

AUYONG HIAN, PETITIONER, VS. THE COMMISSIONER OF INTERNAL REVENUE, RESPONDENT.

G.R. No. L-23395. October 31, 1967

Ponente: SANCHEZ, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/66ee53f85107/>

SANCHEZ, J.:

On motion of the Solicitor General urging the dismissal of the appeal Ground: The issues raised have become moot and academic.

Following are the background facts:

On September 1, 1958, the Republic started suit[1] against Auyong Hian in the Court of First Instance of Manila to enforce collection of defendant's deficiency income taxes, itemized as follows:

Assessment No.

For the Year

Amount

A-1692

1946

P 185.43

A-1947

1947

6,148.83

A-24753

1948

1,782.39

A-29572

1949

569.98

A-17052

1950

4,027.50

A-23121

1951

147,519.00

Total

---P160, 233.13

On October 20, 1961, judgment was rendered in favor of the plaintiff. This judgment was, however, set aside and the hearing reopened by order of February 1, 1962.

After rehearing, the trial court, on July 12, 1963, adjudged:

"IN VIEW OF ALL THE FOREGOING, the Court renders judgment in favor of the plaintiff and again at the defendant, Auyong Hian, and orders said defendant Auyong Hian to pay to the plaintiff the amounts of P185,43, P6,148.83, P1,787.39, P569.98, P4,027.50 and P147,519.00, plus sur-charges for delinquency equivalent to five percent (5%) of the above amounts and one percent (1%) monthly interest from February 21, 1957, until fully paid. With costs against the defendant."

Two motions for reconsideration and/or new trial - the first dated July 24, 1963, and the other, October 30, 1963 - were rejected by orders of October 19, 1963 and December 2, 1963.

Auyong Hian appealed to the Court of Appeals.

On September 20, 1966, the Court of Appeals affirmed, thus: "WHEREFORE, finding no reversible error in the judgment appealed from, the same is hereby affirmed in toto with costs against the defendant-appellant."

Auyong Hian sought to have the appellate court's judgment reviewed on certiorari by this Court.[2] By resolution of this Court dated December 14, 1966, we dismissed his petition for lack of merit. This dismissal became final and executory on March 31, 1967.

In the meantime, in the Court of Tax Appeals, Auyong Hian, on September 9, 1963, filed a "Petition for Review,"[3] questioning the correctness of the very same assessments for deficiency income taxes made by respondent Commissioner of Internal Revenue, and subject of the litigation concluded as just stated. These assessments again are:

Assessment No.

For the Year

Amount

A-1692

1946

P 185.43

A-1947

1947

6,148.33

A-24753

1948

1,782.39

A-29572

1949

569.98

A-17052

1950

4,027.50

A-23121

1951

147,519.00

Total

--- P160,233.13

On December 2, 1963, respondent Commissioner moved to dismiss the petition, because: (1) the Court of Tax Appeals had no jurisdiction to take cognizance of the case as the 30-day period within which to bring an appeal to said court had already lapsed; and (2) there is another action pending between the same parties for the same cause of action.

On March 3, 1964, the Court of Tax Appeals dismissed the case, as prayed for.

Reconsideration sought was, on August 3, 1964, rejected.

The case at bar is a direct appeal from the dismissal order of the Court of Tax Appeals.

Required by this Court to comment on respondent's motion to dismiss the present appeal, planted upon the ground, as heretofore stated, that the issues raised have become moot and academic, petitioner Auyong Hian puts forth the argument that the prior decision definitely concluded in L-26790 does not constitute res judicata to the present case. This posture does not deserve consideration. And, the appeal must be dismissed. For, as rightly suggested by the Solicitor General, it has, indeed, become moot and academic.[4]

Identity of subject matter between Civil Case 37371 and CTA Case 1449 is beyond debate. Both involve assessments for deficiency income taxes for the years 1946, 1947, 1948, 1949, 1950 and 1951 in the aggregate sum of P160,233.13. The trial court's judgment in Civil Case 37371 finding for the plaintiff, was appealed to the Court of Appeals. It was affirmed in toto by said court. Not contented, appellant (petitioner herein) came to this Court on appeal by certiorari. His petition was denied. Implicit in that denial is this Court's unqualified approbation of the Court of Appeals' decision. With the finality of this Court's resolution dismissing the petition for certiorari, the question as to the amount of the deficiency income taxes of Auyong Hian for the years 1946-1951 inclusive, became settled matter. The correctness of these assessments may not now be inquired into. Because "[p]ublic policy and sound practice demand that, at the risk of occasional errors, judgments of courts

should become final at some definite date fixed by law", and [t]he very object for which courts were instituted was to put an end to controversies."[5]

FOR THE REASONS GIVEN, the appeal herein is hereby dismissed. Costs against petitioner.

SO ORDERED.

Concepcion, C.J., Reyes, J.B.L., Dizon, Makalintal, Bengzon, J.P., Zaldivar, Castro, Angeles, and Fernando, JJ., concur.

[1] Civil Case No. 37371 entitled "Republic of the Philippines, plaintiff vs. Auyong Hian, defendant."

[2] Auyong Hian vs. The Court of Appeals, et al., L-26790.

[3] CTA Case No. 1449, "Auyong Hian, petitioner, vs. The Commissioner of Internal Revenue, respondent."

[4] In pari cansa: General Offset Press Inc., Co. vs. Anatalio, L-20467 and L-20468, July 26, 1966. In this case, GOP filed a complaint for ejectment against defendants in the Municipal Court of Quezon City. Judgment was rendered in its favor. To thwart immediate execution, defendants filed a petition for certiorari in the Court of First Instance of Rizal. Thereafter, he appealed the municipal court's decision in the ejectment case also to the Court of First Instance of Rizal. Again, GOP won on appeal. Defendants then interposed an appeal to this Court.

While the ejectment case was on appeal with the Court of First Instance of Rizal, defendants lodged in the same court an action to quiet title over the same parcel of land, subject of the ejectment suit. It was dismissed. Appeal from this dismissal to the Court of Appeals was also dismissed, appellants' brief having been filed out of time. A petition for certiorari (L-25598) filed with this Court suffered the same fate for having been registered out of time. Dismissal of the action to quiet title thus became final.

GOP then moved to dismiss the appeal of the ejectment case to this Court Ground: It has become moot and academic upon the finality of the order in the action for quieting of title. We granted this motion and, on reconsideration, affirmed. We there said:

"We find no reason for reconsidering our resolution of April 20, 1966. With the dismissal by this Court of G.R. No. L-25598, the title and ownership of GOP over the disputed property, as against a similar claim thereto by the herein appellants, became an established, settled and incontestable fact. Thus, the one and sole issue raised by the same appellants in the appeal at bar is indeed now moot and academic. To be sure, no fair or useful purpose can be realized by either of the parties hereto if the present appeal were still to be maintained. For, if this Court were to allow appeal to take its regular course and decide the same on the merits in favor of the appellants, then it would have caused the promulgation of two utterly conflicting decisions, namely: its resolution dismissing G.R. No. L-25598 and its decision on the merits finding the appellants the real owners of the land in dispute. On the other hand, if this Court were to decide this appeal on the merits in favor of the appellees, then exactly the same result would have been realized as were this case to be dismissed, as we do dismiss it now. "

[5] Dy Cay vs. Crossfield & O'Brien, 38 Phil. 521, 526.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.