CTA Form No. 8 (For DCC)

22-000028-0084

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

CTA CASE NO. 10738

CREDITACCESS PHILIPPINES FINANCING COMPANY, INC.,
Petitioner,

- versus -

NOTICE OF RESOLUTION

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

To:

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

ATTY. ALVIN N. STO. DOMINGO (OIC)
ATTY. VICTOR RICO P. LOPEZ
Bureau of Internal Revenue-Revenue Region 7B
Legal Division, 25th Floor, West Tower, The Podium
12 ADB Avenue, Ortigas Center
Madaluyong City

DU-BALADAD AND ASSOCIATES
20th Floor, Chatham House
Rufino corner Valero Streets
Salcedo Village, Makati City

GREETINGS:

You are hereby notified by these presents that on **September 21, 2026,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **September 23, 2026.**

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

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

CREDITACCESS PHILIPPINES FINANCING COMPANY, INC., Petitioner,	CTA CASE NO. **10738**
	Members:
- versus -	**BACORRO-VILLENA,** *Acting Chairperson, and* **CUI-DAVID,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, Respondent.	Promulgated: SEP 21 2026; 1:30PM

x - x

RESOLUTION

BACORRO-VILLENA, J.:

For the Court's resolution is respondent Commissioner of Internal Revenue's (**respondent**'s/**CIR**'s) "Motion for Reconsideration (Decision dated May 11, 2026)"[1] (**MR**), filed on 01 June 2026, assailing this Court's Decision[2] dated 11 May 2026 (**assailed Decision**). The dispositive portion of which reads:

> ...
>
> **WHEREFORE**, in light of the foregoing considerations, the present Petition for Review, filed by petitioner Creditaccess Philippines Company, Inc. on 02 February 2022, is hereby **PARTIALLY GRANTED.** Respondent Commissioner of Internal Revenue is **ORDERED TO REFUND** petitioner the aggregate amount of **₱42,370,643.75**, representing the documentary stamp tax erroneously paid by petitioner on debt instruments with terms of six (6) months during the period covering 01 January 2020 to 31 July 2021.

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[1] Division Docket, Volume III, pp. 1376-1379.

[2] Id., pp. 1256-1375.

SO ORDERED.

...

In the assailed Decision, this Court found that petitioner has shown its entitlement to the refund of erroneously paid documentary stamp tax (**DST**) on debt instruments with terms of six (6) months in the amount of ₱42,370,643.75.

In its MR, respondent reiterates its previous argument that petitioner had claimed taxes and licenses expense in its income statement for taxable years 2019 to 2020 and, thus, failed to sufficiently prove that there was erroneously or illegally collected tax which could be the subject of refund.

On 20 July 2026, petitioner Creditaccess Philippines Financing Company, Inc. (**petitioner**) filed its "Comment (on Respondent's Motion for Reconsideration Dated June 1, 2026),"[3] echoing the ruling of this Court in the assailed Decision.

We resolve.

Upon examination of the MR, this Court notes that respondent did not raise any new arguments but instead presented an exact reproduction of the argument that served as its sole ground for denying petitioner's administrative claim, which same position has been rehashed by respondent in its Answer and Memorandum filed before this Court. Notably, said argument has been accordingly weighed, considered, and sufficiently ruled upon by this Court, as shown in the assailed Decision.

In *Ortigas and Company Limited Partnership v. Judge Tirso Velasco and Dolores V. Molina*,[4] the Supreme Court emphasized the futility of belaboring an MR that merely reiterates already settled arguments, as in the case at bar:

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3 Id., pp. 1383-1401.
4 G.R. No. 109645, 04 March 1996; emphasis supplied.

> ...
> *Effect, and Disposition of*
> *Motion for Reconsideration*
>
> The filing of a motion for reconsideration, authorized by Rule 52 of the Rules of Court, does not impose on the Court the obligation to deal individually and specifically with the grounds relied upon therefor, in much the same way that the Court does in its judgment or final order as regards the issues raised and submitted for decision. **This would be a useless formality or ritual invariably involving merely a reiteration of the reasons already set forth in the judgment or final order for rejecting the arguments advanced by the movant; and it would be a needless act, too, with respect to issues raised for the first time, these being, as above stated, deemed waived because not asserted at the first opportunity. It suffices for the Court to deal generally and summarily with the motion for reconsideration, and merely state a legal ground for its denial** (Sec. 14, Art. VIII, Constitution); i.e., the motion contains merely a reiteration or rehash of arguments already submitted to and pronounced without merit by the Court in its judgment, or the basic issues have already been passed upon, or the motion discloses no substantial argument or cogent reason to warrant reconsideration or modification of the judgment or final order; or the arguments in the motion are too unsubstantial to require consideration, etc.
> ...

This notwithstanding, and if only to drive the nail home, based on the disquisition of this Court in the assailed Decision, petitioner did include DST as part of "Taxes and Licenses" in its audited financial statements. Meanwhile, in its income tax returns (**ITRs**), petitioner claimed "Taxes and Licenses" without specifying whether the same pertains to DST or other items. In any case, such composition is inconsequential because **even if petitioner did claim the full amount of DST paid for the period of 01 January 2020 to 31 July 2021 as deduction in its ITRs, the same will not prevent it from subsequently requesting a refund upon realization of its overpayment.**

Under Section 34 of the National Internal Revenue Code (**NIRC**) of 1997, as amended, taxes paid by the petitioner are allowable as deductions from gross income, subject to certain conditions:

> ...
> **SEC 34.** *Deductions from Gross Income.* – Except for taxpayers earning compensation income arising from personal services rendered under

an employer-employee relationship where no deductions shall be allowed under this Section, in computing taxable income subject to income tax under Sections 24(A); 25(A); 26; 27(A), (B), and (C); and 28(A)(1), there shall be allowed the following deductions from gross income;

...

(C) ***Taxes.*** –

(1) ***In General.*** – Taxes paid or incurred within the taxable year in connection with the taxpayer's profession, trade or business, shall be allowed as deduction, except:

(a) The income tax provided for under this Title;

(b) Income taxes imposed by authority of any foreign country; but this deduction shall be allowed in the case of a taxpayer who does not signify in his return his desire to have to any extent the benefits of paragraph (3) of this Subsection (relating to credits for taxes of foreign countries);

(c) Estate and donor's taxes; and

(d) Taxes assessed against local benefits of a kind tending to increase the value of the property assessed.

Provided, **That taxes allowed under this Subsection, when refunded or credited, shall be included as part of gross income in the year of receipt to the extent of the income tax benefit of said deduction.**[5]

...

Consequently, **petitioner may correctly include the DST it paid as part of deductible expenses in its ITRs**, considering that: (1) the same was incurred in connection with its business, *i.e.*, loan agreements entered in the ordinary course of business; and (2) it is not part of the exceptions provided under Section 34(C)(1) of the NIRC of 1997, as amended. To be sure, **instead of prohibiting the claim of refund on taxes already claimed as deductions, the NIRC of 1997, as amended, even contemplated such a situation** and provided the procedure to be followed in such case, *i.e.*, that the taxes previously claimed as deductions shall be included as part of gross income in the year of receipt to the extent of the income tax benefit of the said deduction.

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5 Emphasis supplied.

WHEREFORE, premises considered, respondent Commissioner of Internal Revenue's "Motion for Reconsideration (Decision dated May 11, 2026)" filed on 01 June 2026 is hereby **DENIED** for lack of merit.

SO ORDERED.

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

I CONCUR:

LANEE S. CUI-DAVID
Associate Justice