22-000645-0075

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

CTA CASE NO. 11043

BRILLIANT CREATIONS PUBLISHING, INC., Duly Represented herein by its Authorized Representative, Ms. Ria A. Sablon,
Petitioner,

- versus -

NOTICE OF RESOLUTION

THE COMMISSIONER OF INTERNAL REVENUE (CIR), BUREAU OF INTERNAL REVENUE (BIR),
Respondent.

To:

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

ATTY. DAYNE B. MEDINA
ATTY. SHEEHERAZADEE A. LABOR-MORAN
ATTY. JUFFERSON D. VIERNES
Bureau of Internal Revenue, Revenue Region No. 7A
Legal Division, Room 516, Roof Deck, Fisher Mall
Quezon Avenue corner Fernando Poe Jr., Avenue
Quezon City

ATTY. ERIC R. CORTES
Unit 103, AIC Burgundy Empire Tower
Sapphire Road, Ortigas Center, Brgy. San
Antonio, Pasig City 1605

GREETINGS:

You are hereby notified by these presents that on **November 19, 2025,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **November 20, 2025.**

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

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BRILLIANT CREATIONS PUBLISHING, INC., Duly Represented herein by its Authorized Representative, Ms. Ria A. Sablon,
Petitioner,

- versus -

THE COMMISSIONER OF INTERNAL REVENUE (CIR), BUREAU OF INTERNAL REVENUE (BIR),
Respondent.

CTA CASE NO. 11043

Members:

BACORRO-VILLENA, *Acting Chairperson, and*
CUI-DAVID, *JJ.*

Promulgated:

NOV 19 2025; 9:15AM

x- -x

RESOLUTION

CUI-DAVID, J.:

This resolves respondent's *Motion for Reconsideration* filed on July 10, 2025, along with petitioner's *Comment to Respondent's Motion for Reconsideration* filed on September 18, 2025. Respondent prays that the *Decision* dated June 20, 2025 (the "assailed *Decision*"), with the following dispositive portion, be reversed and set aside:

> **WHEREFORE**, premises considered, the instant *Petition for Review* is hereby **GRANTED**. The Formal Letter of Demand with Final Assessment Notices dated June 13, 2017, the Warrant of Distraint and/or Levy No. RR7A-10-27-2022-2420 dated November 10, 2022, and the Warrant of Garnishment dated January 18, 2023, are **CANCELLED** and **SET ASIDE**.

> Accordingly, respondent is **ORDERED to REFUND** in favor of petitioner the amount of ₱1,102,494.22, representing the garnished amount based on a void assessment.
>
> Furthermore, respondent Commissioner of Internal Revenue or any person acting on his behalf is **ENJOINED** and **PROHIBITED** from collecting the amount of ₱9,833,631.48 from petitioner.
>
> **SO ORDERED.**

Respondent argues that the Court erred in declaring the assessment void on the ground that the revenue officers (ROs) who conducted the audit were allegedly not authorized by a valid Letter of Authority (LOA). Respondent contends that the cited jurisprudence, *i.e., Commissioner of Internal Revenue v. Sony Philippines, Inc.*[1] (*Sony*), *Medicard Philippines, Inc. v. Commissioner of Internal Revenue*[2] (*Medicard*), *Commissioner of Internal Revenue v. McDonald's Philippines Realty Corporation*[3] (*McDonald's*), and *Commissioner of Internal Revenue v. Opulent Landowners, Inc.*[4] (*Opulent*), is not applicable as the factual circumstances differ. Specifically, respondent asserts that the RO named in the LOA was the same individual who conducted the audit, unlike in the cited cases where unauthorized ROs performed the examination. Respondent further invokes the doctrine of *stare decisis*, arguing that the cited cases should not be applied, as they are not *on all fours* with the present case.

Petitioner counters that the *Motion for Reconsideration* should be denied for lack of merit. Petitioner maintains that the assailed *Decision* is supported by substantial evidence and is in accordance with law. It emphasizes that the audit was conducted by a substitute Group Supervisor (GS), Alberto S. Enriquez, Jr. (Enriquez), who was not named in the LOA, thereby rendering the assessment void. Petitioner underscores that the cited jurisprudence uniformly affirms the necessity of a valid LOA,specifically naming the ROs authorized to conduct the audit. Petitioner further points out that no document was presented to establish GS Enriquez's authority, and that the Court's factual finding on this matter is conclusive and supported by the record.

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1 G.R. No. 178697, November 17, 2010 [Per J. Mendoza, Second Division].
2 G.R. No. 222743, April 5, 2017 [Per J. Reyes, Third Division].
3 G.R. No. 242670, May 10, 2021 [Per J. Lopez, J., Third Division].
4 G.R. Nos. 249883–84, January 27, 2020 [Per Resolution, Second Division].

x---x

After a careful review of the arguments presented, the Court finds no compelling reason to reverse its *Decision.*

The requirement of a valid LOA is a prerequisite for the validity of a tax assessment. Jurisprudence consistently holds that an RO must be expressly authorized by an LOA to conduct an audit. In this case, while RO Dante Tan was named in the LOA, the audit was jointly conducted with GS Enriquez, who was not authorized under the same. The absence of a replacement LOA or any document conferring authority upon GS Enriquez renders the assessment void. The Court's reliance on *Sony, Medicard, McDonald's,* and *Opulent* is proper, as these cases similarly involved assessments made by unauthorized ROs.

Respondent's invocation of *stare decisis* is misplaced. The doctrine supports the consistent application of legal principles to substantially similar factual circumstances.[5] Here, the facts align with the cited jurisprudence, and the legal principle requiring a valid LOA in favor of the ROs who audited the taxpayer and recommended the issuance of the deficiency tax assessments[6] remains applicable.

WHEREFORE, the instant *Motion for Reconsideration* is **DENIED** for lack of merit.

SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

I CONCUR:

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

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[5] See *Belgica, et al. v. Ochoa, Jr, et al.*, G.R. Nos. 208566, 208493 & 209251, November 19, 2013 [Per J. Perlas-Bernabe, *En Banc*].

[6] *Commissioner of Internal Revenue v. Opulent Landowners, Inc.*, G.R. Nos. 249883–84, January 27, 2020 [Per Resolution, Second Division].