REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

Special Third Division

GLOBAL CARS PHILS., INC., *Petitioner,*	**CTA CASE NO. 10225**
	Members:
-versus-	**RINGPIS-LIBAN,** *Chairperson, and* **MODESTO-SAN PEDRO,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: FEB 15 2024 8:08 a.m.

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RESOLUTION

MODESTO-SAN PEDRO, J.:

For the Court's resolution is respondent's "Motion for Reconsideration (of the Decision promulgated on 07 September 2023)" ("Motion"), filed on September 29, 2023, with petitioner's "Comment (to Respondent's Motion for Reconsideration dated 28 September 2023)" ("Comment"), filed on December 18, 2023.

Respondent seeks the reversal of Our Decision, dated September 7, 2023 ("Assailed Decision"), which granted the Petition for Review in this case. He claims that (a) the Court of Tax Appeals ("CTA") cannot rule on issues not raised at the administrative level; (b) petitioner's right to due process was not violated during the assessment proceedings; (c) petitioner's sales of automobiles to Westcoast Automotive Corporation is subject to 12% Value-Added Tax; and (d) petitioner is liable for administrative penalties.

Meanwhile, petitioner, through its Comment, insists that (a) the CTA can, in fact, rule on issues not raised at the administrative level; (b) it was not properly informed of the legal and factual bases for the assessment against it; (c) respondent's reliance on *Revenue Memorandum Circular* ("*RMC*") *Nos. 25-99 and 50-07* is misplaced; and (d) petitioner is not liable for administrative penalties.

The Motion must be denied.

Regarding respondent's claims as to issues not raised at the administrative level, this Court is not convinced. None of the jurisprudence respondent cites to bolster its claim of estoppel is applicable here. *Commissioner of Internal Revenue v. South Entertainment Gallery, Inc.*[1] involves the alleged non-receipt of an issuance, not a questioning of its validity. Meanwhile, as observed by petitioner, *Commissioner of Internal Revenue v. Hon. Raul M. Gonzales et al.*[2] involves a failure to avail of both administrative and judicial remedies, while *Aguinaldo Industries Corporation v. Commissioner of Internal Revenue et al.*[3] involves a self-contradicting position on the part of therein petitioner. As petitioner in this case committed neither of these mistakes, the pronouncements in these cases do not apply here.[4]

We are also unconvinced that respondent did not violate petitioner's right to due process. As already mentioned in the Assailed Decision, the fact that petitioner was able to timely file an administrative protest does not denigrate the fact that it was deprived of statutory and procedural due process, as held in *Commissioner of Internal Revenue v. Next Mobile.*[5] Our finding, then, that respondent failed to fully apprise petitioner of the factual and legal bases of the assessment against it still stands.

Addressing respondent's two other arguments is now unnecessary, considering the above.

ACCORDINGLY, petitioner's Motion for Reconsideration (of the Decision promulgated on 07 September 2023) is hereby **DENIED** for lack of merit. The Decision, dated September 7, 2023, is hereby **AFFIRMED**.

SO ORDERED.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

I CONCUR:

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

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1 G.R. No. 225809, March 17, 2021.
2 G.R. No. 177279, October 13, 2010.
3 G.R. No. L-29790, February 25, 1982.
4 We shall not consider the alleged Dissenting Opinion quoted by respondent as he failed to even identify the case in which this was supposedly promulgated. In any case, We cannot take a Dissenting Opinion in the CTA as binding jurisprudence.
5 G.R. No. 232055, April 27, 2022, *citing Pilipinas Shel Petroleum Corp. v. Commissioner of Internal Revenue*, G.R. No. 172598, December 21, 2007.