

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
Quezon City

EN BANC

PEOPLE OF THE PHILIPPINES,
Petitioner,

CTA EB CRIM. NO. 132
(CTA Crim. Case No. O-940)

Present:

- versus -

RINGPIS-LIBAN, *P.J.*,
BACORRO-VILLENA,
MODESTO-SAN PEDRO,
REYES-FAJARDO,
CUI-DAVID,
FERRER-FLORES,
ANGELES,
TESTON, *and*
CENTENO-DIJAMCO, *II*.

ZIEGFRIED LOO TIAN,
(No. 1013, Juan Luna Street,
Brgy. 27, Zone 1, Tondo, Manila),
Respondent.

Promulgated:

SEP 24 2026

x ----- x

RESOLUTION

BACORRO-VILLENA, *J.*:

For the Court's resolution is petitioner People of the Philippines' (**petitioner's**) "Motion for Reconsideration (of the Decision dated November 14, 2025)"¹ (**MR**), filed on 05 December 2025, with respondent Ziegfried Loo Tian's (**respondent's**) "Comment/Opposition"² filed 26 January 2026.

¹ Rollo, pp. 399-407; Received by the Court on 15 December 2025.

² Id., pp. 411-425.

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Petitioner seeks to set aside of the Court *En Banc*'s Decision dated 14 November 2025³ (**assailed Decision**), which partially granted petitioner's "Verified Petition for Review (of the Resolution dated June 26, 2023)"⁴ (**Verified Petition for Review**). The Court *En Banc* found merit in the present Verified Petition for Review in ruling that the government's right to institute the case against respondent had not yet prescribed when the Information⁵ was filed on 26 October 2022. Despite this finding, the Court *En Banc* nonetheless ordered the dismissal of the criminal action on the ground that the prolonged and unjustified delay of more than ten (10) years between the filing of the Joint Complaint-Affidavit⁶ (JCA) and the subsequent filing of the Information before the Third Division violated respondent's constitutional right to speedy disposition of cases.

In the present MR,⁷ petitioner challenges only the dismissal of the case. Petitioner first argues that, although delay occurred, such delay did not reach a level that was vexatious, capricious, or oppressive so as to constitute a violation of respondent's constitutional right to speedy disposition of cases. Second, petitioner emphasizes that the constitutional right to speedy disposition of cases does not pertain exclusively to the accused in criminal proceedings but extends to all parties in all cases. In this regard, petitioner underscores that taxes constitute the lifeblood of the government, and courts must therefore exercise caution before dismissing tax cases on the basis of delay alone.

Petitioner further argues that the delay in filing the subject Information did not amount to inordinate delay. *First*, respondent did not dispute that the Department of Justice (**DOJ**) strictly followed the proper procedure in the conduct of the preliminary investigation. *Second*, the JCA covered twenty (20) alleged violations of the National Internal Revenue Code (**NIRC**) of 1997, as amended, involving two (2) different tax types and two (2) taxable years. The complexity of the legal and factual issues, coupled with the sheer volume of documentary evidence, necessarily required extensive evaluation and inevitably contributed to the length of the proceedings. *Third*,

³ Id., pp. 334-373.

⁴ *Rollo*, pp. 1-240. with annexes.

⁵ Division Docket. pp. 5-6.

⁶ Id., pp. 23-37.

⁷ *Supra* at note 1.



respondent failed to demonstrate that the delay caused any prejudice to the defense or impaired the ability to respond to the charges.

On the other hand, in his or her Comment/Opposition,⁸ respondent *first* argues that the Court *En Banc* erred in ruling that the government’s right to prosecute him for violation of Section 254⁹ of the NIRC of 1997, as amended, had not yet prescribed. He contends that, under Section 281¹⁰ of the NIRC of 1997, as amended, it is only the filing of the Information — not the filing of the criminal complaint — that interrupts or tolls the running of the five (5)-year prescriptive period. Accordingly, respondent asserts that the offense had already prescribed before the prosecution commenced the criminal action before the Court.

Secondly, respondent maintains that the dismissal of the case remained warranted due to the violation of his constitutional right to speedy disposition of cases. Respondent emphasizes that the prosecution allowed more than ten (10) years to lapse from filing of the JCA¹¹ on 05 July 2012 to filing of the Information¹² before the Third Division on 26 October 2022.

Considering that the conduct of preliminary investigation in this case took more than 10 years, respondent asserts that the burden to prove absence of violation of right to speedy disposition of cases rests on prosecution. Contrary to petitioner’s assertions, respondent insists that the prosecution failed to discharge this burden and that inordinate delay in filing subject Information remains undeniable. Respondent underscores the following material circumstances: (1) despite the filing of the JCA on 05 July 2012, the prosecution filed the

⁸ Supra at note 2.
⁹ SEC. 254. *Attempt to Evade or Defeat Tax.*
¹⁰ SEC. 281. *Prescription for Violations of any Provision of this Code. — All violations of any provision of this Code shall prescribe after five (5) years.*

Prescription shall begin to run from the day of the commission of the violation of the law, and if the same be not known at the time, from the discovery thereof and the institution of judicial proceedings for its investigation and punishment.

The prescription shall be interrupted when proceedings are instituted against the guilty persons and shall begin to run again if the proceedings are dismissed for reasons not constituting jeopardy.

