

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL THIRD DIVISION

ZOOM CELERO COURIER,
INC.,

Petitioner,

CTA Case No. 10660

Members:

- versus -

REYES-FAJARDO, *Chairperson*, and
ANGELES, *II*.

COMMISSIONER OF
INTERNAL REVENUE,
Respondent.

Promulgated:

SEP 23 2026

8:02 a.m.

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RESOLUTION

REYES-FAJARDO, J.:

Via Decision¹ dated March 19, 2026, it was found that petitioner denied receipt of the Bureau of Internal Revenue (BIR)'s Preliminary Assessment Notice and Formal Letter of Demand and Final Assessment Notice (FLD/FAN) for taxable year (TY) 2017. With said denial, jurisprudence requires respondent to produce sufficient proof of actual receipt thereof by petitioner or its duly authorized representative be produced by respondent. No such proof was adduced by respondent. Additionally, no due dates for the payment of the 2017 internal revenue taxes could be found in the BIR's FAN. These flaws impelled Us to dispose CTA Case No. 10660, in this wise:

ACCORDINGLY, We RESOLVE to:

- a. **GRANT** the Petition for Review dated October 19, 2021, filed by Zoom Celero Courier, Inc.;
- b. **NULLIFY** the deficiency Income Tax, Value-Added Tax assessments, and Compromise Penalty, all for Taxable Year 2017, found by the Bureau of Internal Revenue against Zoom Celero Courier, Inc.;

¹ Docket, pp. 657-672.

- c. **INVALIDATE** the Collection Letter dated July 29, 2021 and Warrant of Distrainment and/or Levy No. RR7B-WDL-2021-70-30-093 dated July 30, 2021, for being products of a void assessment; and
- d. **FORBID** the Commissioner of Internal Revenue, his agents, or other persons acting on his behalf, from collecting on Zoom Celero Courier, Inc., the assessed deficiency Income Tax, Value-Added Tax assessments, and Compromise Penalty, all for Taxable Year 2017.

SO ORDERED.

In its bid² to overturn the Decision dated March 19, 2026, respondent argues there was sufficient proof of valid service of the PAN and FLD/FAN to petitioner. For him, positive credence should be accorded on Revenue Officer Ron Ace Valenzuela (RO Valenzuela)'s recount of events and identification of documents pertaining to said service, even though lacking in personal knowledge. Particularly, the details thereof are entries in official records made by Group Supervisor Alberto M. Cruz (GS Cruz); hence, they are *prima facie* proof of facts stated therein, as well as a recognized exception to the hearsay rule per Section 44 (now 46),³ Rule 130 of the Rules of Court, as amended.

Respondent also insists that the lack of due dates for payment of the 2017 internal revenue taxes in the FAN does *not* invalidate the formal assessment, banking of the lifeblood doctrine.

In negation,⁴ petitioner retorts that no reversible error was committed in the rendition of the Decision dated March 19, 2026.

The Motion fails to impress.

² Respondent's Motion for Reconsideration (Decision dated 19 March 2026). *Id.* at pp. 673-676.

³ **Section 46. Entries in official records.** - Entries in official records made in the performance of his or her duty by a public officer of the Philippines, or by a person in the performance of a duty specially enjoined by law, are *prima facie* evidence of the facts therein stated. (44a)

⁴ Petitioner's Comment/Opposition [Re: Respondent's Motion for Reconsideration dated 13 April 2026]. Docket, pp. 682-684.

First. Respondent erred in claiming that RO Valenzuela's testimony as to the incidents regarding the BIR's service of PAN and FLD/FAN, along with the documents pertinent thereto are excepted from the hearsay rule. Specifically, said statements and documents did *not* fall under the exception thereon under Section 46,⁵ Rule 130 of the Rules of Court, as amended.

Slew of cases⁶ ruled that Section 46, Rule 130 of the Rules of Court, as amended, requires satisfaction of the following conditions: (a) that the entry was made by a public officer or by another person specially enjoined by law to do so; (b) that it was made by the public officer in the performance of his duties, or by such other person in the performance of a duty specially enjoined by law; and (c) that the public officer or other person had sufficient knowledge of the facts by him [her] stated, which must have been acquired by him [her] personally or through official information.

It is beyond quibble that conditions (a) and (b) are present. Specifically, the Report on Service by Mail of the PAN⁷ and FLD/FAN⁸ were prepared by GS Cruz in the performance of his duty. Yet, condition (c) is *absent* because GS Cruz was *not* presented in court to attest that he had sufficient knowledge of the facts he stated in those reports. *A fortiori*, Section 46, Rule 130 of the Rules of Court, as amended, finds no application. Therefore, the entries in the Report on Service by Mail of the PAN and FLD/FAN are *not prima facie* proof of the facts stated therein.

In brief, the finding that petitioner's right to due process was violated because there was *no* sufficient proof of service, much more, receipt of the BIR's PAN and FLD/FAN by petitioner or its duly authorized representative stands.

Second. Respondent is mistaken in insisting that the lack of due dates for payment of taxes in the FAN does not render the formal assessment invalid.

⁵ *Supra* note 3.

⁶ *UCPB General Insurance, Co., Inc. v. Pascual Liner, Inc.*, G.R. No. 242328, April 26, 2021; *D.M. Consunji, Inc. v. Court of Appeals*, G.R. No. 137873, April 20, 2001; and *Spouses Africa, et al. v. Caltex (Phil.), Inc., et al.*, G.R. No. L-12986, March 31, 1966.

⁷ Exhibit "R-11." Docket, p. 336.

⁸ Exhibit "R-13-a." Docket, p. 347.

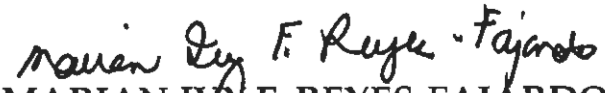


To repeat,⁹ *Commissioner of Internal Revenue v. Fitness by Design, Inc. (FDI)*¹⁰ and *Republic of the Philippines, represented by the Bureau of Internal Revenue v. First Gas Power Corporation (FGPC)*¹¹ struck down the respective internal revenue tax assessments therein, because of lack of due dates for their corresponding payment in the BIR's FAN.

The BIR's FAN issued against petitioner for TY 2017 suffers from the very same defect in the FAN found by *FDI* and *FGPC*. *FDI* and *FGPC* nullified the tax assessments because of said flaw. So must it be here.

ACCORDINGLY, respondent's Motion for Reconsideration (Decision dated 19 March 2026) is **DENIED**, for lack of merit. The Decision dated March 19, 2026 in CTA Case No. 10660 is **AFFIRMED**.

SO ORDERED.


MARIAN IVO F. REYES-FAJARDO
Associate Justice

I CONCUR:


HENRY S. ANGELES
Associate Justice

⁹ Pages 12-13 of the Decision dated March 19, 2026. Docket, pp. 668-669.
¹⁰ G.R. No. 215957, November 9, 2016.
¹¹ G.R. No. 214933, February 15, 2022.