

REPUBLIC OF THE PHILIPPINES  
COURT OF TAX APPEALS  
QUEZON CITY

EN BANC

DANILO N. MATIAS,

*Petitioner,*

CTA EB No. 2824

(CTA Case No. 11025)

Present:

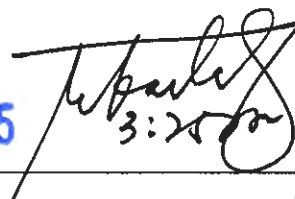
-versus-

DEL ROSARIO, PJ,  
RINGPIS-LIBAN,  
MANAHAN,  
BACORRO-VILLENA,  
MODESTO-SAN PEDRO,  
REYES-FAJARDO,  
CUI-DAVID,  
FERRER-FLORES, and,  
ANGELES, JJ.

COMMISSIONER OF  
INTERNAL REVENUE,  
*Respondent.*

Promulgated:

MAR 04 2025

  
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DECISION

REYES-FAJARDO, J.:

We are called upon to rule on the Verified Petition for Review *En Banc* dated November 10, 2023,<sup>1</sup> filed by Danilo N. Matias, assailing the Resolutions dated July 10, 2023<sup>2</sup> and October 9, 2023<sup>3</sup> in CTA Case No. 11025, whereby the Court of Tax Appeals Second Division (Court in Division) dismissed said case for lack of jurisdiction.

The facts follow.

<sup>1</sup> *Rollo*, pp. 1-19.

<sup>2</sup> *Id.* at pp. 21-24.

<sup>3</sup> *Id.* at pp. 27-29.



Sometime March or April 2022, petitioner received a Letter dated March 28, 2022 from the branch manager of BPI Vigan Branch. Appended thereto was a copy of the Warrant of Garnishment dated March 21, 2022 (WOG).

On May 2, 2022, petitioner sent a letter addressed to the Office of the Regional Director, Bureau of Internal Revenue (BIR) Region No. 1 in Calasiao, Pangasinan. There, petitioner requested, among others, the lifting of the Warrant of Distraint and/or Levy dated March 7, 2022 (WDL) and WOG.

Through Letter dated July 7, 2022, the Regional Director of BIR Revenue Region No. 1, denied petitioner's request to lift the WDL and WOG.

On August 30, 2022, petitioner sent a follow-up letter of even date, addressed to the Regional Director of BIR Revenue Region No. 1 in Calasiao, Pangasinan, reiterating his request to lift the WDL and WOG.

On September 26, 2022, petitioner received a Letter dated September 15, 2022, issued by Regional Director Douglas A. Rufino of the Office of the Legal Division, BIR Revenue Region No. 1, denying petitioner's request to lift the WDL and WOG.

On October 26, 2022, petitioner filed a Petition for Review, docketed as CTA Case No. 11025, raffled before the CTA's Second Division.

Under Resolution dated July 10, 2023,<sup>4</sup> it was found that per allegations in petitioner's Petition for Review in CTA Case No. 11025, the latter received the WDL and WOG sometime March or April 2022. Granting he received said warrants on the last day of April 2022, petitioner had 30 days from April 30, 2022, or until May 30, 2022 to seek judicial redress. Precisely, the Court in Division dismissed the belatedly filed Petition on October 26, 2022, as follows:

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<sup>4</sup> *Rollo*, pp. 21-24. Docket (CTA Case No. 11025), pp. 187-190.

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

**SO ORDERED.**

Petitioner moved,<sup>5</sup> but failed<sup>6</sup> to secure a reversal of the Resolution dated July 10, 2023; hence, the present<sup>7</sup> recourse.

Petitioner ascribes error on the Court in Division's finding that it lacks jurisdiction over CTA Case No. 11025, explaining that the BIR's issuance of the WDL and WOG falls under "other matters" arising from the 1997 National Internal Revenue Code (NIRC), as amended, specified in Section 7(a)(1) of Republic Act (RA) No. 1125, as amended by RA No. 9282. Thus, the Court in Division possesses jurisdiction over his challenge on the propriety thereof.

With the Court in Division's acquisition of jurisdiction over CTA Case No. 11025, petitioner then asserts the BIR's enforcement of the WDL and WOG against him is illegal because its right to assess and collect internal revenue taxes is barred by prescription under Sections 203, in relation to Section 222 of the NIRC, as amended. Specifically, the waiver, which the BIR claimed to be executed by him, did *not* extend said prescriptive period to assessment since: (1) he never executed said waiver; and (2) the extension thereof is indefinite in character.

In refutation,<sup>8</sup> respondent ripostes that the Court in Division correctly dismissed CTA Case No. 11025, for lack of jurisdiction, because petitioner's Petition for Review was lodged beyond the 30-day period to appeal under the law. Granting, the Court in Division acquired jurisdiction over said case, respondent nevertheless retorts that petitioner failed to question the validity of the waiver at administrative level; hence, cannot be impugned at judicial level.

