REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF CUSTOMS, *Petitioner,*	**CTA *EB* NO. 2948** (CTA Case No. 10277)
	Present:
-versus-	**RINGPIS-LIBAN**, *P.J.*, **MANAHAN**, **BACORRO-VILLENA**, **MODESTO-SAN PEDRO**, **REYES-FAJARDO**, **CUI-DAVID**, **FERRER-FLORES**, *and* **ANGELES**, *JJ.*
JOHN PAUL V. MEDINA, Owner and Proprietor of JPM Medical Trading, *Respondent.*	Promulgated: DEC 23 2025 12:24

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DECISION

CUI-DAVID, J.:

Before the Court *En Banc* is a *Petition for Review (With Prayer for the Mandatory Inhibition of the Honorable Members of the Honorable Court's Special Third Division)*,[1] seeking, among others, to reverse and set aside the *Decision* dated December 11, 2023[2] (assailed *Decision*) and the *Resolution* dated June 11, 2024[3] (assailed *Resolution*) of the Court's Special Third Division (Court in Division), which reversed and set aside the Order dated March 23, 2020, issued by respondent Commissioner of Customs (COC).

[1] *En Banc* (*EB*) Docket, pp. 41–73.
[2] *Id.* at 76–96.
[3] *Id.* at 98–103.

THE PARTIES

Petitioner is the duly appointed Commissioner of the Bureau of Customs (BOC) and the issuing authority of the Order dated March 23, 2020, which was the subject of appeal in CTA Case No. 10277.[4]

Respondent John Paul V. Medina is the owner and sole proprietor of JPM Medical Trading. He is of legal age, Filipino, and a resident of 1625 Quiricada Street, Sta. Cruz, Manila.[5]

THE FACTS AND THE PROCEEDINGS

The antecedent facts, as found by the Court in Division, are as follows:

> [Petitioner] issued *Letters of Authority* (LOA) No. 05-21-135-2019 and 05-28-141-2019 dated May 2[0], 2019 and May 28, 2019, respectively, directing a composite team of Customs Intelligence and Investigation Service (CIIS), Enforcement and Security Service (ESS) and Formal Entry Division of the BOC to implement Mission Order Nos. 05-21-2019-221 and 05-28-2019-233, pursuant to respondent's visitorial power under Section 224 of Republic Act (RA) No. 10863 or the Customs Modernization and Tariff Act (CMTA).
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> The composite team proceeded to [respondent]'s office and storage areas located at the corner of M. Natividad and Quiricada Streets, Sta. Cruz, Manila, to implement the said LOAs and Mission Orders.
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> Upon recommendation, Intelligence Group Deputy Commissioner Raniel T. Ramiro requested the District Collector of the Port of Manila (POM District Collector) to issue a WSD covering the goods stored at [respondent]'s office and storage areas listed in Annex "2" of the Inventory Report. Thus, the POM District Collector issued the said WSD against the items enumerated in the said Annex "2".
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> After requesting sufficient time to collate and organize all the needed supporting documents, [respondent] submitted affidavits of his local suppliers and copies of invoices issued by the latter purportedly proving that the items/goods listed in the said Annex "2" were locally purchased.

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4 *Id.* at 42, *Petition for Review*, The Parties, par. 2.
5 *Id.* at 43, *Petition for Review*, The Parties, par. 3.

During the clarificatory hearing, government prosecutor Atty. Ruther Martinez and the representatives of the Intellectual Property Rights Division (IPRD) and CIIS did not interpose any objection as to the genuineness and due execution of the sales invoices and [Food and Drug Administration (FDA)] Certificates offered in evidence by [respondent].

Thereafter, the POM District Collector issued the Order dated January 3, 2020, recalling the WSD and disposing as follows:

> "WHEREFORE, by virtue of the authority vested in me by law and subject to clearance from the Commissioner of Customs pursuant to Customs Memorandum Order 04-18 (A), the **Warrant of Seizure and Detention docketed under Seizure Identification No. 2019-086** is hereby **RECALLED**.
>
> Corollary thereto, unless held for other legal cause and after proper identification, the seized goods subject of the said warrant is likewise ordered to be **RELEASED** to the claimant.
>
> Let copies of this Order be furnished all parties and offices concerned for their information and guidance.
>
> SO ORDERED."

Upon review, respondent reversed and set aside the POM District Collector's January 3, 2020 Order, through the now assailed Order dated March 23, 2020, the dispositive portion of which reads:

> "**WHEREFORE**, in view of the foregoing, the Order of the District Collector, POM dated 03 January 2020 is hereby **REVERSED** and **SET ASIDE**. Let the case be remanded to the port of origin for further proceedings conformable to this ORDER.
>
> **SO ORDERED.**"

[Respondent received the assailed Order dated March 23, 2020 on April 18, 2020.[6]]

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6 Division Docket – Vol. I, p. 7, *Petition for Review*, par. 5; Division Docket – Vol. II, p. 429, *Amended Petition for Review*, par. 5.

[Respondent] sought reconsideration of the assailed March 23, 2020 Order, which was denied by the POM District Collector in his Order dated April 28, 2020.

Implementing the assailed Order dated March 23, 2020 in the meantime, on April 24, 2020, the same POM District Collector issued an Order disposing as follows:

> "**WHEREFORE**, by virtue of the authority vested in me by law, the below-described goods subject of this proceeding are hereby ordered **FORFEITED** in favor of the government, to be disposed of in the manner provided for by law:
>
> [...]"

PROCEEDINGS BEFORE THIS COURT

On May 18, 2020, [respondent] elevated on appeal to this Court [petitioner]'s Order dated March 23, 2020 via a *Petition for Review (With Motion to Suspend the Sale/Disposition of the Goods Subject of this Petition.* The case was initially raffled to this Court's Second Division.

During the supposed hearing on [respondent]'s *Motion to Suspend the Sale/Disposition of the Goods Subject of this Petition* on June 15, 2020, both parties' counsels manifested that they will no longer present any witness. Thus, they were granted a period of five (5) days therefrom within which to submit their respective memorandum. Likewise, [respondent] was directed to amend his *Petition for Review* to conform with the new rules on evidence.

In compliance, [respondent] filed his *Memorandum (In Support of [Respondent]'s Motion to Suspend the Sale/Disposition of the Subject Goods)* on June 22, 2020, while [petitioner] posted his *Memorandum [Re: [Respondent]'s Motion to Suspend the Disposition of the Goods Subject of this Petition]* on June 22, 2020.