The term of prescription shall not run when the offender is absent from the Philippines.
(Emphasis supplied)

¹¹ Supra at note 6.
¹² Supra at note 5.

Information¹³ only more than ten (10) years later, on 26 October 2022; and (2) within this prolonged period, the prosecution spent more than two (2) years resolving the initial complaint, nearly three (3) additional years resolving the MR thereto, and allowed over five (5) more years to elapse before filing the Information.

We resolve.

After a careful perusal of the present MR¹⁴ and the arguments raised therein (vis-à-vis the arguments raised in respondent's Comment/Opposition¹⁵), We find the same bereft of merit.

As extensively discussed in the assailed Decision,¹⁶ the determination of inordinate delay does not rest on a purely mathematical computation of time but requires a holistic evaluation of surrounding circumstances, guided by jurisprudential parameters laid down in *Cesar Matas Cagang v. Sandiganbayan, Fifth Division, et al.*¹⁷ (**Cagang**) and related cases. These parameters include length of delay, reasons for delay, timely invocation of right, and prejudice suffered by the accused.

Here, the records confirm that more than ten (10) years elapsed from the filing of the JCA¹⁸ on 05 July 2012 to the filing of the Information before the Third Division on 26 October 2022. Within this prolonged period, the prosecution took over two (2) years to resolve the initial complaint, nearly three (3) additional years to resolve the MR thereto, and allowed more than five (5) years to pass before the filing of the Information. Such delay clearly exceeded the periods contemplated by law and procedural rules.

Thus, consistent with *Cagang* and as explained in the assailed Decision, the burden to justify delay squarely shifted to the prosecution. While petitioner invokes alleged complexity of issues and volume of evidence, the Court *En Banc* finds such justification insufficient. To reiterate, for emphasis, what underscores the gravity

¹³ Supra at note 5.
¹⁴ Supra at note 1.
¹⁵ Supra at note 2.
¹⁶ Supra at note 3.
¹⁷ G.R. Nos. 206438 and 206458 & 210141-42. 31 July 2018.
¹⁸ Supra at note 6.



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of the delay in this case is the fact that the DOJ had already determined the existence of probable cause to charge respondent as early as 01 September 2014. From that point onward, the prosecution no longer faced unresolved factual or legal issues that could reasonably justify prolonged inaction. Yet, the prosecution failed to file the Information for more than eight (8) years thereafter, without offering any satisfactory explanation.

Contrary to petitioner's contention, mere invocation of procedural regularity in the conduct of preliminary investigation does not negate inordinate delay. Compliance with procedural steps does not automatically equate to compliance with the constitutional mandate of reasonable dispatch. As emphasized in the assailed Decision,¹⁹ constitutional right to speedy disposition of cases imposes a substantive obligation on the State to ensure that prosecutorial action proceeds within a reasonable time, especially after probable cause has already been established.

Records likewise show that respondent asserted his right to speedy disposition of cases at the first reasonable opportunity, specifically in his Comment/Opposition²⁰ to the Verified Petition for Review.²¹ Respondent could not have invoked this right earlier before the Third Division, as the case had already been dismissed on the ground of prescription prior to arraignment. Jurisprudence does not require the accused to make repeated or premature assertions of this right, nor does silence automatically amount to waiver.²²

Petitioner's argument that the dismissal unduly prejudices the State due to the nature of tax cases likewise fails to persuade. While taxes constitute lifeblood of the government, constitutional rights cannot yield to expediency. Protection of individual rights remains paramount, and courts cannot sanction prosecutorial delay by invoking public interest alone. Constitutional guarantees exist precisely to prevent prolonged uncertainty, anxiety, and oppression arising from indefinite suspension of criminal prosecution.²³

¹⁹ Supra at note 3.

²⁰ Supra at note 2.

²¹ Supra at note 4.

²² See *Tahira S. Ismael and Aida U. Ajijon v. People of the Philippines*, G.R. Nos. 234435-36, 06 February 2023.

²³ See *Hermis Carlos Perez v. Sandiganbayan and the Ombudsman*, G.R. No. 245862, 03 November 2020, citing *Cesar Matas Cagang v. Sandiganbayan, Fifth Division, et al.*, supra

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Ultimately, the Court *En Banc* found that the prosecution failed to discharge its burden of proving that the delay was reasonable and non-prejudicial. Petitioner's invocation of alleged complexity likewise proves unavailing to justify the considerable delay in the conduct of preliminary investigation. Although the JCA²⁴ involved twenty (20) alleged violations of the NIRC of 1997, as amended, covering two (2) tax types and two (2) taxable years, these violations are neither novel nor legally intricate. They involve standard tax assessments, routine documentary examination, and the application of settled provisions of tax law. Nothing in the records indicates that the case presented exceptional factual intricacy, unsettled legal questions, or evidentiary difficulties that could reasonably justify a prosecutorial delay spanning more than a decade.

Accordingly, the Court *En Banc* sustains its ruling that the prolonged and unjustified delay of more than ten (10) years in filing the Information²⁵ violated respondent's constitutional right to speedy disposition of cases, thereby warranting the dismissal of the criminal action, notwithstanding the absence of prescription.

Moreover, even assuming for the sake of argument that no inordinate delay attended the disposition of the criminal action involved in this case, the dismissal nevertheless remains warranted. Substantial grounds exist to revisit and reconsider the Court *En Banc*'s ruling in the assailed Decision²⁶ on the issue of prescription. Upon a second hard look, the Court *En Banc* finds sufficient basis to conclude that the government's right to prosecute respondent for the alleged tax violation has already prescribed.

