



REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC RESOLUTION NO. 1-2018

Re: Mediation Fees and Mediator's Fees for the Implementation of Mediation in the Court of Tax Appeals

WHEREAS, the Supreme Court *En Banc* issued A.M. No. 11-1-5-SC-PHILJA (Re: Interim Guidelines for Implementing Mediation in the Court of Tax Appeals);

WHEREAS, at present, the Clerk of Court *En Banc* of the Court of Tax Appeals (CTA) collects a Mediation Fee of One Thousand Pesos (Php1,000.00) for every case appealed from the decision of a CTA Division to the CTA *En Banc*.¹

WHEREAS, in view of the impending implementation of A.M. No. 11-1-5-SC-PHILJA, there is a need to revisit the amount of Mediation Fees being collected by the CTA for purposes of fixing a reasonable amount of Mediator's Fee and sustaining the costs of maintaining the system and, at the same time, ensuring that mediation remains to be a fast and cost-effective method of resolving disputes.

NOW, THEREFORE, pursuant to its authority under Section 8 of Republic Act No. 1125, as amended, this Court, sitting *En Banc*, **RESOLVES** to adopt the following:

1. Upon the filing of a petition for review, a **Basic Mediation Fee**² in the amount of Two Thousand Five Hundred Pesos (Php2,500.00) shall be collected by the Clerk of Court *En Banc* or in Division, as the case may be;
2. Upon referral to mediation by the Court³ and the parties' submission to the Clerk of Court *En Banc* or in Division,

¹ Section 9(B), Rule 141 of the Rules of Court, as revised by A.M. No. 04-2-04-SC effective August 16, 2004; CTA Administrative Circular No. 01-08-05 (Guidelines for the Collection, Utilization and Disbursement of Mediation Fund) issued on August 5, 2005.

² In lieu of the Mediation Fee of One Thousand Pesos (Php1,000.00) as provided under Section 9(B), Rule 141 of the Rules of Court, as revised by A.M. No. 04-2-04-SC.

³ A Resolution (Form No. 1) shall be issued by the Court *En Banc* or in Division referring the covered civil case to mediation and requiring the parties to appear before the Philippine Mediation Center – Court of Tax Appeals (PMC-CTA) at a specified date and time (Section II, A.M. No. 11-1-5-SC-PHILJA).

as the case may be, of the Agreement to Mediate,⁴ an **Additional Mediation Fee** in the following amounts shall be collected from each party⁵ by the Clerk of Court *En Banc* or in Division, as the case may be:

Sum in Dispute	Additional Mediation Fee
10 Million and below	Php 5,000.00
Above 10M to 50M	Php 10,000.00
Above 50M to 100M	Php 30,000.00
Above 100M	Php 50,000.00

The **Sum in Dispute** is understood to mean:

- a) the amount claimed in cases involving claims for refund or issuance of tax credit certificate;
- b) the basic deficiency tax in internal revenue tax assessment cases, or the surcharge, interest and penalties, if no basic deficiency tax is being assessed; and
- c) the amount of fines and surcharges in customs cases.

The foregoing sums shall be collected, deposited and reported in accordance with Section 9, Rule 141 of the Rules of Court, as revised by A.M. No. 04-2-04-SC effective August 16, 2004, and CTA Administrative Circular No. 01-08-05 (Guidelines for the Collection, Utilization and Disbursement of the Mediation Fund) issued on August 5, 2005.

3. Mediators shall be remunerated in accordance with the following:

- a. **Basic Mediator's Fee** – The mediator, regardless of the outcome of the mediation, shall be entitled to

⁴ Should the parties agree to mediate during their initial appearance before the PMC-CTA, they shall execute an Agreement to Mediate (Form No. 2) (Section III, A.M. No. 11-1-5-SC-PHILJA).

⁵ Subject to Sec. 22, Rule 141 of the Rules of Court which reads as follows: "SEC. 22. *Government exempt.* – The Republic of the Philippines, its agencies and instrumentalities are exempt from paying the legal fees provided in the Rule. Local Governments and government-owned or -controlled corporations with or without independent charters are not exempt from paying such fees."

Two Thousand Five Hundred Pesos (Php2,500.00), as basic mediator's fee.

- b. **Additional Mediator's Fee** – Upon the Court's approval of the signed compromise agreement, the mediator shall be entitled to additional remuneration in the following amounts:

Sum in Dispute	Additional Mediator's Fee
10 Million and below	Php 5,000.00
Above 10M to 50M	Php 10,000.00
Above 50M to 100M	Php 30,000.00
Above 100M	Php 50,000.00

Provided, that should the mediation fail, the mediator shall receive only 50% of the appropriate additional mediator's fee.


4. **Expenses and Costs** – The parties shall bear their own costs and expenses, such as meals, transportation and communication expenses, photocopying and other miscellaneous expenses, unless otherwise agreed upon by the parties.
5. Nothing in the foregoing shall be construed as amending or modifying the provisions of Section 22, Rule 141 of the Rules of Court which remains valid and effective.

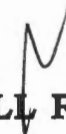
This Resolution shall take effect upon its approval by the Supreme Court.

February 13, 2018.



ROMAN G. DEL ROSARIO
Presiding Justice


JUANITO C. CASTANEDA, JR.
Associate Justice



LOVELL R. BAUTISTA
Associate Justice

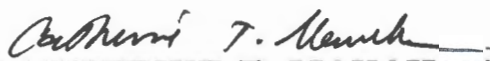

ERLINDA P. UY
Associate Justice


CAESAR A. CASANOVA
Associate Justice


ESPERANZA R. FABON-VICTORINO
Associate Justice


CIELITO N. MINDARO-GRULLA
Associate Justice


MA. BELEN M. RINGPIS-LIBAN
Associate Justice


CATHERINE T. MANAHAN
Associate Justice