REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF INTERNAL REVENUE,
Petitioner,

CTA EB No. 676
(CTA Case No. 7572)

-versus-

Members:

Acosta, *P.J.,*
Castañeda, Jr.,
Bautista,
Uy,
Casanova,
Palanca-Enriquez,
Fabon-Victorino,
Mindaro-Grulla, and
Cotangco-Manalastas, *JJ.:*

SHINRYO (PHILIPPINES) CO., INC.,
Respondent.

Promulgated:
OCT 25 2011

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D E C I S I O N

CASTAÑEDA, JR., J.:

Before Us is a Petition for Review assailing the Decision dated January 20, 2010 cancelling and setting-aside the assessment of Final Withholding Tax, Capital Gains Tax, and Donor's Tax for fiscal year ending September 30, 2002, including the Resolution dated August 11, 2010 denying the Commissioner of Internal Revenue's Motion for Reconsideration, both issued by the Court's Special First Division in CTA Case No. 7572.

THE FACTS

Shinryo (Philippines) Co. Inc. ("Shinryo Philippines"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, is engaged in the construction business. It is registered with the Bureau of Internal Revenue ("BIR") as a large taxpayer.[1]

The Commissioner of Internal Revenue ("CIR") on the other hand, is a public official tasked to decide disputed assessments, collection, refund of erroneously or excessively paid internal revenue taxes, fees or other charges, penalties, or other matters under Republic Act (R.A.) No. 8424, or also known as the, "1997 National Internal Revenue Code" ("NIRC")" or other laws administered by the Bureau of Internal Revenue ("BIR").

On October 17, 2001, Shinryo Corporation ("Shinryo Japan") and Dr. Christian E. Cangco ("Dr. Cangco") agreed to exchange their stockholdings in Shrinyo Philippines free from all liens and encumbrances as evidenced by a document denominated as "Deed of Exchange". In consideration of the exchange, the parties also stipulated that Shinryo Japan's 900 Class "A" Common Shares should be ceded to Dr. Cangco; while Dr. Cangco's 900 Class "B" Common Shares should be transferred to Shinryo Japan.[2]

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[1] Joint Stipulation of Facts and Issues, CTA Case No. 7572, p. 111.
[2] Joint Stipulation of Facts and Issues, CTA Case No. 7572, p. 113. See Exhibit "G"

On October 22, 2001, Shinryo Philippines' Board of Directors and Stockholders approved the declaration and distribution of stock dividends valued at P35,000,000.00 among its stockholders of record.[3]

In the Letter of Authority ("LOA") No.00062011 issued by the CIR, she authorized BIR revenue officers to examine or audit Shinryo Philippines' books of account and other accounting records covering fiscal year ending September 30, 2002.[4]

Through a preliminary assessment notice ("PAN") dated September 8, 2005, the CIR informed Shinryo Philippines of its alleged Final Withholding Tax("FWT"), Capital Gains Tax("CGT") and Donor's Tax("DT") liabilities for fiscal year ending September 30, 2002.[5]

On January 3, 2006, Shinryo Philippines received a formal letter of demand and assessment notice ("FAN") which ordered the payment of FWT, CGT and DT in the amounts of P8,987,661.59, P9,160,859.97 and P4,187,588.22, respectively.[6]

On February 1, 2006, Shinryo Philippines protested the FAN on the following grounds: the tax assessment has prescribed; stock dividends are not subject to FWT; Shinryo Philippines is not a party to the Deed of gc

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[3] Exhibit "W".
[4] Joint Stipulation of Facts and Issues, CTA Case No. 7572, p. 112.
[5] Joint Stipulation of Facts and Issues, CTA Case No. 7572, p. 112.
[6] Joint Stipulation of Facts and Issues, CTA Case No. 7572, pp. 112-113.

Exchange of shares of stocks between stockholders; and the tax assessment is devoid of any factual and legal bases.[7]

In response to the protest, the CIR issued a Final Decision on Disputed Assessment dated November 27, 2006 against Shinryo Philippines.[8]

On February 7, 2007, Shinryo Philippines appealed the CIR's Final Decision on Disputed Assessment before the CTA's Special First Division ("Court in Division").