On June 23, 2020, [respondent] filed his *Amended Petition for Review (With Motion to Suspend the Sale/Disposition of the Goods Subject of this Petition).*

Thereafter, [petitioner] posted a *Motion for Extension of Time to File Responsive Pleading or Motion* on June 11, 2020, praying that he be granted a period of sixty (60) days from June 16, 2020, or until August 15, 2020, within which to file his Answer/Comment. The same was granted by the Court in its Resolution dated July 10, 2020.

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Another *Motion for Extension of Time to File Responsive Pleading or Motion [Re: [Respondent]'s Amended Petition for Review]* was filed by [petitioner] on July 15, 2020, praying for another extension of sixty (60) days from July 16, 2020, or until September 14, 2020, within which to file his responsive pleading or motion. In the Resolution dated July 24, 2020, the Court granted the said second *Motion for Extension of Time.*

Subsequently, [petitioner] posted a *Motion to Dismiss Appeal* on August 25, 2020, to which [respondent] submitted his *Comment/Opposition (Re: [Petitioner]'s Motion to Dismiss Appeal)* on September 7, 2020.

On September 10, 2020, [respondent] filed a *Motion to Declare Respondent in Default with Motion to Release Properties Not Subject of the Instant Seizure Case*, praying that the Court declare [petitioner] in default, to direct the latter to immediately release and return the goods under Annex "1" and the subject firearms, and to return the possession and use of the premises to [respondent]. [Petitioner] posted his *Comment/Opposition (Re: [Respondent]'s Motion to Release Properties Not Subject of the Instant Seizure Case)* on October 20, 2020.

Meanwhile, on September 11, 2020, [petitioner] posted his *Answer/Comment (Ad Cautelam)*, raising the following arguments: (1) the assailed March 23, 2020 Order is an interlocutory order that cannot be appealed from; (2) [petitioner] did not commit reversible error in disregarding [respondent]'s documents for being mere photocopies; (3) [respondent] has yet to submit proof of payment of duties and taxes as required by Section 224 of the CMTA; and (4) [petitioner]'s assailed March 23, 2020 Order has been superseded by the April 24, 2020 Order of the POM District Collector, directing the forfeiture of [respondent]'s subject goods.

[Petitioner] transmitted the *BOC Records* for the case on September 22, 2020.

In the Resolution dated October 6, 2020, the Court: (1) denied for lack of merit [respondent]'s *Motion to Suspend the Sale/Disposition of the Goods Subject of this Petition*; (2) noted [petitioner]'s *Answer/Comment Ad Cautelam*; (3) considered moot [respondent]'s *Motion to Declare Respondent in Default*; and (4) gave [petitioner] a period of ten (10) days from notice within which to file his comment on [respondent]'s *Motion to Release Properties Not Subject of the Instant Seizure Case.*

On October 26, 2020, [respondent] filed his *Motion for Partial Reconsideration (To Resolution dated 06 October 2020)*, praying for the Court to partially reconsider its Resolution dated October 6, 2020; and to grant the instant *Motion to*

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Suspend the Sale/Disposition of the Subject Goods. [Petitioner] posted, on December 15, 2020, his *Motion to Admit Attached Comment/Opposition,* with attached *Comment/Opposition (Re: [Respondent]'s Motion for Partial Reconsideration (To Resolution dated 06 October 2020) dated 26 October 2020].*

In the meantime, [petitioner] filed his *Motion for Partial Reconsideration (Of the Honorable Court's Resolution dated 06 October 2020)* on October 27, 2020, praying for the Court to partially reconsider its Resolution dated October 6, 2020, and to grant his *Motion to Dismiss Appeal,* thereby dismissing [respondent]'s *Amended Petition for Review.* [Respondent] filed his *Comment/Opposition (Re: Motion for Partial Reconsideration dated 20 October 2020)* on November 20, 2020.

On November 27, 2020, [petitioner] posted his *Manifestation and Motion,* informing the Court that he has not yet received [respondent]'s Motion for Partial Reconsideration, and thus, requests that the resolution of [respondent]'s *Motion for Partial Reconsideration (to Resolution dated 06 October 2020)* be held in abeyance.

The Pre-Trial Conference was initially set on December 2, 2020; however, in the Order dated November 23, 2020, the said Conference was cancelled, until further orders from the Court.

In the Resolution dated January 20, 2021, the Court: (1) noted and granted [petitioner]'s *Manifestation and Motion to Admit Attached Comment/Opposition*; and (2) denied [respondent]'s *Motion for Partial Reconsideration (To Resolution dated 06 October 2020),* [petitioner]'s *Motion for Partial Reconsideration to the Resolution dated October 6, 2020,* and [respondent]'s *Motion to Release Properties Not Subject of the Instant Seizure* for lack of merit. In the same Resolution, the case was set for Pre-Trial Conference on March 8, 2021.

On March 2, 2021, [petitioner] filed his *Pre-Trial Conference Brief [With Attached Special Power of Attorney],* while the *Pre-Trial Brief for [Respondent]* was filed on March 3, 2021. Thereafter, on March 8, 2021, the Pre-Trial Conference proceeded as scheduled.

Parties filed their *Joint Stipulation of Facts and Issues* on June 10, 2021. Subsequently, the Pre-Trial Order dated June 22, 2021 was issued by the Court, thereby deeming the termination of the pre-trial.

Trial then ensued.

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> [Respondent] presented his documentary and testimonial evidence. He proffered his own testimony.
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> On April 28, 2022, *[Respondent]'s Formal Offer of Documentary Evidence* was filed, to which [petitioner] posted his *Comment/Opposition [On [Respondent]'s Formal Offer of Evidence dated 28 April 2022]* on May 12, 2022. In the Resolution dated July 21, 2022, the Court admitted [respondent]'s offered exhibits, *except* for the following:
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> 1. Exhibits "P-4", for failure to present the original for comparison; and
>
> 2. Exhibit "P-16", for failure to identify the exhibit.
>
> On July 27, 2022, [petitioner] posted a *Manifestation and Motion*, stating that he no longer intends to submit additional evidence, as the evidence admitted by the Court, along with parties' stipulated facts, already suffice to substantiate the legal arguments proffered to affirm his assailed Order. Hence, he moves that the hearing set by this Court for the presentation of is evidence be cancelled, and allow the parties to submit their respective memoranda.
>
> In the Resolution dated September 14, 2020, the Court noted the *Manifestation* of [petitioner] and granted the latter's *Motion*. Thus, the parties were required to submit their respective memoranda within thirty (30) days from notice.
>
> The *Memorandum for [Respondent]* was filed on November 4, 2022, while [petitioner]'s *Memorandum* was submitted on December 2, 2022.
>
> The present case was deemed submitted for decision on December 20, 2022.[7]

On December 11, 2023, the Court in Division rendered the assailed *Decision*, disposing of the case as follows:

> **WHEREFORE**, in light of the foregoing considerations, the present *Amended Petition for Review* is **GRANTED**. Accordingly, the assailed Order dated March 23, 2020 of respondent is **REVERSED and SET ASIDE**, and the Warrant of Seizure and Detention No. 2019-086 is **RECALLED and LIFTED**. Moreover, [petitioner] or the BOC is **ORDERED TO RELEASE** the subject seized medical goods, as enumerated in Annex "2", to [respondent] sans the payment of duties and taxes.

