative filing, as summarized below:

Civil Case No. and RTC Branch	Subject	Payment and administrative filing	Relief sought
R-QZN-21-04409-CV, Branch 219	Business Tax Bill No. 1697038 dated January 13, 2021, covering the first quarter of 2021	Paid on January 20, 2021 under Official Receipt No. A9COR8329542-9; Letter of Protest filed on February 19, 2021	Cancellation of the City Tax computed on gross receipts derived from outside Quezon City, and refund or tax credit of ₱3,305,501.23 ⁶⁶
R-QZN-21-08820-CV Branch 104	Business Tax Bill No. 1768237 dated April 5, 2021, covering the second quarter of 2021	Paid on April 20, 2021 under Official Receipt No. A3COR8732533-3; Letter of Protest filed on May 20, 2021	Cancellation of the disputed City Tax and refund or credit of the tax allegedly erroneously paid for the second quarter of 2021 ⁶⁷
R-QZN-22-01473-CV Branch 95, subsequently consolidated with the case before Branch 219	Business Tax Bill No. 1810420 dated July 15, 2021, covering the fourth quarter of 2021	Paid on October 4, 2021 under Official Receipt No. A6COR8734221-6; Letter of Protest dated October 28, 2021 filed on November 2, 2021	Cancellation of the City Tax computed on gross receipts derived from outside Quezon City, and refund or tax credit of ₱3,305,501.23 ⁶⁸

⁶⁴ *Jesse Yap v. Eliza Chua and Evelyn Te*, G.R. No. 186730, June 13, 2012.

⁶⁵ *Sps. De Guzman v. Republic of the Philippines, et al.*, G.R. No. 199423, March 9, 2020; *Yap v. Court of Appeals*, G.R. No. 186730, June 13, 2012.

⁶⁶ Complaint, RTC Docket (Civil Case No. R-QZN-21-04409-CV), Vol. I, pp. 2-20; Business Tax Bill No. 1697038, id. at p. 165; Official Receipt No. A9COR8329542-9, id. at p. 166; Letter of Protest, id. at pp. 168-171.

⁶⁷ Decision dated January 20, 2023 in Civil Case No. R-QZN-21-08820-CV, RTC Docket (Civil Case No. R-QZN-21-04409-CV), Vol. III, pp. 1673-1696; *Quezon City and the Office of the City Treasurer of Quezon City v. Sky Cable Corporation*, CTA AC No. 295, Decision dated October 8, 2024, pp. 1-2.

⁶⁸ Complaint, RTC Docket (Civil Case No. R-QZN-22-01473-CV), pp. 1-23; Business Tax Bill No. 1810420, id. at p. 35; Official Receipt No. A6COR8734221-6, id. at p. 36; Letter of Protest, id. at pp. 37-40.

In *Pilipinas Shell Petroleum Corporation v. Court of Tax Appeals En Banc*,⁶⁹ the Supreme Court recognized that tax cases involving the same parties, tax type, and similar legal questions may nevertheless involve separate and distinct causes of action when they arise from different taxable periods, articles or transactions, assessments, or collections. Such cases may be tried and resolved independently.

The same principle applies here. Each Complaint challenges a different Business Tax Bill and seeks the recovery of a separate quarterly payment. Each action therefore requires proof of the particular bill, payment, administrative filing, and amount sought to be recovered. The same evidence would not sustain all three (3) actions, and a judgment involving one (1) payment would neither cancel the other Business Tax Bills nor establish petitioner's entitlement to recover the other payments.

Moreover, the fourth-quarter claim in Civil Case No. R-QZN-22-01473-CV did not yet exist when petitioner filed the first-quarter Complaint on June 7, 2021. Business Tax Bill No. 1810420 was issued only on July 15, 2021 and paid on October 4, 2021.

The common legal theory and similarly worded prayers do not, by themselves, establish forum shopping. Because each action arises from a distinct taxable period, Business Tax Bill, payment, and administrative filing and requires different evidence, each constitutes a separate cause of action. A judgment in one would therefore not constitute *res judicata* in the others.⁷⁰

Accordingly, the Court *a quo* erred in dismissing Civil Case Nos. R-QZN-21-04409-CV and R-QZN-22-01473-CV on the ground of forum shopping.