In ruling in favor of Shinryo Philippines, the Court in Division issued a Decision dated January 20, 2010 granting the Petition and cancelling and setting-aside the assessment of FWT, CGT and DT liabilities for fiscal year ending September 30, 2002.[9]

Acting on the CIR's Motion for Reconsideration and Shinryo Philippines' Manifestation and Opposition thereto, the Court in Division denied the Motion for lack of merit as shown in the Resolution dated August 11, 2010.[10]

THE ISSUES

Unfazed, the CIR sought redress with the Court *En Banc* interposing the following errors committed by the Court in Division: *jc*

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[7] Joint Stipulation of Facts and Issues, CTA Case No. 7572, p. 113.
[8] Joint Stipulation of Facts and Issues, CTA Case No. 7572, p. 113. Exhibit "E".
[9] Penned by Associate Justice Lovell R. Bautista and concurred in by Presiding Justice Ernesto D. Acosta and Associate Justice Caesar A. Casanova, Rollo, pp. 36-55.
[10] Rollo, pp. 56-60.

THE SPECIAL FIRST DIVISION OF THE HONORABLE CTA ERRED IN HOLDING THAT THE RIGHT OF PETITIONER TO ASSESS AND COLLECT THE TAX DEFICIENCIES OF RESPONDENT HAD PRESCRIBED

THE SPECIAL FIRST DIVISION OF THE HONORABLE CTA ERRED IN HOLDING THAT THERE WAS NO PROPORTIONAL CHANGE IN INTEREST AS TO SHINRYO JAPAN'S SHARES OF STOCK

THE SPECIAL FIRST DIVISION OF THE HONORABLE CTA ERRED IN HOLDING THAT RESPONDENT IS NOT SUBJECT TO DEFICIENCY CAPITAL GAINS TAX AND DONOR'S TAX IN EXCHANGE OF SHARES BETWEEN SHINRYO JAPAN AND CHRISTIAN CANGCO.[11]

THE COURT'S RULING

The petition is unmeritorious.

It is necessary for the Court to first ascertain if there was any basis why Shinryo Philippines is liable for FWT, CGT and DT for fiscal year ending September 30, 2002 before resolving if the issuance of the FAN covering these taxes has prescribed.

SHINRYO PHILIPPINES IS NOT LIABLE FOR FWT ON THE STOCK DIVIDEND INCOME RECEIVED BY SHINRYO JAPAN.

In year 2001, Shinryo Japan received stock dividends from Shinryo Philippines.

According to the Commissioner, the following documents prove that there has been a change in the proportional interest of Shinryo Japan different from that which its former stockholdings represented, namely: Certificate of

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[11] Rollo, p. 18.

Amendment of the Articles of Incorporation dated September 21, 2001; Director's Certificate of the Declaration of Stock Dividends dated October 21, 2001; Deed of Exchange dated October 17, 2001; Analysis of Shareholdings before and after the Declaration of Stock Dividends; Documentary Stamp Tax ("DST") Return filed by Shinryo Philippines on behalf of Shinryo Japan on November 5, 2001; CGT Return filed by Shinryo Philippines on behalf of Shinryo Japan on November 5, 2001 with corresponding official receipts; DST Return filed by Shinryo Philippines on behalf of Dr. Cangco on November 5, 2001 with corresponding official receipts; and CGT return filed by Shinryo Philippines on behalf of Dr. Cangco on November 19, 2001 with corresponding official receipts.

The supposed exchange of shares of stock on October 17, 2001 between Shinryo Japan and Dr. Cangco should not have been included in determining the baseline for percentage of ownership prior to the declaration of dividends executed four (4) days after, or on October 21, 2001. The reason is such exchange could only be reflected in the stock and transfer book after payment of the proper taxes. In this case, the payment of taxes occurred on November 5, 2001 for Shinryo Japan and November 19, 2001 for Dr. Cangco. It is only after such periods can it be safely assumed that the transfer was effected.

The baseline used should not have factored on the exchange of shares because it was ineffective at the time of the declaration of dividends on October 21, 2001. Thus, at the time of the declaration of dividends, Shinryo Japan had only 600 Class "B" stocks or 3.64%. After such declaration, Shinryo Japan had

1500 Class "B" stocks or 9.09%. Apparently, the stock dividend gave Shinryo Japan an interest different from that which its former stockholdings represented.

The stock dividend received by Shinryo Japan resulted to a change of proportional interest in Shinryo Philippines. Clearly, the stock dividend in this case is a taxable intercorporate dividend income subject to final tax under Section 28(B)(5) of the 1997 NIRC.

