25-000226-0007

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

CTA CASE NO. 11827

PHILIPPINE CROP INSURANCE CORPORATION (PCIC),
Petitioner,

- versus -

HON. ROMEO D. LUMAGUI, JR., COMMISSIONER OF INTERNAL REVENUE,
Respondent.

NOTICE OF RESOLUTION

To:

ATTY. GILBERT S. CORONEL
Philippine Crop Insurance Corporation
7th Floor, Building A
National Irrigation Administration Complex
EDSA, Diliman, Quezon City 1100

GREETINGS:

You are hereby notified by these presents that on **August 1, 2025,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **August 5, 2025.**

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

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
Quezon City

FIRST DIVISION

PHILIPPINE CROP INSURANCE CORPORATION (PCIC), Petitioner,	CTA CASE NO. **11827**
	Members:
- versus -	**DEL ROSARIO**, P.J., *Chairperson*, **BACORRO-VILLENA**, *and* **CUI-DAVID**, *JJ.*
HON. ROMEO D. LUMAGUI, JR., COMMISSIONER OF INTERNAL REVENUE, Respondent.	Promulgated: AUG 01 2025; 2:10PM

x - x

RESOLUTION

For the Court's resolution is petitioner Philippine Crop Insurance Corporation (PCIC) (**petitioner**'s/**PCIC**'s) "Motion for Reconsideration"[1] (**MR**), filed on 28 May 2025.

Previously, or on 27 March 2025, petitioner filed a *Petition for Review*[2], praying that this Court set aside respondent's Final Decision on the Request for Reconsideration (**FDRR**) dated 14 January 2025[3] and declare as void the Final Decision on Disputed Assessment (**FDDA**) dated 23 October 2018[4], both issued against it for deficiency Expanded Withholding Tax (**EWT**) and Withholding of Value-Added Tax (**WVAT**) for taxable year 2013 (**TY 2013**).

Per Records Verification dated 07 April 2025[5], this Court's Judicial Records Division (**JRD**) certified that petitioner failed to submit an email or soft copy of the instant *Petition for Review* within twenty-four (24) hours from the filing of the hard or paper copy on 27 March 2025.

[1] Division Docket, pp. 50-58.
[2] Id., pp. 6-19.
[3] Id., pp. 21-28.
[4] Id., pp. 33-35.
[5] Id., p. 46.

On 14 May 2025, this Court issued a Resolution[6] dismissing the instant Petition for Review for petitioner's failure to submit an email/soft copy of the said Petition for Review within 24 hours from the filing of the hard/paper copy pursuant to Section 2, paragraph 2 of *En Banc* Resolution No. 8-2024, adopting A.M. No. 10-3-7-SC and A.M. No. 11-9-4-SC.[7]

In the instant MR[8], petitioner seeks the reversal of the assailed Resolution and offers the following explanations: (***i***) petitioner was unaware of the effectivity of *En Banc* Resolution No. 8-2024 on 01 September 2024; (***ii***) the lack of email submission was due to mistake or inadvertence; and (***iii***) the present Petition should be decided on the merits in the interest of justice and fair play.

We resolve.

After due consideration of petitioner's arguments, We find the instant MR bereft of merit.

Section 11 of Republic Act (**R.A.**) No. 1125[9], as amended by R.A. No. 9282[10] and R.A. No. 9503[11], pertinently states:

> . . .
> **SEC. 11.** *Who May Appeal; Mode of Appeal; Effect of Appeal.* — **Any party adversely affected by a decision, ruling** or inaction **of** the **Commissioner of Internal Revenue**, the Commissioner of Customs, the Secretary of Finance, the Secretary of Trade and Industry or the Secretary of Agriculture or the Central Board of Assessment Appeals or the Regional Trial Courts **may file an appeal with the CTA within thirty (30) days after the receipt of such**

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6 Id., pp. 48-49.

7 GUIDELINES ON SUBMISSION OF ELECTRONIC COPIES OF PLEADINGS AND OTHER COURT SUBMISSIONS BEING FILED BEFORE THE LOWER COURTS PURSUANT TO THE EFFICIENT USE OF PAPER RULE/MOVING TOWARDS DIGITAL COURTS: COMPONENT ONE: TRANSITION TO ELECTRONIC FILING AND SERVICE OF PLEADINGS, MOTIONS AND OTHER DOCUMENTS AS WELL AS DIGITAL SERVICES OF ALL ORDERS IN CIVIL CASES.