In the assailed Decision, the Court *En Banc* held that the ruling in *People of the Philippines v. Ulysses Palconit Consebido*²⁷ (**Consebido**) constitutes the proper and authoritative interpretation of Section 281²⁸ of the NIRC of 1997. Consequently, the Court *En Banc*



at note 17, and *Francisco S. Tatad v. The Sandiganbayan, and the Tanodbayan*, G.R. Nos. 72335-39, 21 March 1988; *Rene C. Figueroa v. Sandiganbayan, Special Third Division, et al.*, G.R. Nos. 235965-66, 15 February 2022.

²⁴ Supra at note 6.

²⁵ Supra at note 5.

²⁶ Supra at note 3.

²⁷ G.R. No. 258563, 02 April 2025.

²⁸ Supra at note 10.

applied the pronouncement in *Consebido* retroactively, reckoning its effect from the date the NIRC of 1997 took effect.²⁹

Upon a more careful reexamination of the issue, however, sufficient doctrinal grounds exist to revisit that interpretation insofar as it applies to the present case. A closer review of the relevant jurisprudence and the circumstances obtaining herein reveals compelling reasons to reassess the applicability of *Consebido* and its effect on the determination of whether the government’s right to prosecute has already prescribed.

In *Consebido*, the Supreme Court held that the prescriptive period for prosecuting crimes is tolled upon the filing of a complaint with the DOJ — not when the case reaches the court. **It specifically clarified that under Section 281 of the NIRC of 1997, the prescriptive period for criminal tax offenses that are not immediately known starts from the time the violation is discovered and is interrupted once a preliminary investigation begins. This interpretation ensures that the intent of the law — to set a clear time limit for the prosecution of tax violations — is properly applied.**

First. Insofar as criminal tax offenses are concerned, *Consebido* is controlling. However, it also introduces a doctrinal clarification that carries significant procedural ramifications, as will be explained below.

In *Consebido*, the Supreme Court clarified that, under Section 281 of the NIRC of 1997, as amended, the prescriptive period operates in a harmonized manner such that the commencement of a preliminary investigation interrupts prescription. The Court was explicit:



²⁹ In, among others: *People of the Philippines v. Lemuel Sibuma Consolacion*, CTA EB Crim. No. 150 (CTA Crim. Case No. O-983), 29 May 2025; *People of the Philippines v. Ziegfried Loo Tian*, CTA EB Crim. No. 116 (CTA Crim. Case No. O-944) (Resolution), 16 July 2025; *People of the Philippines v. Ziegfried Loo Tian*, CTA EB Crim. No. 112 (CTA Crim. Case No. O-957) (Resolution), 04 August 2025; *People of the Philippines v. Shelmark Builders Phils., Inc.*, CTA EB Crim. No. 138 (CTA Crim. Case No. O-1054), 22 October 2025; *People of the Philippines v. PGU General Merchandise, Inc., Fook Seong Yong and Rocelle Francisco*, CTA EB Crim. No. 144 (CTA Crim. Case No. O-1081), 18 November 2025; and *People of the Philippines v. Logistics.com Corporation, Jovan G. Trias, Arman R. Ong and Erma O. Aunario*, CTA EB Crim. No. 114 (CTA Crim. Case No. O-973) (Resolution), 24 February 2026.

...

Thus, in consideration of the foregoing, the Court clarifies that under Section 281 of the 1997 NIRC, prescription for criminal offenses where the commission of the violation is not known shall begin to run from its discovery. The adoption of the interpretation in *Duque* is apt in order to harmonize the second and third paragraphs of Section 281 of the 1997 NIRC. **The institution of proceedings, specifically the commencement of preliminary investigation, shall interrupt the prescriptive period for the offense.**³⁰

...

Consebido likewise categorically declared that the filing of the criminal complaint before the DOJ tolls the running of the prescriptive period for NIRC offenses:

...

As discussed above, the filing of the criminal complaint before the DOJ shall toll the running of the prescriptive period for offenses under the 1997 NIRC, as amended, whether its commission was immediately known or unknown at the time of the violation.³¹

...

This clarification, while now controlling, necessarily interfaces with longstanding procedural formulations on when a criminal action is “instituted” for purposes of interrupting prescription. Section 1³² of Rule 110 of the Revised Rules on Criminal Procedure (RRCP) clearly provides that criminal actions shall be instituted by the filing of a complaint for purposes of conducting a preliminary investigation. 

³⁰ Supra at note 27: Emphasis supplied.
³¹ Id.
³² **Sec. 1. Institution of criminal actions. — Criminal actions shall be instituted** as follows:

- (a) For offenses where a preliminary investigation is required pursuant to section 1 of Rule 112, **by filing the complaint with the proper officer for the purpose of conducting the requisite preliminary investigation.**
- (b) For all other offenses, by filing the complaint or information directly with the Municipal Trial Courts and Municipal Circuit Trial Courts, or the complaint with the office of the prosecutor. In Manila and other chartered cities, the complaint shall be filed with the office of the prosecutor unless otherwise provided in their charters.