Shinryo Philippines, as the payor/withholding agent in the subject transaction, is liable for the taxes it was supposed to withhold from the intercorporate dividends it had given to Shinryo Japan. Since it failed to discharge its statutory obligation, it was rightfully assessed a penalty equal to the amount of taxes it was liable to remit.

Shinryo Philippines on the other hand, insists that while Section 28(B)(5)(b) of the 1997 NIRC imposes a tax on inter-corporate dividends received by a non-resident foreign corporation, this provision does not apply to the instant case. Section 28(B)(5)(b) of the 1997 NIRC pertains to cash and/or property dividends, and not to stock dividends declared by a domestic corporation. These stock dividends do not constitute an income collected and paid to a non-resident foreign corporation stockholder.

Shinryo Philippines also asserts that stock dividend received may be taxable only if it alters the proportionate interest of the shareholders after the declaration of the stock dividend as compared to the interest before the declaration of the stock dividend. This is not applicable in the given case. *gr*

The Supreme Court's ruling in *Lincoln Philippine Life Insurance Company, Inc. v. Court of Appeals and Commissioner of Internal Revenue*[12] describes the nature of stock dividends as follows:

> Stock dividends are in the nature of shares of stock, the consideration for which is the amount of unrestricted retained earnings converted into equity in the corporation's books.
> Thus,
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> A "stock dividend" is any dividend payable in shares of stock of the corporation declaring or authorizing such dividend. It is, what the term itself implies, a distribution of the shares of stock of the corporation among the stockholders as dividends. A stock dividend of a corporation is a dividend paid in shares of stock instead of cash, and is properly payable only out of surplus profits. So, a stock dividend is actually two things: (1) a dividend and (2) the enforced used of the dividend money to purchase additional shares of stock at par.

Under Section 28 (B) (5) (b) of the 1997 NIRC, as amended, intercorporate dividends such as cash and/or property dividends received by a non-resident foreign corporation from a domestic corporation shall be subject to FWT. This provision excludes stock dividends received as taxable. Similar treatment of stock dividends received is emphasized in Section 73 of the same Code, as follows:

> "SEC. 73. *Distribution of Dividends or Assets by Corporations.* —
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> xxx xxx xxx
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> (B) Stock Dividend. — A stock dividend representing the transfer of surplus to capital account shall not be subject to tax. However, if a corporation cancels or redeems stock issued as a dividend at such time and in such manner as to make the distribution and cancellation or redemption, in whole or in part, essentially equivalent to the distribution of a taxable dividend, the amount so distributed in redemption or

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[12] G.R. No. 118043. July 23, 1998 , 293 SCRA 92. See *Commissioner of Internal Revenue v. John L. Manning, et al.*,G.R. No. L-28398, 1975,66 SCRA 14.

> cancellation of the stock shall be considered as taxable income to the extent that it represents a distribution of earnings or profits.

However, Section 73 of the 1997 NIRC, as amended, should be read in conjunction with Section 252 of Revenue Regulations ("R.R.") No. 2, stating:

> SECTION 252. *Stock dividends.* — A stock dividend which represents the transfer of surplus to capital account is not subject to income tax. However a dividend in stock may constitute taxable income to the recipients thereof notwithstanding the fact that the officers or directors of the corporation (as defined in Section 84) choose to call such distribution as a stock dividend. The distinction between a stock dividend which does not, and one which does, constitute income taxable to the shareholder is the distinction between a stock dividend which works no change in the corporate entity, the same interest in the same corporation being represented after the distribution by more shares of precisely the same character, and a stock dividend where there either has been a change of corporate identity or a change in the nature of the shares issued as dividends whereby the proportional interest of the shareholders after the distribution is essentially different from his former interest. A stock dividend constitutes income if it gives the shareholder an interest different from that which his former stockholdings represented. A stock dividend does not constitute income if the new shares confer no different rights or interests than did the old — the new certificates plus the old representing the same proportionate interest in the net assets of the corporation as did the old.

Clearly, stock dividends are subject to income tax if after the declaration of stock dividends there is a change in proportional interests of the shareholders pursuant to Section 252 of R.R. No. 2.

