REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

THIRD DIVISION

PETRON CORPORATION,
Petitioner,

- versus -

COMMISSIONER INTERNAL REVENUE,
Respondent.

CTA Case Nos. 11056 & 11173

Members:

MANAHAN, *Chairperson,*
REYES-FAJARDO, and
ANGELES *JJ.*

Promulgated:

APR 18 2024
9:04 a.m.

x- -x

RESOLUTION

In its Motion to Withdraw Petition for Review (Re: CTA Case No. 11173),[1] petitioner explains that CTA Case No. 11173 seeks the refund of alleged erroneously paid excise taxes on its imported and locally produced automotive diesel oil (ADO), covered by the registration with the Authority of Freeport Area of Bataan, subsequently sold and delivered to various tax-exempt entities for periods April 30, 2021 to December 31, 2021, in the total amount of ₱740,513,364.00.

Subsequently, the Bureau of Internal Revenue (BIR) issued a Letter[2] to the Bureau of Customs (BOC), informing the latter of the former's approval of its claim for tax refund in the total amount of ₱1,488,454,886.83, pertaining to erroneously paid excise taxes on imported and locally produced ADO, unleaded premium gasoline, Jet A-1 Fuel, kerosene fuel, and LPG, sold to international carriers and tax-exempt entities for the periods April 20, 2021 to December 31, 2021. For this reason, the BOC issued a Tax Credit Certificate (TCC) dated December 1, 2023 in its favor, covering said approved amount.[3]

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1 Motion for brevity.
2 Annex "A," Motion. Docket, p. 312.
3 Annex "B," Motion. *Id.* at p. 313.

According to petitioner, said TCC includes the amount being refunded in CTA Case No. 11173. By this development, the latter prays for the withdrawal of the Petition for Review in CTA Case No. 11173. Additionally, petitioner manifests that it intends to pursue its refund claim in CTA Case No. 11056.

For his part, respondent failed to comment on petitioner's motion, despite notice.[4]

The Motion is granted.

For us to exercise judicial power over a case, an actual case or justiciable controversy is necessary. Section 1, Article VIII of the 1987 Constitution is on point:

> Section 1. **The judicial power shall be vested** in one Supreme Court and **in such lower courts as may be established by law.**
>
> **Judicial power includes the duty of the courts of justice to settle actual controversies involving rights which are legally demandable and enforceable**, and to determine whether or not there has been a grave abuse of discretion amounting to lack or excess of jurisdiction on the part of any branch or instrumentality of the Government.[5]

In reverse, if there is no actual case or judiciable controversy, we are devoid of authority to act on a case. *Express Telecommunications Co., Inc. v. AZ Communications, Inc.*[6] confirmed:

> Courts have no power to act on a matter if there is no actual case or justiciable controversy. ...The rule holds true even when there had previously been a legal conflict or claim, but it has become moot because a supervening event has rendered the legal issue inexistent. When a case has become moot, there is no longer a conflict of rights that needs to be resolved by the courts.

Here, the refund of excise taxes sought by petitioner in CTA Case No. 11173 was already covered by the BIR-approved,[7] and BOC-

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4 Records Verification Report dated February 22, 2024.
5 Boldfacing supplied.
6 G.R. No. 196902, July 13, 2020.
7 *Supra* note 2.

issued[8] TCC. Thus, there is no more actual controversy to be addressed in CTA Case No. 11173, warranting the grant of petitioner's motion.

WHEREFORE, petitioner's Motion to Withdraw Petition for Review (Re: CTA Case No. 11173), filed on January 24, 2024 is **GRANTED**. Accordingly, we **RESOLVE** to:

a. **CONSIDER** as **WITHDRAWN,** the Petition for Review in CTA Case No. 11173;

b. **DEEM** CTA Case No. 11173 as **CLOSED** and **TERMINATED**; and

c. **DECONSOLIDATE** CTA Case No. 11173 from CTA Case No. 11056.

SO ORDERED.

(Inhibited)
CATHERINE T. MANAHAN
Presiding Justice

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

HENRY S. ANGELES
Associate Justice

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[8] *Supra* note 3.