The institution of the criminal action shall interrupt the running period of prescription of the offense charged unless otherwise provided in special laws. (Emphasis and underscoring supplied)

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Second. It must be recognized, however, that the Revised Rules of the Court of Tax Appeals' (RRCTA's) "**institution-by-Information**" formulation creates a genuine interpretive tension when applied to criminal cases before the CTA.

While *Consebido* squarely addressed criminal tax offenses and applied the "**institution-by-complaint**" formulation to the offense involved in that case, criminal prosecutions before the CTA remain specifically governed by the RRCTA, duly approved by the Supreme Court *En Banc* in 2005 and later revised in 2008. Rule 9, Section 2 of the RRCTA provides:

...

Sec. 2. *Institution of Criminal Actions.* — All **criminal actions** before the Court in Division in the exercise of its original jurisdiction shall be instituted by the **filing of an information** in the name of the People of the Philippines. In criminal actions involving violations of the National Internal Revenue Code and other laws enforced by the Bureau of Internal Revenue, the Commissioner of Internal Revenue must approve their filing. In criminal actions involving violations of the Tariff and Customs Code and other laws enforced by the Bureau of Customs, the Commissioner of Customs must approve their filing.

The **institution of the criminal action** shall interrupt the running of the period of prescription.³³

...

It cannot be denied that the foregoing provision, as plainly worded, may reasonably lead an accused, litigants, and even the prosecution to understand that the **filing of an Information** before this Court is **the operative act that both institutes the criminal action and tolls prescription**, at least within this Court's original criminal jurisdiction. This understanding materially differs from *Consebido*, where "institution" occurs upon filing of the complaint with the prosecutor or the DOJ.

Thus, for criminal cases before the CTA predating *Consebido*, there exists a genuine interpretive tension between:



³³

Italics in the original text, emphasis and underscoring supplied.

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1. *Consebido*'s clarified reading of Section 281³⁴ of the NIRC of 1997, as amended; and
2. the RRCTA's express "institution-by-Information" formulation in the CTA.

A genuine interpretive tension arises from the coexistence of two (2) seemingly inconsistent rules governing the interruption of the prescriptive period in criminal tax cases before the CTA. On one hand, the RRCTA expressly provides that a criminal action is instituted upon the filing of an Information before this Court, and that such institution interrupts prescription. On the other hand, *Consebido* clarifies that, for offenses under the NIRC of 1997, as amended, prescription is tolled upon the filing of a criminal complaint for purposes of preliminary investigation before the prosecutor or the DOJ.

This divergence creates uncertainty as to the precise point at which prescription is interrupted. For the accused, this uncertainty proves material and consequential, as it determines whether criminal liability has already been extinguished. An accused who relied on the plain language of the RRCTA could reasonably believe that prescription would only be interrupted upon the filing of the Information. However, the subsequent doctrinal clarification in *Consebido* advances the reckoning point of interruption to an earlier stage in the proceedings, thereby altering the legal landscape.

In this context, doubt arises not only from competing textual interpretations, but also from a supervening doctrinal development that affects the accused's substantive right to invoke prescription. This lack of clarity undermines fair notice and raises the risk that an accused may face prosecution despite a reasonable belief that the prescriptive period had already lapsed under the previously understood rule.

Third. Because prescription extinguishes criminal liability and operates as a substantive right, any uncertainty in its application must be strictly construed against the State and liberally in favor of



³⁴

Supra at note 10.

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the accused. Accordingly, the Court must resolve the doubt in favor of the accused.

Prescription emanates from the liberality of the State. Any bar to or cause of interruption in the operation of prescriptive periods cannot simply be implied nor derived by mere implication. Any diminution of this endowment must be directly and expressly sanctioned by the source itself, the State. **Any doubt on this matter must be resolved in favor of the grantee thereof, the accused.**³⁵

The RRCTA, promulgated by the Supreme Court *En Banc*, expressly treated criminal actions before this Court as “instituted” by the filing of an Information and declared that such institution interrupts prescription. In fact, *Lim, Sr.* and the RRCTA are consistently applied in a plethora of criminal cases decided by this Court, whether acting *En Banc* or in Division, to wit:

En Banc

1. *People of the Philippines v. Juanchito D. Bernardo, et al.*;³⁶
2. *People of the Philippines v. Juanchito D. Bernardo, et al.*;³⁷
3. *People of the Philippines v. Ulysses Palconet Consebido*;³⁸
4. *People of the Philippines v. Ulysses Palconet Consebido*;³⁹ and
5. *People of the Philippines v. Virgilio B. Castillo*;⁴⁰

Division

1. *People of the Philippines v. R-Jell Marketing & Construction Company, et al.*;⁴¹
2. *People of the Philippines v. Wintelecom, Inc./Hua C. Uychiyong (Treasurer)*;⁴²
3. *People of the Philippines v. GH Resources and Training Services, Inc., et al.*;⁴³

³⁵ *Benjamin (“Kokoy”) T. Romualdez v. Hon. Simeon V. Marcelo, in his official capacity as the Ombudsman, et al.*, G.R. Nos. 165510-33 (Resolution), 28 July 2006.

³⁶ CTA EB Crim. No. 078 (CTA Crim. Case No. O-731), 29 September 2021.

³⁷ CTA EB Crim. No. 079 (CTA Crim. Case No. O-733), 07 July 2021.

