

**\*\*Title:\*\*** People of the Philippines vs. Court of Tax Appeals - Third Division, Jacinto C. Ligot and Erlinda Y. Ligot <sup>Digest)</sup>

**\*\*Facts:\*\*** The case involves Jacinto C. Ligot and Erlinda Y. Ligot, accused of violating Sections 254 and 255 of the National Internal Revenue Code (Tax Code) for the years 2001 to 2004 by failing to report accurate income amounts in their Income Tax Returns (ITRs). Specific charges included the under-declaration of income leading to a deficiency in tax payments for each of the years mentioned. The prosecution built its case around the accused's acquisition of various properties, bank deposits, and investments which were allegedly disproportionate to the income they declared in their ITRs and Statements of Assets, Liabilities, and Net Worth (SALNs).

Upon the completion of the trial, where both parties presented evidence and testimonies, the CTA Third Division acquitted the accused based on the failure of the prosecution to prove their guilt beyond a reasonable doubt, particularly pointing out issues in the prosecution's evidence presentation and adherence to legal requirements for document admissibility.

Following the CTA's decision, the prosecution filed a motion for reconsideration which was denied, leading to the filing of a Petition for Certiorari under Rule 65 by the People of the Philippines, through the Bureau of Internal Revenue (BIR), contesting the CTA's rulings.

**\*\*Issues:\*\***

1. Whether the CTA Third Division committed grave abuse of discretion amounting to lack or excess of jurisdiction in acquitting the accused.
2. Whether principles governing the admissibility of evidence, particularly concerning bank records and real property documents, were correctly applied.
3. Whether the doctrine of double jeopardy applies in this situation.

**\*\*Court's Decision:\*\*** The Supreme Court dismissed the petition, affirming the CTA's decisions and resolutions. Specifically, the Supreme Court found no grave abuse of discretion by the CTA Third Division in its ruling. The Supreme Court emphasized that any errors in the appreciation of evidence by the trial court do not constitute grave abuse of discretion correctable by a writ of certiorari. Moreover, the Court highlighted the principle of hierarchy of jurisdictions, stating that the petition should have been filed first with the CTA En Banc.

**\*\*Doctrine:\*\*** The decision reiterated principles concerning the doctrine of double jeopardy,

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emphasizing that a judgment of acquittal cannot be appealed lest it puts the accused in double jeopardy. However, it was clarified that such a judgment may still be reviewed via a petition for certiorari under Rule 65, under the condition that there is a clear demonstration of grave abuse of discretion by the trial court, which was not proven in this case.

**\*\*Class Notes:\*\***

- Principle of Double Jeopardy: One cannot be tried for the same offense twice if acquitted.
- Hierarchy of Jurisdiction: Petitions should follow the hierarchy of courts; in tax cases, CTA En Banc before the Supreme Court.
- Grave Abuse of Discretion: Defined as such capricious and whimsical exercise of judgment equivalent to lack of jurisdiction.
- Admissibility of Evidence: Special considerations for bank documents under secrecy laws and the need for proper authentication of documents in court.
- Doctrine of Implied Trust: Applied in property acquisition where ownership is questionable or divided among multiple parties.

**\*\*Historical Background:\*\*** This case adds to the jurisprudence on tax evasion charges and the stringent requirements for evidence admissibility in court, especially concerning bank records and real properties, under Philippine law. It also underscores procedural protocols when challenging judicial decisions in tax cases, highlighting the approach towards appeals in cases of acquittal and the mechanisms available under Philippine procedural law to contest such acquittals.