## RULING

We deny the Verified Petition.

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<sup>5</sup> Petitioner's Motion for Reconsideration dated August 1, 2023. Docket (CTA Case No. 11025), pp. 191-200.

<sup>6</sup> Resolution dated October 9, 2023. *Id.* at pp. 224-226.

<sup>7</sup> *Supra* note 1.

<sup>8</sup> Comment/Opposition (Re: Petitioner's Verified Petition for Review En Banc dated 10 November 2023). *Rollo*, pp. 42-52.

Section 7(a)(1) of RA No. 1125, as amended by RA No. 9282, confers upon the CTA, the jurisdiction over respondent's action over other matters arising from the NIRC, as amended:<sup>9</sup>

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

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

1. Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or **other matters arising under the National Internal Revenue Code** or other laws administered by the Bureau of Internal Revenue;

Section 3(a)(1), Rule 4 of the Revised Rules of the Court of Tax Appeals<sup>10</sup> further clarified that the CTA in Division has jurisdiction over respondent or his authorized representative's action over other matters arising under the NIRC, as amended, among others.<sup>11</sup> One of these matters is specified in Section 2 thereof, acknowledging the BIR's authority to collect all national internal revenue taxes, fees, and charges.<sup>12</sup> This includes the issuance of the rules, regulations, and measures in pursuit thereof,<sup>13</sup> such as the distraint and/or levy of property, and garnishment of bank accounts, mentioned in Section 205(a),<sup>14</sup> in relation to Sections 207<sup>15</sup> and 208<sup>16</sup> of the same Code. By

<sup>9</sup> See *Commissioner of Internal Revenue v. Lancaster Philippines, Inc.*, G.R. No. 183408, July 12, 2017.

<sup>10</sup> A.M. No. 05-11-07-CTA.

<sup>11</sup> SEC. 3. *Cases within the jurisdiction of the Court in Divisions.* - The Court in Divisions shall exercise:

(a) Exclusive appellate jurisdiction to review by appeal the following:

(1) **Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or other matters arising under the National Internal Revenue Code or other laws, administered by the Bureau of Internal Revenue;** (Boldfacing supplied)

<sup>12</sup> SEC. 2. *Powers and Duties of the Bureau of Internal Revenue.* - The Bureau of Internal Revenue shall be under the supervision and control of the Department of Finance and its powers and duties shall comprehend the assessment and collection of all national internal revenue taxes, fees, and charges, and the enforcement of all forfeitures, penalties, and fines connected therewith, including the execution of judgments in all cases decided in its favor by the Court of Tax Appeals and the ordinary courts.... See *Commissioner of Internal Revenue v. Bank of the Philippines Islands*, G.R. No. 227049, September 16, 2020. (Boldfacing supplied)

<sup>13</sup> See *Commissioner of Internal Revenue v. Bank of the Philippines Islands*, G.R. No. 227049, September 16, 2020.

<sup>14</sup> Section 205. *Remedies for the Collection of Delinquent Taxes.* - The civil remedies for the collection of internal revenue taxes, fees or charges, and any increment thereto resulting from delinquency shall be:

these premises, petitioner is correct in arguing that the WDL and WOG subject of CTA Case No. 11025 falls within other matters arising under the NIRC, as amended.

Yet, petitioner's insistence that the Court in Division acquired jurisdiction over CTA Case No. 11025 *solely* because there was a WDL and WOG issued by the BIR against him, is, at best, myopic. Specifically, it is *not* enough that there was a collection measure issued by the BIR. **In addition**, Section 11 of RA No. 1125, as amended by RA No. 9282, commands that the WDL and WOG being

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(a) By distraint of goods, chattels, or effects, and other personal property of whatever character, including stocks and other securities, debts, credits, bank accounts and interest in and rights to personal property, and by levy upon real property and interest in rights to real property; ...

15 Section 207. *Summary Remedies.* -

(A) Distraint of Personal Property. - Upon the failure of the person owing any delinquent tax or delinquent revenue to pay the same at the time required, the Commissioner or his duly authorized representative, if the amount involved is in excess of One million pesos (P1,000,000), or the Revenue District Officer, if the amount involved is One million pesos (P1,000,000) or less, shall seize and distraint any goods, chattels or effects, and the personal property, including stocks and other securities, debts, credits, bank accounts, and interests in and rights to personal property of such persons; in sufficient quantity to satisfy the tax, or charge, together with any increment thereto incident to delinquency, and the expenses of the distraint and the cost of the subsequent sale.

...

