REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

PREMIUMLEISURE AND AMUSEMENT, INC. (PLAI), Petitioner,	**CTA CASE NO. 9572**
	Members:
- versus -	**DEL ROSARIO, P.J.,** *Chairperson,* **UY,** *and* **MINDARO-GRULLA,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, Respondent.	Promulgated: JAN 22 2020 ; 11:06am

x - x

RESOLUTION

MINDARO-GRULLA, J.:

Submitted before this Court is respondent's **Motion for Reconsideration (re: Decision dated July 18, 2019)**, filed on August 5, 2019, with petitioner's **Comment/Opposition**, filed on October 7, 2019.

In its Motion, respondent seeks reconsideration of the Decision promulgated on July 16, 2019 in granting petitioner's claim for refund on the ground that the income realized from its gaming operations is not subject to income tax. The dispositive portion of which reads as follows:

> **WHEREFORE**, premises considered, the instant Petition for Review is **GRANTED**. Accordingly, respondent is **ORDERED TO REFUND OR ISSUE A TAX CREDIT CERTIFICATE** in the amount of **₱4,812,080.00** in favor of petitioner, representing its erroneously paid income tax for CY 2014.

L

SO ORDERED.

Respondent primarily claims that this Court erred in ruling that petitioner is entitled to the claim for refund of alleged erroneously paid income taxes for taxable year 2014 because it has not proven its entitlement thereto. Respondent opines that the tax exemption under Section 13(2)(b)[1] of Presidential Decree (PD) No. 1869 does not extend to licensees of the Philippine Amusement and Gaming Corporation (PAGCOR), because the exemption therein pertains only to the Franchise Holder, which is only PAGCOR itself. Respondent continues that at the time the PD was enacted in 1983 there was no mention of "licensees", as such, it would therefore be absurd to claim exemption under the law when at the time of its enactment an entity like petitioner-licensee was unheard of.

Moreover, respondent insists that the entities indicated in PD No. 1869 pertain only to those who perform essential and technical services for PAGCOR in relation to its operations of the casinos, and does not cover entities not actually operated by PAGCOR itself, such as petitioner.

Nonetheless, assuming that petitioner can claim exemption from payment of income tax, respondent asserts that the same was filed out of time. He contends that the two-year prescriptive period should be reckoned from the actual payment of the subject tax and not from the filing of the Final Adjustment Return or the Annual Income Tax Return.

On the other hand, in its comment, petitioner maintains that, as a contractee and licensee of PAGCOR, it is exempt from income tax on its gaming revenues pursuant to PD No. 1869; and, it filed its

---

[1] "**SEC. 13.** Exemptions. —

x x x

(2) Income and other taxes. —

x x x

(b) Others: The exemptions herein granted for earnings derived from the operations conducted under the franchise specifically from the payment of any tax, income or otherwise, as well as any form of charges, fees or levies, shall inure to the benefit of and extend to corporation(s), association(s), agency(ies), or individual(s) with whom the Corporation or operator has any contractual relationship in connection with the operations of the casino(s) authorized to be conducted under this Franchise and to those receiving compensation or other remuneration from the Corporation or operator as a result of essential facilities furnished and/or technical services rendered to the Corporation or operator.

The fee or remuneration of foreign entertainers contracted by the Corporation or operator in pursuance of this provision shall be free of any tax."

administrative and judicial claims for refund within the prescriptive period fixed by law.

Accordingly, after reviewing the arguments raised by respondent in his Motion, this Court finds that the same have been passed upon and discussed extensively in the assailed Decision.

In the case of *Shangri-La International Hotel Management, Ltd., et al. vs. Developers Group of Companies, Inc.*,[2] the Supreme Court denied respondent's Motion for Reconsideration for being a mere reiteration of their previous arguments, and for failure to raise matters substantially plausible or compellingly persuasive to warrant the reversal of the assailed Decision, thus:

> "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."

In view of the foregoing, this Court will no longer belabor to repeat its discussions in the assailed Decision since it would only result to mere superfluity.

WHEREFORE, premises considered, respondent's Motion for Reconsideration (re: Decision dated July 18, 2019) is **DENIED** for lack of merit.

---

[2] G.R. No. 159938, January 22, 2007.

L

SO ORDERED.

Cielito N. Mindaro-Grulla
CIELITO N. MINDARO-GRULLA
Associate Justice

We Concur:

ROMAN G. DEL ROSARIO
Presiding Justice

ON LEAVE
ERLINDA P. UY
Associate Justice