REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

Special Second Division

MELVIN H. CALATA,
Petitioner,

-versus-

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA CASE NO. 11200

Members:
RINGPIS-LIBAN, *PJ, Chairperson,*
MODESTO-SAN PEDRO, *and*
FERRER-FLORES, *JJ*

Promulgated:

4:11 PM

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RESOLUTION

MODESTO-SAN PEDRO, J.:

For the Court's resolution is respondent's *Motion for Reconsideration (Re: Decision promulgated on 14 January 2026)*, filed via licensed courier on February 4, 2026, with petitioner's *Comment* thereto, filed via licensed courier on April 27, 2026.

Assailing this Court's January 14, 2026 Decision, respondent argues that (1) petitioner failed to prove that it did not receive the mailed Formal Letter of Demand and Final Assessment Notice ("FLD/FAN"); (2) service of assessment issuances by mail is valid; (3) it was enough that the Letter of Authority ("LOA"), Notice of Discrepancies ("NOD"), and Preliminary Assessment Notice ("PAN") were left with the person found at petitioner's address; and (4) petitioner did not assail the assessment, so the Court should not have ruled on it.

Meanwhile, in his Comment, respondent agrees with this Court's ruling that the LOA, NOD, PAN, and FLD/FAN were improperly served upon him, rendering the assessment void.

The Motion lacks merit.

First, as discussed in the assailed the Decision, petitioner's denial of any receipt of the issuances shifted the burden of proof onto respondent. While respondent invokes the presumption of regularity enjoyed by registered mail and government officials, citing *Yap v. Lagtapon*[1] and *Montejo v. Commission on Audit*,[2] neither of these specifically cover the service of assessment notices and issuances to taxpayers. By contrast, the jurisprudence cited in Our decision, *Barcelon, Roxas Securities, Inc. v. Commissioner of Internal Revenue*[3] and *Commissioner of Internal Revenue v. Metro Star Superama, Inc.*,[4] directly state that a taxpayer denying receipt of an assessment notice shifts the burden of proof to the Commissioner of Internal Revenue. The jurisprudence covering the specific issue here obviously prevails over the more general jurisprudence cited by respondent. His first argument thus fails.

Second, *Revenue Regulations* ("*RR*") *No. 18-2013* clearly states that a notice can be served by substituted service or mail "[i]n case personal service is not practicable:"

> 3.1.6 Modes of Service. — The notice (PAN/FLD/FAN/FDDA) to the taxpayer herein required may be served by the Commissioner or his duly authorized representative through the following modes:
>
> > (i) The notice shall be served through personal service by delivering personally a copy thereof to the party at his registered or known address or wherever he may be found. A known address shall mean a place other than the registered address where business activities of the party are conducted or his place of residence.
> >
> > ***In case personal service is not practicable, the notice shall be served by substituted service or by mail.***
>
> (Emphasis and italics supplied.)

From the above, respondent's claim, that "nothing" in the regulations states that service by mail may only be availed of if personal service is not practicable, is blatantly false. It is contradicted by the very passage quoted by respondent. The presence of other requirements for service by mail does not negate this one. That respondent emphasizes other parts of the regulation does not render that sentence inoperative. As based on a demonstrably untrue claim, then, respondent's second argument fails as well.

Third, *Revenue Regulations No. 18-2013* provides that an issuance may be left at a taxpayer's address with the taxpayer's clerk or a person having charge thereof. That list includes on two valid recipients: the taxpayer's "clerk" and "a person having charge" of the registered address. The list does

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1 G.R. No. 196347, January 23, 2017.
2 G.R. No. 232272, July 24, 2018.
3 G.R. No. 157064, August 7, 2006.
4 G.R. No. 185371, December 8, 2010.

not include "any bystanders who happen to be present at the time." It does not include any "person found on such address." As such, the LOA cannot simply be served to anyone not shown to be the taxpayer's clerk or a person having charge to receive it. As respondent himself says, the regulation is clear and unambiguous. His third argument thus fails as well.

His further contention, that ensuring that the recipient is the taxpayer's clerk will make service impossible, is likewise untenable. As respondent himself argues, service by mail is completely valid. *Revenue Regulations No. 18-2013* also provides for a procedure in case no suitable person is found at the address. It even provides for a method to validly serve an issuance to a taxpayer who refuses to receive the same. While these procedures lay down specific requirements to be validly performed, this does not render them impossible.

Finally, respondent's fourth argument holds no water as (1) the claim that petitioner failed to validly protest the assessment at the administrative level depends on the claim that he properly received the assessment notices; and (2) this Court is not limited to what has been raised by the parties. For (1), We have already found and re-affirmed that the various issuances related to the assessment were not properly served to petitioner, depriving him of the opportunity to actually protest it. For (2), *Rule 14 of the Revised Rules of the Court of Tax Appeals, as amended*, states that this Court's ruling need not be limited to the issues stipulated by the parties. This has been affirmed by no less than the Supreme Court in *Commissioner of Internal Revenue v. Lancaster Philippines, Inc.*,[5] which did not fault the Court of Tax Appeals for ruling on an issue not raised by the taxpayer. Considering the above, and considering that the validity of the Warrant of Distraint and/or Levy directly assailed here is inescapably tied up with the validity of the assessment, this Court acted well within Our authority when We ruled on the assessment. Respondent's fourth argument fails.

As none of respondent's arguments have been found to be convincing, the Court stands by the assailed Decision.

FOR THESE REASONS, respondent's *Motion for Reconsideration (Re: Decision promulgated on 14 January 2026)*, is hereby **DENIED** for lack of merit.

SO ORDERED.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

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5 G.R. No. 183408, July 12, 2017.

WE CONCUR:

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

CORAZON G. FERRER-FLORES
Associate Justice