CTA Form No. 6

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

**FIRST DIVISION**

**C.T.A. CRIM. CASE NO. O-062**

**PEOPLE OF THE PHILIPPINES,**
**Plaintiff,**

**- versus -**

# NOTICE OF RESOLUTION

**CONRADO"BOBBY" ARANETA,**
(No. 0626 Pildera Street, Brgy. 192, Zone 20, Sto. Niño, Parañaque City),
**Accused.**

**To:**

**PROSECUTOR GENERAL BENEDICTO A. MALCONTENTO**
Department of Justice
Padre Faura Street, Ermita
Manila

**COMMISSIONER OF CUSTOMS**
Ground Floor, OCOM Building
16th Street, South Harbor, Port Area
Manila

**DIRECTOR**
National Bureau of Investigation
Taft Avenue, Ermita
Manila

**PNP CHIEF**
**Thru: CIDG**
Philippine National Police
National Headquarters
Camp General Rafael Tagle Crame
EDSA, Quezon City

**CHIEF, WARRANT AND SUBPOENA SECTION**
Parañaque City Police Station
Dr. A. Santos Avenue, Brgy. San Dionisio
Parañaque City

***GREETINGS:***

You are hereby notified by these presents that on **March 6, 2024,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, March 7, 2024.

**Atty. Maria Johoanna F. Chan-Te**
Executive Clerk of Court II

**REPUBLIC OF THE PHILIPPINES**
**COURT OF TAX APPEALS**
**QUEZON CITY**

## FIRST DIVISION

**PEOPLE OF THE PHILIPPINES,**
Plaintiff,

- versus -

**CONRADO "BOBBY" ARANETA,**
(No. 0626 Pildera Street,
Brgy. 192, Zone 20 Sto. Niño,
Parañaque City)
(At-Large),
Accused.

**CTA CRIM. CASE NO. O-062**

For: Violation of Section 3601 of the Tariff & Customs Code of the Philippines

Members:

**DEL ROSARIO,** *P.J., Chairperson,*
**BACORRO-VILLENA,** *and*
**CUI-DAVID,** *JJ.*

Promulgated:

MAR 06 2024; 9:20AM

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## RESOLUTION

On September 14, 2007, an Information was filed before this Court against the accused, **CONRADO "BOBBY" ARANETA**, for violation of Section 3601 of the Tariff and Customs Code of the Philippines (TCCP), allegedly committed as follows:

> "'That on or about December, 1998, in Manila and within the jurisdiction of the Honorable Court, the above-named accused Conrado "Bobby" Araneta, did then and there, wilfully, unlawfully and feloniously facilitate, help aid and assist the illegal importation of - one (1) unit second hand Tugboat, EX.M/T IRIS MARU; gross tonnage- 187.38 tons; now named M/T Chinook and that the customs duties and taxes due for the said tugboat amounted to PHP 1,326,375.00; that no certificate of payment was issued by the Bureau of Customs and the said customs duties and taxes due have not been paid; that accused caused the illegal importation by making it appear that the said tugboat validly paid the customs duties and taxes due thereto, to the damage and prejudice of the Philippine government.'
>
> CONTRARY TO LAW."[1]

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[1] Docket, p. 1.

On October 11, 2007, the Court ordered the State to submit accused's Counter-Affidavit and records of the Preliminary Investigation.[2]

On October 22, 2007, the prosecutor filed a Manifestation[3] stating that accused failed to submit his counter affidavit despite notice and ample time afforded to him. The prosecution, instead, attached a Subpoena to Respondent and Subpoena dated March 28, 2007 and April 16, 2007, respectively, both addressed to the accused.

In the Resolution dated December 3, 2007,[4] the Court found probable cause for the issuance of a Warrant of Arrest against accused, and set the amount of bail at ₱120,000.00. On December 17, 2007, the Warrant of Arrest was issued.[5]

On February 12, 2008, the Court noted the report of Police Superintendent Honorio R. Agnila that the address of the accused stated in the Warrant of Arrest does not exist and directed the Bureau of Customs (BOC) to assist the authorities by providing the location or address of the accused.