³⁸ CTA EB Crim. No. 076 (CTA Crim. Case Nos. O-700, O-702 & O-703), 27 January 2021.

³⁹ CTA EB Crim. No. 069 (CTA Crim. Case No. O-701), 06 January 2021.

⁴⁰ CTA EB Crim. No. 053 (CTA Case No. O-663), 08 July 2020.

⁴¹ CTA Crim. Case Nos. O-850, O-851, O-852 & O-853, 15 March 2022 (Resolution).

⁴² CTA Crim. Case Nos. O-800 & O-801, 22 February 2022 (Resolution).

⁴³ CTA Crim. Case No. O-818, 17 February 2022 (Resolution).

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4. *People of the Philippines v. The Property Forum Phils., Inc., et al.*;⁴⁴ and
5. *People of the Philippines v. Chiatsing Cardboard Corp., et al.*⁴⁵

Consebido later held that, for NIRC offenses, the filing of the criminal complaint for preliminary investigation tolls prescription, thereby **effectively modifying the operative understanding of “institution” for purposes of interruption in criminal cases before this Court.**

Given this doctrinal shift in the operative tolling point, prudence, fair notice, and the liberal construction of prescription (in favor of the accused) all coalesce to limit the new rule to post-*Consebido* cases. This approach aligns with *Consebido*’s express directive on prospectivity, even if its discussion arose in the context of offenses governed by the Revised Rules on Summary Procedure (RRSP) and the 2022 Rules on Expedited Procedures in the First Level Courts (REPFLC).⁴⁶

Furthermore, jurisprudence supports the view that, consistent with the spirit of the law and legislative intent, **any change in the interpretation of prescription laws must operate liberally in favor of the accused.** Accordingly, such interpretive changes must apply prospectively when they affect substantive rights, as *Consebido* itself recognized in relation to offenses under the RRSP and REPFLC.

Previously, in several CTA *En Banc* cases,⁴⁷ the ruling in *Consebido* was applied retroactively to all cases governed by the NIRC

⁴⁴ CTA Crim. Case No. O-875, 23 June 2021 (Resolution).

⁴⁵ CTA Crim. Case Nos. O-385, O-386, O-387, O-388, O-389, O-390, O-391 & O-392, 08 July 2015 (Resolution).

⁴⁶ *Consebido* abandons *Pastor Corpus, Jr. y Belmore v. People of the Philippines*, G.R. No. 255740, 16 August 2023.

⁴⁷ *People of the Philippines v. AJ Corinthian Hauling Corporation, et al.*, CTA EB Crim. Case No. 165 (CTA Crim. Case No. O-1150); *People of the Philippines v. Logistics.com Corporation, et al.*, CTA EB Crim. Case No. 114 (CTA Crim. Case No. O-973) (Resolution), 24 February 2026; *People of the Philippines v. Diego G. Martinez*, CTA EB Crim. Case No. 147 (CTA Crim. Case No. O-672), 06 February 2026; *People of the Philippines v. AJ Corinthian Hauling Corporation, et al.*, CTA EB Crim. Case No. 164 (CTA Crim. Case No. O-1151), 05 February 2026; *People of the Philippines v. AJ Corinthian Hauling Corporation, et al.*, CTA EB Crim. Case No. 162 (CTA Crim. Case No. O-1148); *People of the Philippines v. Faivo Pascual Bartolome*, CTA EB Crim. Case No. 149 (CTA Crim. Case No. O-984), 02 December 2025; *People of the Philippines v. PGU General Merchandise, Inc., et al.*, CTA EB Crim. Case No. 144 (CTA Crim. Case No. O-1081), 18 November 2025; *People of the Philippines v. Ziegfried Loo Tian*, CTA EB Crim. Case No. 132 (CTA Crim. Case No. O-940), 14 November 2025; *People of the Philippines v. Shelmark Builders Phils., Inc. and Santiago C. Barangan*, CTA EB Crim. Case No. 138 (CTA Crim. Case No. O-1054), 22 October 2025; *People of the Philippines*

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of 1997, reckoned from its effectivity. Again, this merely affirms the proper interpretation of Section 281⁴⁸ of the said law from its inception, rather than establishes a new doctrine on prescription. Notably, in *Consebido*, the Supreme Court upheld the CTA *En Banc*'s dismissal of the complaint not because the Information was filed beyond the five (5)-year prescriptive period, but because the complaint itself was filed after the lapse of such period. The Supreme Court, in resolving the controversy in *Consebido*, which involved a criminal tax offense, expressly applied the long-settled doctrine in *People of the Philippines, et al. v. Ascencion P. Olarte*⁴⁹ that the commencement of preliminary investigation interrupts the running of the prescriptive period.

Nevertheless, more compelling doctrinal considerations support the prospective application of *Consebido*. Such application accords with the higher interest of upholding the *in dubio pro reo* doctrine and protecting the substantive rights of the accused. It recognizes the practical and legal implications of the Supreme Court-approved RRCTA, particularly its "institution-by-Information" formulation, which created a genuine interpretive tension when applied to criminal cases before the CTA. In light of this tension, the CTA must resolve any doubt regarding the existence, bar, or interruption of the prescriptive period in favor of the accused.

