REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

Special Third Division

ORO DARE LOGISTICS CORPORATION, *Petitioner,*	**CTA CASE NO. 9846** Members:
-versus-	**UY,** *Chairperson,* **RINGPIS-LIBAN,** *and* **MODESTO-SAN PEDRO,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: SEP 14 2022 9:18 a.m.

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RESOLUTION

MODESTO-SAN PEDRO, J.:

For the Court's resolution is respondent's **Motion for Reconsideration (Re: Decision Promulgated on 19 May 2022) ("Motion"),**[1] filed on 27 June 2022, with petitioner's **Comment and Opposition (Re: Respondent's Motion for Reconsideration) ("Comment"),**[2] filed on 6 July 2022.

In his Motion, respondent prays that (a) the Decision, dated 19 May 2022 ("Assailed Decision),[3] be reversed and set aside; and (b) a new Decision denying petitioner's Petition for Review be promulgated. The dispositive portion of the Assailed Decision reads as follows:

> "**WHEREFORE**, in light of the foregoing considerations, the Petition for Review filed by petitioner Oro Dare Logistics Corporation is hereby **GRANTED**. Accordingly, the CIR's Notice of Denial, dated 21 June 2017, is hereby **ANNULLED, REVERSED,** and **SET ASIDE**. The FNBS, dated 24 May 2018, FLD/ANS, dated 24 October 2014, assessing petitioner for alleged deficiency income taxes in the amount of ₱3,220,514.10 and deficiency VAT of ₱3,179,424.77 or a total amount of ₱6,399,938.87 for the taxable year 2010, and the PCL, dated 24 February

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1 Records Vol. 2.
2 *Ibid.*
3 *Ibid.*

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> 2015, enforcing collection for the total amount of ₱6,399,938.87, are hereby **CANCELLED** and **SET ASIDE**.
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> **SO ORDERED.**"

In support of his prayer, respondent argues that (a) the Court erred in ruling that it has jurisdiction over the instant case; (b) the Court erred in invalidating the Final Notice Before Seizure ("FNBS"), Formal Letter of Demand/Assessment Notice ("FLD/ANS"), and Preliminary Collection Letter ("PLC"); and (c) the Court erred in ruling that the Revenue Officers in charge of this case had no authority to conduct the audit.[4]

Meanwhile, petitioner counter-argues that (a) respondent is merely rehashing the arguments raised in his Memorandum, which have already been passed upon and decided by the Court; and (b) because the Court found respondent's assessment invalid, said assessment could not have attained finality, and no tax collection pursuant to such assessment can be pursued.[5]

Respondent's Motion lacks merit.

As observed by petitioner, the majority of the arguments in the present Motion are mere rehashes of respondent's Memorandum,[6] filed on 10 March 2021. Disregarding a few stylistic revisions, the only addition of note is respondent's claim that "[e]ven assuming that this case falls under the 'Other Matters' jurisdiction of this Honorable Court, […] the ruling should only cover the propriety of the denial of petitioner's application for compromise, and should not extend to the validity of the assessment."[7]

We disagree.

The "Other Matters" in question here refers to this Court's jurisdiction, as granted by both ***Section 7(a)(1) of Republic Act ("R.A.") No. 1125, as amended by R.A. No. 9282*** and ***Section 3(a)(1) of the Revised Rules of the Court of Tax Appeals***, over "other matters arising under the National Internal Revenue Code or other laws administered by the Bureau of Internal Revenue." In particular, this case involves this Court's jurisdiction over respondent's Decisions on compromise applications, which emanates from ***Section 204 of the Tax Code, as amended***. A review of said law is instructive:

> "SEC. 204. Authority of the Commissioner to Compromise, Abate and Refund or Credit Taxes. – The Commissioner may –
>
> (A) **Compromise the payment of any internal revenue tax**, when:

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4 Motion for Reconsideration (Re: Decision Promulgated on 19 May 2022), *id.*
5 Comment and Opposition (Re: Respondent's Motion for Reconsideration), *id.*
6 *Id.*, pp. 643-661.
7 Motion for Reconsideration (Re: Decision Promulgated on 19 May 2022), p. 9, *id.*

(1) A reasonable doubt as to the **validity of the claim against the taxpayer** exists; ..."

(Emphasis, Ours.)

From the above, its is clear that the propriety of a ruling on a compromise application is inextricably linked to, even dependent upon, the validity of a claim or assessment against a taxpayer. The Court has already ruled, in the Assailed Decision, that it has jurisdiction over respondent's decisions on compromise applications.[8] It follows that the Court also has jurisdiction over the validity of the assessment at issue.

Anent respondent's related argument that petitioner failed to question the validity of the assessment in a protest filed at the administrative level, the Court reminds respondent that cases before the Court of Tax Appeals ("CTA") are litigated *de novo*. Petitioner's alleged failure to protest the validity of the assessment at the administrative level does not bar it from doing the same at the judicial level. This principle was recently affirmed in ***Commissioner of Internal Revenue v. Philippine Bank of Communications***,[9] where the Supreme Court reiterated the independence of a judicial claim from its administrative counterpart and concluded that a Decision rendered by the CTA should be based on what is presented before it, notwithstanding what was raised (or not raised) before the Commissioner of Internal Revenue.

These arguments are built on respondent's contention that the FNBS, FLD/ANS, and PLC can no longer be subjected to judicial scrutiny as these have already become final and executory. But as explained in the Assailed Decision, these issuances never actual became final and executory, as the assessment upon which they were based was void for being improper.[10]

Regarding the other arguments raised in respondent's Motion, the same have already been passed upon and discussed in the Assailed Decision. There is thus no need to explain their deficiencies again. The Court need not "cut and paste" pertinent portions of the Decision or re-write the *ponencia* in accordance with the outline of the Motion.[11] Therefore, there is no necessity to discuss and rule again on these grounds since this would be a useless formality of ritual invariably involving merely a reiteration of the reasons for rejecting the arguments advanced by the movant already set forth in the judgment.[12]

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8 Decision, dated 19 May 2022, pp. 10-12, *id.*
9 G.R. No. 211348, 23 February 2022.
10 Decision, dated 19 May 2022, pp. 13-16, Records Vol. 2.
11 Land Bank of the Philippines v. Gallego, Jr., G.R. No. 173226, 31 January 2018 *citing* Social Justice Society (SJS) Officers v. Lim, G.R. No. 187836, 10 March 2015 *and* Ortigas Land Co. Ltd. Partnership v. Judge Velasco, G.R. No. 109645, 4 March 1996.
12 *Ibid*; People v. Agacer, G.R. No. 177751, 7 January 2013 *citing* People v. Larrañaga, G.R. Nos. 138874-75, 21 July 2005 *and* Ortigas Land Co. Ltd. Partnership v. Judge Velasco, G.R. No. 109645, 4 March 1996.

Considering the foregoing, the Court sees no reason to grant respondent's Motion.

WHEREFORE, respondent's **Motion for Reconsideration (Re: Decision Promulgated on 19 May 2022)** is hereby **DENIED** for lack of merit.

SO ORDERED.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

WE CONCUR:

ERLINDA P. UY
Associate Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice