

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL SECOND DIVISION

SEAOIL PHILIPPINES, INC.,
Petitioner,

CTA CASE NO. 10639

-versus-

Members:
RINGPIS-LIBAN, *Chairperson & PJ,*
MODESTO-SAN PEDRO, *and*
FERRER-FLORES, *JJ.*

COMMISSIONER OF CUSTOMS,
Respondent.

Promulgated:

AUG 28 2026 11:53 AM 

x

x

RESOLUTION

RINGPIS-LIBAN, P.J.:

For resolution of the Court is petitioner's *Motion for Reconsideration* (Re: *Decision dated 25 March 2026*) filed on April 29, 2026, with respondents' *Comment* (On *Petitioner's Motion for Reconsideration dated April 29, 2026*) filed on June 4, 2026.

For easy reference, the dispositive portion of the assailed Decision¹ reads:

ACCORDINGLY, the present *Petition for Review* is **DISMISSED** for lack of jurisdiction.

SO ORDERED.²

In assailing the Court of Tax Appeals (CTA)'s ruling that it has no jurisdiction over the Petition, petitioner argues that: (1) the CTA has jurisdiction pursuant to Republic Act (RA) No. 1125, as amended by RA No. 9282; (2) the Revised Rules of the Court of Tax Appeals, a procedural law, must yield to RA No. 1125, as amended by RA No. 9282, a substantive law, that clearly grants the CTA jurisdiction over the instant case; and (3) the CTA's jurisdiction over the instant case is supported by jurisprudence.

¹ Docket, Vol. VII, pp. 3514-3528.

² See Note 3, p. 532.

On the other hand, respondent agrees with the assailed Decision that the CTA has no jurisdiction over the instant case.

After careful consideration of the merits, the Court finds in favor of respondent.

The “deemed affirmed” provision under Customs Administrative Order (CAO) No. 02-2020, in relation to Section 5.5.1(f) of CAO No. 01-2019, and Sections 114 and 1110 of the Customs Modernization and Tariff Act (CMTA), is appealable to the CTA

At the outset, while the foregoing discussion might seem unrelated to the instant case, the Court deems it necessary to clarify that not all “*inactions*” are unappealable to this Court. In fact, in protestable cases,³ the inaction of the Commissioner of Customs (COC) is tantamount to a decision denying the protest.

Section 1110 of the CMTA provides:

SEC. 1110. *Decision in Protest.* - When a protest is filed in proper form, **the Commissioner shall render a decision within thirty (30) days from receipt of the protest.** In case the protest is sustained, in whole or in part, the appropriate order shall be made, and the entry reassessed, if necessary. (*Emphasis supplied*)

Relative thereto, Section 10.3 of CAO No. 02-2020 provides:

10.3 When a protest is filed in proper form, the Commissioner shall render a ruling within thirty (30) days from receipt of the protest. **Otherwise, the ruling of the Collector shall be deemed affirmed if the Commissioner fails to act on the same.** (*Emphasis supplied*)

Based on the above-quoted provisions, in protestable cases, the COC has 30 days from receipt of a protest in proper form, within which to decide the protest. In case of the COC’s failure to act on the same within the prescribed period, the ruling of the Collector is deemed affirmed. This “*deemed affirmed*” provision under Section 10.3 of CAO No. 02-2020, in relation to Section 1110

³ SEC. 1107. *Protest Exclusive Remedy in Protestable Case.* – In all cases subject to protest, the interested party who desires to have the action of the District Collector reviewed, shall file a protest as provided in Section 1106 of this Act, otherwise the action of the District Collector shall be final and conclusive.

of the CMTA, is appealable to the CTA. Section 7(a)(4) of RA No. 1125, as amended by RA No. 9282, provides:

Sec. 7. Jurisdiction.- The CTA shall exercise:

- a. Exclusive appellate jurisdiction to review by appeal, as herein provided:

xxx

xxx

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; (*Emphasis supplied*)

Harmonizing the above-quoted provisions, it is a *misnomer* that the Court has no jurisdiction over an “*inaction*” of the COC on a protest, because such “*inaction*” is equivalent to a decision denying the protest under the “*deemed affirmed*” *proviso* of Section 10.3 of CAO No. 02-2020. Simply put, there is no appealable “*inaction*” of the COC because such “*inaction*” is deemed a denial of the protest, which is a decision properly appealable to the CTA under Section 7(a)(4) of RA No. 1125, as amended by RA No. 9282.

