REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

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TRANS PACIFIC AIR SERVICE CORPORATION, Petitioner,	CTA EB No. 1407 (CTA Case No. 8630)
	Present:
-versus-	DEL ROSARIO, *PJ*; CASTAÑEDA, JR., BAUTISTA, UY, CASANOVA, FABON-VICTORINO, MINDARO-GRULLA, RINGPIS-LIBAN, and MANAHAN, *JJ*.
COMMISSIONER OF INTERNAL REVENUE, Respondent.	Promulgated: APR 18 2018 4:05 p.m.

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R E S O L U T I O N

Fabon-Victorino, J.:

Challenged in petitioner's *Motion for Reconsideration* dated October 25, 2017 is the Decision dated September 28, 2017, the dispositive portion of which reads as follows:

> **WHEREFORE**, the Petition for Review filed by Trans Pacific Air Service Corporation on January 21, 2016, is hereby **DENIED** for lack of merit. Consequently, the Decision dated January 30, 2015 and the Resolution dated December 9, 2015, both rendered by the Court in Division, are **AFFIRMED**.

SO ORDERED.[1]

Petitioner submits that contrary to the Court's finding, it has satisfactorily complied with all the requirements set forth in Section 2.58.3 (B) of Revenue Regulations No. 2-98 for a successful prosecution of its refund of creditable withholding taxes (CWT). Allegedly, its Quarterly and Annual Income Tax Return for TY 2010, Financial Statements of even year, as well as various certificates of withholding issued by its payor-withholding agents presented during the trial demonstrate that it declared as part of its gross income for TY 2010 the income payments from which its creditable taxes of ₱3,126,132.78 were withheld.

Petitioner further claims that the discrepancy between its 2010 Annual ITR and AFS of even year in the amount of ₱48,458.00 arose from the timing difference between recording of income, i.e., the year it was earned, and that of withholding, i.e., the period when the income payments were actually withheld. Therefore, the foregoing amount may be readily imputed to the following items of income, *viz*: a) ₱41,798.00 relates to interest income subjected to final tax; and b) ₱6,660.00 pertains to tax-exempt dividend income. Its presentation of the above pieces of evidence coupled with its explanation on the discrepancies point to only one conclusion - that the refund of excess and unutilized CWT for TY 2010 to the extent of ₱2,108,651.78 should be allowed.

On the other hand, respondent failed to register his comment/opposition despite notice.[2]

The instant Motion lacks merit.

An assiduous review of the challenged Decision and the pleadings filed by petitioner readily reveals that the points it raised are but a repetition of its arguments which have been completely addressed in the challenged Decision of September 28, 2017. To repeat, petitioner's failure to present competent proof to reconcile the variance between

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[1] *Rollo,* p. 215.
[2] Records verification report dated January 23, 2018.

the sums reflected in its 2010 Annual ITR vis-à-vis its AFS of even year warrants a denial of its refund claim since the Court cannot validate with precision whether the income payments from which the CWTs amounting to ₱3,126,132.78 can be traced were indeed specified as a component of its gross income for TY 2010.

WHEREFORE, the Motion for Reconsideration dated October 25, 2017, filed by petitioner Trans Pacific Air Service Corporation is **DENIED**. The Decision dated September 28, 2017 is **AFFIRMED**.

SO ORDERED.

ESPERANZA R. FABON-VICTORINO
Associate Justice

We Concur:

ROMAN G. DEL ROSARIO
Presiding Justice

Juanito C. Castañeda, Jr.
JUANITO C. CASTAÑEDA, JR.
Associate Justice

LOVELL R. BAUTISTA
Associate Justice

(On Leave)
ERLINDA P. UY
Associate Justice

(On Leave)
CAESAR A. CASANOVA
Associate Justice

Cielito N. Mindaro-Grulla
CIELITO N. MINDARO-GRULLA
Associate Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

Catherine T. Manahan
CATHERINE T. MANAHAN
Associate Justice