

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF INTERNAL REVENUE,
Petitioner,

CTA EB No. 2955
(CTA Case No. 9879)

Present:

-versus-

RINGPIS-LIBAN, Acting P.J.,
MANAHAN,
BACORRO-VILLENA,
MODESTO-SAN PEDRO,
REYES-FAJARDO,
CUI-DAVID,
FERRER-FLORES, and
ANGELES, II.

AIG SHARED SERVICES
CORPORATION (PHILIPPINES),
Respondent.

Promulgated:

DEC 12 2025

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DECISION

REYES-FAJARDO, J.:

This Petition for Review¹ dated July 15, 2024, filed by the Commissioner of Internal Revenue seeks to overturn the Resolutions dated March 19, 2024² and June 27, 2024,³ both issued by the Court of Tax Appeals - Special Second Division (CTA in Division) in CTA Case No. 9879. These assailed Resolutions granted AIG Shared Services Corporation (Philippines)' Urgent Motion to Issue Writ of Execution.

¹ Rollo, pp. 1-6.

² Id., pp. 15-20.

³ Id., pp. 22-24.

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PARTIES

Petitioner is the duly appointed Commissioner of Internal Revenue vested with authority to act as such, including, *inter alia*, the power to decide disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or other matters arising under the tax laws.⁴

On the other hand, respondent AIG Shared Services Corporation (Philippines) is a foreign corporation duly registered with the Securities and Exchange Commission to operate as a Regional Operating Headquarter.⁵

FACTS

On October 26, 2021, the CTA Second Division rendered a Decision,⁶ disposing CTA Case No. 9879, as follows:

WHEREFORE, premises considered, the present Petition for Review filed by [respondent] on 23 July 2018 is hereby **PARTIALLY GRANTED**. Accordingly, [petitioner] is hereby **ORDERED TO REFUND** or **TO ISSUE A TAX CREDIT CERTIFICATE** in favor of [respondent] in the reduced amount of P12,812,480.60, representing unutilized excess input value-added tax (VAT) attributable to its zero-rated sales for the four (4) quarters of taxable year ended 31 December 2016.

SO ORDERED.

On December 1, 2021, respondent filed its Omnibus Motion 1. For Partial Reconsideration of Decision dated October 26, 2021 2. For New Trial.⁷

On July 21, 2022, the CTA in Division issued a Resolution,⁸ denying respondent's Omnibus Motion.

On November 28, 2022, the CTA in Division issued a Resolution⁹ ordering the issuance of an Entry of Judgment relative to the Decision

⁴ *Rollo*, p. 2

⁵ *Id.*

⁶ CTA Case No. 9879, Docket, Vol. IV, pp. 1798-1851.

⁷ CTA Case No. 9879, Docket, Vol. IV, pp. 1852-1862.

⁸ *Id.*, pp. 1876-1882.

⁹ *Id.*, p. 1885.

9142

in CTA Case No. 9879. Accordingly, an Entry of Judgment was made thereon.¹⁰

On March 22, 2023, respondent moved,¹¹ and the CTA in Division granted,¹² its prayer for the issuance of a writ of execution.

On March 31, 2023, petitioner filed a Petition for Relief from Judgment, assailing the Decision in CTA Case No. 9879,¹³ which was denied by the CTA in Division, under Resolutions dated April 28, 2023¹⁴ and August 29, 2023.¹⁵

On November 23, 2023, petitioner filed a Petition for Certiorari Under Rule 65 [of the Rules of Court], docketed as CTA EB No. 2833.¹⁶

On February 1, 2024, respondent filed its Urgent Motion to Issue Writ of Execution in view of Resolution dated 27 March 2023.¹⁷

On March 19, 2024, the CTA in Division issued a Resolution,¹⁸ granting respondent's Urgent Motion to Issue Writ of Execution in view of Resolution dated 27 March 2023, in this wise:

WHEREFORE, premises considered, the "Urgent Motion to Issue Writ of Execution in view of Resolution dated March 27, 2023" filed by [respondent] on 01 February 2024 is hereby **GRANTED**.

LET the corresponding Writ of Execution be immediately issued.

SO ORDERED.

On April 8, 2024, petitioner filed a motion for reconsideration,¹⁹ challenging the Resolution dated March 19, 2024.

¹⁰ *Id.*, p. 1886.

