

### Title:

Coca-Cola Bottlers Philippines, Inc. vs. City of Manila

### Facts:

Coca-Cola Bottlers Philippines, Inc. (petitioner) filed a Petition for Review on Certiorari under Rule 45 of the 1997 Rules of Civil Procedure, challenging orders of the Regional Trial Court (RTC) of Manila, Branch 21. The RTC orders dismissed the petitioner's Petition for Injunction against the implementation of Tax Ordinance No. 7988 by the City of Manila (respondent), and the subsequent denial of their Motion for Reconsideration.

Tax Ordinance No. 7988, known as the "Revised Revenue Code of the City of Manila," was approved by the City Mayor of Manila on 25 February 2000, amending the tax rates for establishments within the City, including the petitioner. The petitioner challenged the ordinance as unconstitutional and illegal under the Local Government Code of 1991 (Republic Act No. 7160) due to the lack of required publication and for imposing additional taxes.

The Department of Justice (DOJ), in response to the petitioner's challenge, declared Ordinance No. 7988 null and void for failure to meet publication requirements as per R.A. No. 7160. This decision was not appealed by the City of Manila and thus became final.

Despite this, and a directive from the Bureau of Local Government Finance to cease enforcement of Ordinance No. 7988, respondents continued to assess taxes based on it, prompting the petitioner to file a Complaint with the RTC of Manila, which initially ruled in favor of the petitioner.

Subsequently, the City of Manila enacted Tax Ordinance No. 8011 to amend Ordinance No. 7988. The petitioner again challenged this new ordinance, which was also declared null and void by the DOJ Secretary, a decision left unappealed and became final.

The City of Manila filed a Motion for Reconsideration with the RTC, which was granted, leading to the dismissal of the petitioner's case based on the enactment of Tax Ordinance No. 8011. This decision was appealed by the petitioner to the Supreme Court.

### Issues:

1. Whether the RTC erred in dismissing the petitioner's original complaint by erroneously considering the validity of Tax Ordinance No. 8011 (which sought to amend a null and void Tax Ordinance No. 7988).

2. Whether procedural requirements for the passage of a tax ordinance, specifically the mandatory publication, were satisfied for Tax Ordinance Nos. 7988 and 8011.

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

The Supreme Court granted the petition, reversing and setting aside the orders of the RTC. The Court clarified that Tax Ordinance No. 7988 was null and void due to failure to meet publication requirements, and as such, Tax Ordinance No. 8011 attempting to amend a nullified ordinance was also void. The Court emphasized the mandatory nature of these procedural requirements and the importance of strict compliance to ensure the legality and constitutionality of tax ordinances.

**### Doctrine:**

This case reaffirms the doctrine that legislative bodies must adhere to procedural requirements, such as the mandatory publication of tax ordinances, as stipulated by law, for them to be valid and enforceable. An invalid or unconstitutional law or ordinance, in legal contemplation, does not exist.

**### Class Notes:**

- The importance of procedural requirements in the enactment of local tax ordinances under the Local Government Code (e.g., publication requirements under Section 188 of R.A. No. 7160).
- The doctrine that an ordinance declared null and void cannot be amended since, in legal contemplation, it does not exist.

**### Historical Background:**

This case highlights the checks and balances within the Philippine legal system, especially regarding local government taxation powers and the procedural safeguards designed to protect the interests of stakeholders. The dispute over Tax Ordinance Nos. 7988 and 8011 exemplifies the tension between local government autonomy in revenue generation and adherence to national legal standards to ensure fairness and legality.