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7 EB Docket, pp.77–83.

SO ORDERED.[8]

On February 16, 2024, petitioner filed, via registered mail, a *Motion for Reconsideration [of the Decision dated 11 December 2023]*,[9] to which respondent filed a *Comment/Opposition (re Respondent's Motion for Reconsideration dated 14 February 2024)*[10] on March 1, 2024.

On June 11, 2024, the Court in Division denied petitioner's motion for reconsideration through the assailed *Resolution*, the *fallo* of which reads:

> **WHEREFORE**, premises considered, [petitioner]'s **Motion for Reconsideration [Of the Decision dated 11 December 2023]** is **DENIED** for lack of merit.
>
> **SO ORDERED.**[11]

On July 16, 2024, petitioner filed a *Motion for Time to File Petition for Review*,[12] which was granted on July 17, 2024.[13] Consequently, petitioner's period to file a petition for review was extended by fifteen (15) days from July 17, 2024, or until August 1, 2024.

On August 1, 2024, petitioner filed the instant *Petition for Review (With Prayer for the Mandatory Inhibition of the Honorable Members of the Honorable Court's Special Third Division)*.

In compliance with the directive of the Court *En Banc*,[14] respondent filed his *Comment*[15] on December 6, 2024.

On February 5, 2025, the Court *En Banc* noted respondent's *Comment* and submitted the case for decision.[16]

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8 *Id.* at p. 96.
9 Division Docket – Vol. IV, pp. 1569–1590.
10 *Id.* at 1593–1599.
11 EB Docket, p. 103.
12 *Id. at* 1–4.
13 *Id.* at 40, Notice of Resolution.
14 *Id.* at 281, Notice of Resolution.
15 *Id.* at 282–302.
16 *Id.*, unpaged, Notice of Resolution.

THE ISSUES

Petitioner submits the following issues for resolution by the Court *En Banc*:[17]

I
THE HONORABLE COURT'S SPECIAL THIRD DIVISION RULED CONTRARY TO THE RULES OF COURT AND JURISPRUDENCE IN DECLARING THE PETITIONER'S ORDER DATED 23 MARCH 2020 AS APPEALABLE, DESPITE THE CLEAR WORDING IN ITS DISPOSITIVE PORTION SHOWING THAT IT IS AN INTERLOCUTORY ORDER.

II
THE HONORABLE COURT'S SPECIAL THIRD DIVISION ERRED WHEN IT DID NOT DECIDE THE APPEALED CASE ON THE MERITS, EVEN AFTER DECLARING THAT IT HAD JURISDICTION OVER THE PETITIONER'S QUESTIONED ORDER.

III
THE PETITIONER DID NOT COMMIT A REVERSIBLE ERROR IN DISREGARDING THE RESPONDENT'S SUBMITTED DOCUMENTS FOR BEING MERE PHOTOCOPIES.

IV
THE RESPONDENT DID NOT SUBMIT PROOF OF PAYMENT OF DUTIES AND TAXES AS REQUIRED BY SECTION 224 OF THE CMTA.

V
THE PETITIONER'S ORDER DATED 23 MARCH 2020 HAS BEEN SUPERSEDED BY THE 24 APRIL 2020 ORDER OF THE POM DISTRICT COLLECTOR DIRECTING THE FORFEITURE OF THE RESPONDENT'S GOODS.

Petitioner's arguments

Petitioner asserts that the COC Order dated March 23, 2020, is interlocutory in nature and, therefore, not appealable. It merely directed the continuation of forfeiture proceedings and did not order the forfeiture of goods. Petitioner submits that the Court in Division erred in assuming jurisdiction over an interlocutory order and in failing to decide the case on the merits.

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[17] *Id.* at 47–48, *Petition for Review*, Grounds for the Allowance and Grant of the Petition.

Petitioner further asserts that respondent failed to discharge the burden of proof under Section 1123 of the Customs Modernization and Tariff Act (CMTA), as the documents submitted were mere photocopies and lacked evidentiary weight. Additionally, respondent failed to present proof of payment of duties and taxes, as required by Section 224 of the CMTA.

Petitioner maintains that the March 23, 2020 COC Order was superseded by the Order dated April 24, 2020 issued by the District Collector of the Port of Manila, which declared the subject goods forfeited in favor of the government. Thus, the appeal is moot and academic.

Finally, petitioner moves for the mandatory inhibition of the members of the Court in Division from participating in the *En Banc* review, citing jurisprudence and procedural rules that prohibit a judge from reviewing their own decision.

Respondent's arguments

Respondent contends that the assailed *Decision* and *Resolution* were issued in accordance with law and jurisprudence, and that the present *Petition for Review* merely reiterates arguments previously resolved.

Respondent asserts that he is a legitimate retailer, not an importer, and claims that the seized goods were locally purchased from licensed suppliers. He presented original and certified true copies of sales invoices, official receipts, Food and Drug Administration (FDA) Certificates of Product Registration, and affidavits from suppliers to prove the legitimacy of the goods.

Respondent argues that the BOC failed to establish probable cause or intentional fraud to justify the seizure and forfeiture. He emphasizes that petitioner did not object to the authenticity of the documents during the clarificatory hearing and that the best evidence rule was improperly applied.

Respondent further argues that the Order dated January 3, 2020 issued by the District Collector, which recalled the Warrant of Seizure and Detention (WSD), was deemed approved under Section 1127 of the CMTA and Customs Memorandum Order (CMO) No. 04-2018 due to petitioner's failure to act within the prescribed period. Thus, the subsequent Order dated March 23, 2020 was void and without effect.

Respondent opposes the motion for mandatory inhibition, asserting that the Court in Division is not an inferior court to the Court *En Banc* and that the jurisprudence cited by petitioner is inapplicable.

