

### Title:

City of Manila vs. Hon. Caridad H. Grecia-Cuerdo et al.

### Facts:

The City of Manila, through its treasurer, assessed local business taxes against private respondents (various corporations including SM Mart Inc., SM Prime Holdings Inc., etc.) for the period of January to December 2002, under Sections 14, 15, 16, 17, and 21 of the Revised Revenue Code of Manila (RRCM). The taxes, amounting to P19,316,458.77, were paid under protest by the private respondents, as they were prerequisites for their business permit issuance. Challenging the legality of these assessments as double taxation and invoking a Department of Justice declaration against the city's Ordinance No. 8011, which amended the RRCM, the private respondents filed a complaint for a tax refund or recovery.

The Regional Trial Court (RTC) granted a writ of preliminary injunction, which was contested by the City of Manila through a motion for reconsideration and subsequently a special civil action for certiorari at the Court of Appeals (CA). The CA dismissed the petition due to jurisdiction issues, stating that such concerns fall under the purview of the Court of Tax Appeals (CTA) in light of RA 9282. Upon CA's denial of a motion for reconsideration, the City of Manila raised the matter to the Supreme Court (SC).

### Issues:

1. Jurisdiction of the CA in dismissing the petition for lack of authority over the subject matter.
2. Abuse of discretion by the RTC in issuing the writ of injunction against the petitioners.
3. Procedural misstep by petitioners in availing the wrong remedy in assailing the CA's resolutions.

### Court's Decision:

The SC found the petition moot and academic as the main case had already been resolved by the RTC in favor of the private respondents, with a decision rendered that was already final and executory. Furthermore, the SC clarified that the appropriate venue for a certiorari action questioning interlocutory orders in local tax cases is indeed the CTA, based on its jurisdiction and inherent powers to issue necessary writs in aid of its appellate function as established by the Constitution and law. The procedural error of the City of Manila was also addressed, wherein they incorrectly filed a Rule 65 certiorari petition instead of a Rule 45 petition for review on certiorari. However, the SC chose to treat the petition appropriately due to the significance of the jurisdiction issue at hand.

### Doctrine:

This case establishes that the CTA has jurisdiction over petitions for certiorari assailing interlocutory orders issued by the RTC concerning local tax disputes, based on the inherent powers of courts and the specific jurisdictional provisions of RA 9282.

### Class Notes:

- **Exclusive Appellate Jurisdiction of CTA**: Amendments to RA 1125 by RA 9282 expressly confer exclusive appellate jurisdiction over tax disputes to the CTA, including those arising from decisions of the RTC in local tax cases.
- **Rule 65 vs. Rule 45 Mistake**: The SC emphasizes the importance of choosing the correct procedural remedy; a special civil action for certiorari under Rule 65 is for cases of grave abuse of discretion when there's no appeal or any other adequate remedy, whereas a petition for review on certiorari under Rule 45 is for final orders or decisions.
- **Inherent Powers of Courts**: Courts may employ all necessary means to carry into effect their jurisdiction, including issuing auxiliary writs like certiorari, as inherent in their granted authority.

### Historical Background:

The procedural evolution and jurisdictional amendments highlight the dynamic nature of judicial review mechanisms in the Philippine legal system, particularly in tax-related disputes. This case exemplifies the legal system's adaptability and the evolving division of labor among specialized courts, underscoring the significance of jurisdictional clarity for the orderly administration of justice.