

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL THIRD DIVISION

THE CITY OF TAGUIG AND CTA AC No. 348
ATTY. J. VOLTAIRE L. (Civil Case No. 742)
ENRIQUEZ, in his capacity as
OIC-City Treasurer - City of Members:
Taguig,

Petitioner, REYES-FAJARDO, Chairperson,
and ANGELES, II.

-versus-

Promulgated:

HOLCIM PHILIPPINES, INC.,
Respondent.

AUG 11 2026

4:20 p.m.

X ----- X

DECISION

REYES-FAJARDO, J.

This Petition for Review¹ dated November 7, 2024 assails the Decision² dated July 26, 2024 and Order³ dated September 25, 2024, both rendered by Branch 153, Regional Trial Court of Taguig (RTC-Taguig) in Civil Case No. 742. The assailed Decision and Order granted Holcim Philippines, Inc.'s refund claim of erroneously collected local business tax (LBT) for the first quarter of Taxable Year (TY) 2019, in the amount of ₱2,407,105.87.

¹ Docket (AC No. 348), pp. 31-44.

² Docket, pp. 49 to 62; RTC Docket (Civil Case No. 742), pp. 496 to 509.

³ Docket, pp. 63 to 64; RTC Docket (Civil Case No. 742), pp. 561 to 562.

PARTIES

Petitioner The City of Taguig is a local government unit (LGU) created by law.⁴

Petitioner Atty. J. Voltaire L. Enriquez is the Officer-in-Charge of the City Treasurer's Office of petitioner City of Taguig, empowered to perform the duties of said office, including, *inter alia*, the collection of all local taxes, fees, and charges.⁵

Respondent Holcim Philippines, Inc. is a domestic corporation organized and existing under the laws of the Philippines, with head office business address located at the 7th Floor, Two World Square, McKinley Hill, Fort Bonifacio, Taguig City.⁶

FACTS

On January 14, 2019, in connection with respondent's renewal of its business permit and licenses in the City of Taguig for the first quarter of taxable year 2019, petitioner City of Taguig, through its Business Permit and Licensing Office, issued to respondent, a Billing Statement on even date, for the first quarter of TY 2019 amounting to ₱4,817,336.74 for "BT" as manufacturer.⁷

On January 18, 2019, the amount of ₱4,817,336.74 was paid by respondent, as evidenced by Official Receipt No. A-4213966.⁸

On January 14, 2021, respondent filed with the Office of the City Treasurer of City of Taguig a Letter dated January 13, 2021,⁹ seeking a refund of ₱2,407,105.87, representing erroneously paid LBT for the first quarter of TY 2019.

⁴ Par. 4, Petition for Refund, *vis-à-vis* par. 1(a), Answer, RTC Docket (Civil Case No. 742), pp. 6 and 111, respectively.

⁵ Par. 5, Petition for Refund, *vis-à-vis* par. 1(a), Answer, RTC Docket (Civil Case No. 742), pp. 6 and 111, respectively.

⁶ Exhibit "A," RTC Docket (Civil Case No. 742), pp. 307 to 318.

⁷ Pars. 8 and 10, Petition for Refund, *vis-à-vis* pars. 1(b) and (c), Answer, RTC Docket (Civil Case No. 742), pp. 7 and 111, respectively. Exhibit "C," RTC Docket (Civil Case No. 742), p. 320.

⁸ Exhibit "D," RTC Docket (Civil Case No. 742), p. 321.

⁹ Exhibits "E" and "2," RTC Docket (Civil Case No. 742), pp. 322 to 325.

On January 18, 2021, respondent filed its Petition for Refund with RTC-Taguig,¹⁰ docketed as Civil Case No. 742.