THE COURT *EN BANC'S* RULING

The instant Petition for Review was timely filed.

Section 3(b), Rule 8 of the Revised Rules of the Court of Tax Appeals (RRCTA) provides:

> SEC. 3. *Who may appeal; period to file petition.* —
>
> ...
>
> (b) **A party adversely affected by a** decision or **resolution of a Division of the Court on a motion for reconsideration** or new trial **may appeal to the Court by filing before it a petition for review <u>within fifteen days from receipt</u> of a copy of the questioned** decision or **resolution**. Upon proper motion and the payment of the full amount of the docket and other lawful fees and deposit for costs before the expiration of the reglementary period herein fixed, **the Court may grant an additional period not exceeding fifteen days from the expiration of the original period within which to file the petition for review**. (Emphasis supplied)

In this case, petitioner received the assailed *Resolution* on July 2, 2024.[18] Counting 15 days from that date, petitioner had until July 17, 2024, to file an appeal with the Court *En Banc*. Before the lapse of the said reglementary period, petitioner filed a *Motion for Time to File Petition for Review* on July 16, 2024, seeking a 15-day extension until August 1, 2024, which the Court *En Banc* granted.[19] Petitioner then filed the instant *Petition for Review* on August 1, 2024, within the extended period.

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[18] Division Docket – Vol. IV, p. 1603.
[19] *EB* Docket, p. 40, Notice of Resolution.

Accordingly, the present *Petition for Review* was timely filed, and the Court *En Banc* has jurisdiction over this case.

The Court in Division did not err in assuming jurisdiction as the COC's March 23, 2020 Order is final and appealable.

Petitioner argues that the COC's March 23, 2020 Order is interlocutory and not a final order on the merits because it remanded the case for further proceedings, and is therefore not appealable to the Court of Tax Appeals (CTA).

Decisions of quasi-judicial agencies, including the COC, are expressly within the CTA's appellate jurisdiction under Section 7 of Republic Act No. (RA) No. 9282[20] and Section 3, Rule 4 of the RRCTA.[21] In determining whether an order from quasi-judicial agencies is interlocutory or final, jurisprudence defines a final order as one that "finally disposes of, adjudicates or determines the rights, or some rights of the parties, either on the controversy of some definite and separate branch thereof, and which concludes them until it is reversed or set aside."[22] Such orders are a proper subject of appeal.

To recall, after the District Collector issued a WSD against the subject goods, forfeiture proceedings were conducted before the District Collector pursuant to Section 3.2[23] of CMO No. 4-2018(A).[24] After due proceedings, the District Collector, in its

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[20] SEC. 7. Jurisdiction. - The CTA shall exercise:
a. Exclusive appellate jurisdiction to review by appeal, as herein provided:
....
4. Decisions of the Commissioner of Customs in cases involving liability for customs duties, fees or other money charges, seizure, detention or release of property affected, fines, forfeitures or other penalties in relation thereto, or other matters arising under the Customs Law or other laws administered by the Bureau of Customs; *Commissioner of Internal Revenue v. Court of Tax Appeals and Petron Corporation* (Resolution), G.R. No. 207843, February 14, 2018 [Per J. Perlas-Bernabe, Special First Division].

[21] SEC. 3. *Cases within the jurisdiction of the Court in Divisions.* – The Court in Divisions shall exercise:
(a) Exclusive original or appellate jurisdiction to review by appeal the following:
....
(4) Decisions of the Commissioner of Customs in cases involving liability for customs duties, fees or other money charges, seizure, detention or release of property affected, fines, forfeitures of other penalties in relation thereto, or other matters arising under the Customs Law or other laws administered by the Bureau of Customs;

[22] *Peakpower San Francisco, Inc. v. Energy Regulatory Commission*, G.R. No. 268094, October 30, 2024 [Per J. J.Y. Lopez, Second Division]

[23] SEC. 3. General Provisions.
....
3.2. The venue shall be at the Law Division of the Collection District which issued the Warrant of Seizure and Detention (WSD). For Collection Districts without Law Divisions, the venue shall be at the Office of the District Collector. Upon motion, the venue may be held at the Legal Service, Revenue Collection Monitoring Group (RCMG).

[24] AMENDMENT OF CMO 4-2018 re: MANUAL OF PROCEDURE FOR FORFEITURE CASES, April 26, 2018.

Order dated January 3, 2020, recalled the WSD on the ground that the seized goods were locally acquired.

Given that the January 3, 2020 Order of the District Collector was adverse to the government, the COC automatically undertook a review pursuant to Section 10.1[25] of CMO No. 4-2018 (A). In its March 23, 2020 Order,[26] the COC reversed and set aside the District Collector's recall of the WSD and remanded the case to the port of origin "for further proceedings conformable to this Order." The March 23, 2020 Order is partly reproduced below:

> At the outset, it is worthy to note that the forfeiture proceedings sprang from Mission Orders carried out by a composite team of BOC assisted by AFP Joint Tax Force against claimant JPM Medical Trading, as authorized by Letters of Authority (LOAs) issued by the Commissioner by virtue of Section 224 of the CMTA, which provides:
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> ....
>
> Corollary thereto, under Section 1123 of the CMTA, it is the burden of the claimant to prove that seizure should not lie, *viz:*
>
> ....
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> As gleaned from the list of items in Annex "2", it is worthy to note that these are branded items manufactured abroad and therefore, imported into the country. Section 104 of the CMTA provides:
>
> ....
>
> With this finding, demand to present proof of payment of customs duties and taxes was made by the Bureau to the claimant, JPM. JPM asserts that the goods listed in Annex "2" were purchased locally. After a meticulous examination of the documents submitted by the claimant in support of their claim that the goods in Annex "2" were purchased locally from FDA-licensed sellers, we deem that the same are not adequate to discharge its burden. Notably, evidence submitted by JPM consists of a few original copies and mostly photocopies of Invoices and Delivery Receipts showing its transactions with the alleged domestic sellers.

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[25] SEC. 10. *Automatic Review.*
10.1. **The Commissioner shall automatically review any decision by the District Collector adverse to the government.** The District Collector shall elevate the entire records of the case to the Appellate Division within twenty-four (24) hours from the issuance of the Decision. (Emphasis supplied)

[26] Division Docket – Vol. I, pp. 51–73, Exhibit "P-3".