**The subject Business Tax Bills
are not notices of assessment
contemplated under Section 195
of the LGC of 1991.**

⁶⁹ G.R. Nos. 218532-33, April 28, 2021.

⁷⁰ *Pilipinas Shell Petroleum Corporation v. Court of Tax Appeals En Banc*, G.R. Nos. 218532-33, April 28, 2021; *Dela Rosa Liner, Inc. v. Borela*, G.R. No. 207286, July 29, 2015.



Sections 195 and 196 of the LGC of 1991 govern the remedies of a taxpayer for taxes collected by local government units (LGUs), as follows:

Section 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.**⁷¹

Section 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.**⁷²

Sections 195 and 196 provide distinct remedies. Their material differences, as clarified by jurisprudence,⁷³ are summarized below:

Point of distinction	Section 195 – Protest of Assessment	Section 196 – Claim for Refund or Credit
Subject	The validity or correctness of the assessment.	The recovery of the amount already paid or collected.
Statutory trigger	A finding by the local treasurer or the latter’s duly authorized	The taxpayer’s claim that a tax, fee, or charge was erroneously

⁷¹ Emphasis supplied.
⁷² Emphasis supplied.
⁷³ *Hon. Lourdes R. Jose, in her capacity as City Treasurer of City of Caloocan v. Tigerway Facilities and Resources Inc.*, G.R. No. 247331, February 26, 2024; *National Power Corporation v. Province of Pampanga*, G.R. No. 230648, October 6, 2021; *International Container Terminal Services, Inc. v. City of Manila*, G.R. No. 185622, October 17, 2018; *City of Manila v. Cosmos Bottling Corporation*, G.R. No. 196681, June 27, 2018; and *Yamane v. BA Lepanto Condominium Corporation*, G.R. No. 154993, October 25, 2005.

	representative that the correct tax, fee, or charge has not been paid, followed by the issuance of a notice of assessment.	paid or illegally collected. Its application does not require the prior issuance of a notice of assessment.
Document contemplated	A notice of assessment stating the nature of the tax, fee, or charge, the amount of deficiency, and the applicable surcharges, interests, and penalties.	No notice of assessment is required. The remedy arises from the prior payment or collection of the tax, fee, or charge sought to be recovered.
Administrative remedy	A written protest filed within sixty (60) days from receipt of the notice of assessment.	A written claim for refund or credit filed with the local treasurer before the judicial action.
Period for judicial action	Within thirty (30) days from receipt of the denial of the protest or from the lapse of the local treasurer's sixty (60)-day period to act.	Within two (2) years from payment of the tax, fee, or charge, or from the date the taxpayer became entitled to the refund or credit.

In *City of Manila v. Cosmos Bottling Corporation* ("*Cosmos*"),⁷⁴ the Supreme Court categorically held that the application of Section 195 is triggered by an assessment issued by the local treasurer or the latter's duly authorized representative upon a finding that the correct tax, fee, or charge has not been paid.

In *Hon. Lourdes R. Jose, in her capacity as City Treasurer of City of Caloocan v. Tigerway Facilities and Resources Inc.* ("*Tigerway*"),⁷⁵ the Supreme Court further explained that the applicable remedy depends on the LGU's basis for collecting the tax and, consequently, on the existence of a valid assessment:

Reflecting on our rulings in *Cosmos*⁷⁶ and *International Container*,⁷⁷ it becomes evident that the key factor in determining whether Section 195 or 196 is applicable hinges on the LGU's basis for the collection of the tax. To put it differently, **Section 195 finds application in cases where a tax assessment is issued to the taxpayer, thereby presupposing the existence of a valid tax assessment.** On the other hand, Section 196 assumes relevance in instances where no such assessment exists.

...

⁷⁴ G.R. No. 196681, June 27, 2018.
⁷⁵ G.R. No. 247331, February 26, 2024.
⁷⁶ G.R. No. 196681, June 27, 2018.
⁷⁷ G.R. No. 185622, October 17, 2018.

Pertinently, Section 195 explicitly states that the **notice of assessment must indicate the nature of the tax, fee, or charge, the amount of deficiency, the surcharges, interests, and penalties.**⁷⁸

Thus, Section 195 applies only when the local treasurer, upon finding that the correct tax has not been paid, issues a notice satisfying the statutory requirements.⁷⁹ The notice must state the nature of the tax, fee, or charge, the amount of deficiency, and the applicable surcharges, interests, and penalties. It must likewise sufficiently disclose the factual and legal bases of the asserted liability.⁸⁰

The controlling inquiry is whether the subject Business Tax Bills satisfy these requirements.

