CTA Form No. 8 (For DCC)

24-000254-0058

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

CTA CASE NO. 11499

FLAVOR SYSTEMS, INC., Represented by Teofilo Nipal, Jr. and Joan M. Nipal,
Petitioner,

- versus -

COMMISSIONER OF INTERNAL REVENUE, RDO ISABEL A, PAULINO, GROUP SUPERVISOR LIZA C. PONCE, RO CEZAR P. DAYAGDAG, RO SUSAN ALARIAO, CAMS NORAIDA P. DIALEM & REGIONAL DIRECTOR ANTONIO F. MONTEMAYOR,
Respondents.

NOTICE OF RESOLUTION

To:

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

ATTY. LEONARDO B. USITA
Bureau of Internal Revenue - Revenue Region No. 7B
Legal Division, 25th Floor, The Podium West Tower
ADB Tower, ADB Avenue, Ortigas Center
Mandaluyong City

REVENUE DISTRICT OFFICER ISABEL A. PAULINO
Bureau of Internal Revenue
BIR National Office Building
Sen. Miriam. P. Defensor-Santiago Avenue
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GROUP SUPERVISOR LIZA C. PONCE
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REVENUE OFFICER CEZAR P. DAYAGDAG
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DIRECTOR ANTONIO F. MONTEMAYOR
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SOLIS & SOLIS LAW & ACCOUNTING OFFICE
(Counsel for the Petitioner)
Unit-222 Maraudi Building
128 Emilio Aguinaldo Highway
Niog II Bacoor City Cavite

GREETINGS:

You are hereby notified by these presents that on **February 11, 2026,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **February 12, 2026.**

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

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
Quezon City

SPECIAL FIRST DIVISION

FLAVOR SYSTEMS, INC., Represented by Teofilo Nipal, Jr. and Joan M. Nipal, Petitioner,	CTA CASE NO. **11499**
- versus -	Members:
COMMISSIONER OF INTERNAL REVENUE, RDO ISABEL A. PAULINO, GROUP SUPERVISOR LIZA C. PONCE, RO CEZAR P. DAYAGDAG, RO SUSAN ALARIAO, CAMS NORAIDA P. DIALEM & REGIONAL DIRECTOR ANTONIO F. MONTEMAYOR, Respondents.	**BACORRO-VILLENA**, Acting *Chairperson*, *and* **CUI-DAVID**, *JJ.* *Promulgated:* FEB 11 2026; 10:30 AM

x - x

RESOLUTION

For the Court's resolution is petitioner Flavor Systems, Inc.'s (**petitioner**'s/**FSI**'s) "Motion for Reconsideration" (**MR**) filed *via* LBC on 12 September 2025 and *via* email on 15 September 2025, *sans* respondents' comment or opposition thereto.[1]

The MR seeks the cancellation of this Court's Resolution dated 01 September 2025 (**assailed Resolution**), which dismissed *motu proprio* petitioner's Petition for Review filed on 21 May 2024, for lack of jurisdiction. The dispositive portion of the assailed Resolution reads, thus:

> ...
>
> **WHEREFORE**, premises considered, the instant Petition for Review filed by petitioner Flavor Systems, Inc. on 21 May 2024 is **DISMISSED** for lack of jurisdiction.

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[1] See Records Verification dated 12 November 2025.

> Meanwhile, the motion to dismiss embodied in respondent's Answer filed *via* registered mail and electronic mail on 10 September 2024 and 12 September 2024, respectively, is deemed **MOOT** and **ACADEMIC**.
>
> In view of the case's dismissal, the hearing set on 02 September 2025 is hereby **CANCELLED**.
>
> **SO ORDERED**.
>
> . . .

In the MR, petitioner avers that the Court should have liberally applied the rule on material dates to give way for the greater interest of justice. Petitioner believes that the peculiarity of the situation calls for a relaxed application of the Court's 'other matters' jurisdiction. Relatedly, it points out that the circumstances of its Petition's filing only arose precisely due to alleged due process violation (in respondents' supposed failure to issue a Preliminary Assessment Notice [**PAN**] and Formal Letter of Demand with Assessment Notices [**FLD/FAN**]).