The foregoing principle traces its roots as early as *The People of the Philippine Islands v. Juan Moran, et al.*⁵⁰ (**Moran**), where the Supreme Court cited Fiore, an eminent professor of international law and author of "Irretroactivity and Interpretation of Statutes," and leaned towards his interpretation that regardless of the nature of the

v. *Ziegfried Loo Tian*, CTA EB Crim. Case No. 143 (CTA Crim. Case No. O-943), 10 October 2025; *People of the Philippines v. Faivo Pascual Bartolome*, CTA EB Crim. Case No. 140 (CTA Crim. Case No. O-985) (Resolution), 09 October 2025; *People of the Philippines v. Ziegfried Loo Tian*, CTA EB Crim. Case No. 118 (CTA Crim. Case No. O-951) (Resolution), 03 October 2025; *People of the Philippines v. PGU General Merchandise, Inc., et al.*, CTA EB Crim. Case No. 145 (CTA Crim. Case No. O-1082), 01 October 2025; *People of the Philippines v. Ziegfried Loo Tian*, CTA EB Crim. Case No. 112 (CTA Crim. Case No. O-957), 04 August 2025; *People of the Philippines v. Ziegfried Loo Tian*, CTA EB Crim. Case No. 116 (CTA Crim. Case No. O-944), 16 July 2025; *People of the Philippines v. Ziegfried Loo Tian*, CTA EB Crim. Case No. 102 (CTA Crim. Case No. O-938), 30 May 2025; *People of the Philippines v. Ziegfried Loo Tian*, CTA EB Crim. Case No. 119 (CTA Crim. Case No. O-954), 30 May 2025; *People of the Philippines v. Lemuel Sibuma Consolacion*, CTA EB Crim. Case No. 150 (CTA Crim. Case No. O-983), 29 May 2025; *People of the Philippines v. Star Asset Management NPL, Inc., et al.*, CTA EB Crim. Case No. 146 (CTA Crim. Case No. O-994), 21 May 2025.

⁴⁸ Supra at note 10.

⁴⁹ G.R. No. L-22465, 28 February 1967.

⁵⁰ G.R. No. 17905, 27 January 1923; Emphasis supplied.

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law on prescription, any new construction of prescription law must be applied if it is more favorable to the accused, but not if it is more prejudicial, considering that prescription affects the very substance of criminal prosecutions:

...

After examining the different opinions of the writers on the matter, Fiore has come, as seen from the above quotation, to the conclusion that, whether the statute relative to prescription be considered as of a procedural or formal, or substantive, nature, **the new statute must be applied if it is less severe or more favorable to the accused, but not if it is more prejudicial, notwithstanding the general rule that all procedural laws are retroactive in regard to prescription.** In view of the special motion filed by the accused on May 2, 1922, it does not matter and it is of no importance, so far as the question herein raised is concerned, whether the provision contained in section 71 of Act No. 3030 be considered as of a substantive, procedural, or adjective character, because applying the principles above enunciated, the result is the same, and **the more severe law in the matter of prescription** extends, as Fiore says, the field of the criminal action and **affects the very substance thereof, because it determines the basis and the sphere of the rights to punish.**

...

Thus, the Supreme Court concluded by saying that:

...

[N]o period of prescription having been fixed in the former law, those offense were imprescriptible, and the offender could be prosecuted and punished at any time and indefinitely, even ten, twenty, or more years after the commission thereof, whereas the new law, that is, Act No. 3030 in providing the period of one year for the prescription, has, in effect, shortened the time of prescription fixed in the old law by virtue of the silence thereof, reducing it to one year and has established less difficult conditions for the application of the same as regards those offenses, which is evidently more favorable and lenient to the violators of the said former law, and, as Fiore says in one of the paragraph above quoted from his book, **the reduction made by the new law implies a recognition on the part of the sovereign power that the greater severity of the former law, as regards the substance of the criminal action, is unjust, and it would contradict itself if it would attempt to enforce its right under the conditions of the former law which has already been regarded by the conscientious public opinion as juridically burdensome, and, therefore, unjust, and the sovereign power cannot exercise the**



right to punish except within the limits regarded by it as just at the time of exercising it.⁵¹
...

This portion of *Moran* went on to be cited by the Supreme Court in later and even more recent cases interpreting the laws on prescription in criminal offenses.

Promulgated at the same time as *Moran* was the case of *The People of the Philippine Islands v. Norberto Parel*⁵² (**Parel**), where the Court, likewise citing *Fiore*, declared that changes in the law on prescription must not be applied retroactively if the same would prejudice the accused:

...
[W]hen the new prescriptive law is more rigid than the former, whether as to the admissibility of the prescription itself or as to the conditions and time required for its effectiveness, care must be taken that law is not applied to crimes committed before its enactment, not because the accused has acquired any right so to prevent its application, but for the reasons that we have already stated. What right can the accused have to endeavor to prevent that which the sovereign power has the right to do in order to preserve public order? Let us not talk therefore of vested rights of the accused, but let us say it, and with emphasis, that **the reason for the irretroactivity of the more severe law is found in the principle that the sovereign power cannot, without committing an injustice, apply the more severe prescriptive provisions;** and those provisions cannot be justly applied if they have not been previously promulgated. And the right itself to punish does not arise except by virtue of a law promulgated and in force at the time of the commission of the crime. The more rigid the prescriptive law the more enlarged the field of criminal prosecution and this affects the substance thereof, because it fixes the basis and the sphere of the right to punish. And can all of these be done by the sovereign power without any law? Can that power, without doing an injustice, extend the effects of the new law to said acts committed before its enactment? For the same reasons which prevent the sovereign power from punishing those acts that have not expressly been made punishable as crimes by the former law or from imposing the more severe penalties provided in the new law when such acts have been committed before those penalties were established by legislative enactment, so also it cannot enlarge the criminal action (that is to say, its right to punish)

⁵¹ Id.; Emphasis supplied.
⁵² G.R. No. 18260, 27 January 1923; Emphasis supplied.

by a subsequent law and apply to acts executed before its enactment the less favorable provisions of prescription therein established . . .

