CTA Form No. 8 (For DCC)

24-000173-0041

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

CTA OC NO. 029

REPUBLIC OF THE PHILIPPINES,
Plaintiff,

- versus -

NOTICE OF RESOLUTION

PETROLEUM TECHNOLOGY & RESEARCH CORPORATION,
Defendant.

To:

OFFICE OF THE SOLICITOR GENERAL
134 Amorsolo Street, Legazpi Village
Makati City

HON. ROMEO LUMAGUI JR.
Commissioner of Internal Revenue
BIR National Office Building
Sen. Miriam Defensor-Santiago Ave.
Diliman, Quezon City

ATTY. RAMON B. LORENZO
ATTY. ROWELL B. VICENTE
ATTY. MAUREEN ANNE B. MEDINA
BIR Legal Division Revenue Region 6
5/F, BIR Building I, Solana Street
Intramuros, Manila

KS LAW OFFICE
Block 75, Lot 12, Haring Constantino Street
Lagro Subdivision, Brgy. Greater Lagro
Novaliches, 1118 Quezon City

GREETINGS:

You are hereby notified by these presents that on **October 3, 2025,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **October 10, 2025.**

Atty. Maria Johoanna F. Chan-Te
Executive Clerk of Court II

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

REPUBLIC OF THE PHILIPPINES, *Plaintiff,*	**CTA OC NO. 029** Members:
-versus-	**DEL ROSARIO,** *P.J., Chairperson* **BACORRO-VILLENA,** **CUI-DAVID,** *JJ.*
PETROLEUM TECHNOLOGY & RESEARCH CORPORATION, *Defendant.*	Promulgated: OCT 03 2025; 4:30PM

x -- x

RESOLUTION

For consideration of the Court are the following motions:

1. Plaintiff's **Motion for Reconsideration**[1] filed personally on July 14, 2025, and *via* electronic mail on July 15, 2025, with defendant's **Comment/Opposition (To Plaintiff's Motion for Reconsideration)**[2] filed personally on July 17, 2025, and *via* electronic mail on July 18, 2025; and,

2. Plaintiff's **Motion for Clarificatory Judgment**[3] filed personally on September 17, 2025, and *via* electronic mail on September 18, 2025.

Motion for Reconsideration

Plaintiff seeks the reconsideration of the Court's Resolution promulgated on June 24, 2025 (Assailed Resolution), the dispositive portion of which reads:

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[1] CTA Docket, pp. 732 to 737.
[2] CTA Docket, pp. 739 to 743.
[3] CTA Docket

WHEREFORE, premises considered, the Court resolves to:

(1) **NOTE** plaintiff's Manifestation anent Exhibit "P-4";

(2) **GRANT** plaintiff's Motion for Reconsideration;

(3) **ADMIT IN EVIDENCE** Exhibits "P-2-A", and "P-2-B"; and,

(4) **GRANT** defendant's Demurrer to Evidence.

Accordingly, the Warrant of Distraint and/or Levy No. AMT-WDL2019-2408 dated October 9, 2019, Assessment Notice No. 34-14-IT-17-284, Assessment Notice No. 34-14-VT-17-285, and Assessment Notice No. 34-14-WF-17-286, and Formal Letter of Demand with Details of Discrepancies, all dated December 29, 2017 are **CANCELLED** and **SET ASIDE** for being void *ab initio*.

The Commissioner of Internal Revenue, his representatives, agents or any person acting on his behalf are hereby **ENJOINED** from taking any further action against defendant Petroleum Technology & Research Corporation arising from Assessment Notice No. 34-14-IT-17-284, Assessment Notice No. 34-14-VT -17-285, and Assessment Notice No. 34-14-WF-17-286, and Formal Letter of Demand with Details of Discrepancies, all dated December 29, 2017. This judgment is **IMMEDIATELY EXECUTORY** consistent with Section 4, Rule 39 of the Rules of Court.

SO ORDERED.[4]

Plaintiff contends that the Court erred in ruling that it failed to adduce sufficient evidence to prove that defendant is liable to pay deficiency taxes for taxable year 2014. In support of its claim, plaintiff raises the following arguments:

1. Defendant never denied the existence of the Letter of Authority (LOA) and even subsequently stated the same in its summary of admitted facts and proposed stipulation of facts. Hence, the existence of the LOA is deemed admitted; and,

2. The issue of service raised by defendant was never included in its Protest Letter. Moreover, in its Answer, defendant maintained the identity and designation of Rio Joy A. Caliguiran who sent the protest letter. Considering that defendant was able to file a protest, the receipt and service of the FAN is already beyond controversy.

[4] CTA Docket, pp. 730 to 731.