The circumstances in *International Container Terminal Services, Inc. v. City of Manila* ("*International Container*"),⁸¹ are materially similar to those obtaining here. There, the City of Manila collected current local business taxes through Municipal License Receipts; Mayor's Permit, Business Taxes, Fees and Charges Receipts; and Official Receipts, payment of which was required for the renewal of the taxpayer's business permit. Although referred to as "assessments," the Supreme Court held that these documents were not notices of assessment contemplated under Section 195 because they did not state any deficiency, surcharge, interest, or penalty. The resulting claims for recovery were therefore governed by Section 196.

Here, petitioner submitted its Sales and Evaluation Form and supporting documents for the renewal of its Quezon City business permit. Respondent City Treasurer thereafter issued Business Tax Bill Nos. 1697038⁸² and 1810420,⁸³ covering the City Tax and regulatory fees payable for the first and fourth quarters of 2021, respectively.

⁷⁸ Emphasis supplied.

⁷⁹ *Hon. Lourdes R. Jose, in her capacity as City Treasurer of City of Caloocan v. Tigerway Facilities and Resources Inc.*, G.R. No. 247331, February 26, 2024; *National Power Corporation v. Province of Pampanga*, G.R. No. 230648, October 6, 2021.

⁸⁰ *National Power Corporation v. The Province of Pampanga, et al.*, G.R. No. 230648, October 6, 2021.

⁸¹ G.R. No. 185622, October 17, 2018.

⁸² RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 1, p. 165.

⁸³ RTC Docket (Civil Case No. R-QZN-22-01473-CV), p. 35.

Like the documents in *International Container*, the subject Business Tax Bills were issued in connection with petitioner's business-permit renewal to collect current quarterly taxes. They were not issued following a finding that petitioner had failed to pay the correct tax. Although the bills identify the taxes and fees and their corresponding amounts, they do not identify any deficiency or impose any surcharge, interest, or penalty. Indeed, the entries for penalties and interest are stated as zero.

The subject Business Tax Bills likewise do not explain the factual and legal bases for including in petitioner's Quezon City tax base a portion of the gross receipts recorded by its branches outside Quezon City. They merely state the resulting tax base and amount payable, without showing why such receipts were taxable by respondents or how the disputed City Tax was computed.

Accordingly, the subject Business Tax Bills are billing documents for current local business taxes, **not** notices of assessment contemplated under Section 195. The parties' references to them as "assessments" in their pleadings, memoranda, or the Pre-Trial Order do not alter their legal nature. Petitioner's claims for recovery are therefore governed by Section 196 of the LGC of 1991.

Petitioner failed to file the written claims for refund or credit required under Section 196 of the LGC of 1991.

Section 196 of the LGC of 1991 imposes two (2) procedural requirements: *first*, the taxpayer must file a written claim for refund or credit with the local treasurer; and *second*, the judicial action must be instituted within two (2) years from payment of the tax, fee, or charge, or from the date the taxpayer became entitled to the refund or credit. The administrative claim must precede the judicial action, and both must be filed within the same two (2)-year period.⁸⁴

The relevant dates are summarized below:

⁸⁴ *Jose v. Tigerway Facilities and Resources, Inc.*, G.R. No. 247331, February 26, 2024; *International Container Terminal Services, Inc. v. City of Manila*, G.R. No. 185622, October 17, 2018; *City of Manila v. Cosmos Bottling Corporation*, G.R. No. 196681, June 27, 2018.



Period	Date of payment	Two (2)-year deadline	Date of Letter of Protest	Date of judicial filing
First quarter – Business Tax Bill No. 1697038	January 20, 2021 ⁸⁵	January 20, 2023	February 19, 2021 ⁸⁶	June 7, 2021 ⁸⁷
Fourth quarter – Business Tax Bill No. 1810420	October 4, 2021 ⁸⁸	October 4, 2023	November 2, 2021 ⁸⁹	February 17, 2022 ⁹⁰

Here, the Letters of Protest preceded the corresponding Complaints, and all were filed within two (2) years from the respective dates of payment. Thus, the dispute concerns not the timing of the filings, but whether the letters, by their substance, constituted written claims for refund or credit.