Petitioner likewise references the Supreme Court's ruling in *Commissioner of Internal Revenue v. Unioil Corporation*[2] (**Unioil**), where the Supreme Court emphasized the need to conform to the requirements for assessment and collection set forth in the law.

We resolve.

At the outset, We note that the arguments petitioner raised in its MR consists of those already considered by the Court in the assailed Resolution.

In contemplating the circumstances surrounding petitioner's discovery of the forfeiture of its property (without having received a PAN nor FLD/FAN), petitioner's reliance on the ruling in *Unioil* is misplaced. The said case involves a disputed assessment laid out in an FLD/FAN. Momentarily setting aside the due process questions that permeate the assessment, tacking jurisdiction was not an issue, as the Petition for Review in the said case was seasonably filed after the lapse of the period for the Commissioner of Internal Revenue (**CIR**) to act upon the administrative protest to the FLD/FAN.

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[2] G.R. No. 204405, 04 August 2021.

It is likewise improper to frame the case's dismissal, as it was laid out in the MR, as if the Court immediately opted to dismiss the case on the first instance of a mere technicality. Revisiting the assailed Resolution, the Court diligently exercised efforts to confirm its jurisdiction. It covered all bases, but *alas*, it was ultimately constrained to dismiss the case.

In *precis*, the Court found that, as to the reliefs petitioner sought, it may as well have jurisdiction. However, as to the timeliness of the Petition for Review's filing, the assailed Resolution set forth that: (**1**) there is no *protested assessment* for the application of the 180-day period under Section 228,[3] as there is no protest nor submission of supporting documentation in the administrative level (for purposes of a Request for Reinvestigation); (**2**) there is no appealable action or inaction on the CIR's part (in reference to Section 229[4]), which would be the proper subject of an appeal before this Court; (**3**) assuming petitioner's "Complaint for Recovery of Tax Erroneously or Illegally Collected" (**Complaint**) counts as the administrative claim in

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[3] **SEC. 228.** *Protesting of Assessment.* - When the Commissioner or his duly authorized representative finds that proper taxes should be assessed, he shall first notify the taxpayer of his findings[.] ...

...

Such assessment may be protested administratively by filing a request for reconsideration or reinvestigation within thirty (30) days from receipt of the assessment in such form and manner as may be prescribed by implementing rules and regulations. Within sixty (60) days from filing of the protest, all relevant supporting documents shall have been submitted; otherwise, the assessment shall become final.

If the protest is denied in whole or in part, or is not acted upon within one hundred eighty (180) days from submission of documents, the taxpayer adversely affected by the decision or inaction may appeal to the Court of Tax Appeals within thirty (30) days from receipt of the said decision, or from the lapse of one hundred eighty (180)-day period; otherwise, the decision shall become final, executory and demandable.

[4] **SEC. 229.** *Recovery of Tax Erroneously or Illegally Collected.* – No suit or proceeding shall be maintained in any court for the recovery of any national internal revenue tax hereafter alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been collected without authority, of any sum alleged to have been excessively or in any manner wrongfully collected without authority, or of any sum alleged to have been excessively or in any manner wrongfully collected, until a claim for refund or credit has been duly filed with the Commissioner; but such suit or proceeding may be maintained, whether or not such tax, penalty, or sum has been paid under protest or duress.

In any case, no such suit or proceeding shall be filed unless there is a full or partial denial of the claim for refund or credit by the Commissioner or there is a failure on the part of the Commissioner to act on the claim within the one hundred eighty (180)-day period under Section 204 of this Code; *Provided, however*, That the Commissioner may, even without a written claim therefor, refund or credit any tax, where on the face of the return upon which payment was made, such payment appears clearly to have been erroneously paid.

In case of full or partial denial of the claim for tax refund, or the failure on the part of the Commissioner to act on the application within the period prescribed above, the taxpayer affected may, within thirty (30) days from the receipt of the decision denying the claim or after the expiration of the one hundred eighty (180)-day period, appeal the decision with the Court of Tax Appeals.

