REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SECOND DIVISION

NATIONAL FOOD AUTHORITY, Represented by Atty. Ma. Theresa S. Villafuerte, Director of NFA-Legal Affairs,
Petitioner,

- versus -

MUNICIPALITY OF SHARIFF AGUAK, MUNICIPAL TREASURER, AND MUNICIPAL ASSESSOR OF SHARIFF AGUAK, MAGUINDANAO,
Respondents.

CTA AC NO. 202

Members:

CASTAÑEDA, JR., Chairperson, *and*
BACORRO-VILLENA, *JJ.*

Promulgated:

MAR 04 2021

1:0 p.m.

x- -x

RESOLUTION

CASTAÑEDA, JR., *J.*:

For resolution of the Court is petitioner's Motion for Reconsideration (of the Decision dated 22 July 2020) filed through registered mail on August 27, 2020, *sans* respondent's comment.

For easy reference, the dispositive portion of the assailed Decision reads as follows:

> "**WHEREFORE**, the instant Petition for Review is **DENIED**, for lack of merit.
>
> **SO ORDERED.**"

In its motion, Petitioner argues that: (1) The Court erred in holding that petitioner is not without other plain, speedy and adequate remedy; and (2) The Court erred in not resolving the substantial merits of the Petition for Review.

Petitioner posits that it is not assailing the reasonableness of the tax deficiency, but the authority of respondent to assess. Thus, it alleges that there is no factual issue involved in this case and consequently, the filing of its action for prohibition is proper. Likewise, it need not pay under protest based on the said circumstances. Further, it alleges that a government instrumentality is specifically exempted from real property taxation (RPT).

Considering the foregoing, the Court shall resolve the core issue whether factual issues are involved in this case to justify petitioner's non-payment under protest and to support its action for prohibition.

Petitioner failed to show proof of compliance with Section 206 of the Local Government Code (LGC) of 1991

In this regard, Section 206 of the LGC of 1991 provides:

> "SEC. 206. *Proof of Exemption of Real Property from Taxation.* - Every person by or for whom real property is declared, who shall claim tax exemption for such property under this Title shall file with the provincial, city or municipal assessor within thirty (30) days from the date of the declaration of real property sufficient documentary evidence in support of such claim including corporate charters, title of ownership, articles of incorporation, bylaws, contracts, affidavits, certifications

> and mortgage deeds, and similar documents. If the required evidence is not submitted within the period herein prescribed, the property shall be listed as taxable in the assessment roll. However, if the property shall be proven to be tax exempt, the same shall be dropped from the assessment roll."

Under the afore-quoted provision, every person claiming RPT exemption must present documentary evidence in support of its claim for exemption, within thirty (30) days from the date of the declaration of real property, in order for the subject property not to be listed in the assessment roll. Should the taxpayer fail to do so, the same law affords the taxpayer an opportunity to still claim for exemption by providing proof in support thereof.

As cited in the assailed Decision, the case of *National Power Corporation v. The Provincial Treasurer of Benguet, et al.*,[1] is instructive. Thus:

> "Section 206 of the LGC categorically provides that every person by or for whom real property is declared, who shall claim exemption from payment of real property taxes imposed against said property, shall file with the provincial, city or municipal assessor sufficient documentary evidence in support of such claim. The burden of proving exemption from local taxation is upon whom the subject real property is declared. By providing that real property not declared and proved as tax-exempt shall be included in the assessment roll, the above quoted provision implies that the local assessor has the authority to assess the property for realty taxes, and any subsequent claim for exemption shall be allowed only when sufficient proof has been adduced supporting the claim. Thus, if the **property being taxed has not been dropped from the assessment roll, taxes must be paid under protest if the exemption from taxation is insisted upon**."

Here, petitioner failed to show any proof that the property being taxed has not been dropped from the assessment roll, as provided for under Section 206 of the LGC of 1991. Petitioner's failure to do so effectively places the instant case within the ambit of

[1] G.R. No. 209303, November 14, 2016.

a factual issue, *i.e.*, whether the real property is included in the assessment roll. Thus, the Court is correct when it ruled that payment under protest is required and that petitioner had plain, speedy and adequate remedy, *i.e.*, by complying with Section 206 of the LGC of 1991.

Thus, petitioner failed to raise meritorious arguments to justify the reversal of the assailed Decision. Hence, the denial of the instant motion is in order.

Considering the foregoing, petitioner's Motion for Reconsideration (of the Decision dated 22 July 2020) is **DENIED**, for lack of merit.

SO ORDERED.

Juanito C. Castañeda, Jr.
JUANITO C. CASTAÑEDA, JR.
Associate Justice

I CONCUR:

JEAN MARIE A. BACORRO-VILLENA
Associate Justice