REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

First Division

GOLDMINE RICE MARKETING represented by its Proprietor/General Manager, MR. ORLANDO C. MANUNTAG., *Petitioner,*	**CTA Case No. 10559**
	Members:
-versus-	**DEL ROSARIO,** *P.J., Chairperson,* **MANAHAN,** *and* **REYES-FAJARDO,** *JJ.*
HON. DISTRICT COLLECTOR OF CUSTOMS, Port of MICP, North Harbor, Port Area, Manila and HON. REY LEONARDO GUERRERO, Commissioner of Customs, South Harbor, Port Area, Manila, *Respondent.*	Promulgated: FEB 2 2 2022 2:15 pm

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RESOLUTION

On December 9, 2021, petitioner filed an **Amended Petition for Review of Protest and Appeal for Duty and Tax Refund** to enjoin the District Collector of Customs and Commissioner of Customs (COC), Rey Leonardo Guererro, to execute the speedy refund of the over-charged Duty/Tax in the amount of Php7,426,502.75.

On February 3, 2021 and February 11, 2021, petitioner declared in its Bureau of Customs' (BOC) Single Administrative Documents[1] that it was importing 9,600 bags of Vietnam White Rice from Vietnam, 20,800 bags of Broken White Rice from Myanmar, and 30,000 bags of Broken White Rice from Vietnam with dutiable value amounting to Php9,689,904.40, Php14,519,068.12, and Php30,280,950.00, respectively, hence, Temporary Assessment Notices[2] were also issued in the amount of Php3,392,746.40, Php5,092,577.84, and Php10,599,612.50, respectively. On February 5, 2021 and February 11, 2021, the

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[1] With Customs Reference Nos. C-2427, C-34229, & C-2418; Annexes "3", "20", and "29", respectively, unpaginated.
[2] Annexes "1", "18-a", and "27", unpaginated.

shipments arrived in the Philippines and were assessed the amount of Php4,184,088.56, Php6,861,347.96, and Php13,072,556.75 as evidenced by their Statements of Settlement of Duties and Taxes[3].

Petitioner alleges in the said petition that it had filed a protest and was received by the BOC on March 4, 2021. However, respondent has not acted on such protest. Thus, the filing of the instant petition.

Evidently, petitioner is appealing the inaction of respondent COC on its Protest and Appeal for Duty and Tax Refund.

After careful evaluation of the allegations in the Amended Petition for Duty and Tax Refund, this Court finds that it lacks jurisdiction over the subject matter thereof.

The Court of Tax Appeals (CTA) is a court of special jurisdiction and can only take cognizance of such matters as are clearly within its jurisdiction.[4] The jurisdiction of the CTA regarding liability for customs duties, fees and other money charges is provided under Section 7(a)(4) of Republic Act (RA) No. 1125, as amended by RA Nos. 9282 and 9503, which provides:

> SEC. 7. Jurisdiction. – The CTA shall exercise:
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> (a) Exclusive appellate jurisdiction to review by appeal, as herein provided:
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> xxx
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> (4) **Decisions of the Commissioner of Customs in cases involving liability for customs duties, fees or other money charges,** seizures, 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**; *(boldfacing supplied)*

In relation thereto, Section 3, Rule 4 of the Revised Rules of the Court of Tax Appeals (RRCTA), as amended, specifically includes the decision of the COC as one of the cases falling within the jurisdiction of the CTA in Division, as follows:

> SEC. 3. Cases within the **jurisdiction of the Court in Division**. – The Court shall exercise:

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[3] Annexes "1a", "19", and "28", unpaginated.
[4] *Commissioner of Internal Revenue v. Silicon Philippines, Inc. (formerly Intel Philippines Manufacturing, Inc.)*, G.R. No. 169778, March 12, 2014.

> (a) Exclusive original or appellate jurisdiction to review by the appeal the following:
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> xxx
>
> (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**; *(boldfacing supplied)*

Corollary thereto, Section 3(a), Rule 8 of the RRCTA, as amended, provides the period within which the decision of the COC may be appealed with the CTA, *to wit:*

> SEC. 3. *Who may appeal; period to file petition.* – (a) **A party adversely affected** by a decision, ruling or the inaction of the Commissioner of Internal Revenue on disputed assessments or claims for refund of internal revenue taxes, or **by a decision or ruling of the Commissioner of Customs**, the Secretary of Finance, the Secretary of Trade and Industry, the Secretary of Agriculture, or a Regional Trial Court in the exercise of its original jurisdiction, **may appeal to the Court by petition for review filed within thirty days after receipt of a copy of such decision or ruling**, or expiration of the period fixed by law for the Commissioner of Internal Revenue to act on the disputed assessments. In case of inaction of the Commissioner of Internal Revenue on claims for refund of internal revenue taxes erroneously or illegally collected, the taxpayer must file a petition for review within the two-year period prescribed by law from payment or collection of the taxes. *(boldfacing supplied)*

It is clear from the afore-cited provisions that the CTA in Division shall exercise exclusive original jurisdiction to review by appeal decisions of the COC 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.

In the present case, however, an examination of the allegations in the Petition for Duty and Tax Refund shows that the COC has yet to render a decision on petitioner's Protest and Appeal for Duty and Tax Refund filed on March 26, 2021. The filing of the Petition for Duty and Tax Refund is premised on the alleged inaction of the COC. Inaction by the COC on cases involving liability for custom duties, fees or other money charges is not one of the subject matters upon which the CTA exercises jurisdiction. Thus, the Court lacks jurisdiction over the subject matter of the Petition.

The courts may order the *motu proprio* dismissal of a case on the grounds of lack of jurisdiction over the subject matter pursuant to Section 1, Rule 9 of the Rules of Court,[5] which reads:

> Section 1. Defenses and objections not pleaded. – Defenses and objections not pleaded either in a motion to dismiss or in the answer are deemed waived. However, **when it appears from the pleadings or the evidence on record that the court has no jurisdiction over the subject matter**, that there is another action pending between the same parties for the same cause, or that the action is barred by a prior judgment or by statute of limitation, **the court shall dismiss the claim**. *(boldfacing supplied)*

It is the duty of the courts to consider the question of jurisdiction before they look into other matters involved in the case, even though such question is not raised by any of the parties.[6] Lack of jurisdiction is one of those excepted grounds where the court may dismiss a claim or a case at any time when it appears from the pleadings or the evidence on record that any of those grounds exists, even if they were not raised in the answer or in a motion to dismiss. The reason is that jurisdiction is conferred by law, and lack of it affects the very authority of the court to take cognizance of and to render judgment on the action.[7] Thus, **when a court has no jurisdiction over the subject matter, the only power it has is to dismiss the action**.[8]

WHEREFORE, in view of the foregoing, petitioner's *Amended Petition for Review of Protest and Appeal for Duty and Tax Refund* is hereby **DISMISSED** for lack of jurisdiction.

SO ORDERED.

ROMAN G. DEL ROSARIO
Presiding Justice

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[5] *Elizabeth M. Lansangan v. Antonio S. Caisip*, G.R. No. 212987, August 6, 2018.
[6] *Bureau of Customs v. Devanadera*, G.R. No. 193253, September 8, 2015.
[7] *Honorio Bernardo v. Heirs of Eusebio Villegas*, G.R. No. 183357, March 15, 2010.
[8] *Mitsubishi Motors Philippines Corporation v. Bureau of Customs*, G.R. No. 209830, June 17, 2015.

CATHERINE T. MANAHAN
Associate Justice

MARIAN IVY F. REYES-FAJARDO
Associate Justice