REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

THIRD DIVISION

SANDOZ PHILIPPINES CORPORATION,
Petitioner,

- versus -

COMMISSIONER INTERNAL REVENUE,
Respondent.

CTA Case No. 10774

Members:

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

Promulgated:

APR 30 2024
2:42 p.m.

x- -x

RESOLUTION

In its Motion to Withdraw Petition for Review filed on February 26, 2024,[1] petitioner explains that this case is a judicial claim for refund of alleged erroneously paid Value-Added Tax (VAT) on its importation of prescription drugs and medicines for diabetes and hypertension for the period February 19, 2020 to June 30, 2020, in the total amount of ₱8,595,767.58.

According to petitioner, Commissioner of Customs Bienvenido Y. Rubio approved, and, on the basis thereof, the Bureau of Customs (BOC) granted, its refund of VAT on its importation for the period January 1, 2020 to June 30, 2020, in the sum of ₱10,563,376.58.[2] This includes the amount being sought as refund in CTA Case No. 10774. By such development, petitioner prays for: (1) withdrawal of its Petition for Review in said case; and (2) termination of CTA Case No. 10774.

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1 Motion for brevity. Docket, pp. 1736-1742.
2 Annex "A" and "B," Motion. *Id.* at pp. 1743-1744.

By way of Comment (To Petitioner's Motion to Withdraw Petition for Review) posted on March 18, 2024, respondent alluded the resolution of petitioner's motion to the Court's sound discretion.[3]

The Motion is impressed with merit.

For us to exercise judicial power over a case, an actual case or justiciable controversy is indispensable. 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.[4]

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.*[5] 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 alleged erroneously paid VAT sought by petitioner in CTA Case No. 10774 was granted[6] by the BOC. Thus, there is no more actual case or controversy to be addressed in said case, justifying allowance of petitioner's motion.

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3 Docket, unpaginated.
4 Boldfacing supplied.
5 G.R. No. 196902, July 13, 2020.
6 *Supra* note 2.

WHEREFORE, petitioner's Motion to Withdraw Petition for Review filed on February 26, 2024 is **GRANTED**. Accordingly, we **RESOLVE** to:

a. **CONSIDER** as **WITHDRAWN**, the Petition for Review in CTA Case No. 10774;

b. **DECLARE** CTA Case No. 10774 **CLOSED** and **TERMINATED**; and

c. **DEEM** as **MOOT**, petitioner's Motion for Reconsideration (with Motion to Defer Submission of Memorandum) filed on February 21, 2024.

Finally, respondent's Comment (To Petitioner's Motion to Withdraw Petition for Review) posted on March 18, 2024, is **NOTED**.

SO ORDERED.

Catherine T. Manahan

CATHERINE T. MANAHAN
Associate Justice

Marian Ivy F. Reyes-Fajardo

MARIAN IVY F. REYES-FAJARDO
Associate Justice

HENRY S. ANGELES
Associate Justice