Whereas, the Bureau of Internal Revenue in its Revenue Memorandum Circular No. 2-2014 clarified that *"Sales Invoice shall serve in lieu of Official Receipt in the sale of goods or properties for evidentiary purposes in terms of audit"* and that *"Commercial Receipts/Invoices such as delivery receipts, order slips, xxx issued to their customers evidencing delivery, agreement to sell or transfer of goods and services shall be supplementary evidence only,"* these documents, however, must be in original copies to have probative value.

The original copies of the invoices or official receipts submitted by the claimant are the best evidence to prove that the goods in question were actually purchased from domestic sellers. Rule 3 Section 130 of the Rules of Court provides:

....

Applying the above Rule to the present case, before a claimant is allowed to adduce secondary evidence to prove the contents of the original sales invoices and all other receipts submitted, the claimant must prove the *(1) the existence or due execution of the original; (2) the loss and destruction of the original or the reason for its nonproduction; and (3) on the part of the claimant, the absence of bad faith to which the unavailability of the original can be attributed.*

JPM did not take advantage of all the opportunities to present their evidence in the proceedings *a quo*, or at least, explain its unavailability. Under said circumstances, the submitted documents are mere scraps of paper. Accordingly, they do not indubitably establish that the items in Annex "2" were actually purchased locally from suppliers who purportedly paid customs duties and taxes thereon.

With this finding, we underscore Section 1113 (f) of the CMTA, which provides:

> ***"SEC. 1113. Property Subject to Seizure and Forfeiture.*** *— Property that shall be subject to seizure and forfeiture include:*
>
> xxx
>
> (f) Goods, the importation or exportation of which are effected or attempted contrary to law, or any goods of prohibited importation or exportation, and all other goods which, in the opinion of the District Collector, have been used, are or were entered to be used as instruments in the importation or the exportation of the former;
>
> xxx"

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On this point, the Bureau is not persuaded with the pronouncement of the port *a quo*, particularly:

> *"In the case at bar, not even a single piece of evidence was presented to show that the seized commodities were imported in violation of the provision of RA 9711 nor was it established that the claimant has knowledge that the goods were imported contrary to law. Contrariwise, it was sufficiently proved that the seized commodities were locally acquired, and its consequent release to the claimant will not be contrary to law."*

Notwithstanding, all is not lost for JPM. Section 9 of the **Customs Memorandum Order ("CMO") No. 10-2006** provides, *viz*:

> ***SECTION 9. Summary Rules for Processing Goods/Articles Seized.*** — To expedite proceedings in accordance with law, the following summary rules shall be observed:
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> xxx
>
> **2. In cases where WSD has been issued against the shipment, the seizure and forfeiture proceedings shall be held in accordance with law.**
>
> a. If the facts and circumstances so warrant, the District Collector, through the Law Division, shall issue an Order or Decision allowing the **release upon payment of duties and taxes** thereon by recalling the WSD duly issued, or settlement of the case pursuant to Section 2307, of the TCCP, as amended. For this purpose, the approval of settlement by the port/special collector shall carry with it the approval of the Commissioner unless otherwise directed or reprobated.
>
> **WHEREFORE**, in view of the foregoing, the Order of the District Collector, POM dated 03 January 2020 is hereby **REVERSED** and **SET ASIDE**. Let the case be remanded to the port of origin for further proceedings conformable to this Order.
>
> **SO ORDERED.** (Emphases in the original)

From the body of the Order, it is evident that the COC found respondent's evidence insufficient to prove that the seized goods were locally purchased. The COC concluded that the goods were deemed imported and forfeitable unless the applicable duties and taxes were paid.

The Court in Division held that, although the COC Order was framed as a remand, it effectively disposed of respondent's substantive rights and was, in substance, a final order. This is evident from the notices subsequently issued by the District Collector who merely implemented the COC's directive, offering respondent the opportunity to pay duties and taxes but not to contest the seizure. Thus, the COC Order substantively resolved the controversy.

The Court *En Banc* concurs with the findings of the Court in Division.

The March 23, 2020 Order clearly adjudicated the controversy by reversing the recall of the WSD and remanding the case to the port of origin for further proceedings ***conformable*** to said Order, specifically, the seizure of goods subject to release only upon payment of duties and taxes.

As such, the District Collector, in the Order dated April 24, 2020,[27] expressly implemented the COC directive by ordering the forfeiture of the goods after respondent's non-payment of duties and taxes:

> This implements the **Order** dated 23 March 2020 of the **Commissioner**, this Bureau, the dispositive portion of which reads:
>
> > "**WHEREFORE**, in view of the foregoing, the Order of the District Collector, PCM dated 03 January 2020 is hereby **REVERSED** and **SET ASIDE**. Let the case be remanded to the port of origin for further proceedings conformable to this Order.
> >
> > SO ORDERED."
>
> In compliance to the said Order, this Office, thru the Law Division, sent the following notices to the Claimant:
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> 1. Notice of Decision (of the Commissioner of Customs) dated 01 April 2020 addressed to The General Manager/Owner, JPM MEDICAL TRADING/JOHN PAUL MEDINA at 1625 M. Natividad cor. Quiricada St., Sta. Cruz Manila, informing the latter of the reversal

[27] Division Docket – Vol. III, pp. 1448–1462, Exhibit "P-18."

and setting aside of the earlier Order of this Port. Service of the Notice of Decision was made through private courier as evidence by LBC Receipt No. CMT0710000004814; and

2. Final Notice dated 16 April 2020, with the same addressee, giving the Claimant additional period of three (3) days from service within which to manifest its intention to settle the corresponding duties and taxes. Service was made through personal service by the clerk of the Law Division at the owners [sic] known address and by private courier as evidenced by LBC Receipt No. MTE0310000236947.

Part of the Order of the Commissioner gives the claimant the remedy provided under Section 9 of Customs Memorandum Order No. 10-2006 which provides, to wit:

> "Section 9. Summary Rules for Processing Goods/Articles Seized to expedite proceedings in accordance with law, the following summary rules shall be observed:
>
> xxxx xxxx xxxx
>
> 2. In case where WSD has been issued against the shipment, the seizure and forfeiture proceedings shall be held in accordance with law.
>
> **If the facts and circumstances so warrant, the District Collector, through the Law Division, shall issue an Order or Decision allowing the release upon payment of duties and taxes thereon by recalling the WSD issued**, or settlement of the case pursuant to Section 2307 of the TCCP, as amended. For this purpose, the approval of the settlement by the port/special collector shall carry with it approval of the Commissioner unless otherwise directed or reprobated."