For the reasons stated, we come to the conclusion that, as a matter of justice which must regulate all the elements of a criminal action, that **the accused must be given the benefit of the provisions of the new law when more favorable to him** and that, unless there should be a final and conclusive judgment at the time, we must also admit in matters of prescription that the new law, when less severe, should be applied. The same principle applies when the modifications introduced by the law refer to the prescription of the penalty, because in its substance the prescription of the penalty is equivalent to the prescription of the criminal action. (Fiore, *Irretroactividad e Interpretacion de las Leyes*, pp. 426-428.)
...

Parel remains to be good law and was recently cited in the 2024 case of *Dexter Bargado y Morgado v. People of the Philippines*.⁵³

Additionally, subsequent cases have reaffirmed that prescription is a matter of substantive law.

In the 1954 case of *The People of the Philippines v. Pascual Castro*,⁵⁴ the Supreme Court declared that prescription is a substantive provision of law:

...
Hence, the rule provides that the plea of prescription should be set up before arraignment, or before the accused pleads to the charge, as otherwise the defense would be deemed waived; but, as was well said in the Moran case, this rule is not of absolute application, especially when it conflicts with a **substantive provision of the law, such as that which refers to prescription of crimes**. Since, under the Constitution, the Supreme Court has only the power to promulgate rules concerning pleadings, practice and procedure, and the admission to the practice of law, and cannot cover substantive rights (section 13, article VII, of the Constitution), **the rule we are considering cannot be interpreted or given such scope or extent that would come into conflict or defeat an express provision of our substantive law**. One of such provisions is article 89 of the Revised Penal Code which 

⁵³ G.R. No. 271081, 29 July 2024.
⁵⁴ G.R. No. L-6407, 29 July 1954; Emphasis supplied.

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provides that the prescription of crime has the effect of totally extinguishing the criminal liability.

...

The conclusion that prescription is a matter of substantive law was reiterated in the 1992 case of *Luz M. Zaldivia v. Hon. Andres B. Reyes, Jr., et al.*,⁵⁵ as well as in the 2013 case of *Jadewell Parking Systems Corporation v. Hon. Judge Nelson F. Lidua, Sr., et al.*,⁵⁶ both of which were discussed in *Consebido*:

...

[I]f there be a conflict between the Rule on Summary Procedure and Section 1 of Rule 110 of the Rules on Criminal Procedure, the former should prevail as the special law. And if there be a conflict between Act No. 3326 and Rule 110 of the Rules on Criminal Procedure, the latter must again yield because **this Court, in the exercise of its rule-making power, is not allowed to “diminish, increase or modify substantive rights”** under Article VIII, Section 5(5) of the Constitution. **Prescription in criminal cases is a substantive right.**⁵⁷

...

Accordingly, any change in its interpretation that adversely affects the accused must be applied prospectively.

Furthermore, the Supreme Court has repeatedly emphasized that laws on prescription must be liberally construed in favor of the accused.

In the 1989 case of *People of the Philippines v. Mizpah R. Reyes*,⁵⁸ which was cited in the 1992 case of *People of the Philippines v. Napoleon Duque*,⁵⁹ the Supreme Court ruled that in the interpretation of the law on prescription of crimes, that which is most favorable to the accused is to be adopted:

...

However, the law on prescription of crimes rests on a more fundamental principle. Being more than a statute of repose, **it is an**



⁵⁵ G.R. No. 102342, 03 July 1992.

⁵⁶ G.R. No. 169588, 07 October 2013.

⁵⁷ Emphasis supplied.

⁵⁸ G.R. Nos. 74226-27, 27 July 1989.

⁵⁹ G.R. No. 100285, 13 August 1992.

act of grace whereby the state, after the lapse of a certain period of time, surrenders its sovereign power to prosecute the criminal act. While the law on prescription of civil suits is interposed by the legislature as an impartial arbiter between two contending parties, the law on prescription of crimes is an **act of amnesty and liberality on the part of the state** in favor of the offender [People v. Moran, *supra*, at p. 405]. Hence, in the interpretation of the law on prescription of crimes, that which is most favorable to the accused is to be adopted. [People v. Moran, *supra*; People v. Parel, 44 Phil. 437 (1923); People v. Yu Hai, 99 Phil. 725 (1956)].⁶⁰

...

This doctrine was reiterated in the 2001 case of *People of the Philippines v. Arturo F. Pacificador*⁶¹ (**Pacificador**):

...

