CTA Form No. 8 (For DCC)

23-000034-0072

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

CTA CASE NO. 11078

POWERSOURCE PHILIPPINES ENERGY INCORPORATED,
Petitioner,

- versus -

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

NOTICE OF RESOLUTION

To:

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

ATTY. AYESHA HANIA B. GUILING-MATANOG
ATTY. MARK JOEY S. LUCERO
Bureau of Internal Revenue
Litigation Division, Room 703
BIR National Office Building
Sen. Miriam P. Defensor-Santiago Avenue
Diliman, Quezon City

GALIAS & RIVERA LAW OFFICES
3/F, Prestige Tower, F. Ortigas Jr. Road
Ortigas Center, Pasig City 1605

GREETINGS:

You are hereby notified by these presents that on **March 11, 2026,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **March 13, 2026.**

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

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

POWERSOURCE PHILIPPINES ENERGY INCORPORATED, *Petitioner,*	**CTA CASE NO. 11078**
	Members:
	BACORRO-VILLENA, *Acting Chairperson, and* **CUI-DAVID**, *JJ.*
-versus-	
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: MAR 1 1 2026, 1:10PM

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RESOLUTION

CUI-DAVID, J.:

For resolution of this Court is respondent's ***Motion for Reconsideration (Re: Decision dated November 19, 2025),*** filed on December 9, 2025, with petitioner's *Comment (To Motion for Reconsideration dated 9 December 2025),* filed on January 19, 2026.

Respondent's *Motion for Reconsideration* seeks the reversal of the Court's *Decision* promulgated on November 19, 2025, which granted petitioner's *Petition for Review.* The dispositive portion of the assailed *Decision* reads:

> **WHEREFORE**, in light of the foregoing considerations, petitioner's *Petition for Review* is hereby **GRANTED**. Accordingly, the Formal Letter of Demand and Final Assessment Notices dated December 9, 2021, are **CANCELLED** and **SET ASIDE**. The Final Decision on Disputed Assessment dated December 13, 2022, assessing petitioner for deficiency income tax, value-added tax, expanded withholding tax, documentary stamp tax, penalties,

and interest for taxable year 2018, is **REVERSED** and **SET ASIDE**.

Furthermore, respondent is **ENJOINED** and **PROHIBITED** from enforcing the collection of the subject deficiency taxes against petitioner.

SO ORDERED.

Respondent argues that the Court lacks jurisdiction over the case because the assessment had already become final, executory, and demandable due to the alleged late filing of petitioner's Protest against the Final Assessment Notice and Formal Letter of Demand (**FAN/FLD**). Respondent questions the Court's finding that the FAN/FLD was void for being "prematurely issued," asserting that a response to a Preliminary Assessment Notice (**PAN**) is merely a manifestation of disagreement and does not constitute a formal protest that must be resolved before proceeding to the next stage. Finally, respondent argues that the Final Decision on Disputed Assessment (**FDDA**) is valid and that petitioner was afforded sufficient due process.

In its *Comment*, petitioner argues that the Court of Tax Appeals (**CTA**) properly acquired jurisdiction over its Petition for Review and that it timely filed its Protest against the FAN/FLD. Petitioner further argues that the FAN/FLD is void because the Bureau of Internal Revenue (**BIR**) violated the mandatory fifteen (15)-day reply period for the PAN. Finally, petitioner states that the FDDA is void for affirming a void FAN/FLD and for being a mere reiteration of the FAN/FLD.

At the outset, it bears noting that the arguments raised in respondent's *Motion for Reconsideration* are mere reiterations of issues already thoroughly considered, discussed, and resolved in the assailed *Decision*.

It is well-settled that a motion for reconsideration containing mere reiterations or rehashes of grounds and arguments previously considered, weighed, and resolved by the court before the *Decision* sought to be reconsidered is rendered does not require a new judicial determination.[1] Thus, there is no necessity to discuss and rule again on this ground since "this would be a useless formality of ritual invariably involving merely

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[1] *People v. Agacer*, G.R. No. 177751, January 7, 2013 [Per J. Del Castillo, Special First Division] citing *People v. Larrañaga*, G.R. Nos. 138874–75, July 21, 2005 [Per Curiam, *En Banc*]; *Mendoza-Ong v. Hon. Sandiganbayan*, G.R. Nos. 146368–69, October 18, 2004 [Per J. Quisumbing, Special Second Division].

a reiteration of the reasons already set forth in the judgment or final order for rejecting the arguments advanced by the movant."[2]

In *Shangri-La International Hotel Management v. Developers Group of Companies, Inc.*,[3] the Supreme Court emphasized that it is incumbent upon the movant to convince the Court that certain findings or conclusions are contrary to law, as follows:

> The bulk of the aforementioned grounds is a mere rehash of movant's previous arguments. While DGCI is correct in stating that a motion for reconsideration, by its very nature, may tend to dwell on issues already resolved in the decision sought to be reconsidered and that this should not be an obstacle for a reconsideration, the hard reality is that movant has failed to raise matters substantially plausible or compellingly persuasive to warrant the desired course of action.
>
> Considering that the grounds presently raised have been sufficiently considered, if not squarely addressed, in the subject Decision, it behooves movant to convince the Court that certain findings or conclusions in the Decision are contrary to law. As it is, however, the instant motion does not raise any new or substantial legitimate ground or reason to justify the reconsideration sought.

Thus, where the grounds raised have been sufficiently addressed in the decision, it is incumbent upon the movant to demonstrate that the Court's findings are contrary to law. In this case, respondent failed to raise any new, material, or persuasive argument to justify a reversal or modification of the Court's ruling.

Accordingly, the Court reaffirms its findings that the FAN/FLD are void for being prematurely issued, consistent with Revenue Regulations (**RR**) No. 12-99, as amended by RR No. 18-2013, and the leading cases of *Prime Steel Mill, Inc. v. Commissioner of Internal Revenue*[4] and *Commissioner of Internal Revenue v. Yumex Philippines Corporation*,[5] which categorically hold that a FAN/FLD issued prior to the expiration of the 15-day period to reply to the PAN is void. The Court further affirms that

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[2] *People v. Agacer*, G.R. No. 177751, January 7, 2013 [Per J. Del Castillo, Special First Division] citing *People v. Larrañaga*, G.R. Nos. 138874–75, July 21, 2005 [*Per Curiam, En Banc*] and *Ortigas and Co. Ltd. Partnership v. Judge Velasco*, G.R. No. 109645, March 4, 1996 [Per J. Narvasa, Third Division].

[3] G.R. No. 159938, January 22, 2007 [Per J. Garcia, First Division], citing *Ortigas and Co. Ltd. Partnership v. Judge Velasco*, G.R. No. 109645, March 4, 1996 [Per J. Narvasa, Third Division].

[4] G.R. No. 249153, September 12, 2022 [Per J. Dimaampao, Third Division].

[5] G.R. No. 222476, May 5, 2021 [Per C.J. Gesmundo, First Division].

the invalidity of the FAN/FLD necessarily leads to the invalidity of the FDDA.

WHEREFORE, premises considered, respondent's *Motion for Reconsideration (Re: Decision dated November 19, 2025)* is hereby **DENIED** for lack of merit.

SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

I CONCUR:

JEAN MARIE A. BACORRO-VILLENA
Associate Justice