

****Title**:** Nursery Care Corporation et al. vs. Anthony Acevedo, et al. (Concerning Double Taxation)

****Facts**:**

The City of Manila, through its Revenue Code, imposed taxes on the petitioners (Nursery Care Corporation and others) under Sections 15 (Tax on Wholesalers, Distributors, or Dealers) and 17 (Tax on Retailers). In addition to these, the City of Manila also applied taxes under Section 21 of the same code, as a precondition for business license renewal for the year 1999. The petitioners complied and made payments under protest for the first quarter of 1999, subsequently requesting a tax credit or refund. This request was denied by the City Treasurer, Anthony Acevedo, and his successor, Liberty Toledo, did not reconsider the decision.

The petitioners filed petitions for certiorari in the Regional Trial Court (RTC) of Manila, which, after several transfers, ended up in Branch 19. The RTC dismissed the petitions, not finding any instance of double taxation. The petitioners then appealed to the Court of Appeals (CA), which dismissed the appeal due to lack of jurisdiction, identifying the issue to be purely legal. A motion for reconsideration was likewise denied by the CA.

****Issues**:**

1. Whether the CA properly denied due course to the appeal for raising pure questions of law.
2. Whether the imposition of taxes under Section 21 of the Revenue Code of Manila, in addition to Sections 15 and 17, constituted double taxation.

****Court's Decision**:**

1. The Supreme Court recognized that the CA did not err in dismissing the appeal, as it involved only questions of law. However, considering the need for justice and equity, the Court adopted a liberal approach to address the substantive issues at hand.
2. The Court ruled that the imposition of taxes under Section 21 of the Revenue Code of Manila, on top of those under Sections 15 and 17, constituted double taxation. The taxes under these sections were imposed on the same subject matter (the privilege of doing business in Manila), by the same taxing authority, within the same jurisdiction and period, and were of the same kind (local business taxes). This met all the criteria for double taxation. Consequently, the taxes collected under Section 21 for the first quarter of 1999 had to be refunded to the petitioners.

****Doctrine**:**

The Supreme Court reiterated the principle that double taxation occurs when the same taxpayer is taxed twice for the same purpose, by the same taxing authority, within the same jurisdiction and period, and the taxes are of the same kind or character.

****Class Notes**:**

- ****Double Taxation****: Implies taxing the same property or subject matter twice when it should only be taxed once within the same taxing jurisdiction and period, by the same taxing authority, and for the same purpose.
- ****Section 21 of the Revenue Code of Manila****: While not unconstitutional by itself, applying it in conjunction with Sections 15 and 17 to the same businesses resulted in double taxation.
- ****Local Government Code, Section 143****: The basis for municipal and city governments to impose business taxes. Any local business tax must conform to this statutory provision.

****Historical Background**:**

This case elucidates the practical challenges and disputes arising from local tax impositions within the Philippine legal system, particularly involving the concept of double taxation. It signifies an instance where businesses contested additional tax impositions by a local government, illustrating the ongoing balancing act between local government tax authority under the Local Government Code and the prohibition against oppressive taxation.