CTA Form No. 8 (For DCC)

22-000142-0085

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

CTA CASE NO. 10821

ALL SOURCE MANPOWER AND CONSULTANCY SERVICES, INC., represented by MS. SOLEDAD P. DELORAYA in her capacity as Company President,
Petitioner,

- versus -

NOTICE OF RESOLUTION

COMMISSIONER OF INTERNAL REVENUE and/by Bureau of Internal Revenue Revenue Region No. 10, represented by RD ROZIL R. LOZARES,
Respondent.

To:

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

ATTY. AYESHA HANIA B. GUILING-MATANOG
ATTY. LARA NICOLE T. GONZALES
Bureau of Internal Revenue
Room 703, Litigation Division, BIR Main Building
Sen. Miriam P. Defensor-Santiago Avenue
Diliman, Quezon City

NACOR CALLEJA & ASSOCIATES
Rooms 200 & 201, 2F, BalPer Sumayao Centre
National Highway, Brgy. Old San Roque
4418 Pili, Camarines Sur

GREETINGS:

You are hereby notified by these presents that on **May 29, 2025,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **June 3, 2025.**

Atty. Margarette Y. Guzman
Executive Clerk of Court III

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ALL SOURCE MANPOWER AND CONSULTANCY SERVICES, INC.,
Represented by MS. SOLEDAD P. DELORAYA in her capacity as Company President,
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-versus-

COMMISSIONER OF INTERNAL REVENUE
And/by Bureau of Internal Revenue Region No. 10, represented by RD ROZIL R. LOZARES,
Respondent.

CTA CASE NO. 10821

Members:

DEL ROSARIO, *P.J., Chairperson,*
BACORRO-VILLENA, *and*
CUI-DAVID, *JJ.*

Promulgated:

MAY 2 9 2025 1:22PM

x- -x

RESOLUTION

For the resolution of this Court is petitioner's ***Motion for Reconsideration (on Resolution dated 27 September 2024 of the First Division),*** filed on October 29, 2024, with respondent's *Comment/Opposition (Re: Petitioner's Motion for Reconsideration dated 29 October 2024),* filed on December 16, 2024.

Petitioner's *Motion for Reconsideration* seeks to reverse the Court's *Resolution* dated September 27, 2024 (**assailed *Resolution***), which granted respondent's *Motion for Early Resolution of the Issue of Jurisdiction of the Honorable Court* and dismissed petitioner's *Petition for Review*. The dispositive portion of the assailed *Resolution* reads:

> **WHEREFORE**, premises considered, petitioner's *Urgent Motion for Extension of Time to Comply with Resolution dated 20 May 2024* and *Manifestation (No Capacity to File Bond)* are

NOTED. Hence, the Court's Resolution dated May 20, 2024, is **WITHDRAWN** and **SET ASIDE**.

Furthermore, respondent's *Motion for Early Resolution of the Issue of Jurisdiction of the Honorable Court* is **GRANTED**. Accordingly, petitioner's *Petition for Review* dated March 25, 2022, is **DISMISSED** for lack of jurisdiction.

SO ORDERED.

Petitioner argues that the assessment issued by the Bureau of Internal Revenue (**BIR**) was made beyond the three-year prescriptive period under Section 203 of the National Internal Revenue Code (**NIRC**) of 1997, as amended. Thus, the petitioner argues that the assessment is void, ineffective, and illegal, and the validity of the Protest and Supplemental Protest filed is inconsequential. Petitioner further asserts that "the matter of prescription is a grave and material issue directly relevant to the very cause of the case" and falls within the jurisdiction of the Court of Tax Appeals (**CTA**) over "other matters arising under the [NIRC]." Finally, petitioner invokes the principle of equity in seeking the reversal of the assailed *Resolution*.

In his *Comment*, respondent maintains that the assessment against petitioner has become final and executory, as no valid protest was filed within the prescribed period. Respondent further argues that petitioner should have filed an appeal at the earliest opportunity, citing that a collection notice was issued as early as February 26, 2021. Even assuming that the 30-day period to appeal began from the March 17, 2021 letter of Regional Director Rozil R. Rosales, reiterating the assessment's finality, the *Petition for Review* would still have been filed out of time.

The Court finds the *Motion for Reconsideration* to be without merit.