Section 229 and the instant Petition for Review serves as its judicial claim, the Petition would instead have been dismissed for being filed out of time;[5] and, (**4**) there would have been issuances from the Bureau of Internal Revenue (**BIR**) that would have facilitated filing a case pursuant to this Court's 'other matters' jurisdiction, but the Court is unable to appraise petitioner's unsubstantiated narrations regarding the auction sale and the later encumbrances.

At the risk of being repetitive, We again emphasize that the CTA, being a court of special jurisdiction, can take cognizance only of matters that are clearly within its jurisdiction.[6] Relative thereto, when it appears from the pleadings or the evidence on record that the Court has no jurisdiction over the subject matter, the Court shall dismiss the claim. The Court could not decide the case on the merits.[7]

Given that the above had already been laid out exhaustively in the assailed Resolution, We find little need to reiterate our disquisitions on the matter. All told, petitioner's arguments in its MR consist of those already raised and considered by this Court.

As the Supreme Court held in *Ortigas and Company Limited Partnership v. Judge Tirso Velasco, et al.*:[8]

> ...
> 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 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

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5 Assuming that petitioner was correct in that the "Complaint for Recovery of Tax Erroneously or Illegally Collected" (**Complaint**) it filed with the Commissioner of Internal Revenue (**CIR**) on 23 October 2023 initiates a 180-day period for the CIR to act and that petitioner would have a 30-day period to appeal thereafter, the 180-day period from 23 October 2023 would have ended on 20 April 2024, and not 23 April 2024, as petitioner indicated. The end of the 30-day period to appeal that would have followed would thus have ended on 20 May 2024 (and not on 23 May 2024, as petitioner represents). The Petition for Review filed on 21 May 2024 would thus have been instead dismissed for being filed out of time.

6 *Commissioner of Internal Revenue v. V.Y. Domingo Jewellers, Inc.*, G.R. No. 221780, 25 March 2019, citing *Commissioner of Internal Revenue v. Burmeister and Wain Scandinavian Contractor Mindanao, Inc.*, G.R. No. 190021, 22 October 2014.

7 *Nippon Express (Philippines) Corp. v. Commissioner of Internal Revenue*, G.R. No. 185666, 04 February 2015.

8 G.R. No. 109645, 04 March 1996.

> 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); i.e., the motion contains merely a reiteration or rehash of arguments already submitted to and pronounced without merit by the Court in its judgment, or the basic issues have already been passed upon, or the motion discloses no substantial argument or cogent reason to warrant reconsideration or modification of the judgment or final order; or the arguments in the motion are too unsubstantial to require consideration, etc.
>
> . . .

Furthermore, the Supreme Court in *Shangri-La International Hotel Management, Ltd., et al. v. Developers Group of Companies, Inc.*[9] ruled:

> . . .
>
> The bulk of the aforementioned grounds is a mere rehash of movant's previous arguments. While DGCI is correct in stating that a motion for reconsideration, by its very nature, may tend to dwell on issues already resolved in the decision sought to be reconsidered and that this should not be an obstacle for a reconsideration, the hard reality is that movant has failed to raise matters substantially plausible or compellingly persuasive to warrant the desired course of action.
>
> Considering that the grounds presently raised have been sufficiently considered, if not squarely addressed, in the subject Decision, it behooves movant to convince the Court that certain findings or conclusions in the Decision are contrary to law. **As it is, however, the instant motion does not raise any new or substantial legitimate ground or reason to justify the reconsideration sought.**
>
> . . .

Clearly, it is the movant's duty to convincingly show grounds for a reconsideration of an assailed judgment or order, or at the least give its previous arguments a fresh perspective in such a way that would warrant a re-examination of the case. Unfortunately, in the instant case, respondent had failed to do so.

WHEREFORE, the foregoing premises considered, the instant Motion for Reconsideration filed by petitioner Flavor Systems, Inc. on 15 September 2025 is **DENIED** for lack of merit.

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[9] G.R. No. 159938, 22 January 2007; Citation omitted and emphasis supplied.

SO ORDERED.

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

LANEE S. CUI-DAVID
Associate Justice