Republic of the Philippines
COURT OF TAX APPEALS
Quezon City

SECOND DIVISION

SPLASH CORPORATION, *Petitioner,*	**CTA CASE NO. 9472**
-versus-	Members: CASTAÑEDA, JR., Chairperson, MINDARO-GRULLA, , and BACORRO-VILLENA, *JJ.*
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: NOV 27 2019

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11:15 a.m.

RESOLUTION

Submitted for resolution is the parties' "Joint Motion for the Approval of the Judicial Compromise Agreement", attaching the original and notarized Judicial Compromise Agreement signed by petitioner's Chief Financial Officer, Fernando M. Manotok, and respondent Commissioner Caesar R. Dulay, filed on May 29, 2019, with the parties' "Joint Compliance" filed on October 28, 2019, attaching therein the proofs of payment.

In the Judicial Compromise Agreement, petitioner offered and the Bureau of Internal Revenue accepted the total payment of Twelve Million Six Hundred Thirteen Thousand Four Hundred Sixty-One and 84/100 Pesos (₱12,613,461.84) as Judicial Compromise Amount for the purpose of amicably settling and ending the instant case.[1]

Section 6 of Revenue Regulations (RR) No. 30-2002, as amended by RR No. 9-2013, provides, to wit -

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[1] *Judicial Compromise Agreement*, p. 2; Records, Vol. III.

> "SEC. 6. APPROVAL OF OFFER OF COMPROMISE. - Except for offers of compromise where the approval is delegated to the REB pursuant to the succeeding paragraph, all compromise settlements within the jurisdiction of the National Office (NO) shall be approved by a majority of all the members of the NEB composed of the Commissioner and the four (4) Deputy Commissioners. All decisions of the NEB, granting the request of the taxpayer or favorable to the taxpayer, shall have the concurrence of the Commissioner.
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> xxx xxx xxx
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> The compromise offer shall be paid by the taxpayer upon filing of the application for compromise settlement. No application for compromise settlement shall be processed without the full settlement of the offered amount. In case of disapproval of the application for compromise settlement, the amount paid upon filing of the aforesaid application shall be deducted from the total outstanding tax liabilities."

Here, the Court notes that the Judicial Compromise Agreement has complied with the approval of the National Evaluation Board (NEB)[2] and has also been shown that as early as May 17, 2019, the petitioner already paid the full Judicial Compromise Amount.[3]

With the authority of the signatories and the required approval of the NEB both established and the full Judicial Compromise Amount already paid, and it appearing that the Judicial Compromise Agreement is not contrary to law, morals, public order, and public policy, the Court sees no bar in approving the same.

WHEREFORE, premises considered, the parties' "Joint Motion for the Approval of the Judicial Compromise Agreement" flied on May 29, 2019 is **GRANTED**. Accordingly, the Judicial Compromise Agreement entered into by the parties is **APPROVED** and judgment is hereby rendered in accordance therewith. The parties are ordered to

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[2] *Certificate of Availment* signed by Commissioner of Internal Revenue Cesa R. Dulay, through Assistant Commissioner of Internal Revenue Alfredo V. Misajon, Vol. III.

[3] Certified True Cope of BIR Form No. 0605, Vol. III.

faithfully comply with all the terms and conditions of the aforesaid Judicial Compromise Agreement.

As such, the instant Petition for Review is considered **WITHDRAWN** and the instant case docketed as CTA Case No. 9472 is hereby considered **CLOSED** and **TERMINATED**.

SO ORDERED.

(On Leave)
JUANITO C. CASTAÑEDA, JR.
Associate Justice

Cielito N. Mindaro-Grulla
CIELITO N. MINDARO-GRULLA
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice