22-000378-0058

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

CTA CASE NO. 10945

MITSUBISHI MOTORS PHILIPPINES CORPORATION,
Petitioner,

- versus -

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

NOTICE OF RESOLUTION

To:

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

ATTY. FELIX PAUL R. VELASCO III
ATTY. SYLVIA R. ALMA JOSE
ATTY. AYESHA HANIA B. GUILING-MATANOG
ATTY. BRYAN ANTHONY C. DIEGO
Bureau of Internal Revenue
Room 703, Litigation Division, BIR National Office Building
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BUÑAG AND CORTES LAW OFFICES
Suites A & B, 10th Floor, Strata 100 Building
F. Ortigas Jr. Road, Ortigas Center
1605 Pasig City

GREETINGS:

You are hereby notified by these presents that on **October 15, 2025,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **October 16, 2025.**

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

REPUBLIC OF THE PHILIPPINES
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MITSUBISHI MOTORS PHILIPPINES CORPORATION,
Petitioner,

-versus-

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA CASE NO. 10945

Members:

BACORRO-VILLENA, *Acting Chairperson, and*
CUI-DAVID, *JJ.*

Promulgated:

OCT 15 2025 ; 9:30 AM

x- -x

RESOLUTION

CUI-DAVID, J.:

This resolves respondent's *Motion for Reconsideration (Re: Decision promulgated on 27 February 2025),* filed by registered mail on March 24, 2025.

Respondent seeks to reverse the *Decision* promulgated on February 27, 2025 (assailed *Decision*), the dispositive portion of which reads:

> **WHEREFORE**, in light of the foregoing considerations, the instant *Petition for Review* is **GRANTED**.
>
> Accordingly, the Formal Letter of Demand with Final Assessment Notices dated February 26, 2021, assessing petitioner for deficiency income tax, value-added tax, expanded withholding tax, final withholding tax on compensation, documentary stamp tax, and miscellaneous tax in the total amount of ₱325,576,191.39 for taxable year 2015, and the Warrant of Distraint and/or Levy issued against petitioner, are **CANCELLED** and **SET ASIDE**.

> Furthermore, respondent is **ENJOINED** and **PROHIBITED** from enforcing the collection of the said amount against petitioner.
>
> **SO ORDERED.**

Respondent argues that the Court erred in assuming jurisdiction, asserting that the assessment had become final, executory, and demandable due to petitioner's alleged failure to file a protest with the proper office. He contends that the protest should have been filed with the Office of the Deputy Commissioner – Operations Group (DCIR-OG), who signed the Formal Letter of Demand and Final Assessment Notices (FLD/FAN), pursuant to Revenue Delegation Authority Order (RDAO) No. 04-2018. He further contends that the issuance of the Warrant of Distraint and/or Levy (WDL) was valid, as the assessment was already final and the tax liability had become delinquent.

Additionally, respondent claims that the Court violated his right to due process by considering the issue of due process, which was allegedly not raised in the *Petition for Review*. He also asserts that the Court erred in enjoining the collection of the assessed deficiency taxes, arguing that the assessment was final and that the Court may only review the manner of collection, not the validity of the assessment.

The Court notes that respondent's *Motion for Reconsideration (Motion)* was filed **out of time** and merely reiterates arguments previously raised and already considered in the assailed *Decision*.

Section 1, Rule 15 of the Revised Rules of the Court of Tax Appeals (RRCTA) states:

> SEC. 1. *Who may and when to file motion.* – Any aggrieved party may seek a reconsideration or new trial of any decision, resolution or order of the Court. He shall **file a motion for reconsideration** or new trial **within fifteen days from the date he received notice of the decision**, resolution or order **of the Court in question**. (Emphasis supplied)

The Supreme Court has consistently held that the reckoning point for computing reglementary periods is the date of service on the Office of the Solicitor General (OSG),[1] as the principal counsel, and not on any deputized lawyer.[2] This principle was clearly articulated in *Baldovino-Torres v. Torres*,[3] where the Supreme Court affirmed its earlier rulings on the matter:

> In the case of *National Power Corporation v. National Labor Relations Commission* (*NAPOCOR*), the Court held that **the proper basis for computing the reglementary period to file an appeal and in determining whether a decision had attained finality is service on the OSG**. In holding so, the Court emphasized that the lawyer deputized by the OSG is considered as a mere representative of the latter who retains supervision and control over the deputized lawyer. As a consequence, copies of orders and decisions served on the deputized counsel, acting as agent or representative of the Solicitor General, are not binding until they are actually received by the latter.
>
> The *NAPOCOR* case was cited in the subsequent case of *Commissioner of Customs v. Court of Tax Appeals*, where it was reiterated that **although the OSG may have deputized the lawyers in a government agency represented by it, the OSG continues to be the principal counsel and, therefore, service on it of legal processes, and not that on the deputized lawyers, is decisive.**
>
> In the same vein, the period to file a motion for reconsideration in the present case should be counted from the receipt by the OSG of a copy of the RTC Decision on April 4, 2017. Consequently, the filing by the OSG of its Motion for Reconsideration questioning the RTC Decision on April 18, 2017 was well within the reglementary period for filing such motion. **The counting of the period for its filing should be reckoned from the date of receipt of the assailed decision by the OSG and not by the public prosecutor.** This is because the public prosecutor acted as a mere representative of the OSG which, in turn, retained supervision and control over the former. (Emphasis supplied; Citations omitted)

