REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

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COMMISSIONER OF INTERNAL REVENUE, *Petitioner,*	**CTA EB No. 2536** *(CTA Case No. 9689)*
	Present:
- versus -	**DEL ROSARIO,** *PJ,* **RINGPIS-LIBAN, MANAHAN, BACORRO-VILLENA, MODESTO-SAN PEDRO, REYES-FAJARDO, CUI-DAVID, FERRER-FLORES,** *and* **ANGELES,** *JJ.*
EXCLUSIVE NETWORKS-PH INC., formerly TRANSITION SYSTEMS PHILS. PTE LTD., INC. herein represented by MICHELLE G. MEJIA, *Respondent.*	Promulgated: JAN 10 2024 3:22pm

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RESOLUTION

REYES-FAJARDO, J.:

For the Court's resolution is petitioner Commissioner of Internal Revenue (CIR)'s Motion for Reconsideration [1] of the Decision promulgated on July 4, 2023 (Assailed Decision), where the Court upheld the ruling of the Court of Tax Appeals Second Division (Court in Division). Previously, the Court in Division cancelled the CIR's Formal Letter of Demand with Details of Discrepancies Demand No. 43A-B270-13 and Assessment Notices dated January 23, 2017 issued against respondent Exclusive Networks-PH, Inc., [2] representing deficiency income tax and value-added tax for taxable year 2013 after finding that the tax investigation which resulted in the subject Assessment Notices were based merely on a Memorandum of Agreement (MOA), which was not issued by the CIR or any duly

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1 Filed on July 21, 2023. *Rollo*, pp. 86-94.

2 Formerly: Transition Systems Phils. Pte Ltd., Inc.

authorized representative; thus, violative of Revenue Memorandum Order Nos. 43-90[3] and 29-07.[4]

Aggrieved, the CIR filed the instant motion on July 21, 2023, reiterating that it is standard operating procedure—thus, acceptable and valid—for revenue officers to issue a memorandum to others who will handle the case in place of those designated in the initial letter of authority.[5] What is important is that the audit of the taxpayer has been previously authorized by a letter of authority and that only such taxpayers may be subject to examination by revenue officers. Any revenue officers authorized to examine such taxpayers will always be doing so "pursuant" to a letter of authority.[6]

On August 7, 2023, respondent filed an Opposition[7] to the CIR's motion.

The instant motion was submitted for resolution on October 13, 2023.

After a careful review of the records of the present case, the Court finds no compelling reason to reverse or modify the Assailed Decision. The instant motion raises the same arguments already passed upon and discussed at length by the Court. The CIR has not adduced any substantial argument to warrant reconsideration or modification of the Assailed Decision. It is already settled that if the issues raised in the motion for reconsideration are mere reiterations of those which have already been passed upon and, in fact, adjudged as unmeritorious by the Court, these cannot be regarded as substantial and no longer require another full-blown discussion. Any further discourse will only be unnecessary and repetitive.[8]

WHEREFORE, in light of the foregoing considerations, the Commissioner of Internal Revenue's Motion for Reconsideration of the Decision promulgated on July 4, 2023 is **DENIED** for lack of merit.

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[3] *Amendment of Revenue Memorandum Order No. 37-90 Prescribing Revised Policy Guidelines for Examination of Returns and Issuance of Letters of Authority to Audit,* September 20, 1990.
[4] *Prescribing the Audit Policies, Guidelines and Standards at the Large Taxpayers Service,* September 26, 2007.
[5] *Rollo,* p. 89.
[6] *Rollo,* p. 91.
[7] *Rollo,* pp. 96-100.
[8] *Social Justice Society (SJS) Officers, et al. v. Lim,* G.R Nos. 187836 & 187916, March 10,2015.

SO ORDERED.

MARIAN IVY F. REYES-FAJARDO
Associate Justice

WE CONCUR:

ROMAN G. DEL ROSARIO
Presiding Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

CATHERINE T. MANAHAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

LANEE S. CUI-DAVID
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

HENRY S. ANGELES
Associate Justice