Despite lapses of more than fifteen (15) days from notice of decision and more than three (3) days from the final notice given to the Claimant, the latter failed to act in order to pursue its claim and protect its rights over the seized items pursuant to LOA No. 05-21-135-2019 and subject of Seizure Identification No. 2019-086.

Thus, having attained its finality and failure of the Claimant to exhaust any proper remedy within the given time, the Order of the Commissioner reversing and setting aside the earlier order of this Port shall be given force and effect.

> **WHEREFORE**, by virtue of the authority vested in me by law, the below-described goods subject of this proceeding are hereby ordered **FORFEITED** in favor of the government, to be disposed of in this manner provided for by law:
>
> ....
>
> Let copies of this Order be furnished all parties and offices concerned for their information and guidance.
>
> SO ORDERED. (Emphasis in the original)

Similarly, the District Collector's Order dated April 28, 2020 [28] denied respondent's motion for reconsideration of the COC Order, treating it as a prohibited pleading under CMO No. 04-2018, holding that the proper recourse was an appeal to the CTA pursuant to Section 1136 of the CMTA. The pertinent portion of the April 28, 2020 Order reads:

> Despite lapses of more than fifteen (15) days from notice of decision and more than three (3) days from the final notice given to the Claimant, the latter failed to act in order to pursue and protect its rights over the seized items, subject of Seizure Identification No. 2019-086.
>
> On April 23, 2020, the District Collector received from JPM Medical Trading through counsel an **Urgent Motion for Reconsideration with Entry of Appearance** on the Order dated March 2020 of the Commissioner praying for the following:
>
> 1. **RECONSIDER** its Order dated 23 March 2020 with respect to the reversal of Order of the District Collector-POM and that the latter Order be **REINSTATED**;
>
> 2. **RECALL** the Warrant of Seizure and Detention (Seizure Identification No. 2019-086); and
>
> 3. **RELEASE** the goods subject to the Warrant.
>
> Under Section 8 of Customs Memorandum Order No. 04-2018 which prescribes the procedures for forfeiture case, a Motion for Reconsideration and a Motion to Quash/Recall/Lift/Set Aside or any other similar motion is a prohibited motion, unless it falls under the exceptions provided under Sections 8.4 of the same CMO.
>
> ....

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[28] Division Docket – Vol. III, pp. 1445–1447, Exhibit "P-17".

> Thus, from the forgoing [sic] the Urgent Motion of JPM Medical Trading with prayer to Quash/Recall/Lift/Set Aside the Warrant of Seizure and Detention docketed as S.I. No. 2016-06 cannot be given due course pursuant to the above rules.
>
> The Motion for reconsideration filed by the claimant assails the Order of the Commissioner of Customs dated March 23, 2020 which reversed and set aside the earlier order of the District Collector releasing the said items to the claimant. In the said motion, the claimant prays for relief in the form of (1) reversal of the Decision of the Commissioner forfeiting the items; or (2) release of the seized articles only after payment of duties and taxes pursuant to Customs Memorandum Order No. 10-2006.
>
> Although a Motion for Reconsideration is a prohibited pleading, such pleading may treated [sic] as appeal to the Commissioner's Order.
>
> Moreover, said Urgent Motion for Reconsideration seeks relief from the Order of the Commissioner of Customs dated March 23, 2020 or an appeal thereto, thus under Section 1136 of the CMTA the same should be filed with the Court of Tax Appeals. Section 1136 of the CMTA provides, to wit:
>
> ....
>
> **WHEREFORE**, by virtue of the authority vested in me by law, the Urgent Motion for Reconsideration dated April 20, 2020 of JOHN PAUL MEDINA, Owner/Proprietor of JPM Medical Trading, filed through his counsel is hereby **DENIED** pursuant to Section 1136 of the CMTA and CMO 04-2018.
>
> Let copies of this Order be furnished all parties and offices concerned for their information and guidance.
>
> SO ORDERED. (Emphasis in the original)

These actions by the District Collector demonstrate that the COC's March 23, 2020 Order was final in nature, leaving no genuine continuation of proceedings at the port level. The tenor of the District Collector's Orders dated April 24 and 28, 2020, confirms that respondent was not afforded an opportunity to present further evidence. The supposed remand was but an administrative formality, as the forfeiture had already been adjudged by the COC, subject only to payment of duties and taxes.

Am/

Thus, the Court in Division correctly ruled that, although the dispositive portion of the COC Order seemingly remanded the case, its body and subsequent actions (*e.g.*, the District Collector's implementation of the COC Order and the denial of respondent's motion for reconsideration of the COC Order due to it being a prohibited pleading) clearly indicated a final adjudication on the controversy. The COC had resolved the controversy by ordering forfeiture unless respondent paid the assessed duties and taxes, and respondent's only recourse was to appeal to the CTA, as stated in the April 28, 2020 Order.

Accordingly, the proper remedy was an appeal to the CTA within 30 days from receipt of the COC's March 23, 2020 Order.[29] Since the Order substantively determined the rights of the parties and required respondent's action (*i.e.*, forfeiture unless payment), it constitutes a final order and is appealable to the CTA. Its form as a "remand" cannot override its substantive effect, which is a final disposition of the controversy by adjudging forfeiture subject only to payment of duties and taxes.

Further, petitioner's claim that the April 24, 2020 Order of the District Collector mooted the CTA appeal is untenable.

The April 24, 2020 Order was merely ministerial, implementing the COC's final directive. It was not a separate, appealable act but a mere consequence of the COC's decision. A ministerial act implementing a final order of a superior (*i.e.*, the COC) does not render an appeal moot. To hold otherwise would allow administrative officers to shield final decisions from a timely judicial review.

Nonetheless, the Court cautions that this ruling should not be construed as a blanket license to treat every remand as a final order. Each case must be evaluated based on whether the remand contemplates a meaningful continuation of proceedings or merely formalizes a final disposition. In this instance, the latter applies.

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[29] RRCTA, Rule 8, Sec. 3 reads:
SEC. 3. *Who may appeal; period to file petition.* – (a) A party adversely affected ... by a decision or ruling of the Commissioner of Customs ... may appeal to the Court by petition for review filed within thirty days after receipt of a copy of such decision or ruling[.]

Respondent presented substantial evidence to support his claim that the goods were locally purchased and not imported.

Petitioner, on the other hand, failed to establish any factual or legal basis for forfeiture, nor did it present evidence of fraud.

Petitioner maintains that respondent failed to present the original invoices and receipts to prove local purchase, and that only originals, not photocopies, should be accepted under the "best evidence rule." Petitioner further insists that respondent did not present proof of payment of customs duties and taxes, as required under Section 224 of the CMTA.

