REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

Special Third Division

SANYO SEIKI STAINLESS STEEL CORPORATION, *Petitioner,*	**CTA CASE NO. 9265**
	Members: **UY,** *Chairperson* **RINGPIS-LIBAN,** *and* **MODESTO-SAN PEDRO,** *JJ.*
-versus-	
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: DEC 15 2022 8:55 a.m.

x -- x

RESOLUTION

MODESTO-SAN PEDRO, J.:

For resolution is petitioner's ***Motion for Reconsideration (of the Decision dated 15 July 2021)***,[1] filed on 15 October 2021. The Motion seeks the reversal of this Court's Decision,[2] dated 15 July 2021 ("assailed Decision") and received by petitioner on 28 September 2021, in the above-captioned case, the dispositive portion of which reads:

> "**WHEREFORE**, the instant Petition for Review is **DIMISSED** for lack of jurisdiction."

Specifically, the petitioner avers in its Motion that: 1) the 30-day period to file a Petition for Review[3] should be reckoned from petitioner's receipt of the Collection Letter; and 2) the instant case should be decided on the merits rather than on technicalities.

As per Records Verification Report, dated 5 September 2022, respondent failed to file any comment.[4] On 12 September 2022, the Court ordered the instant Motion submitted for resolution.[5]

---

[1] Records Vol. 3, pp. 1573 – 1577.
[2] *Id.*, pp. 1551 – 1569.
[3] Records Vol. 1 pp. 10 – 111, with annexes.
[4] Records Vol. 3.
[5] *Ibid.*

1588

In the assailed Decision, the Court ordered the dismissal of the Petition for Review for lack of jurisdiction due to having been filed out of time. As discussed therein, the 30-day reglementary period to appeal prescribed by ***Section 11 of the Republic Act (RA) No. 9282***,[6] as amended and ***Section 3(a), Rule 8 of the Revised Rules of the Court of Tax Appeals ("RRTCA")***,[7] was counted by the Court from the petitioner's receipt of the respondent's Decision ("CIR's Decision") dated 14 January 2016, to wit:

> "Counting thirty (30) days from **19 January 2016**, the reglementary period for filing an appeal with this Court ended on **18 February 2016**. However, based on the case records and testimony of Ms. Ale, petitioner was only able to file the present Petition on **19 February 2016 or a day after the end of the 30-day period**. Considering the same, the instant Petition was undoubtedly filed out of time. Unfortunately for petitioner, it did not provide any reason much less explain the cause of the delay of the filing of the instant Petition warranting the relaxation of the rules of procedure."

Petitioner now emphasizes that it questioned two (2) actions or issuances in its Petition: (1) the CIR's Decision, dated 14 January 2016, denying petitioner's appeal to cancel the assessment; and (2) the collection proceedings initiated by Respondent through the issuance of a Collection Letter, dated 9 February 2016.

Petitioner avers that the Court has jurisdiction to rule on the validity of the collection proceedings which, if declared void, effectively nullifies the deficiency assessment on which it allegedly stands. According to petitioner, this position hinges on the "other matters" clause as stated in ***Section 7(1) of the RA No. 1125***,[8] as amended by ***Section 7(a)(1) of RA No. 9282***, and ***Section 3(a)(1), Rule 4 of RRCTA***, to wit:

> "Rule 4. JURISDICTION OF THE COURT.
>
> x x x
>
> Sec. 3. Cases within the jurisdiction of the Court in Divisions. – The Court in Divisions shall exercise:
>
> (a) Exclusive original or appellate jurisdiction to review by appeal the following:
>
>> (1) Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or **other matters**

---

[6] A N ACT EXPANDING THE JURISDICTION OF THE COURT OF TAX APPEALS (CTA), ELEVATING ITS RANK TO THE LEVEL OF A COLLEGIATE COURT WITH SPECIAL JURISDICTION AND ENLARGING ITS MEMBERSHIP, AMENDING FOR THE PURPOSE CERTAIN SECTIONS OF REPUBLIC ACT NO. 1125, AS AMENDED, OTHERWISE KNOWN AS THE LAW CREATING THE COURT OF TAX APPEALS, AND FOR OTHER PURPOSES

[7] A.M. No. 05-11-07-CTA, 22 November 2005.