(B) Levy on Real Property. - After the expiration of the time required to pay the delinquent tax or delinquent revenue as prescribed in this Section, real property may be levied upon, before simultaneously or after the distraint of personal property belonging to the delinquent. To this end, any internal revenue officer designated by the Commissioner or his duly authorized representative shall prepare a duly authenticated certificate showing the name of the taxpayer and the amounts of the tax and penalty due from him. Said certificate shall operate with the force of a legal execution throughout the Philippines.

Levy shall be affected by writing upon said certificate a description of the property upon which levy is made. At the same time, written notice of the levy shall be mailed to or served upon the Register of Deeds for the province or city where the property is located and upon the delinquent taxpayer, or if he be absent from the Philippines, to his agent or the manager of the business in respect to which the liability arose, or if there be none, to the occupant of the property in question.

...

16 Section 208. *Procedure for Distraint and Garnishment.* - The officer serving the warrant of distraint shall make or cause to be made an account of the goods, chattels, effects or other personal property distrained, a copy of which, signed by himself, shall be left either with the owner or person from whose possession such goods, chattels, or effects or other personal property were taken, or at the dwelling or place of business of such person and with someone of suitable age and discretion, to which list shall be added a statement of the sum demanded and note of the time and place of sale.

...

Bank accounts shall be garnished by serving a warrant of garnishment upon the taxpayer and upon the president, manager, treasurer or other responsible officer of the bank. Upon receipt of the warrant of garnishment, the bank shall turn over to the Commissioner so much of the bank accounts as may be sufficient to satisfy the claim of the Government.

assailed, must be appealed to the CTA in Division, within thirty (30) days from receipt thereof:

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

Appeal shall be made by filing a petition for review under a procedure analogous to that provided for under Rule 42 of the 1997 Rules of Civil Procedure with the CTA within thirty (30) days from the receipt of the decision or ruling or in the case of inaction as herein provided, from the expiration of the period fixed by law to act thereon. A Division of the CTA shall hear the appeal: ....

...<sup>17</sup>

To complete the picture, while the WDL and WOG assailed by petitioner fall within other matters arising under the NIRC, as amended, recognized under Section 7(a)(1) of RA No. 1125, as amended by RA No. 9282, the Court in Division found that petitioner **failed** to seasonably challenge these collection measures, within the 30-day reglementary period to appeal, as required in Section 11 of the same law, leading to the dismissal of CTA Case No. 11025, for lack of jurisdiction:

Based on the allegations in the Petition for Review, petitioner received the WDL and the [WOG] "sometime in March or April 2022". Even assuming that the said warrants were received on the last day of April 2022, petitioner should have appealed to [the Court in Division] on or before May 30, 2022. Instead of doing so, petitioner merely sent letters twice to the Regional Director of BIR Revenue Region No. 1[,] requesting for the lifting of the foregoing warrants. These letter-requests to the Regional Director did not interrupt the running of the reglementary period[,] let alone serve to extend the 30-day period to appeal. It was only when petitioner's request was denied by the Regional Director that he was prompted to file the present Petition for Review on October 26, 2022. By that time, the 30-day period to appeal had long elapsed.<sup>18</sup>

Aptly so.

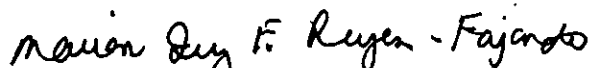
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<sup>17</sup> Boldfacing supplied.

<sup>18</sup> Page 3, Resolution dated July 10, 2023. *Supra* note 4.


WHEREFORE, the Verified Petition for Review *En Banc* dated November 10, 2023, filed by Danilo N. Matias in CTA EB No. 2824 is DENIED for lack of merit. The Resolutions dated July 10, 2023 and October 9, 2023, handed down by the Court in Division in CTA Case No. 11025, are AFFIRMED.


SO ORDERED.


  
MARIAN IV F. REYES-FAJARDO  
Associate Justice

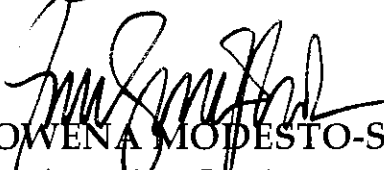
WE CONCUR:

  
ROMAN G. DEL ROSARIO  
Presiding Justice


  
MA. BELEN M. RINGPIS-LIBAN  
Associate Justice

  
CATHERINE T. MANAHAN  
Associate Justice

  
JEAN MARIE A. BACORRO-VILLENA  
Associate Justice

  
MARIA ROWENA MODESTO-SAN PEDRO  
Associate Justice

  
LANEE S. CUI-DAVID  
Associate Justice

  
**CORAZON G. FERRER-FLORES**  
Associate Justice

  
**HENRY S. ANGELES**  
Associate Justice

### CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, it is hereby certified that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court.

  
**ROMAN G. DEL ROSARIO**  
Presiding Justice