By assailed Decision¹¹ dated July 26, 2024, RTC-Taguig found that petitioners erred in insisting that Section 195 of the 1991 Local Government Code (LGC) applies to respondent's claim. Specifically, the billing statement issued by petitioners is *not* a local tax assessment; hence, said provision of law, let alone, the periods inscribed therein finds no application on respondent's action. What is applicable instead is the refund or credit mechanism provided for under Section 196 of the LGC; thus, respondent timely instituted its refund claim with petitioners and with RTC-Taguig within two years from payment of the LBT covering the first quarter of TY 2019.

RTC-Taguig then elucidated that respondent illegally or erroneously paid a portion of its LBT for the first quarter of TY 2019. It found that respondent is a manufacturer or producer of cement—an essential commodity under Section 143(c)(8) of the LGC. By virtue of said provision, respondent is only liable for half of the LBT rates, prescribed in Section 143(a), (b), and (d) of the same Code. Therefore, out of the ₱4,817,336.74 paid by respondent as LBT for the first quarter of TY 2019, ₱2,407,105.87 was allowed as refund in Civil Case No. 742, as follows:

WHEREFORE, premises considered, the instant Complaint for Refund is **GRANTED**.

Accordingly, [petitioners are] **ORDERED** to **REFUND** or issue tax credit in favor of plaintiff **HOLCIM PHILIPPINES, INC.**, the amount of **Php2,407,105.87** representing the erroneously collected Business Tax for the 1st quarter of the year 2019.

SO ORDERED.

On August 12, 2024, petitioners filed their Motion for Reconsideration,¹² which was met by respondent's Comment/Opposition (Re: Defendants' Motion for Reconsideration dated August 12, 2024) filed on September 12, 2024.¹³

¹⁰ RTC Docket (Civil Case No. 742), pp. 5 to 19.

¹¹ *Supra* note 2.

¹² RTC Docket (Civil Case No. 742), pp. 537 to 543.

¹³ RTC Docket (Civil Case No. 742), pp. 546 to 558.

Through assailed Order¹⁴ dated September 25, 2024, RTC-Taguig denied petitioners' Motion for Reconsideration, in this wise:

In light of the foregoing, and for reasons already discussed in the assailed Decision, this court finds no reversible error in its Decision dated 26 July 2024.

Thus, the Motion for Reconsideration is **DENIED**.

SO ORDERED.

On October 28, 2024, petitioners moved,¹⁵ and was subsequently granted¹⁶ a period of until November 9, 2024 to file their Petition for Review in CTA AC No. 348.

On November 8, 2024, petitioners posted their present Petition for Review¹⁷ in CTA AC No. 348, which was met by respondent's Comment/Opposition (Re: Petitioners' Petition for Review dated November 07, 2024)¹⁸ posted on February 3, 2025.

On August 12, 2025, CTA AC No. 348 was submitted for decision.¹⁹

ISSUE

Did RTC-Taguig err in allowing respondent's LBT refund covering the first quarter of TY 2019?

ARGUMENTS

Petitioners argue that respondent erred in availing the procedure set forth in Section 196 of the LGC. For them, the periods in Section 195 of the LGC should govern. Since petitioner failed to timely institute its claim pursuant to Section 195 of the LGC, the refund it sought should be rejected outright.

¹⁴ *Supra* note 3.

¹⁵ Motion for Extension of Time to File Petition for Review. Docket (CTA AC No. 348), pp. 5 to 8.

¹⁶ Resolution dated January 17, 2025. *Id.* at pp. 69 to 70.

¹⁷ *Id.* at pp. 31 to 47

¹⁸ *Id.* at pp. 74 to 88.

¹⁹ Minute Resolution dated August 12, 2025. *Id.* at p. 131.

Granting, the procedure in Section 196 of the LGC finds application, petitioners nevertheless contend that the LBT rates for *ordinary* manufacturers under Section 6 of Taguig City Ordinance No. 34, Series of 2017 should govern respondent's business of manufacturing or producing cement. It means that there was no illegal, erroneous, excessive payment of LBT by respondent covering the first quarter of TY 2019, justifying the denial of the latter's refund claim.

