

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

SECOND DIVISION

**DEPARTMENT OF ENERGY
REPRESENTED BY
SECRETARY ALFONSO G.
CUSI,**

Petitioner,

- versus -

CTA CASE NO. 10198

Members:

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

**COMMISSIONER OF
INTERNAL REVENUE
REPRESENTED BY
COMMISSIONER CAESAR
R. DULAY,**

Respondent.

Promulgated:

JAN 30 2020

9:11 Am [Signature]

x ----- x

RESOLUTION

For the Court's resolution is petitioner's **Motion for Reconsideration (of the Resolution dated 08 November 2019)**, filed on November 28, 2019, with respondent's **Comment (On Petitioner's Motion for Reconsideration dated 28 November 2019)**, filed on January 16, 2020.

Petitioner seeks to reconsider the Court's Resolution dated November 8, 2019, which dismissed the present Petition for Review for lack of jurisdiction. It alleges that the Court's dismissal of the case was based solely on the principle of *stare decisis et non quiet movere*, which invokes adherence to precedents and mandates not to unsettle things which are established. However, it asserts that this principle is not applicable since there are substantial differences between the facts in this case and in the case of *Power Sector Assets and Liabilities Management Corporation (PSALM) vs. Commissioner of*

Internal Revenue (CIR). It also states that as between a general law and a special law which governs specific matters, the latter shall prevail. It contends that Republic Act (RA) No. 1125, specifically Section 7, constitutes an exception to Presidential Decree (PD) No. 242. Hence, it submits that disputes, claims and controversies falling under Section 7 of RA No. 1125, even though solely among government offices, agencies and instrumentalities, including government-owned and controlled corporations, remain in the exclusive appellate jurisdiction of the Court of Tax Appeals (CTA). Moreover, petitioner contends that the CTA has the requisite expertise and experience in resolving tax issues.

Respondent, on the other hand, argues that the dismissal of the instant petition was not solely on the basis of the ruling in *PSALM vs. CIR* case but also on clear provisions of law, particularly Section 1, 2 and 3 of PD No. 242. Thus, he alleges that regardless of the nature and factual milieu of the dispute, claim or controversy, as long as the parties involved in the case are solely departments, bureaus, offices, agencies and instrumentalities of the government and government-owned and controlled corporation, it is the Secretary of Justice or the Office of the Solicitor General, as the case may be, which has jurisdiction to settle and adjudicate the same.

In essence, the arguments presented by petitioner are mere rehash of what have been said in its Petition for Review and that which have been considered, weighed and resolved by the Court in the assailed Resolution.

It bears stressing that the CTA is a court of special jurisdiction. As such, it can only take cognizance of such matters as are clearly within its jurisdiction.¹ Its jurisdiction is expressly laid down in RA No. 1125, as amended by RA No. 9282 and RA No. 9503. On the other hand, PD No. 242 clearly provides that all disputes and claims solely between government agencies and offices, including government-owned or controlled corporations, shall be submitted to and settled or adjudicated pursuant to PD No. 242.

A cardinal rule in statutory construction is that when the law is clear and free from any doubt or ambiguity, there is no room for construction or interpretation. There is only room for application. As the statute is clear, plain, and free from ambiguity, it must be given

¹ *Commissioner of Internal Revenue vs. Silicon Philippines, Inc. (formerly Intel Philippines Manufacturing Inc.)*, G.R. No. 169778, March 12, 2014.

its literal meaning and applied without attempted interpretation. This is what is known as the plain-meaning rule or *verba legis*. It is expressed in the maxim, *index animi sermo*, or "speech is the index of intention." Furthermore, there is the maxim *verba legis non est recedendum*, or "from the words of a statute there should be no departure."²

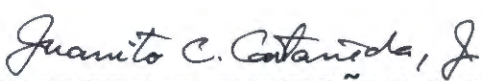
It is plain that the instant case between petitioner, a department of the executive branch of the government and the CIR who is the head of BIR, a government agency, is purely an intra-governmental dispute and claims shall be settled or adjudicated in accordance with PD No. 242. Accordingly, the Court is bereft of jurisdiction to take cognizance of the present case.

Jurisdiction is defined as the power and authority of a court to hear, try, and decide a case. In order for the court or an adjudicative body to have authority to dispose of the case on the merits, it must acquire, among others, jurisdiction over the subject matter. It is axiomatic that jurisdiction over the subject matter is the power to hear and determine the general class to which the proceedings in question belong; it is conferred by law and not by the consent or acquiescence of any or all of the parties or by erroneous belief of the court that it exists. Thus, when a court has no jurisdiction over the subject matter, the only power it has is to dismiss the action.³

Thus, the Court finds no cogent reasons to reverse or modify the ruling in the assailed Resolution.

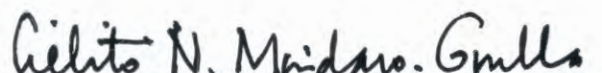
WHEREFORE, premises considered, petitioner's **Motion for Reconsideration (of the Resolution dated 08 November 2019)**, is **DENIED** for lack of merit.

SO ORDERED.


JUANITO C. CASTAÑEDA, JR.
Associate Justice

² *Bolos vs. Bolos*, G.R. No. 186400, October 20, 2010.

³ *Mitsubishi Motors Philippines Corporation vs. Bureau of Customs*, G.R. No. 209830, June 17, 2015.


CIELITO N. MINDARO-GRULLA
Associate Justice


JEAN MARIE A. BACORRO-VILLENA
Associate Justice