It bears emphasis, as held in a number of cases, that **in the interpretation of the law on prescription of crimes, that which is more favorable to the accused is to be adopted**. The said legal principle takes into account the nature of the law on prescription of crimes which is an **act of amnesty and liberality on the part of the state in favor of the offender**. In the case of *People v. Moran*, this Court amply discussed the nature of the statute of limitations in criminal cases, as follows:

The statute is not a statute of process, to be scantily and grudgingly applied, but an amnesty, declaring that after a certain time oblivion shall be cast over the offense; that the offender shall be at liberty to return to his country, and resume his immunities as a citizen; and that from henceforth he may cease to preserve the proofs of his innocence, for the proofs of his guilt are blotted out. Hence, it is that **statutes of limitation are to be liberally construed in favor of the defendant**, not only because such liberality of construction belongs to all acts of amnesty and grace, but because the very existence of the statute is a **recognition and notification by the legislature of the fact that time, while it gradually wears out proofs of innocence, has assigned to it fixed and positive periods in which it destroys proofs of guilt**.

...



⁶⁰ Emphasis supplied.
⁶¹ G.R. No. 139405, 13 March 2001: Emphasis supplied and italics in the original text.

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Citing *Pacificador*, the Supreme Court, in the 2006 case of *Benjamin ("Kokoy") T. Romualdez v. Hon. Simeon V. Marcelo, et al.*,⁶² declared that any doubt on the bar or cause of interruption of prescriptive periods must be resolved in favor of the accused:

...

Indeed, there is no reason why we should deny petitioner the benefits accruing from the liberal construction of prescriptive laws on criminal statutes. **Prescription emanates from the liberality of the State. Any bar to or cause of interruption in the operation of prescriptive periods cannot simply be implied nor derived by mere implication.** Any diminution of this endowment must be directly and expressly sanctioned by the source itself, the State. **Any doubt on this matter must be resolved in favor of the grantee thereof, the accused.**

The foregoing conclusion is logical considering the nature of the laws on prescription. The exceptions to the running of or the causes for the interruption of the prescriptive periods may and should not be easily implied. The prescriptive period may only be prevented from operating or may only be tolled for reasons explicitly provided by the law.

...

In light of these principles, while *Consebido* supplies the authoritative construction of Section 281⁶³ of the NIRC of 1997, as amended — holding that the filing of a complaint for preliminary investigation tolls prescription — this Court's own rules (*i.e.*, the RRCTA) create reasonable interpretive doubt when applied to pre-*Consebido* prosecutions such as this case. In faithful adherence to the principle that doubts in criminal prosecutions, especially those affecting prescription, must be resolved in favor of the accused, *Consebido* must be applied herein prospectively.

As correctly ruled by the Third Division and Special Third Division,⁶⁴ since the Information⁶⁵ was filed only on **26 October 2022**, or after the lapse of the five (5)-year prescriptive period, which ended on **05 July 2017** (reckoned from 05 July 2012), the State's right to

⁶² Supra at note 35: Emphasis supplied.

⁶³ Supra at note 10.

⁶⁴ The Third Division and the Special Third Division are both composed of Associate Justice Ma. Belen M. Ringpis-Liban, as Chairperson, Associate Justice Maria Rowena Modesto-San Pedro, and Associate Justice Corazon G. Ferrer-Flores, as Members.

⁶⁵ Supra at note 5.



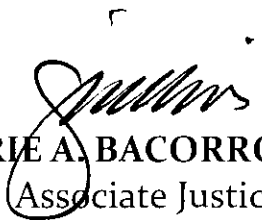
prosecute or to institute a criminal action against respondent had already prescribed.

Considering that this criminal action was instituted prior to *Consebido*, the Court *En Banc* cannot sustain petitioner’s position that the filing of the JCA⁶⁶ with the DOJ on **05 July 2012** for preliminary investigation interrupted the prescriptive period. To do so would operate to the prejudice of accused-respondent and contravene the rule that prescription must be construed liberally in favor of the accused.

In light of the foregoing discussion, the Court *En Banc* sustains the dismissal of the criminal case not only on the ground that respondent’s constitutional right to the speedy disposition of cases was violated, but also on the separate ground that the criminal action has already prescribed. Either ground, standing alone, sufficiently warrants the dismissal of the case.

WHEREFORE, the foregoing premises considered, petitioner People of the Philippines’ “Motion for Reconsideration (of the Decision dated November 14, 2025)”, filed on 05 December 2025, is hereby **DENIED** for lack of merit.

SO ORDERED.

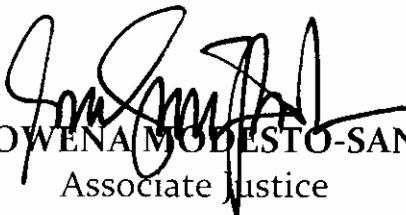

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

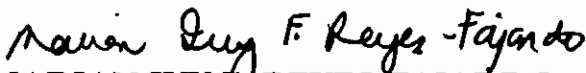
WE CONCUR:


MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

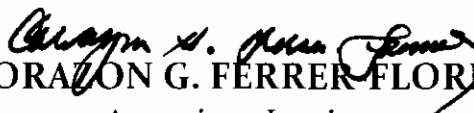
⁶⁶ Supra at note 6.

x-----x


MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice


MARIAN IVY R. REYES-FAJARDO
Associate Justice


LANEE S. CUI-DAVID
Associate Justice


CORAZON G. FERRER FLORES
Associate Justice


HENRY S. ANGELES
Associate Justice


PAOLO S. TESTON
Associate Justice


DEBBIE JEAN I. CENTENO-DIJAMCO
Associate Justice