¹¹ Petitioner (herein respondent's) Motion for Issuance of Writ of Execution. *Id.* at pp. 1891-1894.

¹² Resolution dated March 27, 2023. *Id.* at p. 1963.

¹³ *Id.*, pp. 1964-1986.

¹⁴ *Id.*, pp. 1995-2001

¹⁵ *Id.*, pp. 2057-2064

¹⁶ *Id.*, pp. 2065-2091.

¹⁷ CTA Case No. 9879, Docket, Vol. V, pp. 2198-2202.

¹⁸ See Note 2.

¹⁹ CTA Case No. 9879, Docket, Vol. V, pp. 2212-2217.

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On June 27, 2024, the CTA in Division issued a Resolution,²⁰ denying petitioner's motion for reconsideration, as follows:

WHEREFORE, premises considered, the "Motion for Reconsideration (Re: Resolution promulgated 19 March 2024)" filed on 08 April 2024 by respondent Commissioner of Internal Revenue is hereby **DENIED** for lack of merit.

SO ORDERED.

In the interim, the CTA *En Banc*, in CTA EB No. 2833, promulgated the Decision dated January 16, 2025, dismissing petitioner's Petition for *Certiorari*.

Petitioner moved for reconsideration, but the CTA *En Banc* denied the motion in a Resolution dated July 10, 2025.

Hence, this Appeal.²¹

ISSUE

Did the CTA in Division err in allowing respondent's Urgent Motion to Issue Writ of Execution despite the pendency of petitioner's Petition for *Certiorari* Under Rule 65 [of the Rules of Court]?

ARGUMENTS

Petitioner contends that the grant of respondent's Urgent Motion to Issue Writ of Execution was premature, considering that his Petition for *Certiorari* under Rule 65 [of the Rules of Court] in CTA EB No. 2833, remains pending before the CTA *En Banc*.

Petitioner further maintains that he timely filed a Petition for Relief from Judgment in CTA Case No. 9879 per Rule 38 of the Rules of Court, as amended, thereby affecting the Entry of Judgment issued by the CTA in Division.

²⁰ See Note 3.

²¹ See Note 1.

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On the other hand, the respondent counters²² that the filing of petitioner's Petition for *Certiorari* under Rule 65 [of the Rules of Court] in CTA EB No. 2833 does not stay the issuance of a writ of execution, citing Section 7, Rule 65 of the Rules of Court, as amended, as authority.

Respondent, too, ripostes that petitioner belatedly filed his Petition for Relief from Judgment in CTA Case No. 9879; thus, the CTA in Division's Entry of Judgment and Writ of Execution is proper.

RULING

We share respondent's view.

First. Petitioner committed a procedural mishap in this case.

Section 1(e),²³ Rule 41 of the Rules of Court, as amended, expressly prohibits an appeal from an order of execution. *Mauleon v. Porter (Mauleon)*²⁴ articulated the *rationale* for said rule, in this wise:

At the outset, it bears to note that petitioner's course of action before the RTC was principally anchored on the validity of the August 18, 2009 Order which granted the execution of the MeTC Decision. **On this score, Section 1(e), Rule 41 of the Rules of Court explicitly provides that an order of execution is not appealable, hence, an aggrieved party may resort to the special civil action of *certiorari* under Rule 65 of the Rules of Court. This is because an order of execution is not a final order or resolution within the contemplation of the rules, but is issued to carry out the enforcement of a final judgment or order against the losing party, hence, generally not appealable....**

As admitted²⁵ by petitioner, the Petition in CTA EB No. 2955 is an *appeal* from the Resolutions dated March 19, 2014 and June 27, 2024

²² Respondent's Comment. *Rollo*, pp. 26-35.

²³ **Section 1. Subject of appeal.** — An appeal may be taken from a judgment or final order that completely disposes of the case, or of a particular matter therein when declared by these Rules to be appealable.

...

No appeal may be taken from:

...

(e) An order of execution;

²⁴ G.R. No. 203288, July 18, 2014. Boldfacing ours.

²⁵ First paragraph, Nature of the Petition, Petition for Review. *Rollo*, p. 1.

912

issued by the CTA in Division. These Resolutions granted respondent's Urgent Motion to Issue Writ of Execution in view of Resolution dated March 27, 2023. Simply put, petitioner appealed the CTA in Division's order of execution—a matter *not* appealable under Section 1(e), Rule 41 of the Rules of Court, as amended, and *Mauleon*. The erroneous recourse alone by petitioner here warrants outright dismissal of this case.

