REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
Quezon City

EN BANC

COMMISSIONER OF INTERNAL REVENUE AND GLEN A. GERALDINO, REGIONAL DIRECTOR OF REVENUE REGION NO. 8 – MAKATI CITY,
Petitioners,

- versus -

SOFGEN HOLDINGS LIMITED – PHILIPPINE BRANCH,
Respondent.

CTA EB NO. 2695
(CTA Case No. 9691)

Present:

DEL ROSARIO, *P.J.*,
RINGPIS-LIBAN,
MANAHAN,
BACORRO-VILLENA,
MODESTO-SAN PEDRO,
REYES-FAJARDO,
CUI-DAVID,
FERRER-FLORES, *and*
ANGELES, *JJ.*

Promulgated:
OCT 30 2024 2:50 pm

x - x

RESOLUTION

***BACORRO-VILLENA, J.*:**

For the Court *En Banc*'s resolution is the "Motion for Reconsideration"[1] (**MR**) filed by petitioners Commissioner of Internal Revenue (**petitioner CIR**) and Regional Director Glen A. Geraldino (**petitioner RD Geraldino**) (**petitioners**) *via* registered mail on 02 May 2024[2], with respondent Sofgen Holdings Limited – Philippine Branch's (**respondent**'s) "Comment/Opposition (Re: Motion for Reconsideration dated May 2, 2024)"[3] filed on 03 June 2024.

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[1] *Rollo*, pp. 133-148.
[2] Received by the Court on 08 May 2024.
[3] *Rollo*, pp. 152-164.

The MR seeks the reversal of the Court *En Banc*'s Decision dated 12 April 2024[4] (**assailed Decision**), denying petitioners' Petition for Review[5] filed on 20 October 2022. The dispositive portion of the assailed Decision reads, thus:

> ...
>
> **WHEREFORE**, premises considered, the present Petition for Review filed by petitioners Commissioner of Internal Revenue and Glen A. Geraldino is hereby **DENIED** for lack of merit. Accordingly, the assailed Decision and Resolution dated 21 April 2022 and 07 September 2022, respectively, in CTA Case No. 9691, entitled *Sofgen Holdings Limited – Philippine Branch v. Commissioner of Internal Revenue, and Glen A. Geraldino, Regional Director of Revenue Region No. 8, Makati City*, are **AFFIRMED**.
>
> **SO ORDERED.**
>
> ...

In the MR, petitioners argue that a Letter of Authority (**LOA**) covering more than one taxable period is sufficient and compliant if it specifically indicates such periods therein.

As to the 48-Hour Notice, Five (5)-Day VAT Compliance Notice (**VCN**), Closure Order, and other related orders and issuances, petitioners maintain their stance that the same were validly issued. They point out that respondent was given sufficient opportunity to be heard, and was, in fact, able to exercise the same by filing protests.

Further, contrary to the findings in the assailed Decision, petitioners insist that respondent must establish its transactions as zero-rated and fulfill the administrative requirements for a refund claim, in order to be entitled to the refund granted. They highlight that this Court lacks jurisdiction due to the absence of the pertinent administrative and judicial claims.

On the other hand, respondent echoes in agreement the pronouncements of the First Division and the Court *En Banc* declaring the subject LOA and the resultant assessment void.

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4 Id., pp. 92-127.
5 Id., pp. 6-26.

We resolve.

At the onset, it is noted that, in the MR, herein petitioners raised arguments which are either similar or already sufficiently addressed in the proceedings before the Court in Division and before the Court *En Banc*. As the records clearly bear, these issues have already been passed upon and discussed exhaustively. Thus, We no longer find it worthwhile to make further exposition and rehash Our own discussions concerning the legal and factual basis of petitioners' claims.

Relevantly, in *Ortigas and Company Limited Partnership v. Judge Tirso Velasco, et al.*[6], the Supreme Court explained, to wit:

> ...
>
> 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, 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.
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> ...

Furthermore, the Supreme Court in *Shangri-La International Hotel Management, Ltd., et al. v. Developers Group of Companies, Inc.*[7] ruled:

[6] G.R. No. 109645 (Resolution), 04 March 1996.
[7] G.R. No. 159938. 22 January 2007: Citation omitted and emphasis supplied.

> ...
>
> The bulk of the aforementioned grounds is a mere rehash of movant's previous arguments. While DGCI is correct in stating that a motion for reconsideration, by its very nature, may tend to dwell on issues already resolved in the decision sought to be reconsidered and that this should not be an obstacle for a reconsideration, the hard reality is that movant has failed to raise matters substantially plausible or compellingly persuasive to warrant the desired course of action.
>
> Considering that the grounds presently raised have been sufficiently considered, if not squarely addressed, in the subject Decision, it behooves movant to convince the Court that certain findings or conclusions in the Decision are contrary to law. **As it is, however, the instant motion does not raise any new or substantial legitimate ground or reason to justify the reconsideration sought.**
>
> ...

Indubitably, it is the movant's duty to convincingly show grounds for a reconsideration of an assailed judgment or order, or at the least give its previous arguments a fresh perspective in such a way that would warrant a re-examination of the case. Unfortunately, in the instant case, petitioners had failed to do so.

As regards petitioners' insistence that the Court has no jurisdiction or authority to order the refund of the amounts paid by respondent pursuant to an illegal assessment, We find the need to echo the First Division's discussions on the matter, if only to clarify and put the matter to rest.

It can be recalled that the subject payments were made over the course of the administrative proceedings before the Bureau of Internal Revenue (**BIR**), as part of respondent's response in its participation therein. It is a well-settled rule that a void assessment bears no valid fruit.[8] If an invalid assessment bears no valid fruit, with more reason will no such fruit arise if there was no assessment in the first place.[9] With the assessment thus declared void, all proceedings in pursuit thereof should likewise be struck down as plain nullity and ineffectual. While the proceedings had been voided, petitioners had retained the said

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8 *Prime Steel Mill, Incorporated v. Commissioner of Internal Revenue*, G.R. No. 249153, 12 September 2022.

9 *Commissioner of Internal Revenue v. Pilipinas Shell Petroleum Corporation*, G.R. Nos. 197945 and 204119-20, 09 July 2018.

payments (from respondent). To countenance the same would be plainly unjust and absurd.

WHEREFORE, the foregoing premises considered, petitioners' "Motion for Reconsideration" filed on 02 May 2024 is hereby **DENIED** for lack of merit.

SO ORDERED.

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

WE CONCUR:

ROMAN G. DEL ROSARIO
Presiding Justice

Ma. Belen

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

Catherine T. Manahan

CATHERINE T. MANAHAN
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

Marian Ivy F. Reyes-Fajardo

MARIAN IVY F. REYES-FAJARDO
Associate Justice

LANEE S. CUI-DAVID
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

HENRY S. ANGELES
Associate Justice