8 Supra at note 1.

9 AN ACT CREATING THE COURT OF TAX APPEALS.

10 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 KNOWN AS THE LAW CREATING THE COURT OF TAX APPEALS, AND FOR OTHER PURPOSES.

11 AN ACT ENLARGING THE ORGANIZATIONAL STRUCTURE OF THE COURT OF TAX APPEALS, AMENDING FOR THE PURPOSE CERTAIN SECTIONS OF THE LAW CREATING THE COURT OF TAX APPEALS, AND FOR OTHER PURPOSES.

> **decision or ruling** or after the expiration of the period fixed by law for action as referred to in Section 7(a)(2) herein.
>
> **Appeal shall be made by filing a petition for review under a procedure analogous to that provided for under Rule 42 of the 1997 Rules of Civil Procedure** with the CTA **within thirty (30) days from the receipt of the decision or ruling**[.][12]
>
> . . .

Moreover, Section 3[13], Rule 42[14] of the Rules of Court (**ROC**), as amended, sanctions the dismissal of the Petition for Review should the petitioner fail to comply with the rules and requirements of filing the Petition for Review.

Relatedly, on 01 September 2024, this Court issued the *En Banc* Resolution No. 8-2024 (**CTA e-filing Guidelines**) to adopt A.M. No. 10-3-7-SC and A.M. 11-9-4-SC.[15]

On 06 September 2024, the Supreme Court clarified that after the transition period, *i.e.,* on 01 December 2024 (subject to the promulgation of the amended Rule 13 and the order of the Supreme Court for electronic transmittal to be the primary manner of filing in a judicial region or in the entire country), all inbound and/or outbound court documents must be electronically filed and/or served.[16]

On 26 November 2024, the Supreme Court *En Banc* amended Rule 13 of the ROC, as amended, to provide for mandatory electronic filing and service for civil cases. The pertinent provision reads:

> . . .
>
> SECTION 3. *Manner of Filing of Complaints and Other Initiatory Pleadings.* — The filing of complaints and other initiatory pleadings shall be done by:
>
> a. Submitting personally the original paper, plainly indicated as such, to the court;

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[12] Emphasis and underscoring supplied.

[13] SEC. 3. *Effect of failure to comply with requirements.*

[14] RULE 42

PETITION FOR REVIEW FROM THE REGIONAL TRIAL COURTS
TO THE COURT OF APPEALS

[15] Supra at note 7.

[16] Q37. Frequently Asked Questions (FAQs) on Electronic Filing (A.M. No. 10-3-7-SC and A.M. No. 11-9-4-SC), OCA Circular No. 272-2024, 06 September 2024.

> b. Sending the paper by registered mail; or,
> c. Sending the paper by accredited courier.
>
> In the case of Section 3.a., the clerk of court shall endorse the date and hour of filing of the complaint or initiatory pleading. In the case of Section 3.b. or 3.c., the date of mailing of the complaint or initiatory pleading and payments or deposits, as shown by the post office stamp on the envelope or the registry receipt, shall be considered as the date of filing, payment, or deposit in court. The envelope shall be attached to the record of the case.
>
> After the complaint or initiatory pleading has been filed through any of the three modes provided in the first paragraph of this Section, the filing party shall subsequently email the complaint or initiatory pleading in digital file format to the court. Digital copies of the additional accompanying documents of the complaint or initiatory pleading, such as annexes, appendices, or exhibits, shall likewise be emailed. The electronic transmittal of the complaint or initiatory pleading and the accompanying documents must be made within 24 hours from the completeness of the primary mode of the complaint or initiatory pleading's filing.
>
> The term "digital file format," when used to refer to pleadings, papers, and other documents, shall mean the portable document format.
>
> No court shall act upon any complaint or initiatory pleading unless the latter's filing is accompanied by the electronic transmittal required in the third paragraph of this Section. **If the electronic transmittal is not completed before the period, the complaint or initiatory pleading shall be <u>deemed not filed, regardless of the completeness of the primary mode of its filing</u>.**[17]
>
> . . .

