REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SECOND DIVISION

PEOPLE OF THE PHILIPPINES,
Plaintiff,

- versus -

GREEN MONEY TREE LENDING CORPORATION, CHARLES RENZI C. AYSON and ANNE MARJERRIE S. DOMINGO,
(Green Money Tree Lending Corp., 22F The World Trade Centre, 330 Sen. Gil Puyat Ave. Brgy. Bel-Air, Makati City 1209),
Accused.

CTA CRIM. CASE NO. O-1069
For: Violation of Section 255, in relation to Sections 253 and 256 of the National Internal Revenue Code of 1997, as amended

Members:

RINGPIS-LIBAN, *Chairperson,*
MODESTO-SAN PEDRO, *and*
FERRER-FLORES, *JJ.*

Promulgated:

OCT 0 6 2023

9:10 a.m.

x - x

RESOLUTION

On August 9, 2023, the prosecution filed an Information against herein accused, GREEN MONEY TREE LENDING CORPORATION, CHARLES RENZI C. AYSON and MARJERRIE S. DOMINGO, for violation of Section 255 in relation to Sections 253 and 256 of the National Internal Revenue Code (NIRC) of 1997, as amended, allegedly committed as follows:

> "That on or about 27th day of January 2020, and subsequent thereto, in the City of Makati, Philippines, accused Green Money Tree Lending Corporation (with Taxpayer Identification No. 009-690-792-000), Charles Renzi C. Ayson, being the President and Anne Marjerrie S. Domingo, being the Treasurer of said corporation, having filed the corporation's Quarterly Percentage Tax Return (BIR Form 2551) for the fourth quarter of 2019 thru BIR's Electronic Filing and Payment System (EFPS) indicating in the return a tax due of PHP15,250,497.84, paid the said tax due amount only on 19 June 2020, and having incurred surcharges and interest due to late payment in total amount of PHP8,908,659.02, did then and there willfully, and unlawfully **fail to pay the said amount of surcharges and interests due of PHP8,908,659.02**, despite demands, to the damage and prejudice of the government.

CONTRARY TO LAW." (Boldfacing supplied)

A careful reading of the Information reveals that the Court has no jurisdiction over the case. The Court of Tax Appeals (CTA), being a court of special jurisdiction, can take cognizance only of matters that are clearly within its jurisdiction.[1]

Section 7(b)(1) of Republic Act (R.A.) No. 1125,[2] as amended by R.A. No. 9282,[3] provides:

> "SEC. 7. Jurisdiction. — The CTA shall exercise:
>
> xxx xxx xxx
>
> (b) Jurisdiction over cases involving criminal offenses as herein provided:
>
> (1) **Exclusive original jurisdiction over all criminal offenses arising from violations of the National Internal Revenue Code** or Tariff and Customs Code and other laws administered by the Bureau of Internal Revenue or the Bureau of Customs: ***Provided, however,*** **That offenses or felonies mentioned in this paragraph where the principal amount of taxes and fees, exclusive of charges and penalties, claimed is less than One million pesos (₱1,000,000.00) or where there is no specified amount claimed shall be tried by the regular Courts** and the jurisdiction of the CTA shall be appellate. Any provision of law or the Rules of Court to the contrary notwithstanding, the criminal action and the corresponding civil action for the recovery of civil liability for taxes and penalties shall at all times be simultaneously instituted with, and jointly determined in the same proceeding by the CTA, the filing of the criminal action being deemed to necessarily carry with it the filing of the civil action, and no right to reserve the filling of such civil action separately from the criminal action will be recognized." (Boldfacing supplied)

A plain reading of the above-quoted provision reveals that this Court has exclusive original jurisdiction involving criminal offenses arising from violation of the 1997 NIRC, as amended, or Tariff and Customs Code and other laws administered by the Bureau of Internal Revenue and Bureau of Customs, provided that the *principal amount of taxes and fees, exclusive of charges and penalties claimed is at least ₱1,000,000.00.* On the other hand, where the principal amount of taxes and fees, exclusive of charges and penalties claimed is less than ₱1,000,000.00 or where there is no specified amount claimed, the case shall be tried by the regular courts and the jurisdiction of this Court shall be appellate.

---

[1] *Allied Banking Corporation vs. Commissioner of Internal Revenue,* G.R. No. 175097, February 5, 2010.
[2] An Act Creating the Court of Tax Appeals.
[3] An Act Expanding the Jurisdiction of the Court of Tax Appeals (CTA), 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.

A perusal of the Information shows that the amount being claimed are surcharges and interests in the sum of ₱8,908,659.02, which allegedly arose from failure of the accused to timely pay its basic percentage tax for the fourth quarter of taxable year 2019. Surcharges and interests are not within the jurisdiction of the CTA pursuant Section 7(b)(1) of R.A. No. 1125, as amended. The subject matter should be the principal amount of tax, **exclusive of charges and penalties**, of at least One Million Pesos (₱1,000,000.00).

Accordingly, since the subject matter of the case refers to surcharges and interests, the Court has no jurisdiction to take cognizance thereof. The case must perforce be dismissed on jurisdictional ground.

WHEREFORE, premises considered, CTA Crim. Case No. O-1069 is hereby **DISMISSED** for lack of jurisdiction.

SO ORDERED.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice