REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

SANKYU-ATS CONSORTIUM-B,	**CTA CASE NO. 10471**
Petitioner,	Members:
- versus -	**DEL ROSARIO,** *P.J., Chairperson,* **MANAHAN,** *and* **REYES-FAJARDO,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE,	Promulgated:
Respondent.	NOV 22 2023 1:40PM

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RESOLUTION

DEL ROSARIO, P.J.:

The Court resolves petitioner's **Motion for Reconsideration (Decision dated 01 August 2023)** [Motion for Reconsideration] filed on August 16, 2023.

To recall, in the Resolution dated September 11, 2023, respondent was directed to file his comment or opposition to petitioner's Motion for Reconsideration **within five (5) days from receipt** thereof. Respondent received the said Resolution via email on September 13, 2023. Respondent then had only until September 18, 2023 within which to file his comment or opposition.

Records Verification dated September 19, 2023 states that respondent did not file his comment on petitioner's Motion for Reconsideration within the period provided by the Court.

On October 2, 2023, respondent filed his Comment (Re: Petitioner's Motion for Reconsideration) [Comment].

Given that respondent's Comment was filed **fourteen (14) days late**, the Court is constrained to expunge the same from the records.

In its Motion for Reconsideration, petitioner prays for the Court to:

(1) reconsider its Decision promulgated on August 1, 2023;

(2) enter a new one admitting Exhibit "P-2" to prove the purposes for which it was offered and as part of the testimony of petitioner's witness; and,

(3) resolve the present case based on the merits, and not by mere technicalities.

The Court denied petitioner's Petition for Review as it was unable to prove that its sales were zero-rated or effectively zero-rated. Petitioner's contention that its sales to its only client, Philippine Sinter Corporation (PSC), an alleged ECOZONE Export Enterprise, are zero-rated or effectively zero-rated, was found to be without merit on account of the fact that petitioner's Exhibit "P-2" or the "PSC's PEZA Certificate of Registration" was denied admission in the Resolution dated January 12, 2023 for petitioner's failure to submit the duly marked document.

Petitioner posits that this Court may allow the submission of documents not attached to the Formal Offer of Evidence but were previously compared with the originals and marked during the Commissioner's Hearing on May 31, 2022.

According to petitioner, the inadvertent failure to submit the duly marked Exhibit was due to extraordinary workload. Furthermore, petitioner puts forth that it had filed several Petitions for Review for value-added tax (VAT) refund and/or issuance of a Tax Credit Certificate (TCC) covering different quarters of taxable years 2018 to 2019 and that, upon checking, it discovered that one Certified True Copy of Exhibit "P-2" was marked twice for the present case and for CTA Case No. 10313. Petitioner states that its counsel failed to notice that the document attached to its Formal Offer of Evidence was not the document originally marked and upon tracing, the originally marked document was submitted to the Court as part of its Formal Offer of Evidence in CTA Case No. 10313. Lastly, petitioner argues that it did not notice the denial of the admission of Exhibit "P-2" in the Resolution dated January 12, 2023 "due to the location of the paragraph ruling on the said Exhibit in the said Resolution."[1]

Petitioner attached to its Motion for Reconsideration the following:

1. Urgent Request for Certified True Copy of Exhibit "P-2" dated August 15, 2023; and,

2. A Certified Machine Copy of Exhibit "P-2".

THE COURT'S RULING

After careful evaluation of petitioner's arguments, the Court resolves to deny the Motion for Reconsideration.

Suffice it to say that the Court's denial of petitioner's Exhibit "P-2" had already attained finality. Petitioner did not move for the reconsideration of said denial within fifteen (15) days from notice of the Court's Resolution dated January 12, 2023, pursuant to Section 1, Rule 15 of the Revised Rules of the Court of Tax Appeals.[2] Petitioner's present Motion for Reconsideration is a belated attempt to revive its lost remedy to contest the Court's January 12, 2023 Resolution.

It has been said that procedural rules should be treated with utmost respect and due regard since they are designed to facilitate the adjudication of cases to remedy the worsening problem of delay in the resolution of rival claims and in the administration of justice. The requirement is in pursuance to the bill of rights inscribed in the Constitution which guarantees that "all persons shall have a right to the speedy disposition of their cases before all judicial, quasi-judicial and *administrative bodies*." The adjudicatory bodies and the parties to a case are thus enjoined to abide strictly by the rules. While it is true that a litigation is not a game of technicalities, it is equally true that every case must be prosecuted in accordance with the prescribed procedure to ensure an orderly and speedy administration of justice. There have been instances wherein the Court allowed a relaxation in the application of the rules, but this flexibility was "never intended to forge a bastion for erring litigants to violate the rules with impunity." A liberal

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[1] Par. 9, Motion for Reconsideration (Decision dated 01 August 2023), CTA Docket, Vol. II, p. 1008.
[2] Section 1. *Who may and when to file motion.* Any aggrieved party may seek a reconsideration or new trial of any decision, resolution or order of the Court by filing a motion for reconsideration or new trial within fifteen days from the date of receipt of notice of the decision, resolution or order of the Court in question.

interpretation and application of the rules of procedure can be resorted to only in proper cases under justifiable causes and circumstances.[3]

Petitioner's counsel is reminded that technical rules serve a purpose. They are not made to discourage litigants from pursuing their case nor are they fabricated out of thin air. Every section in the Rules of Court and every issuance of this Court with respect to procedural rules are promulgated with the objective of a more efficient judicial system.[4]

Petitioner's contention that it did not notice the denial of Exhibit "P-2" due to the location of the paragraph ruling on the said exhibit in the Resolution dated January 12, 2023 only highlights petitioner's counsel's negligence in not giving due regard to the Resolution issued by the Court. Petitioner cannot shift the blame to this Court on the outcome reached in the assailed Decision as a consequence of the mistake or negligence of its counsel. To be sure, petitioner is bound by its counsel's negligence and mistakes in handling the case.[5]

All told, the Court finds no reason to modify or reverse the assailed Decision.

WHEREFORE, premises considered, respondent's Comment (Re: Petitioner's Motion for Reconsideration) is **EXPUNGED** from the records, while petitioner's **Motion for Reconsideration (Decision dated 01 August 2023)** is hereby **DENIED** for lack of merit.

SO ORDERED.

ROMAN G. DEL ROSARIO
Presiding Justice

WE CONCUR:

CATHERINE T. MANAHAN
Associate Justice

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[3] *Hon. Carlos O. Fortich vs. Hon. Renato C. Corona*, G.R. No. 131457, November 17, 1998.
[4] *Dr. Joseph L. Malixi, et al. v. Dr. Glory V. Baltazar*, G.R. No. 208224, November 22, 2017.
[5] *The People of the Philippines vs. Esmael Salido, et al.*, G.R. No. 116208, July 5, 1996.

Marian Ivy F. Reyes-Fajardo

MARIAN IVY F. REYES-FAJARDO
Associate Justice