Since the instant Petition for Review was filed on **<u>27 March 2025</u>**, after the transition period, petitioner is expected to comply with the "mandatory electronic filing".

Notably, the rules of procedure are intended to ensure the orderly administration of justice.[18] Any party seeking a liberal application of the rules is required to present strong and compelling reasons to warrant the suspension of the rules.[19] To merit liberality, petitioner must show that there is reasonable cause justifying its noncompliance with the rules and that the outright dismissal of the petition would defeat the

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17 Emphasis and underscoring supplied.
18 *Auria Limpot v. Court of Appeals, et al.*, G.R. No. L-44642, 20 February 1989.
19 *Subic Bay Metropolitan Authority v. Subic Bay Marine Exploratorium, Inc.*, G.R. No. 237591, 10 November 2021.

administration of substantive justice.[20] In *National Grid Corporation of the Philippines v. Clara C. Bautista, married to Rey R. Bautista,* the Supreme Court declared emhatically: [21]

> . . .
>
> ... Liberality in the application of the rules is not an end in itself. It must be pleaded with factual basis and must be allowed for equitable ends. There must be no indication that the violation of the rule is due to negligence or design. Liberality is an extreme exception, justifiable only when equity exists.
>
> . . .

Here, petitioner's explanation that its noncompliance was due to mere inadvertence cannot, in any degree, be considered as reasonable cause that would justify the suspension of the rules.

Moreover, the records of the case show that petitioner received the assailed Resolution on 19 May 2025.[22] Yet, it took petitioner ten (10) days to electronically submit the soft copy of the instant Petition for Review. This delay, absent any acceptable explanation, evinces petitioner's blatant disregard of procedural rules, further precluding any justification for their liberal application.

Additionally, in cases where a taxpayer's protest is denied by the Commissioner of Internal Revenue's (**CIR**'s) duly authorized representative, a taxpayer is given three (3) options, to either: (1) appeal to the **CTA within thirty (30) days from the date of receipt of the CIR's** or his representative's **decision**; (2) to elevate his protest through a request for reconsideration to the CIR, within the same 30-day period, otherwise referred to as an "administrative appeal"; or (**3**) if the CIR or his or her duly authorized representative failed to act on the protest within 180-day period from submission of the required documents, the taxpayer may appeal to the CTA within 30-days from the lapse of the 180-day period.[23]

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[20] *Philippine Charity Sweepstakes Office, Remeliza M. Gabuyo, et al. v. Commission on Audit,* G.R. No. 246313, 15 February 2022.

[21] G.R. No. 232120, 30 September 2020; Citation omitted.

[22] Notice of Resolution, Division Docket, p. 47.

[23] Section 11, R.A. No. 1125, as amended; See *Philippine Amusement and Gaming Corporation v. Bureau of Internal Revenue, et al.,* G.R. No. 208731, 27 January 2016; *Commissioner of Internal Revenue v. V.Y. Domingo Jewellers, Inc.,* G.R. No. 221780, 25 March 2019.

In addition, the Supreme Court clarified that for purposes of tolling the periods for filing after the transition period, the receipt of the electronic copies of inbound court document is controlling.[24]

As culled from the records of the case, petitioner received the FDRR on 26 February 2025.[25] Accordingly, the appeal should have been brought to this Court within thirty (30) days or until **28 March 2025**. While petitioner personally filed the Petition for Review on 27 March 2025, it electronically submitted the soft copy of the petition only on 29 May 2025. Thus, notwithstanding the completion of its primary manner of filing and given that it submitted the soft copy beyond the prescribed twenty-four (24) hour period, the instant Petition for Review is deemed filed on the date of submission of the electronic copy, *i.e.*, **29 May 2025**. This falls sixty-two (62) days beyond the reglementary period, rendering the Petition for Review patently filed out of time.

All told, this Court sees no cogent reason to warrant a reconsideration or modification of the assailed Resolution.[26]

WHEREFORE, in view of the foregoing, petitioner's "Motion for Reconsideration", filed on 28 May 2025, is hereby **DENIED** for lack of merit.

SO ORDERED.

ROMAN G. DEL ROSARIO
Presiding Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

LANEE S. CUI-DAVID
Associate Justice

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[24] Q38, supra at note 16.
[25] Supra at note 3.
[26] Supra at note 6.