As summarized in the assailed *Resolution*, the relevant timeline of events is as follows:

Date	Correspondence
January 22, 2020	Petitioner received the Preliminary Assessment Notice (PAN).
March 11, 2020	Petitioner received the Final Assessment Notice and Formal Letter of Demand (FAN/FLD) dated March 3, 2020.
June 25, 2020	Petitioner mailed, via JRS Express, its "Protest" against the FAN/FLD.
June 29, 2020	Respondent received the Protest against the FAN/FLD filed by petitioner.
June 30, 2020	Petitioner filed a Supplemental Protest against the FAN/FLD.
July 9, 2020	Respondent issued the Final Decision on Disputed Assessment (FDDA).
July 30, 2020	Petitioner received the FDDA signed by Regional Director Rozil R. Lozares (**RD Lozares**).
August 14, 2020	Respondent issued a letter denying the Supplemental Protest in light of the prior issuance of the FDDA.
September 1, 2020	Petitioner filed a Request for Reconsideration Ad Cautelam with the Office of the Commissioner of Internal Revenue (**CIR**).
November 16, 2020	Respondent issued an "Executive Summary" mentioning the Supplemental Protest and Request for Reconsideration and denying petitioner's Protest.
February 26, 2021	Petitioner received a Collection Letter from Jocelyn A. Aringo, the Officer-in-Charge (OIC)-Chief of Collection Division.
March 8, 2021	Petitioner sent a reply, stating that the Request for Reconsideration is still pending with the CIR.
March 17, 2021	RD Lozares issued a letter stating that he did not receive a copy of the Request for Reconsideration and that the Protest was denied.
April 12, 2021	Petitioner received the March 17, 2021 letter
April 19, 2021	Petitioner furnished RD Lozares a copy of the Request for Reconsideration.
November 16, 2021	Respondent issued a Warrant of Distraint and/or Levy (**WDL**).
November 18, 2021	Petitioner received the WDL.
February 9, 2022	Petitioner served an Amplified Letter to RD Lozares requesting a reinvestigation.
February 18, 2022	Respondent informed petitioner that the case was already referred to the Collection Division.

Date	Correspondence
March 3, 2022	Petitioner received respondent's February 18, 2022 letter.
March 29, 2022	Petitioner filed its *Petition for Review* before the Court.

The Court reiterates that petitioner's judicial recourse suffers from multiple procedural and substantive defects.

First, the Protest dated June 25, 2020 does not qualify as a valid protest under Section 228 of the NIRC of 1997, as amended, because it failed to state the legal basis for contesting the assessment, as required by Section 3 of Revenue Regulations (**RR**) No. 12-1999,[1] as amended by RR No. 18-2013.[2] This deficiency was admitted by petitioner's witness, Ms. Soledad P. Deloraya, during her cross-examination on October 12, 2023.[3]

Second, petitioner failed to submit additional documents in support of its Protest, which petitioner couched as a "request for reinvestigation", within 60 days from its filing, as required under Section 3 of RR No. 12-1999,[4] as amended by RR No. 18-2013.[5]

Third, even if the Court disregards the substantive defects of the *Protest*, it was still filed late. Notably, petitioner received the FAN/FLD on March 11, 2020.[6] As exhaustively discussed in the assailed *Resolution,* considering the BIR's issuances extending the filing deadlines due to the COVID-19 pandemic, the last day to file a protest was *June 21, 2020.* Petitioner, however, filed its Protest only on *June 25, 2020,* and its Supplemental Protest on June 30, 2020.

As petitioner failed to file a valid and timely protest against the assessment, there exists no "disputed assessment" over which this Court may exercise jurisdiction.

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1 SUBJECT: Implementing the Provisions of the National Internal Revenue Code of 1997 Governing the Rules on Assessment of National Internal Revenue Taxes, Civil Penalties and Interest and the Extra-Judicial Settlement of a Taxpayers Criminal Violation of the Code Through Payment of a Suggested Compromise Penalty.

2 SUBJECT: Amending Certain Sections of Revenue Regulations No. 12-99 Relative to the Due Process Requirement in the Issuance of a Deficiency Tax Assessment.

3 TSN, Ms. Soledad P. Deloraya, October 12, 2023, pp. 12–13.

4 *Supra* note 1.

5 *Supra* note 2.

6 Docket – Vol. I, p. 20, Petition for Review.

Nonetheless, petitioner argues that the CTA has jurisdiction over "other matters arising under the [NIRC]." This argument is unavailing.

As correctly pointed out by respondent, petitioner received a Collection Letter as early as February 26, 2021, and on April 12, 2021, was informed through RD Lozares' letter that the Protest was not granted. Finally, on November 18, 2021, petitioner received the WDL.

Yet, petitioner filed its *Petition for Review* only on March 29, 2022, 396 days after receiving the Collection Letter and 131 days after receiving the WDL. Clearly, the Petition was filed beyond the 30-day period prescribed by law. Thus, the Court's jurisdiction over "other matters arising under the NIRC" may not be invoked.

Finally, petitioner cannot rely on equity. It is a well-established principle that the mere invocation of equity or substantial justice cannot compel this Court to disregard substantive rules governing protests and jurisdiction. Petitioner's appeal to equity is undermined by its numerous lapses, both substantive and procedural, in the filing of its *Protest* and *Petition for Review*, which, taken together, the Court cannot simply ignore.

WHEREFORE, premises considered, petitioner's *Motion for Reconsideration [on Resolution dated 27 September 2024 of the First Division]* 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