REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

IP CONTACT CENTER OUTSOURCING, INC., *Petitioner,*	**CTA *EB* NO. 1492** (CTA Case No. 8605)
-versus-	
HON. KIM S. JACINTO-HENARES and HON. NESTOR S. VALEROSO, *Respondents.*	
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COMMISSIONER OF INTERNAL REVENUE, *Petitioner,*	**CTA *EB* NO. 1497** (CTA Case No. 8605) Present:
-versus-	**DEL ROSARIO,** *P.J.,* **CASTAÑEDA, JR., BAUTISTA, UY, CASANOVA, FABON-VICTORINO, MINDARO-GRULLA, RINGPIS-LIBAN,** *and* **MANAHAN,** *JJ.*
IP CONTACT CENTER OUTSOURCING, INC., *Respondent.*	Promulgated: OCT 18 2017 3:06 p.m.

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R E S O L U T I O N

MANAHAN, J.:

To be resolved before this Court are petitioner IP Contact Center Outsourcing, Inc.'s (IPCCO) **Verified Motion for Reconsideration (On Decision dated 04 August 2017)**[1] filed on September 11, 2017 under CTA *EB* No. 1492, and petitioner Commissioner of Internal Revenue's (CIR) **Motion**

[1] *Rollo*, CTA EB No. 1492, pp. 284-296.

for Reconsideration (of the Decision dated 4 August 2017)[2] filed on September 8, 2017, through registered mail, and received by this Court on September 15, 2017 under CTA *EB* No. 1497, where the former is seeking for the reversal and setting aside of the August 04, 2017 *En Banc's* Decision[3] while the latter is seeking for the reconsideration and setting aside of said decision and rendition of a new one instead. The assailed decision denied both Petitions for Review, the dispositive portion of which states:

> **WHEREFORE**, premises considered, both Petitions for Review are hereby **DENIED** for lack of merit. The April 18, 2016 *Decision* and July 13, 2016 *Resolution*, of the CTA Third Division in CTA Case No. 8605, are hereby **AFFIRMED**.

Petitioner IPCCO also prays for the cancellation of Assessment Notice Nos. IT-LA12555-08-12-0406 and WE-LA12555-08-12-0406 for deficiency Income Tax (IT) and Expanded Withholding Taxes (EWT), respectively, both covering the taxable period 2008.

Petitioner IPCCO, under CTA *EB* No. 1492, avers that it should not be held liable to pay deficiency IT, deficiency EWT and interest.

It argues that the Bureau of Internal Revenue (BIR) took a very simplistic approach in coming up with the total taxable income and the receipts not subject to income tax in arriving at the alleged deficiency IT by comparing the receipts per books and the receipts per VAT Return. It cited the failure of the BIR to consider the adjusting entries for the year 2008.

Furthermore, the alleged deficiency EWT lacks legal basis since the payment was made to Punongbayan and Araullo, a well-known professional services firm and a general professional partnerships (GPP), hence, is exempt from IT and therefore not subject to EWT.

Lastly, in its concluding argument, it avers that being not liable to pay said assessed deficiency taxes, there is no legal basis to impose said interest.

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[2] *Rollo.*, CTA EB No. 1492, pp. 298-302.
[3] *Id.*, pp. 257-271.

As to petitioner CIR, under CTA *EB* No. 1497, it avers that IPCCO was informed of the law and facts upon which the assessment for deficiency VAT was based and, hence, it must be held liable for the deficiency VAT.

It reiterates its previous argument that the letter dated September 26, 2011 from the Finance Accounting Head with attachment of its VAT Analysis relating to its 2008 audit, had formed part of the BIR records, hence, when such letter was elevated to this Court, it became part of the records of the case which the court may consider in deciding the case.

The above arguments forwarded by both petitioner IPCCO and petitioner CIR in their respective motions are mere rehash of the issues raised in their previous petitions for review which were all adequately explained and correspondingly disposed of by this Court in the assailed decision. Considering that there are no new issues raised nor positional statements by petitioner IPCCO and petitioner CIR, the instant motions must fail.

WHEREFORE, premises considered, petitioner IPCCO's **Verified Motion for Reconsideration (On Decision dated 04 August 2017)** under CTA *EB* No. 1492 and petitioner CIR's **Motion for Reconsideration (of the Decision dated 4 August 2017)** under CTA *EB* No. 1497 are hereby **DISMISSED** for lack of merit. Consequently, the August 04, 2017 *En Banc's* Decision is hereby **UPHELD** and **AFFIRMED**.

SO ORDERED.

CATHERINE T. MANAHAN
Associate Justice

WE CONCUR:

(I maintain my Concurring and Dissenting Opinion)
ROMAN G. DEL ROSARIO
Presiding Justice

Juanito C. Castañeda, Jr.
JUANITO C. CASTAÑEDA, JR.
Associate Justice

LOVELL R. BAUTISTA
Associate Justice

(Join PJ's Concurring and Dissenting Opinion)
ERLINDA P. UY
Associate Justice

CAESAR A. CASANOVA
Associate Justice

ESPERANZA R. FABON-VICTORINO
Associate Justice

(On Leave)
CIELITO N. MINDARO-GRULLA
Associate Justice

Ma. Belen
MA. BELEN M. RINGPIS-LIBAN
Associate Justice