On the other hand, respondent counters that it timely filed its judicial claim for refund within the two-year prescriptive period under Section 196 of the LGC. Additionally, it made excessive payments of LBT for the first quarter of TY 2019 because as a manufacturer or producer of cement, it is only liable to 50% of the LBT it paid, per Section 143(c)(8) of the LGC. On this account, RTC-Taguig correctly allowed its refund of LBT payments for the first quarter of TY 2019, to the extent of ₱2,407,105.87.

RULING

We sustain RTC-Taguig.

First. Did We obtain jurisdiction over CTA AC No. 348?

Yes.

Section 7(a)(3) of Republic Act (RA) No. 1125, as amended by RA No. 9282, provides for the exclusive appellate jurisdiction of the Court of Tax Appeals (CTA) in local tax cases:

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

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

...

3. Decisions, orders or resolutions of the Regional Trial Courts in local tax cases originally decided or resolved by them in the exercise of their original or appellate jurisdiction;²⁰

²⁰ Boldfacing ours.

Section 3(a)(3), Rule 4 of the Revised Rules of the Court of Tax Appeals clarified that the CTA in Division has exclusive appellate jurisdiction over appeals from the decisions, orders, or resolutions of the RTC in local tax cases, decided or resolved by them in the exercise of their original jurisdiction.²¹ *Mactel Corporation v. The City Government of Makati, et al. (Mactel)*²² discoursed what constitutes a local tax case, in the following fashion:

... a local tax case is understood to mean as a dispute between the local government unit (LGU) and a taxpayer involving the imposition of the LGU's power to levy tax, fees, or charges against the property or business of the taxpayer concerned. A local tax case may involve: the legality or validity of the real property tax assessment, **protests of assessments, disputed assessments, surcharges or penalties**; the validity of a tax ordinance; **claims for tax refund/credit**; claims for tax exemption; actions to collect the tax due; and even prescription of assessments.²³

In addition, Section 11 of RA No. 1125, as amended by RA No. 9282 directs the aggrieved party to lodge its appeal, within thirty (30) days from receipt of the assailed decision, order, or resolution, *viz.*:

SEC. 11. Who May Appeal; Mode of Appeal; Effect of Appeal.
- Any party adversely affected by a decision, ruling or inaction of ... the Regional Trial Courts **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:²⁴

²¹ SECTION 3. *Cases Within the Jurisdiction of the Court in Divisions.* — The Court in Divisions shall exercise:

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

...

(3) Decisions, resolutions or orders of the Regional Trial Courts in local tax cases decided or resolved by them in the exercise of their original jurisdiction;

²² G.R. No. 244602, July 14, 2021.

²³ Boldfacing ours.

²⁴ Boldfacing ours.

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Here, RTC-Taguig's assailed Decision and Order dealt with respondent's Petition for LBT refund based on the supposed excessive collection of the LBT for the first quarter of TY 2019 billed by petitioners. Consistent with *Mactel*, the subject matter of petitioners' appeal here is one of a local tax case.

On September 25, 2024, petitioners received²⁵ RTC-Taguig's assailed Order, denying its motion for reconsideration on the assailed Decision. Counting thirty (30) days therefrom, petitioners had until October 25, 2024, to seek redress with the CTA in Division. Considering that work in the CTA was suspended on October 25, 2024 due to tropical storm "Kristine,"²⁶ and that October 26 and 27, 2024 fell on a Saturday and Sunday, respectively, petitioners *initially* had until October 28, 2024 to appeal with the CTA in Division.

On October 28, 2024, petitioners moved,²⁷ and was subsequently granted²⁸ a period of until November 9, 2024 to lodge its appeal with the CTA. *Ergo*, the timely filing²⁹ of petitioner's Petition on November 8, 2024, vested Us with jurisdiction over CTA AC No. 348.

Second. Did respondent err in pursuing its refund claim under Section 196 of the LGC?

No.

Petitioners argue that the procedure and periods set forth in Section 195 of the LGC should be applied because their billing statement issued to respondent is a local tax assessment. Since respondent failed to adhere with the periods in said provision of law, said assessment is final and conclusive upon respondent. As a result, its refund claim pivoted thereon should be denied.

