REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

THIRD DIVISION

BAHAY BONDS 2 SPECIAL PURPOSE TRUST, ADMINISTERED BY NATIONAL HOME MORTGAGE FINANCE CORPORATION,
Petitioner,

- versus -

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA Case No. 10475

Members:

MANAHAN, *Chairperson,*
REYES-FAJARDO, and
ANGELES, *JJ.*

Promulgated:

JAN 05 2026
1:50 p.m.

x -x

RESOLUTION

REYES-FAJARDO, *J.*:

For the Court's resolution is respondent's *Motion for Partial Reconsideration (Re: Decision promulgated on 13 September 2024),*[1] posted on October 4, 2024. It mainly seeks to reverse the Court's Decision promulgated on September 13, 2024,[2] which partially granted petitioner's refund in the reduced amount of ₱1,656,000.00 representing erroneously paid final withholding taxes (FWT) on interest income arising from petitioner's fixed-rate notes or the "Bahay Bonds 2" relative to the period from November 26, 2018 to December 4, 2020. The *fallo* of which reads:[3]

> **WHEREFORE,** in light of the foregoing considerations, the consolidated Petitions [*sic*] for Review filed by Bahay Bonds 2 Special Purpose Trust is **PARTIALLY GRANTED.** Respondent Commissioner of Internal Revenue is **ORDERED** to refund or issue

---

[1] *Rollo,* pp. 573 – 579.
[2] *Id.* at pp. 559 – 572.
[3] *Id.* at p. 571.

a tax credit certificate in favor of petitioner in the reduced amount of **₱1,656,000.00** representing erroneously paid final withholding taxes on interest income arising from the Fixed Rate Notes, collectively known as "Bahay Bonds 2" between the first quarter of 2019 to the fourth quarter of 2020.

SO ORDERED.

In its Motion for Partial Reconsideration (Re: Decision promulgated on 13 September 2024), petitioner contends that: (1) the Bahay Bonds 2 are not exempt from taxes because they constitute deposit substitutes pursuant to Bureau of Internal Revenue (BIR) Ruling No. 516-2012 and Section 22(Y) of the National Internal Revenue Code of 1997 (NIRC); and (2) the BIR's construction of Section 22(Y), being the interpretation of the government agency tasked with implementing tax laws, should be accorded great weight.

Respondent, through its *Comment (On Respondent's 23 September 2024 Motion for Partial Reconsideration)*[4] filed on May 20, 2025, and admitted[5] on June 25, 2025, retorts that petitioner's motion is *pro forma*, as the matters raised were mere rehash, which had already been passed upon by the Court. It reiterates the Court ruling, which held that Bahay Bonds 2 are not considered as deposit substitutes.

We find for petitioner.

The Court has already held that petitioner's Bahay Bonds 2 are not deposit substitutes. Section 31 of Republic Act (RA) No. 9267, otherwise known as "The Securitization Act of 2004," explicitly provides that asset-backed securities issued by a special purpose entity pursuant to an approved plan "shall not be considered as deposit substitutes." The Court likewise determined that the Bahay Bonds 2 qualify as asset-backed securities within the meaning of RA No. 9267.

In *Ortigas and Company Limited Partnership v. Judge Tirso Velasco and Dolores V. Molina, and Dolores V. Molina v. Hon. Presiding Judge of RTC, Quezon City, Br. 105, and Manila Banking Corporation,*[6] it was held that a Court is not bound to discuss each argument in a motion for reconsideration that merely reiterates matters already resolved, and may properly be dealt with in a general manner, *viz.*:

---

4 *Rollo*, pp. 603- 608.
5 *Id.*, p. 612.
6 G.R. Nos. 109645 and 112564, Resolution, March 4, 1996.

> *Effect, and Disposition of Motion for Reconsideration*
>
> 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 be 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, as above stated, 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.

WHEREFORE, petitioner's *Motion for Partial Reconsideration (Re: Decision promulgated on 13 September 2024)* is **DENIED** for lack of merit. The Decision promulgated on September 13, 2024, is **AFFIRMED.**

SO ORDERED.

Catherine T. Manahan

CATHERINE T. MANAHAN
Associate Justice

Marian Ivy F. Reyes-Fajardo

MARIAN IVY F. REYES-FAJARDO
Associate Justice

HENRY S. ANGELES
Associate Justice