Defendant, in its Comment/Opposition, avers the following counter-arguments:

1. There was never an admission on the part of defendant in its Answer that Rio Joy Caliguiran was a duly authorized representative of defendant;

2. The existence of a document and proof of service are two distinct factual matters, which must be proved separately by substantial evidence by plaintiff; and,

3. As correctly found by the Court, plaintiff failed to present sufficient evidence to prove that the assessments were properly served upon defendant.

Under Section 1, Rule 15 of the Revised Rules of the Court of Tax Appeals, a motion for reconsideration of a decision or resolution must be filed within fifteen (15) days from receipt thereof. In this case, records show that plaintiff received a copy of the Assailed Resolution on July 1, 2025. Plaintiff filed its Motion for Reconsideration on July 14, 2025. Hence, the Motion was timely filed.

After a careful evaluation, however, the Court notes that the arguments raised in plaintiff's Motion merely reiterate the very same assertions earlier presented in its Opposition to Demurrer to Evidence filed before this Court on January 21, 2025. These have already been thoroughly examined and rejected in the Assailed Resolution. Thus, to revisit and restate the Court's previous rulings would serve no practical purpose.

As held in *Social Justice Society (SJS) Officers vs. Lim*,[5] citing *Ortigas & Co. Ltd. Partnership vs. Judge Velasco*: [6]

> As succinctly put by then Chief Justice Andres R. Narvasa in *Ortigas and Co. Ltd. Partnership v. Judge Velasco* on the effect and disposition of a motion for reconsideration:
>
> > The filing of a motion for reconsideration, authorized by Rule 52 of the Rules of Court, **does not impose on the Court the obligation to deal individually and specifically with the grounds relied upon therefor**, in much the same way that the Court does in its judgment or final order as regards

[5] G.R. No. 187836, March 10, 2015.
[6] G.R. No. 109645, July 25, 1994.

> the issues raised and submitted for decision. **This would be a useless formality or ritual invariably involving merely a reiteration of the reasons already set forth in the judgment or final order for rejecting the arguments advanced by the movant**; and it would be a needless act, too, with respect to issues raised for the first time, these being, as above stated, deemed waived because not asserted at the first opportunity. **It suffices for the Court to deal generally and summarily with the motion for reconsideration, and merely state a legal ground for its denial** (Sec. 14, Art. VIII, Constitution); xxx. *(Boldfacing supplied)*

Therefore, the Court finds no cogent reason to modify or reverse its Assailed Resolution.

Motion for Clarificatory Judgment

Plaintiff avers that in a Letter dated September 1, 2025, and received on September 5, 2025, defendant requested the lifting of the Warrants of Garnishment issued against its bank accounts. The request was based on the Assailed Resolution granting defendant's demurrer to evidence and enjoining the Bureau of Internal Revenue (BIR) from taking further action, citing Section 4, Rule 39 of the Rules of Court.

In light of this, plaintiff seeks clarification on the applicability of Section 4, Rule 39, arguing that the present case is one for collection and not an injunction or any of the actions specifically covered under said provision.

The Court clarifies that the dispositive portion of the Assailed Resolution contains distinct rulings:

1. Grant of the demurrer to evidence and cancellation of the assessments – This portion, being in the nature of a dismissal of the collection case, becomes final and executory only upon the lapse of the reglementary period to appeal or, if an appeal is taken, upon final disposition thereof.

2. Issuance of a permanent injunction enjoining plaintiff from undertaking further collection efforts based on the cancelled assessments – This portion, however, being an **injunctive relief**, is immediately executory by express mandate of

> Section 4, Rule 39 of the Rules of Court, which provides that judgments in actions for **<u>injunction</u>** are enforceable upon rendition and are not stayed by an appeal, unless otherwise ordered by the Court.

Section 4, Rule 39 of the Rules of Court is not bound by the caption of the action but by the nature of the relief granted. This is evident from its very text, which includes not only injunctions but also judgments in actions for receivership, accounting, and support, reliefs which, by their nature, require immediate execution in order to serve their purpose. The Rule even extends its coverage to "such other **<u>judgments</u>** as are now or may hereafter be declared to be immediately executory," underscoring that what governs is the character of the judgment, not the title of the case. Accordingly, when the dispositive portion of a decision grants or denies injunctive relief, that part of the judgment necessarily partakes of an injunction and, by express mandate of Section 4, Rule 39, is immediately executory notwithstanding appeal.

Thus, the declaration that "[t]his judgment is immediately executory and consistent with Section 4, Rule 39 of the Rules of Court" refers specifically to the injunctive relief granted in favor of defendant, which is enforceable notwithstanding appeal. The dismissal of the collection case and the setting aside of the assessments, on the other hand, shall attain executory force only upon finality of the court's decision.

WHEREFORE, premises considered, plaintiff's Motion for Reconsideration is **DENIED** for utter lack of merit, and the Assailed Resolution is clarified as set forth.

SO ORDERED.

ROMAN G. DEL ROSARIO
Presiding Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

LANEE S. CUI-DAVID
Associate Justice