On November 18, 2008, the Court issued a Resolution archiving the case considering that accused is still at large despite the issuance of the Warrant of Arrest against him on December 17, 2007.[6]

Meanwhile, the Court noted that several cases have been archived in view of the authorities' failure to cause the arrest of the accused. As part of the Court's ongoing efforts to decongest the Court's dockets, the Court finds it imperative to review archived cases.

After carefully perusing the records of the present case, the Court finds sufficient basis to dismiss the case.

Section 7(b)(1) of Republic Act (RA) No. 1125, as amended by RA No. 9282, provides:

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

xxx xxx xxx

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[2] Docket, pp. 81-86.
[3] Docket, pp. 87-88.
[4] Docket, pp. 92-95.
[5] Docket, pp. 96.
[6] Docket, unpaginated, after p. 103.

(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 (P1,000,000.00) 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 filing of such civil action separately from the criminal action will be recognized." *(Boldfacing supplied)*

Relatedly, Section 3(b)(1), Rule 4 of the Revised Rules of the Court of Tax Appeals (RRCTA), as amended, states:

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

xxx xxx xxx

(b) Exclusive jurisdiction over cases involving criminal offenses, to wit:

(1) 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, **where the principal amount of taxes and fees, exclusive of charges and penalties, claimed is one million pesos or more**; and xxx" *(Boldfacing supplied)*

*In esse*, the Court of Tax Appeals has exclusive original jurisdiction on criminal offenses arising from, violations of the TCCP and other laws administered by the BOC 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.

The Information shows that accused allegedly helped "aid and assist the illegal importation of -one (1) unit second hand Tugboat, EX.M/T IRIS MARU; gross tonnage- 187.38 tons; now named M/T Chinook and that **the customs duties and taxes due for the said tugboat amounted to PHP 1,326,375.00**; that no certificate of payment was issued by the Bureau of Customs and the said customs duties and taxes due have not been paid; that accused caused the illegal importation by making it appear that the said tugboat validly paid the customs duties and taxes due thereto".

The Information, however, failed to indicate whether the amount ₱1,326,375.00 of customs duties and taxes, that accused allegedly failed to pay, is exclusive of charges and penalties. Interestingly, even aforestated amount cannot be traced in the supporting documents attached to the Information.

Nonetheless, an examination of the Import Entry and Internal Revenue Declaration (IEIRD) No. 17005904[7] on the unpaid second-hand tugboat, shows the total amount of customs duties and taxes to be paid is only ₱261,783.20,[8] which is clearly less than ₱1,000,000.00.

Considering that the principal amount of customs duties and taxes, exclusive of charges and penalties, that can be claimed from accused is less than ₱1,000,000.00, it is the regular courts which has jurisdiction over this case.

Finally, while there is no referral letter from the Commissioner of Customs approving the filing of the criminal case against the accused as required in Section 2, Rule 9 of the RRCTA, accused Conrado "Bobby" Araneta is NOT one of those persons against which the Complaint-Affidavit of Mr. Bernardo M. Evangelista dated October 27, 2006[9] was initiated for violation of Section 3601 of the TCCP.

**WHEREFORE**, premises considered, CTA Crim. Case No. O-062 is hereby **WITHDRAWN** from the archives and accordingly **DISMISSED** for lack of jurisdiction.

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[7] Annex "B" of the Complaint-Affidavit attached to the Information, Docket, pp, 21-22.
[8] ₱57,571.20 (Customs Duties) + ₱204,212.00 (Value-Added Tax) = ₱261,783.20.
[9] Docket, pp. 13-18.

The Warrant of Arrest dated December 17, 2007 issued against accused Conrado "Bobby" Araneta is hereby **RECALLED and SET ASIDE.**

**SO ORDERED.**

**ROMAN G. DEL ROSARIO**
Presiding Justice

**JEAN MARIE A. BACORRO-VILLENA**
Associate Justice

**LANEE S. CUI-DAVID**
Associate Justice