A deputized government lawyer is merely a representative of the OSG, while the OSG retains supervision and control over

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[1] *Republic v. Viaje, et al.*, G.R. No. 180993, January 27, 2016 [Per J. Reyes, Third Division], citing *National Power Corporation v. National Labor Relations Commission, et al.*, G.R. Nos. 90933–61, May 29, 1997 [Per J. Romero, Second Division].

[2] *Baldovino-Torres v. Torres, et al.*, G.R. No. 248675, July 20, 2022 [Per J. Inting, Third Division]; *Commissioner of Customs v. Court of Tax Appeals, et al.*, G.R. No. 132929, March 27, 2000 [Per J. Mendoza, Second Division]; *National Power Corporation v. National Labor Relations Commission, et al.*, G.R. Nos. 90933–61, May 29, 1997 [Per J. Romero, Second Division].

[3] G.R. No. 248675, July 20, 2022 [Per J. Inting, Third Division].

the deputized counsel.[4] Thus, service of court orders or decisions on a deputized counsel is not binding until received by the OSG, as the principal counsel.

In this case, respondent erroneously counted the fifteen (15)-day period to file a motion for reconsideration from **March 7, 2025**, the date when the BIR's deputized counsel received the assailed *Decision*.[5] However, records show that the OSG received the assailed *Decision* earlier, on **March 6, 2025**.[6]

Accordingly, the 15-day reglementary period should be reckoned from March 6, 2025. Thus, the deadline to file a motion for reconsideration was **March 21, 2025**. Respondent filed the instant *Motion* only on March 24, 2025,[7] beyond the prescribed period. As a result, the *Motion* was filed **out of time**, rendering the assailed *Decision* final and executory by operation of law.[8] In other words, respondent's failure to file the *Motion* within the reglementary period foreclosed any right which he may have had under the rules.[9]

Even assuming the *Motion* was timely filed, it is devoid of merit.

Respondent insists that the Court lacks jurisdiction over the case due to petitioner's alleged improper filing of its protest. However, petitioner's protest to the FLD/FAN was timely filed with the Assistant Commissioner, Large Taxpayer Service (LTS). While RDAO No. 04-2018 delegated to the DCIR-OG the authority to sign FLD/FANs processed by LTS divisions, it is **silent** on the **proper office** for filing protests. It does not mandate that large taxpayers file protests with the DCIR-OG. The lack of express mandate in RDAO No. 04-2018 cannot prejudice the taxpayer. Thus, the protest was valid, and the assessment did not attain finality. Consequently, the issuance of the WDL was premature, as no delinquency existed at the time of issuance.

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4 *Baldovino-Torres v. Torres, et al.*, G.R. No. 248675, July 20, 2022 [Per J. Inting, Third Division]; *Commissioner of Customs v. Court of Tax Appeals, et al.*, G.R. No. 132929, March 27, 2000 [Per J. Mendoza, Second Division]; *National Power Corporation v. National Labor Relations Commission, et al.*, G.R. Nos. 90933–61, May 29, 1997 [Per J. Romero, Second Division].

5 Division Docket, p. 483.

6 *Id.*

7 The fifteenth (15th) day, counted from March 7, 2025, fell on March 22, 2025, a Saturday. Thus, the next working day was March 24, 2025.

8 *Spouses Sumndad v. Friday's Holdings, Inc.*, G.R. No. 235586, January 22, 2020.

9 *Id.*

Further, the FLD/FAN failed to state the factual and legal bases for the assessment and did not address petitioner's defenses, thereby violating Section 228 of the Tax Code and established jurisprudence. The Supreme Court has declared void any assessment that fails to strictly comply with the due process requirements set forth in Section 228 of the Tax Code and Revenue Regulation No. 12-99, as amended.[10] Given such non-compliance, the subject deficiency assessment cannot be enforced against petitioner, and respondent has no right to collect the same.

WHEREFORE, respondent's *Motion for Reconsideration (Re: Decision promulgated on 27 February 2025)* is hereby **DENIED** for lack of merit and for being filed out of time.

SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

I CONCUR:

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

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[10] *Commissioner of Internal Revenue v. Maxicare Healthcare Corporation*, G.R. No. 261065, July 10, 2023 [Per J. Singh, Third Division], citing *Commissioner of Internal Revenue v. Avon Products Manufacturing, Inc.*, G.R. Nos. 201398–99 & 201418–19, October 3, 2018 [Per J. Leonen, Third Division].