However, in the assailed March 23, 2020 COC Order itself, petitioner stated that respondent submitted not only copies but also the original documents to the BOC representatives.[30] Also, during the clarificatory hearing, BOC prosecutors and CIIS officers did not object to the authenticity or due execution of respondent's documentary evidence.[31]

The Court *En Banc* concurs with the Court in Division in holding that objections to evidence must be raised at the earliest opportunity. In this case, the failure of BOC prosecutors to object during the clarificatory hearing constitutes a waiver. Consequently, the evidence is deemed admissible and accorded due weight. Petitioner's reliance on the best evidence rule is misplaced, as the documents were admitted without objection and their authenticity was not contested. Moreover, in administrative proceedings, the best evidence rule may be relaxed,[32] especially if the authenticity of the documents has not been challenged.[33]

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[30] Division Docket – Vol. I, p. 71.

[31] Division Docket – Vol. III, p. 1055, JSFI, Stipulated Facts, par. 6.

[32] See *Magcamit v. Internal Affairs Service - Philippine Drug Enforcement Agency*, G.R. No. 198140, January 25, 2016 [Per J. Brion, Second Division], where the Supreme Court held that "[a]dministrative determinations of contested cases are by their nature quasi-judicial; there is no requirement for strict adherence to technical rules that are observed in truly judicial proceedings. As a rule, technical rules of procedure and evidence are relaxed in administrative proceedings in order 'to assist the parties in obtaining just, speedy and inexpensive determination of their respective claims and defenses.'"

[33] See *Spouses Tapayan v. Martinez*, G.R. No. 207786, January 30, 2017 [Per J. Caguioa, First Division], citing *Lorenzana v. Lelina*, G.R. No. 187850, August 17, 2016 [Per J. Jardeleza, Third Division] where the Supreme Court held that "[c]ourts are not precluded to accept in evidence a mere photocopy of a document when no objection was raised when it was formally offered.... and when a party failed to interpose a timely objection to evidence at the time they were offered in evidence, such objection shall be considered as waived."

On the merits, respondent substantially established his claim through receipts, invoices, supplier affidavits, and certificates of product registration from the FDA, demonstrating that the seized goods were legitimate local purchases from licensed local suppliers. These documents confirm that the goods are not subject to customs duties and taxes and support respondent's position as a buyer in good faith and not an importer.

In *The Commissioner of Customs v. New Frontier Sugar Corporation*[34] (*New Frontier*), the Supreme Court emphasized that fraud cannot be presumed and must be proven by substantial evidence, with the burden of proof resting on the government:

> Time and again, and consistently, this Court has ruled that **the *onus probandi* to establish the existence of fraud is lodged with the Bureau of Customs which ordered the forfeiture of the imported goods. Fraud is never presumed. It must be proved. Failure of proof of fraud is a bar to forfeiture.** The reason is that **forfeitures are not favored in law and equity. The fraud contemplated by law must be intentional fraud**, consisting of deception willfully and deliberately done or resorted to in order to induce another to give up some right. **Absent fraud, the Bureau of Customs cannot forfeit the shipment in its favor**.
>
> Significantly, based on the records of the present case, it was determined during the administrative proceedings before the petitioner Collector, that there was no intentional circumvention of the said CISS requirement on the part of respondent because the failure to subject the shipment to SGS pre-shipment inspection was purely attributable to the fault of the shipper; hence, respondent acted in good faith. In other words, since there was no deliberate circumvention of the CISS, the same therefore cannot be recommended for seizure and/or forfeiture. As a matter of fact, pursuant to CMO No. 9-95, **it was no other than the petitioner Collector who recommended and thereafter allowed that the subject shipment be tentatively released**, and that the imposition of the penalty against it be dispensed with unless the SGS will not issue the required CRF. These factual circumstances further strengthened the position taken by respondent that it had indeed sufficiently proven its claim of good faith on the non-production of CRF, which likewise established lack of fraudulent intent to evade payment of duties on its part. (Emphasis supplied)

hr

[34] G.R. No. 163055, June 11, 2014 [Per J. Perez, Second Division].

The above ruling underscores the necessity of concrete proof of fraud before depriving a party of property rights. The Supreme Court held that, absent such proof, forfeiture is unwarranted, as "forfeitures are not favored in law and equity." Similar to *New Frontier*, respondent presented documents and affidavits from his suppliers proving local acquisition of the goods, which petitioner failed to rebut during the forfeiture proceedings, thereby satisfying the evidentiary threshold. Respondent sufficiently established good faith, while petitioner failed to prove fraudulent or unlawful importation. After due proceedings, it was the District Collector who allowed the release of the goods to respondent.

Likewise, in *M/V "Don Martin" Voy 047 v. Hon. Secretary of Finance,*[35] the Supreme Court stressed that probable cause must be established before initiating forfeiture proceedings. The absence of any finding of fraud or illegal importation renders the forfeiture unjustified:

> **To warrant the forfeiture** of the 6,500 sacks of rice and the carrying vessel, **there must be a prior showing of probable cause that the rice cargo was smuggled**. Once probable cause has been shown, the burden of proof is shifted to the claimant.
>
> ....
>
> The respondents' insistence was based on the premise that the rice shipment was imported. The premise was plainly erroneous. With the petitioners having convincingly established that the 6,500 sacks of rice were of local origin, the shipment need not be accompanied by import documents. Nor was it shown that the shipment did not meet other legal requirements. **There were no other circumstances that indicated that the 6,500 sacks of rice were fraudulently transported into the Philippines; on the contrary, the petitioners submitted documents supporting the validity and regularity of the shipment.** (Emphasis supplied)

Here, petitioner failed to establish probable cause or intentional fraud to justify forfeiture. No evidence was presented to show unlawful importation. As jurisprudence declares, the burden of proof in forfeiture proceedings rests with the government once probable cause is absent. Respondent's evidence outweighed petitioner's speculative assertions.

Mr

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[35] G.R. No. 160206, July 15, 2015 [Per J. Bersamin, First Division].

Accordingly, the Court finds that the forfeiture of the subject goods was not justified.

Petitioner's motion seeking the mandatory inhibition of the members of the Court in Division is without legal basis under the applicable rules.

Petitioner argues that the members of the Court in Division who rendered the assailed *Decision* and *Resolution* must recuse themselves from participating in the present *En Banc* proceedings, invoking Section 1, Rule 137 of the Rules of Court, in relation to Section 6(a), Rule 2 of the RRCTA.

