REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

DUNLOP SLAZENGER (PHILIPPINES), INC.,
Petitioner,

-versus-

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

C.T.A. CASE NO. 7770

Members:

ACOSTA, *P.J.*
UY, and
FABON-VICTORINO, *JJ.*

Promulgated:
SEP 16 2010 ; 9:19am

x -- x

RESOLUTION

Acting upon petitioner's *Manifestation with Motion to Set Aside/Cancel Assessment* filed on April 16, 2010, without opposition by respondent, this Court notes petitioner's claim that the Bureau of Internal Revenue has approved petitioner's application for abatement on deficiency withholding taxes for taxable year 2003 under Assessment No. 017R-0405025844 and its submission of the following documents to support its claim:

Exhibit No.	Document
T	Application for Abatement or Cancellation of Taxes, Penalties and/or Interest (BIR Form 2110)
Z	Machine-Validated Payment Form BIR Form No. 0605, received on March 17, 2010.
AA	BTR-BIR Deposit/Payment Slip dated March 17, 2010, showing payment of ₱623,161.00
BB	Transmittal letter dated March 17, 2010
CC	BIR Certificate of Approval issued to petitioner dated March 17, 2010

1986

Further, petitioner previously filed a Manifestation/Motion on January 21, 2010 informing this Court that it has applied for Compromise Settlement on its deficiency income tax for taxable year 2003 also under Assessment No. 017R-0405025844 and submitted these documents for the Court's consideration:

Exhibit No.	Document
S	Application for Compromise Settlement (BIR Form No. 2107)
U	Notice of Approval dated January 12, 2010 approving the Compromise Settlement
V	Machine-Validated Payment Form BIR Payment Form No. 0605, received on January 19, 2010.
W	BTR-BIR Deposit/Payment Slip dated January 19, 2010, showing payment of ₱ 819,362.13.
X	Letter of Transmittal dated January 19, 2010
Y	BIR Certificate of Availment issued to petitioner dated January 15, 2010, accepting the Compromise Settlement of the Deficiency Income Tax for 2003.

In the Motion filed on April 16, 2010, petitioner asserts that by virtue of its payment and/or approval of the application for compromise settlement and abatement pursuant to Sec. 204 of the National Internal Revenue Code (NIRC), as amended, its deficiency income tax and deficiency withholding tax liabilities under Assessment No. 017R-0405025844 should be cancelled and set aside, and the present case be considered closed and terminated.

This Court finds that petitioner has complied with the requirements under Section 204 of the NIRC as implemented by RR No. 30-2002[1] giving authority to the Commissioner of Internal Revenue to compromise the payment of internal revenue tax liabilities of certain taxpayers with outstanding receivable accounts and disputed assessments with the Bureau of Internal Revenue and the courts, as well as RR No. 13-2001[2] which likewise grants authority for the Commissioner to abate/cancel internal revenue tax liabilities of certain taxpayers based on any of the following grounds, viz: (1) the tax or any portion thereof appears to be

[1] Revenue Regulations Implementing Sections 7(c), 204(A) and 290 of the National Internal Revenue Code of 1997 on Compromise Settlement of Internal Revenue Tax Liabilities Superseding Revenue Regulations Nos. 6-2000 and 7-2001 dated December 16, 2002.
[2] Implementing Section 204(B), in Relation to Section 290 of the Tax Code of 1997, Regarding Abatement or Cancellation of Internal Revenue Tax Liabilities, dated September 27, 2001.

unjustly or excessively assessed; or (2) the administration and collection costs involved do not justify the collection of the amount due.

WHEREFORE, the "Manifestation with Motion to Set Aside/Cancel Assessment" filed by the petitioner on April 16, 2010 is hereby **GRANTED.** Accordingly, Assessment No. 017R-0405025844 covering deficiency income tax and withholding tax assessments for taxable year 2003 is hereby **CANCELLED** and **SET ASIDE**. The above-stated case is considered **CLOSED AND TERMINATED.**

Let a copy of this Resolution be furnished directly to the Commissioner of Internal Revenue for her information.

SO ORDERED.

ERNESTO D. ACOSTA
Presiding Justice

ERLINDA P. UY
Associate Justice

ON LEAVE
ESPERANZA R. FABON-VICTORINO
Associate Justice