[8] AN ACT CREATING THE COURT OF TAX APPEALS.

1889

> **arising under the National Internal Revenue Code or other laws administered by the Bureau of Internal Revenue;**

x x x"
(Emphasis supplied)

The Court is not unaware of the "other matters" clause provided in the above-cited rules. However, while the validity of a Collection Letter may be considered as "other matters" arising under the Tax Code, the Court believes that the petitioner failed to raise this as its main cause of action in the instant Petition.

A careful perusal of the Petition for Review[9] filed by the petitioner reveals that while it questions both the CIR's Decision and issuance of the Collection Letter, its main cause of action is still anchored on the former – assailment of the CIR's Decision denying its appeal on the alleged tax deficiencies.

In its prayer, petitioner asked the Court to issue an order suspending the collection, and cancel the assessment. While the suspension order relates to the BIR's collection efforts, the same is merely a temporary relief and not directed against the validity of the Collection Letter received on 10 February 2016. There is nothing in petitioner's prayer that would show that it was invoking the CTA to act on "other matters," specifically to cancel or set aside the subject Collection Letter.

"PRAYER

> WHEREFORE, the foregoing premises considered, it is respectfully prayed of this Honorable Court that:
>
> 1) After due notice and hearing, it immediately issue an order addressed to the respondent suspending the collection of the subject taxes; and
> 2) After due hearing, render judgment cancelling the tax deficiency assessments against petitioner for Income and Value-Added Tax in the aggregate amount of Php51,997.555.35 for taxable year 2006. x x x"

The same can be observed, in the Memorandum,[10] filed by petitioner on 13 August 2019. **Petitioner even unequivocally stated that the instant Petition for Review was filed on account of the CIR's denial of the petitioner's administrative appeal,** to wit:

> "1. This is a Petition for Review filed pursuant to Section 7(1) of Republic Act No. 1125, as amended by Section 7(a)(3) of Republic Act No. 9282, in order to preserve Petitioner's rights against (1) the Decision of Respondent Commissioner of Internal Revenue ("CIR") denying

[9] Records Vol 1., pp. 10 – 111, with annexes.
[10] Records Vol 3, pp. 1181 – 1209.

1590

Petitioner's appeal to cancel the assessments made against it for taxable year 2006 in the aggregate amount of Php51,997,555.35, and (2) the collection proceedings initiated by the Respondent CIR through the issuance of a Collection Letter pursuant to the CIR's decision denying the appeal filed by the Petitioner.

2. **Petitioner was constrained to file the instant petition for review on account of Respondent CIR's denial of Petitioner's Administrative Appeal on 14 January 2016** which affirmed in all respects the Formal Letter of Demand and Assessment Notices which demanded the payment of the amounts of Php38,512,233.71 and Php13,485,321.63 as deficiency income tax and deficiency value-added tax for the taxable year 2006 issued against the Petitioner.

x x x

Prayer

WHEREFORE, premises considered, **it is respectfully prayed that this Honorable Court render judgment CANCELLING the tax deficiency assessment against Petitioner** for Income and Value Added Tax in the aggregate amount of Php51,997,555.35 for taxable year 2006."

It is clear from the foregoing that petitioner assails the CIR's Decision which denied its protest or appeal. Otherwise stated, while petitioner prayed for the suspension of any tax collection, the main cause of action is directed against the reversal and setting aside of the CIR's Decision.

Accordingly, the Court cannot entertain petitioner's appeal and finds no compelling reason that warrants the reversal of its ruling in the assailed Decision. The 30-day reglementary period on appeal should be counted from the receipt of the CIR's Decision on 19 January 2016 and should thus end on 18 February 2016. Having been filed on 19 February 2016, or a day after the lapse of the period, and finding no persuasive reason or explanation warranting the relaxation of the rules, the dismissal of the Petition for Review for lack of jurisdiction is hereby upheld.

WHEREFORE, premises considered, petitioner's Motion for Reconsideration is **DENIED** for lack of merit.

SO ORDERED.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

1591

WE CONCUR:

ERLINDA P. UY
Associate Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

1592