Section 1, Rule 137 of the Rules of Court provides:

> SEC. 1. *Disqualification of judges.*—No judge or judicial officer shall sit in any case in which he, or his wife or child, is pecuniarily interested as heir, legatee, creditor or otherwise, or in which he is related to either party within the sixth degree of consanguinity or affinity, or to counsel within the fourth degree, computed according to the rules of the civil law, or in which he has been executor, administrator, guardian, trustee or counsel, or **in which he has presided in any <u>inferior court</u> when his ruling or decision is the subject of review**, without the written consent of all parties in interest, signed by them and entered upon the record.
>
> A judge may, in the exercise of his sound discretion, disqualify himself from sitting in a case, for just or valid reasons other than those mentioned above. (Emphases supplied)

Petitioner's reliance on the clause disqualifying a judicial officer who has presided in an *inferior court* when his or her ruling is under review is misplaced. The Court in Division is not an inferior tribunal *vis-à-vis* the Court *En Banc.* Both are parts of a single collegial body, the Court of Tax Appeals. It is settled that there can be no hierarchy within a collegial court, such as the CTA, between its divisions and the *en banc.*[36] Accordingly, Rule 137, which governs disqualification in hierarchical judicial review, does not apply to CTA proceedings.

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[36] *Commissioner of Internal Revenue v. Kepco Ilijan Corporation*, G.R. No. 199422, June 21, 2016 [Per J. Peralta, *En Banc*].

Moreover, Section 6(a), Rule 2 of the RRCTA does **not** mandate the inhibition of **all members** of the Court in Division from participating in *En Banc* proceedings involving the same case. It merely prohibits the *ponente* of the Division's decision or resolution from serving as the *ponente* of the *En Banc* decision or resolution. Beyond this, inhibition remains discretionary, not mandatory. The rule further recognizes voluntary inhibition but leaves the matter to the sound discretion of the member concerned.[37] Such voluntary inhibition must be based on just and valid reasons; bare or unsubstantiated allegations of bias or partiality do not suffice.[38]

The relevant portion of Section 6(a), Rule 2 of the RRCTA reads:

> SEC. 6. *Disqualification of Justices.* —
>
> (a) *Mandatory.* — No justice or other officer or employee of the Court shall intervene, directly or indirectly, in the management or control of any private enterprise which in any way may be affected by the functions of the Court. Justices of the Court shall be disqualified from sitting in any case on the same grounds provided under the first paragraph, Section 1, Rule 137 of the Rules of Court: *Provided*, that **no member shall be the *ponente* of an *en banc* decision/resolution written by said member in a division**. However, such member may voluntarily inhibit or decide to take no part in the deliberation in the *en banc* level. No person who has once served in the Court either as presiding justice or as associate justice shall be qualified to practice as counsel before the Court for a period of one year from that person's retirement or resignation as such. (Emphasis supplied)

This principle finds support in jurisprudence. In *Republic v. Sandiganbayan*,[39] the Supreme Court underscored that judicial inhibition cannot be predicated solely on adverse or allegedly erroneous rulings, *viz.*

> :
>
> In any case, the Court has ruled that the disqualification of a judge or justice cannot be predicated on the adverse or erroneous nature of the rulings towards the movant, to wit:

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[37] SEC. 6. *Disqualification of justices.*-

....

(c) Voluntary. – **A justice of the Court may, in the exercise of his sound discretion, disqualify himself from sitting in a case or proceeding, for just or valid reasons other than those mentioned above.**

[38] *Gochan v. Gochan*, G.R. No. 143089, February 27, 2003 [Per J. Panganiban, Third Division], cited in *Kilosbayan Foundation v. Janolo, Jr.*, G.R. No. 180543, July 27, 2010 [Per J. Carpio Morales, *En Banc*].

[39] G.R. Nos. 195837, 198221, 198974 & 203592, October 3, 2023 [Per J. Zalameda, *En Banc*].

> To prove bias and prejudice on the part of respondent judge, petitioners harp on the alleged adverse and erroneous rulings of respondent judge on their various motions. By themselves, however, they do not sufficiently prove bias and prejudice to disqualify respondent judge. To be disqualifying, **the bias and prejudice must be shown to have stemmed from an extrajudicial source and result in an opinion on the merits on some basis other than what the judge learned from his participation in the case. Opinions formed in the course of judicial proceedings, although erroneous, as long as they are based on the evidence presented and conduct observed by the judge, do not prove personal bias or prejudice on the part of the judge.** As a general rule, **repeated rulings against a litigant, no matter how erroneous and vigorously and consistently expressed, are not a basis for disqualification of a judge on grounds of bias and prejudice.** Extrinsic evidence is required to establish bias, bad faith, malice or corrupt purpose, in addition to the palpable error which may be inferred from the decision or order itself. Although the decision may seem so erroneous as to raise doubts concerning a judge's integrity, absent extrinsic evidence, the decision itself would be insufficient to establish a case against the judge. The only exception to the rule is when the error is so gross and patent as to produce an ineluctable inference of bad faith or malice. (Emphasis on the original)

> Thus, the adverse or erroneous rulings of the Sandiganbayan against the Republic, without more, do not prove bias or partiality warranting the inhibition of the members of the Sandiganbayan's Fifth Division from this case. The Republic failed to adduce extrinsic evidence or any extrajudicial source of the Sandiganbayan's alleged bias, partiality, malice, or bad faith in making the cited adverse or erroneous rulings.

Applying the above standard, petitioner's allegations fail to demonstrate any bias, malice, or bad faith that would justify the inhibition of the Court in Division members. The adverse rulings cited were judicial determinations rendered in the exercise of adjudicative discretion, based on the evidence and arguments presented. These do not constitute grounds for mandatory disqualification.

In fine, the instant *Petition for Review* merely reiterates arguments already addressed and resolved by the Court in Division, and subsequently reaffirmed in its denial of reconsideration. The Court *En Banc* finds no compelling reason to disturb the findings of the Court in Division, nor any legal basis to mandate the inhibition of its members.

WHEREFORE, the *Petition for Review (With Prayer for the Mandatory Inhibition of the Honorable Members of the Honorable Court's Special Third Division),* is **DENIED** for lack of merit. Accordingly, the *Decision* dated December 11, 2023, and the Resolution dated June 11, 2024, of the Court's Special Third Division are **AFFIRMED**.

SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

WE CONCUR:

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

CATHERINE T. MANAHAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

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

CORAZON G. FERRER-FLORES
Associate Justice

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