The argument is specious.

Section 195 of the LGC reads:

²⁵ Par. 7, Petition for Review, Docket (CTA AC No. 348), p. 32.

²⁶ Memorandum dated October 24, 2024, signed by Presiding Justice Roman G. Del Rosario (Ret.).

²⁷ *Supra* note 15.

²⁸ *Supra* note 16.

²⁹ *Supra* note 17.

Section 195. Protest of Assessment. - When the local treasurer or his duly authorized representative finds that correct taxes, fees, or charges have not been paid, **he shall issue a notice of assessment stating the nature of the tax, fee, or charge, the amount of deficiency, the surcharges, interests and penalties.** Within sixty (60) days from the receipt of the notice of assessment, the taxpayer may file a written protest with the local treasurer contesting the assessment; otherwise, the assessment shall become final and executory. The local treasurer shall decide the protest within sixty (60) days from the time of its filing. If the local treasurer finds the protest to be wholly or partly meritorious, he shall issue a notice cancelling wholly or partially the assessment. However, if the local treasurer finds the assessment to be wholly or partly correct, he shall deny the protest wholly or partly with notice to the taxpayer. The taxpayer shall have thirty (30) days from the receipt of the denial of the protest or from the lapse of the sixty (60) day period prescribed herein within which to appeal with the court of competent jurisdiction otherwise the assessment becomes conclusive and unappealable.³⁰

As formulated, the procedure and periods set forth in Section 195 of the LGC would come into play, only when there was, among others, a local tax assessment issued by the local treasurer. *City of Manila, et al. v. Cosmos Bottling Corporation (Cosmos)*³¹ ruled:

Obviously, the application of Section 195 is triggered by an assessment made by the local treasurer or his duly authorized representative for nonpayment of the correct taxes, fees or charges. Should the taxpayer find the assessment to be erroneous or excessive, he may contest it by filing a written protest before the local treasurer within the reglementary period of sixty (60) days from receipt of the notice; otherwise, the assessment shall become conclusive. The local treasurer has sixty (60) days to decide said protest. In case of denial of the protest or inaction by the local treasurer, the taxpayer may *appeal* with the court of competent jurisdiction; otherwise, the assessment becomes conclusive and unappealable.³²

In reverse, if there was *no, inter alia*, local tax assessment issued by the local treasurer, Section 195 of the LGC is inapplicable. Moreover, if there was *no* local tax assessment, and the taxpayer insists that it erroneously paid a tax, or that the tax was illegally collected from the taxpayer, the mechanism in Section 196 of the same Code

³⁰ Emphasis ours.

³¹ G.R. No. 196681, June 27, 2018.

³² Emphases ours.

would govern. In the words of *International Container Terminal Services, Inc. v. The City of Manila, et al. (ICTSI)*:³³

On the other hand, if no assessment notice is issued by the local treasurer, and the taxpayer claims that it erroneously paid a tax, fee, or charge, or that the tax, fee, or charge has been illegally collected from him, then Section 196 [of the LGC] applies.

In turn, the existence of a local tax assessment referred to in *Cosmos* and *ICTSI* presupposes that the nature of the local tax, the amount of deficiency, the surcharges, interests and penalties were contained in the notice of assessment.³⁴ To sufficiently inform the taxpayer of the nature of the local tax, *National Power Corporation v. The Province of Pampanga, et al. (2021 NAPOCOR)*³⁵ instructed that the local treasurer must state under what authority the obligation to pay tax is based:

Taxpayers' obligation for deficiency taxes cannot depend on a guessing game. **To stress, the taxpayer must not only be informed of what taxes it is liable to pay and under what authority the obligation to pay is based.** Equally important is that it must be advised how much is the pending tax liability and the period covered. **Without these particulars, taxpayers would be deprived of adequate opportunity to prepare for an intelligent appeal as they would have no way of determining what was considered by the taxing authority in making the assessment. ...**