However, there is no equivalent “*deemed affirmed*” provision in CAO No. 01-2019 on Post Clearance Audit. Hence, the Court did not err when it refused to take cognizance of the instant case

Unfortunately for petitioner, while the above-explained “*deemed-affirmed*” *proviso* is applicable to protestable cases, a reading of CAO No. 01-2019 shows that there is no equivalent provision with respect to the results of a post-clearance audit by the COC.

In other words, unlike in protestable cases, the COC’s inaction on petitioner’s motion for reinvestigation of the post-clearance audit results, cannot be deemed as a decision of the COC appealable to the Court. This conclusion is based on the above-quoted Section 7(a)(4) of RA No. 1125, as amended by RA No. 9282, in relation to Section 8 of CAO No. 01-2019. It states:

Section 8. Remedies of the Importer. When the request for reconsideration or reinvestigation is denied by the

Commissioner as provided in Section 5.5.1.f, in whole or in part, the Importer may appeal such **denial** to the Court of Tax Appeals (CTA) within thirty (30) days from receipt of the adverse ruling or decision of the Commissioner. (*Emphasis supplied*)

Thus, consistent with Section 7(a)(4) of RA No. 1125, as amended by RA No. 9282, *i.e.*, decisions of the COC are appealable to CTA, Section 8 of CAO No. 01-2019, likewise speaks only of a denial of the request for reconsideration or reinvestigation that is appealable to the CTA.

Meanwhile, petitioner asserts that Section 11 of RA No. 1125, as amended by RA No. 9282, provides that a party adversely affected by the inaction of respondent COC may appeal to the CTA, as follows:

SEC. 11. *Who may Appeal; Mode of Appeal; Effect of Appeal.* – Any party adversely affected by a decision, ruling or inaction of xxx, the Commissioner of Customs, xxx may file an appeal with the CTA within thirty (30) days after receipt of 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.

Yet, a reading of Section 7 *vis-à-vis* Section 11 of the said law reveals that, while Section 7 is substantive in nature, *i.e.*, it clearly confers and enumerates the jurisdiction of the CTA, Section 11 is merely procedural, *i.e.*, it simply provides for the procedural rules as to how a party affected by the COC's adverse decision may appeal the same. Simply put, Section 7 confers jurisdiction, while Section 11 provides the procedure for filing an appeal before the CTA. As such, the Court finds petitioner's assertion untenable.

Finally, the Court emphasizes the time-honored principle that "[J]urisdiction cannot be presumed or implied, but must appear clearly from the law or it will not be held to exist."⁴ Consequently, the Court cannot presume, or assume by implication, that it has jurisdiction over the COC's inaction on petitioner's request for reinvestigation of the post-clearance audit.

Considering the foregoing, the Court finds the instant motion unmeritorious. As such, the denial of the same is in order.

FOR THESE REASONS, petitioner's *Motion for Reconsideration (Re: Decision dated 25 March 2026)* is **DENIED**, for lack of merit.

⁴ *Guillermo Salvador, et al., v. Patricia Inc., et al.*, G.R. No. 195834, November 9, 2016, citing *Tenorio v. Batangas Transportation Co.*, 90 Phil 804 (1952); *Dimagiba v. Germaldez*, 102 Phil 1016; *De Jesus, et al. v. Garcia, et al.*, No. L-26816, February 28, 1967, 19 SCRA 554, 562.

SO ORDERED.



MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

WE CONCUR:



MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

(On Leave)

CORAZON G. FERRER-FLORES
Associate Justice