19-000533-0044

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

CTA CASE NO. 10207

GRAND GEO SPHERES CONSTRUCTION CORP.,
Petitioner,

- versus -

NOTICE OF RESOLUTION

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

To:

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

COMMISSIONER OF INTERNAL REVENUE
Thru: Litigation Division
Bureau of Internal Revenue
BIR National Office Building
BIR Road, Diliman, Quezon City

ATTY. PAULYN ANN A. UMIPIG-LABUCAY
Bureau of Internal Revenue - Revenue Region No. 7-A
5th Floor, Legal Division, Fishermall (Roofdeck)
Quezon Avenue corner Roosevelt Junction, Quezon City

ATTY. ARNOLD A. APDUA
Unit 905 Ri- Rance Realty
Corporate Center I, Aseana
Enclave, Aseana, Paranaque City 1701

GREETINGS:

You are hereby notified by these presents that on **June 19, 2023,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **June 22, 2023.**

Atty. Margarette Y. Guzman
Executive Clerk of Court III

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

GRAND GEO SPHERES CONSTRUCTION CORP., *Petitioner,*	**CTA Case No. 10207**
	Members:
- versus -	**DEL ROSARIO,** *PJ, Chairperson,* **MANAHAN,** and **REYES-FAJARDO,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: JUN 19 2023; 10:00 AM

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RESOLUTION

REYES-FAJARDO, *J.*:

In the Decision[1] dated February 6, 2023, respondent's Letter Notice dated September 25, 2019, and the deficiency income tax and value-added tax assessments for calendar year (CY) 2010, in the total amount of ₱18,270,626.08, were struck down because of three (3) reasons. These are: *first,* respondent violated petitioner's right to due process on assessment, for failure to validly issue a Preliminary Assessment Notice (PAN) and Formal Letter of Demand and Final Assessment Notice (FLD/FAN) upon the latter; *second,* the FLD/FAN is wanting in legal and factual basis, for being pivoted on unvalidated third party information; and *third,* the FLD/FAN is barred by the three (3)-year prescriptive period under Section 203 of the 1997 National Internal Revenue Code (NIRC), as amended. In addition, we found that the ten (10)-year prescriptive period under Section 222(a) of the same Code may not be applied here, as the facts relied upon by respondent to demonstrate intentional falsity or fraud in the filing of petitioner's tax returns is unverified information. Ultimately, we decreed:

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1 Docket, pp. 415-435.

WHEREFORE, the Petition for Review dated November 6, 2019, filed by Grand Geo Spheres Construction Corp., is **GRANTED**. Accordingly, respondent's Letter Notice dated September 25, 2019, and her deficiency income tax and value-added tax assessments for calendar year 2010, in the total amount of ₱18,270,626.08, issued against petitioner, are **DECLARED** void.

Respondent, her representatives, agents, or other persons acting in her behalf are **ENJOINED** from enforcing the collection of deficiency income tax and value-added tax assessments for calendar year 2010, in the total amount of ₱18,270,626.08, against petitioner.

SO ORDERED.

In his Motion for Reconsideration (Decision dated 06 February 2023) [2] filed on March 1, 2023, respondent maintains that the FLD/FAN issued against petitioner covering CY 2010 must be sustained because: (1) due process in the issuance of the assessment was duly observed; (2) the FLD/FAN have legal and factual basis; and, (3) the FLD/FAN were timely issued within the ten (10)-year extraordinary prescriptive period to assessment internal revenue taxes, under Section 222(a) of the NIRC, as amended.

Taking the opposite view, [3] petitioner counters that: (1) respondent's Motion for Reconsideration is *pro forma;* (2) respondent's evidence failed to demonstrate its receipt of the PAN and FLD/FAN, resulting in deprivation of its right to due process; (3) the FLD/FAN are lacking in legal and factual foundation for being solely based on unverified information; and, (4) the FLD/FAN were issued beyond the three (3)-year prescriptive period to assess internal revenue taxes, under Section 203 of the NIRC, as amended.

The Motion is denied.

Indeed, the contentions put forward by respondent were already considered, and were found wanting in the challenged Decision dated February 6, 2023. To reinvent the wheel wastes the

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2 *Id.* at pp. 436-445.

3 Petitioner's Opposition/Comment (To Respondent's Motion for Reconsideration dated March 1, 2023). *Id.* unpaged.

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time and resources of the Court. *Social Justice Society (SJS) Officers v. Lim*[4] held:

> The filing of a motion for reconsideration, authorized by Rule 52 of the Rules of Court, does not impose on the Court the obligation to deal individually and specifically with the grounds relied upon therefor, in much the same way that the Court does in its judgment or final order as regards the issues raised and submitted for decision. **This would be a useless formality or ritual invariably involving merely a reiteration of the reasons already set forth in the judgment or final order for rejecting the arguments advanced by the movant**; and it would be a needless act, too, with respect to issues raised for the first time, these being, deemed waived because not asserted at the first opportunity. It suffices for the Court to deal generally and summarily with the motion for reconsideration, and merely state a legal ground for its denial (Sec. 14, Art. VIII, Constitution); i.e., the motion contains merely a reiteration or rehash of arguments already submitted to and pronounced without merit by the Court in its judgment, or the basic issues have already been passed upon, or the motion discloses no substantial argument or cogent reason to warrant reconsideration or modification of the judgment or final order; or the arguments in the motion are too unsubstantial to require consideration, etc.[5]

WHEREFORE, respondent's Motion for Reconsideration (Decision dated 06 February 2023), filed on March 1, 2023, is **DENIED**, for lack of merit.

SO ORDERED.

Marian Ivy F. Reyes-Fajardo
MARIAN IVY F. REYES-FAJARDO
Associate Justice

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4 G.R. No. 187836, March 10, 2015 (Resolution on Motion for Reconsideration).

5 Boldfacing supplied.

We Concur:

ROMAN G. DEL ROSARIO
Presiding Justice

CATHERINE T. MANAHAN
Associate Justice