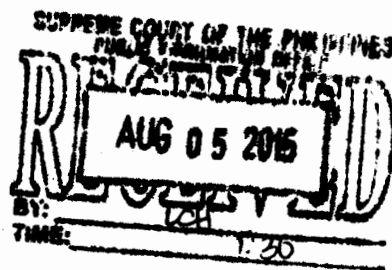




Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

NOTICE



Sirs/Mesdames:

Please take notice that the Court, First Division, issued a Resolution dated June 29, 2015 which reads as follows:

“G.R. No. 160546 – CITIBANK, N.A., Petitioner, v. ANTONIO T. PIÑON, Respondent.

Citibank, N.A. (Citibank) assails the decision promulgated on October 22, 2003,¹ whereby the Court of Appeals (CA) dismissed its petition for *certiorari*, thereby upholding the orders issued on November 22, 2002² and December 17, 2002³ by the Regional Trial Court (RTC) of Manila in SP. Proc. No. 02-104387. The assailed orders of the RTC directed the petitioner to release ₱1,000,000.00 from the bank account of the late Jose T. Piñon to the administrators of the estate despite the absence of the required tax certification clearance from the Commissioner of Internal Revenue pursuant to Section 97 of the National Internal Revenue Code (NIRC), which pertinently provides as follows:

SEC. 97. Payment of Tax Antecedent to the Transfer of Shares, Bonds or Rights – x x x

If a bank has knowledge of the death of a person, who maintained a bank deposit account alone, or jointly with another, it shall not allow any withdrawal from the said deposit account, unless the Commissioner has certified that the taxes imposed thereon by this Title have been paid: Provided, however, That the administrator of the estate or any one (1) of the heirs of the decedent may, upon authorization by the Commissioner, withdraw an amount not exceeding Twenty thousand pesos (₱20,000) without the said certification. For this purpose, all withdrawal slips shall contain a statement to the effect that all of the joint depositors are still living at the time of withdrawal by any one of the joint depositors and such statement shall be under oath by the said depositors.*

¹ *Rollo*, pp. 98-104, penned by Associate Justice Juan Q. Enriquez, Jr. (retired), with the concurrence of Associate Justices Roberto A. Barrios (deceased) and Arsenio J. Magpale (deceased).

² *Id.* at 112-113; penned by Judge Concepcion S. Alarcon-Vergara.

³ *Id.* at 114-115.

It appears that upon the death of Jose T. Piñon, the respondent filed a petition for the settlement of the deceased's estate in the RTC, and applied for the issuance of letters of administration to him and to his nephew, Antonio M. Sandico. The petition alleged that the deceased had maintained several bank accounts including one in the petitioner's Libis Branch in Quezon City (Account No. 8631007180) with an estimated deposit of ₱7,588,718.40.⁴ Eventually, the RTC appointed the respondent and Sandico as co-administrators of the estate.⁵ On November 18, 2002, they filed an urgent motion for authority to withdraw ₱1,000,000.00 from Account No. 8631007180 to be used to defray expenses for the protection of the estate, particularly the legal fees needed for the recovery of the deceased's condominium in Manila.⁶

On November 22, 2002, the RTC authorized the co-administrators to withdraw ₱1,000,000.00 from Reference No. 91020930265TD2000001, with the advise to the co-administrators to be frugal with the money that they would receive.

Yet, in a manifestation and motion to cite the petitioner in contempt of court, the co-administrators informed the RTC of the petitioner's refusal to release the funds because of the failure to settle the appropriate estate taxes.

Despite the opposition of the petitioner, the RTC issued an order dated December 17, 2002 reiterating the release of ₱1,000,000.00 and holding that the payment of estate taxes could only be made after the collation of all the assets of the deceased and the determination of their value. It opined that the requirement under Section 97 of the NIRC was only applicable to extra-judicial settlement of a decedent's estate.

The petitioner challenged the order dated December 17, 2002 in the CA on *certiorari*, alleging grave abuse of discretion amounting to lack or excess of jurisdiction on the part of the RTC in ordering the release of the ₱1,000,000.00 without the necessary tax clearance certificate.

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⁴ RTC Records, p. 6.

⁵ Id. at 63.

⁶ Id. at 74-76.

Eventually, the CA dismissed the petition for *certiorari* on the ground that the petitioner, not being party in the proceedings in the RTC, could not avail itself of *certiorari*. It also cited the petitioner's failure to file a motion for reconsideration in the RTC before bringing the petition for *certiorari*; and held that it was within the competence of the RTC acting as a probate court to authorize the withdrawal.


Hence, the petitioner came to the Court, presenting the sole issue of whether or not the RTC, acting as a probate court, had the authority to order the release of monies deposited in the bank account of the deceased despite the absence of a tax clearance certification as required by Section 97 of the NIRC.

It was later established, however, that the co-administrators had already paid the estate tax due on the estate of the deceased, and that the corresponding tax clearance certificate was already issued by the Commissioner of Internal Revenue dated August 19, 2004.⁷ Such supervening event has rendered the resolution of the issue moot and academic. A moot and academic case is one that ceases to present a justiciable controversy by virtue of supervening events, so that a declaration thereon would be of no practical use or value.⁸

WHEREFORE, the Court **DISMISSES** this case for being moot and academic. No pronouncement on costs of suit.

SO ORDERED."

Very truly yours,


EDGAR O. ARICHETA
Division Clerk of Court ^{1st}

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⁷ Id. at 359-365.

⁸ *David v. Macapagal-Arroyo*, G.R. No. 171396, May 3, 2006, 489 SCRA 160, 213-214.

The Hon. Presiding Judge
Regional Trial Court, Br. 49
1000 Manila
(Sp. Proc. No. 02-104387)

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