REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

Second Division

D'REDEEMERS SIGHT CORP.,
Petitioner,

-versus-

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA CASE NO. 12005

Members:
RINGPIS-LIBAN, *Chairperson,*
MODESTO-SAN PEDRO, *and*
FERRER-FLORES, *JJ.*

Promulgated:
4:15 Am

x---x

RESOLUTION

For the Court's resolution is petitioner's *Motion for Reconsideration*, filed via licensed courier on September 29, 2025, assailing this Court's Resolution, dated August 29, 2025, where We dismissed this case for lack of jurisdiction.

Petitioner argues that its Petition should be given due course as (1) respondent committed grave abuse of discretion when he denied petitioner's application for compromise settlement without addressing the alleged violation of due process raised by petitioner; and (2) respondent's right to collect the subject taxes has already prescribed.

The Motion lacks merit.

The Court first emphasizes that the Commissioner of Internal Revenue's ("CIR") denial of an application for compromise is *different* and *distinct* from an assessment. This distinction lay at the center of Our dismissal of the instant case, to recall.

We highlight this distinction as it defangs petitioner's first argument. While petitioner alleges that respondent failed to address points raised in its protest to the Preliminary Assessment Notice ("PAN"), this is still an allegation against respondent's *assessment*. It is *not* an allegation of grave abuse of discretion done in denying petitioner's application for compromise settlement, specifically. Such an allegation thus cannot be used to consider the present Petition as one for Certiorari against respondent's Notice of Denial.

The distinction also affects the other allegation raised in petitioner's first argument: that respondent violated its due process rights when it denied its application for compromise settlement without addressing its arguments against the PAN. Clearly and explicitly addressing a taxpayer's arguments in writing is an integral part of the *assessment* process, to be sure. However, petitioner failed to sufficiently show that such a requirement is applicable to the process for *compromise settlements* as well. The main jurisprudence it cites, *Commissioner of Internal Revenue v. Avon Products Manufacturing*[1] and *Commissioner of Internal Revenue v. Metro Star Superama, Inc.*,[2] cover assessments but do not seem to explicitly extend their pronouncements to compromise settlements. Furthermore, petitioner did not raise this as an allegation against the Notice of Denial in its Petition for Review, which, to recall, was focused solely on the assessment.

As for petitioner's second argument, the same is still focused on the assessment. But petitioner already lost its right to dispute the assessment, as explained in the assailed Resolution. It failed to protest the Final Assessment Notice/Formal Letter of Demand. This not only allowed the assessment to become final and executory unchallenged—it also means that there was no *disputed* assessment on which respondent could decide and consequently no *decision* on disputed assessment over which this Court could take jurisdiction. We thus have no jurisdiction to consider any arguments against the assessment and cannot accept petitioner's second argument.

It cannot be overemphasized that the CIR's decision on a compromise settlement is *not* a decision on a disputed assessment, that compromise settlements are *different from* assessments. The CIR's decision in one cannot be substituted for the other. Petitioner cannot use an application for compromise settlement or the decision thereon, long after it neglected its right to dispute the assessment, in order to game procedural rules and regain a lost appeal.

And this is the crux of Our dismissal of the instant case. *Petitioner cannot treat a denial of its application for compromise settlement as a decision on a disputed assessment.* It is not a decision on an *assessment*, and the assessment itself was not timely or properly *disputed*. There being no actual decision on disputed assessment, We have no jurisdiction over the assessment itself. And as the instant Petition was obviously focused on the assessment, We had not choice but to dismiss it.

The Motion dances around the actual issue, never truly addressing it with arguments that, in any event, do not withstand much scrutiny. We thus cannot grant the instant Motion.

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[1] G.R. Nos. 201398-99, October 3, 2018.
[2] G.R. No. 185371, December 8, 2010.

ACCORDINGLY, petitioner's *Motion for Reconsideration*, filed via licensed courier on September 29, 2025, is hereby **DENIED** for lack of merit. The Resolution, dated August 29, 2025, is **AFFIRMED**.

SO ORDERED.

With Separate Concurring Opinion
MA. BELEN M. RINGPIS-LIBAN
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
Quezon City

Second Division

D' REDEEMERS SIGHT CORP.
Petitioner,

- versus -

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Respondent.

CTA CASE NO. 12005

Members:

RINGPIS-LIBAN, *Chairperson*
MODESTO-SAN PEDRO, *and*
FERRER-FLORES, *JJ.*

Promulgated:
4:15pm
x---x

SEPARATE CONCURRING OPINION

RINGPIS-LIBAN, J.:

I concur in the dismissal of the petition.

In the instant case, Petitioner's sole prayer in the petition is to declare the assessment void. No concern was raised regarding the validity of the notice of denial of compromise. It is as if Petitioner just wanted to cure its belated filing of appeal against the Formal Letter of Demand (*i.e.,* assessment), which should not be allowed.

With due respect however, I take exception to the discussion in the Resolution that the Court of Tax Appeals ("CTA") has no jurisdiction over a denial of an application for compromise settlement.

I am of the opinion that the Court of Tax Appeals (CTA) has jurisdiction to review Respondent's Notice of Denial of a taxpayer's application for compromise settlement, under the "other matters" provision of Section 7(a)(1) of Republic Act ("RA") No. 1125[1], as amended by RA No. 9282[2]. The discretion

[1] An Act Creating the Court of Tax Appeals, June 16, 1954.
[2] An Act Expanding The Jurisdiction Of The Court Of Tax Appeals (CTA), Elevating Its Rank To The Level Of A Collegiate Court With Special Jurisdiction And Enlarging Its Membership, Amending For The Purpose Certain Sections Or Republic Act No. 1125, As Amended, Otherwise

by the Commissioner of Internal Revenue to refuse to enter into a compromise settlement can be the subject of judicial determination. Said discretion must be exercised within the parameters set by the law, and in case there is abuse of discretion, the CTA may correct such abuse if the matter is appealed to them.

Said jurisdiction of the CTA was fully explained in the Supreme Court case of *Philippine National Oil Company v. Court of Appeals, Et. Al.*[3] and more recently in the case of *Commissioner of Internal Revenue v. Pacific Hub Corporation*[4]

In fact, this is not the first time that the CTA exercised its jurisdiction over denials of application for compromise.[5]

From the foregoing, I vote for the **DENIAL** of Petitioner's "Motion for Reconsideration" filed *via* licensed courier on September 29, 2025.

Ma. Belen

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

Known As The Law Creating The Court Of Tax Appeals, And For Other Purposes, March 30 2004.

3 G.R. Nos. 109976 & 112800, April 26, 2005.

4 G.R. No. 252944, November 27, 2024.

5 *Commissioner of Internal Revenue v. Oro Dare Logistics Corp.*, CTA EB Case No. 2699 (CTA Case No. 9846), May 10, 2024; *Commissioner of Internal Revenue v. New Farmers Plaza, Inc.*, CTA EB Case No. 2290 (CTA Case No. 9475), May 6, 2022; *Commissioner of Internal Revenue v. WPP Marketing Communications, Inc.*, CTA EB Case No. 2289 (CTA Case No. 9704), March 09, 2022; *Commissioner of Internal Revenue v. WPP Marketing Communications, Inc.*, CTA EB Case No. 2034 (CTA Case No. 9778), September 23, 2020; *Commissioner of Internal Revenue v. Oriental Assurance Corporation*, CTA EB Case No. 1716 (CTA Case No. 8817), August 06, 2019.