Tax assessments issued in violation of the due process rights of a taxpayer are null and void and of no force and effect. In balancing the scales between the power of the State to tax and its inherent right to prosecute perceived transgressors of the law on one side and the constitutional rights of a citizen to due process of law and the equal protection of the laws on the other, the scales must tilt in favor of the individual, for a citizen's right is amply protected by the Bill of Rights under the Constitution. ...³⁶

Taking Our cue from *Cosmos*, *ICTSI*, and *2021 NAPOCOR*, petitioners' Billing Statement³⁷ is *not* a local tax assessment because petitioners did not inscribe under what authority or legal bases respondent's obligation to pay LBT for the first quarter of TY 2019 was based. *Sans* a local tax assessment, and considering that respondent is

³³ G.R. No. 185622, October 17, 2018.

³⁴ Per Section 195 of the LGC. Quoted in pages 5 to 6 of this Decision.

³⁵ G.R. No. 230648, October 6, 2021.

³⁶ Emphases ours.

³⁷ *Supra* note 7.

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claiming erroneous or excessive payment of LBT for said period, respondent correctly pursued its refund claim under Section 196 of the LGC.

Towards this end, *Metro Manila Shopping Mecca Corp., et al. v. Toledo (Toledo)*³⁸ spelled out the requirements to be complied with by the claimant, under Section 196 of the LGC, viz.:

A perusal of Section 196 of the LGC reveals that in order to be entitled to a refund/credit of local taxes, the following procedural requirements must concur: first, the taxpayer concerned must file a written claim for refund/credit with the local treasurer; and second, the case or proceeding for refund has to be filed within two (2) years from the date of the payment of the tax, fee, or charge or from the date the taxpayer is entitled to a refund or credit.

On January 18, 2019, respondent paid³⁹ the LBT per petitioners' Billing Statement⁴⁰ in the amount of ₱4,817,336.74. Following *Toledo*, respondent had until January 18, 2021 to institute its refund claim before the local treasurer and action in court. Respondent timely filed its refund claim with petitioners on January 14, 2021⁴¹ and Petition for Refund with RTC-Taguig on January 18, 2021.⁴² Therefore, respondent faithfully adhered with Section 196 of the LGC.

Third. Did RTC-Taguig err in granting respondent's refund claim of excessively collected LBT for the first quarter of TY 2019?

No.

Petitioners contend that respondent is legally liable for ₱4,817,336.74, corresponding to LBT covering the first quarter of TY 2019. For them, the following provisions of Section 6(C)(2) of Taguig City Ordinance No. 34, Series of 2017 show that cement is *not* an essential commodity subject to preferential rate of LBT. On this account, the LBT the rates for *regular* manufacturer of commodities prescribed thereon should be applied. Thus:

³⁸ G.R. No. 190818, June 5, 2013.

³⁹ *Supra* note 8.

⁴⁰ *Supra* note 7.

⁴¹ *Supra* note 9.

⁴² *Supra* note 10.

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Section 3. TAX ON MANUFACTURERS - Section 75 a) of the Revenue Code of Taguig of 1993, as amended, is hereby amended to read as follows:

a) The business of Manufacturers shall be taxed at the rate of:

Gross Receipts	Rate
Up to 1,000,000.00	1.25%
More than 1,000,000.00	P12,500.00 plus 45% of 1% of amount in excess of 1,000,000.00 ⁴³

...

Section 6. EXPORTERS AND SELLERS OF ESSENTIAL COMMODITIES - Section 75 c) of the Revenue Code of Taguig of 1993, as amended, is hereby amended to read as follows:

c) The gross receipts of the following businesses shall be entitled to a preferential tax rate of one-half (1/2) of the rates prescribed under Subsections a), b), and e) of Section 75 of the amended Revenue Code of Taguig of 1993:

- 1) Exporters; and
- 2) Sellers of essential commodities. Essential commodities are limited to basic necessities or goods vital to the needs of consumers for their sustenance and existence, such as, but not limited to, unprocessed rice, corn, and flour; fresh, dried or canned fish; other fresh marine food products; fresh pork; beef and poultry meat; fresh eggs; fresh milk; sugar; cooking oil; salt; laundry soap and detergent; household liquefied petroleum gas (LPG); and medicines classified as essential by the Department of Health.⁴⁴

Petitioners merit correction.