In *Cosmos*,⁹¹ the Supreme Court explained that no particular form or title is required for an administrative protest or refund claim. What controls is the relief communicated by the taxpayer:

Both Sections 195 and 196 mention an administrative remedy that the taxpayer should first exhaust before bringing the appropriate action in court. 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.⁹²

Here, both Letters of Protest expressly invoked Section 195 of the LGC of 1991 and sought only the following relief:⁹³

⁸⁵ RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 1, p. 166.

⁸⁶ RTC Docket (Civil Case No. R-QZN-21-04409-CV) – Vol. 1, pp. 168 to 171.

⁸⁷ Complaint, RTC Docket (Civil Case No. R-QZN-21-04409-CV), Vol. I, pp. 2-20.

⁸⁸ RTC Docket (Civil Case No. R-QZN-22-01473-CV), p. 36.

⁸⁹ RTC Docket (Civil Case No. R-QZN-22-01473-CV), pp. 37 to 40.

⁹⁰ Complaint, RTC Docket (Civil Case No. R-QZN-22-01473-CV), pp. 1-23.

⁹¹ G.R. No. 196681, June 27, 2018.

⁹² Emphasis supplied.

⁹³ RTC Docket (Civil Case No. R-QZN-21-04409-CV), Vol. I, p. 170; RTC Docket (Civil Case No. R-QZN-22-01473-CV), p. 39.

[W]e respectfully request for a reassessment based on SKY's Certificate of Gross Receipts from its operations in Quezon City for the period ending December 31, 2020.

Although the letters disputed the inclusion of a portion of the gross receipts recorded by petitioner's branches outside Quezon City and stated what petitioner considered to be its correct tax liability, they did not demand the return of the alleged excess payments or their application as tax credits. Neither did they identify any amount as presently refundable or creditable. While Section 196 of the LGC of 1991 does not expressly require the claim to state a quantified amount, this omission further confirms that the letters sought only a reassessment.

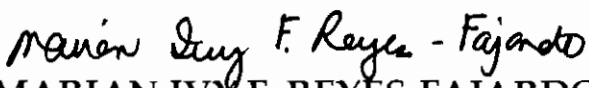
A request for reassessment seeks the reconsideration or recomputation of the taxpayer's liability. A claim under Section 196 of the LGC of 1991, by contrast, seeks the recovery, through refund or credit, of a tax already paid. Although a letter-protest may also serve as the administrative claim required under Section 196 of the LGC of 1991, it must also pray for the refund or credit of the taxes paid. Since petitioner's Letters of Protest requested only a reassessment and did not seek the return or credit of any portion of its payments, they cannot be treated as written claims for refund or credit under Section 196 of the LGC of 1991.⁹⁴

Consequently, the Complaints must be dismissed, not on the ground of forum shopping, but for petitioner's failure to file the prior written claims for refund or credit required under Section 196 of the LGC of 1991. The assailed Decision and Resolution must therefore be affirmed as to the result.

WHEREFORE, premises considered, the Petition for Review is **DENIED** for lack of merit. The Decision dated April 15, 2023 and the Resolution dated December 1, 2023 of the Regional Trial Court of Quezon City, Branch 219, in Civil Case Nos. R-QZN-21-04409-CV and R-QZN-22-01473-CV are **AFFIRMED AS TO THE RESULT**.

SO ORDERED.

⁹⁴ *Jose v. Tigerway Facilities and Resources, Inc.*, G.R. No. 247331, February 26, 2024; *City of Manila v. Cosmos Bottling Corporation*, G.R. No. 196681, June 27, 2018.

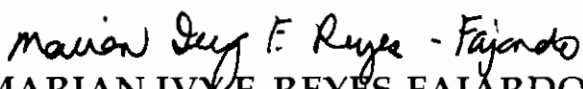

MARIAN IVY F. REYES-FAJARDO
Associate Justice

I CONCUR:


HENRY S. ANGELES
Associate Justice

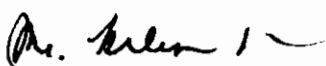
ATTESTATION

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.


MARIAN IVY F. REYES-FAJARDO
Associate Justice
Chairperson

CERTIFICATION

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


MA. BELEN M. RINGPIS-LIBAN
Presiding Justice