Second. Even if we swept under the rug the procedural error committed by petitioner, the Petition is still wanting in merit.

As aptly pointed out by respondent, the filing of a petition for *certiorari* does not interrupt the proceedings in the principal case, save when a court issues a temporary restraining order and/or writ of preliminary injunction (TRO/WPI). Section 7, Rule 65 of Rules of Court, as amended, expressly confirmed:

Section 7. *Expediting proceedings; injunctive relief.* – The court in which the petition is filed may issue orders expediting the proceedings, and it may also grant a temporary restraining order or a writ of preliminary injunction for the preservation of the rights of the parties pending such proceedings. **The petition shall not interrupt the course of the principal case, unless a temporary restraining order or a writ of preliminary injunction has been issued, enjoining the public respondent from further proceeding in the case.**

The public respondent shall proceed with the principal case within ten (10) days from the filing of a petition for certiorari with a higher court or tribunal, absent a temporary restraining order or a preliminary injunction, or upon its expiration. Failure of the public respondent to proceed with the principal case may be a ground for an administrative charge.²⁶

The foregoing rule was echoed in *Republic of the Philippines v. Sandiganbayan (First Division) (Sandiganbayan)*,²⁷ in the following fashion:

The mere elevation of an interlocutory matter to this Court through a petition for Certiorari under Rule 65 of the Rules of Court, like in the present case, does not by itself merit a suspension of the proceedings before a public respondent, unless a temporary

²⁶ Emphasis ours.

²⁷ G.R. No. 166859, June 26, 2006.

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restraining order or a writ of preliminary injunction has been issued against the public respondent.

Consistent with Section 7, Rule 65 of the Rules of Court, as amended, and *Sandiganbayan*, petitioner's filing of a Petition for Certiorari Under Rule 65 [of the Rule of Court] in CTA EB No. 2833 does *not* halt the proceedings in CTA Case No. 9879, because no TRO/WPI was prayed, much more, issued enjoining the same. The CTA in Division's directive for the issuance of a writ of execution is no exception.

Finally. The matter regarding the propriety of petitioner's filing of a Petition for Relief from Judgment in CTA Case No. 9879 need *not* be dealt here. Our reasons therefor follow.

For one, said matter was neither²⁸ assigned as an error in the instant petition, nor a closely related issue with the assigned error, *i.e.*, suspension of issuance of writ of execution during pendency of a special civil action for *certiorari*; hence, a pronouncement thereon should be dispensed with, based on Section 8,²⁹ Rule 51 of the Rules of Court, as amended, and jurisprudence.³⁰

For another, the timeliness thereof was laid to rest in *another* case.³¹ Reinventing the wheel simply dwindles Our time and resources.

ACCORDINGLY, the Petition for Review dated July 15, 2024 in CTA EB No. 2955 is **DISMISSED**.

SO ORDERED.

Marian IV F. Reyes - Fajardo
MARIAN IV F. REYES-FAJARDO
Associate Justice

²⁸ See Assignment of Error, Petition for Review. *Rollo*, p. 3.

²⁹ SEC. 8 Questions that may be decided. No error which does not affect the jurisdiction over the subject matter or the validity of the judgment appealed from or the proceedings therein will be considered, unless stated in the assignment of errors, or closely related to or dependent on an assigned error and properly argued in the brief, save as the court may pass upon plain errors and clerical errors.

³⁰ *Hiponia-Mayuga v. Metropolitan Bank and Trust Co.*, G.R. No. 211499, June 22, 2015.

³¹ *Commissioner of Internal Revenue v. Court of Tax Appeals Special Second Division, et al.*, CTA EB No. 2833, January 16, 2025.

WE CONCUR:

Re. Helen 7
MA. BELEN M. RINGPIS-LIBAN
Associate Justice

Catherine T. Manahan
CATHERINE T. MANAHAN
Associate Justice

Jean Marie A. Bacorro-Villena
JEAN MARIE A. BACORRO-VILLENA
Associate Justice

Maria Rowena Modesto-San Pedro
MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

Lanee S. Cui-David
LANEE S. CUI-DAVID
Associate Justice

Corazon G. Ferrer-Flores
CORAZON G. FERRER-FLORES
Associate Justice

H/R
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.



MA. BELEN M. RINGPIS-LIBAN
Acting Presiding Justice