⁴³ Exhibit "1-A," RTC Docket (Civil Case No. 742), pp. 227 to 228.

⁴⁴ Exhibit "1-B," RTC Docket (Civil Case No. 742), p. 228.

*City of Cagayan De Oro v. Cagayan Electric Power & Light Co., Inc. (CEPALCO)*⁴⁵ decreed that “[u]nlike the national government, local government units [LGUs] have no inherent power to tax. They merely derived the power from Article X, Section 5 of the 1987 Constitution. Consistent with this provision, the LGC of 1991 was enacted to give each LGU the power to create its own source of revenue and to levy taxes, fees, and charges **subject to statutory guidelines and limitations.**”

One of statutory limitations referred to in *CEPALCO* is that LGUs must obey the floor and ceiling rates of local taxes in the LGC. Specifically, *National Power Corporation v. City of Cabanatuan (2003 NAPOCOR)*⁴⁶ ordained that the LGC is controlling as to the minimum and maximum local tax rates an LGU is allowed to impose:

Considered as the most revolutionary piece of legislation on local autonomy, the LGC effectively deals with the fiscal constraints faced by LGUs. It widens the tax base of LGUs to include taxes which were prohibited by previous laws such as the imposition of taxes on forest products, forest concessionaires, mineral products, mining operations, and the like. The LGC likewise provides enough flexibility to impose tax rates in accordance with their needs and capabilities. [The LGC] does not prescribe graduated fixed rates but merely **specifies the minimum and maximum tax rates** and leaves the determination of the actual rates to the respective *sanggunian*.⁴⁷

Petitioners failed to heed 2003 *NAPOCOR*. To be exact, petitioners billed respondent for LBT for the first quarter of TY 2019 using rates for *ordinary* manufacturers. However, respondent is a manufacturer of *cement*.⁴⁸ Section 143(c)(8) of the LGC considers *cement* as an *essential commodity*; hence, respondent is eligible for the *preferential* and *lower* LBT rate—half of the LBT rates prescribed for ordinary manufacturers of articles of commerce in general, *viz.*:

SEC. 143. *Tax on Business.* — **The municipality [or city]**⁴⁹ **may impose taxes on the following businesses:**

(a) On manufacturers, assemblers, repackers, processors, brewers, distillers, rectifiers, and compounders of liquors, distilled

⁴⁵ G.R. No. 224825, October 17, 2018. Boldfacing ours.

⁴⁶ G.R. No. 149110, April 9, 2003.

⁴⁷ Boldfacing ours.

⁴⁸ Admission of Facts, page 1, Amended Pre-Trial Conference Order dated July 27, 2023. RTC Records, p. 380.

⁴⁹ Section 151 of the LGC.

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spirits, and wines or **manufacturers** of any article of commerce of whatever kind or nature, in accordance with the following schedule:

...

(b) On **wholesalers**, distributors, or dealers in any article of commerce of whatever kind or nature, in accordance with the following schedule:

...

(c) On exporters, and on **manufacturers**, millers, producers, **wholesalers**, distributors, dealers or retailers of **essential commodities** enumerated hereunder at a rate not exceeding one-half (1/2) of the rates prescribed under subsections (a), (b) and (d) of this Section:

...

(8) Cement.

(d) On retailers:

With gross sales or receipts for the preceding calendar year of:	Rate of Tax Per Annum
P400,000.00 or less.....	2%
more than P400,000.00.....	1%

... ⁵⁰

In fact, petitioners themselves recognized "... [t]hat manufacturers of essential commodities, in general, and cement, in particular, are entitled to the preferential rate of LBT under Section 143(c)(8) of the LGC or the ½ of the prescribed LBT rate to ordinary manufacturers."⁵¹

It means that as a manufacturer of an essential commodity (cement), respondent is entitled to the preferential and lower LBT rate provided in Section 143(c)(8) of the LGC. *A fortiori*, petitioners **erred** in: *first*, treating cement as a non-essential commodity; and, *second*, using the *ordinary* LBT rates for manufacturers of commodities in general in the imposition thereof. For this reason, RTC-Taguig correctly found

⁵⁰ Emphases added.
⁵¹ Admission of Facts, pages 1-2, Amended Pre-Trial Conference Order dated July 27, 2023. RTC Records, pp. 380-381.

that respondent is entitled to refund or credit of excessively collected LBT for the first quarter of TY 2019.

We are mindful of petitioners' posture that essential commodities under Section 6 the Taguig City Revenue Code (TCRC) is "... limited to basic necessities or goods vital to the needs of consumers for their sustenance and existence ..."⁵² Equally apt is that by following said definition, cement is a *non-essential* commodity. Yet, petitioner's treatment of cement as a *non-essential* commodity in Section 6 of the TCRC, is anathema to the categorization of cement as an *essential* commodity in Section 143(c)(8) of the LGC. Indeed, Section 131(b)(4)⁵³ of the same Code proscribes the imposition of local taxes which is repugnant to the law. *Ferrer, Jr. v. City Mayor Herbert Bautista, et al.*⁵⁴ is elaborative:

LGUs are able to legislate only by virtue of a valid delegation of legislative power from the national legislature; they are mere agents vested with what is called the power of subordinate legislation. "Congress enacted the LGC as the implementing law for the delegation to the various LGUs of the State's great powers, namely: the police power, the power of eminent domain, and the power of taxation. The LGC was fashioned to delineate the specific parameters and limitations to be complied with by each LGU in the exercise of these delegated powers with the view of making each LGU a fully functioning subdivision of the State subject to the constitutional and statutory limitations."⁵⁵

Thus, petitioners' classification and usage of LBT rates on cement under the TCRC cannot triumph over the categorization of cement as an essential commodity, as well as respondent's entitlement to the *lower* LBT rate thereon, guaranteed by Section 143(c)(8) of the LGC.

In precis, RTC-Taguig allowed the refund or credit of excessively collected LBT for the first quarter of TY 2019 in favor of respondent.

⁵² The full text is found in page 11 of this Decision.

⁵³ **Section 130. Fundamental Principles.** - The following fundamental principles shall govern the exercise of the taxing and other revenue-raising powers of local government units:

...
(b) Taxes, fees, charges and other impositions shall:

...
(4) not be contrary to law, public policy, national economic policy, or in the restraint of trade; (Underscoring ours)

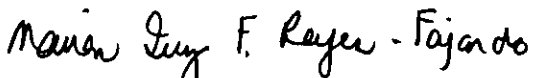
⁵⁴ G.R. No. 210551, June 30, 2015.

⁵⁵ Emphases ours.

So must it stand.

ACCORDINGLY, the Petition for Review dated November 7, 2024 in CTA AC No. 348 is **DENIED**, for lack of merit. The Decision dated July 26, 2024 and Order dated September 25, 2024, both rendered by Branch 153, Regional Trial Court of Taguig in Civil Case No. 742, are **AFFIRMED**.

SO ORDERED.

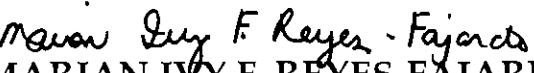

MARIAN IVY F. REYES-FAJARDO
Associate Justice

I CONCUR:


HENRY S. ANGELES
Associate Justice

ATTESTATION

I attest 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's Division.


MARIAN IVY F. REYES-FAJARDO
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, and Division Chairperson's Attestation, 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.



MA. BELEN M. RINGPIS-LIBAN
Presiding Justice