Here, if it be proven that Shinryo Japan, a non-resident foreign corporation is liable for income tax for stock dividends received because there is a change of proportional interest in the shareholdings, Shinryo Philippines, a domestic corporation has the correlative duty to withhold such tax under Section 2.57.1 I(6) of RR. 2-98 which provides:

> SECTION 2.57.1. *Income Payments Subject to Final Withholding Tax.* – The following forms of income shall be subject to final withholding tax at the rates herein specified;
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> xxx
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> (I) *Income Derived from all Sources Within the Philippines by Non-Resident Foreign Corporation* – The following shall be subject to final withholding tax based on the gross amount of income and at the rate of tax prescribed therefore:xxx
>
> (6) Dividends received from a domestic corporation xxx

The Court concurs with CIR's position that exchange of shares of stock at the time of declaration of dividends is ineffective because the exchange could only be reflected in the corporate books after payment of taxes pursuant to Section 8 of Revenue Regulations 2-82, reading:

> SECTION 8. Effect of Non-payment of Tax. — No sale, exchange, transfer or similar transaction intended to convey ownership of, or title to any share of stock shall be registered in the books of the corporation unless the receipt of payment of the tax herein imposed is filed with and recorded by the stock transfer agent or secretary of the corporation. It shall be duty of the aforesaid persons to inform the Bureau of Internal Revenue in case of non-payment of tax.

Failure to register the exchange of shares of stock in the corporate books violates Section 63 of the Corporation Code which requires: "xxx No transfer, however, shall be valid, except between the parties, until the transfer is recorded in the books of the corporation xxx."[13] Hence, without such recording, the transferee may not be regarded by the corporation as one among its

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[13] See Benedicta Du-Baladad, Taxation of Banks and Non-Bank Financial Intermediaries in the Philippines, 2010 Edition, p.368

stockholders and the corporation may legally refuse the issuance of stock certificates in the name of the transferee.[14] Payment of tax and registration of the exchange of shares of stock in the corporate books are essential for the transfer to be valid.

Taking into consideration of the CIR's stance that the validity of the exchange of shares of stock should be reckoned from the time of payment of taxes, this Court finds that the proportional interest of shareholdings before and after the declaration of stock dividends received remains the same at 36.18%(Class "A" Shares) and 3.64% (Class "B" Shares) for Shinryo Japan and 54.36% (Class "A" Shares) and 5.45% (Class "B" Shares) for Dr. Cangco, detailed as follows:

				Percentage of Shares Held	
	Shares Held Before the Exchange	**Stock Dividends Received on Oct. 22, 2001**	**Shares Held After the Stock Dividends**	**Before the Stock Div.**	**After the Stock Div.**
Stockholders					
Class "A" Par Value: P100					
Shinryo Corporation	5,970	13,930	19,900	36.18%	36.18%
Christian E. Cangco	8,970	20,930	29,900	54.36%	54.36%
Koichi Kikawada	15	35	50	0.09%	0.09%
Luz D. Cangco	15	35	50	0.09%	0.09%
Mely I. Espinosa	15	35	50	0.09%	0.09%
Masao Hirano	15	35	50	0.09%	0.09%
	15,000	**35,000**	**50,000**		
Class "B" Par Value: P9000					
Shinryo Corporation	600	1,400	2,000	3.64%	3.64%

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[14] *Vicente C. Ponce v. Alsons Cement Corporation,* G.R. No. 139802, December 10, 2002, 393 SCRA 602.

Christian E. Cangco	900	2,100	3,000	5.45%	5.45%
	1,500	**3,500**	**5,000**		
TOTAL NO. OF SHARES	**16,500**	**38,500**	**55,000**	**100.00%**	**100.00%**

Thus, since the stock dividends received by Shinryo Japan are not subject to income tax there being no change in proportionate interest of shareholdings, Shinryo Philippines is not obligated to withhold tax.

In the case of *Rizal Commercial Banking Corporation v. Commissioner of Internal Revenue*[15], the Supreme Court explained the function of a withholding agent independent from a taxpayer:

> Based on the foregoing, the liability of the withholding agent is independent from that of the taxpayer. The former cannot be made liable for the tax due because it is the latter who earned the income subject to withholding tax. The withholding agent is liable only insofar as he failed to perform his duty to withhold the tax and remit the same to the government. The liability for the tax, however, remains with the taxpayer because the gain was realized and received by him.

CIR ERRED IN ASSESSING SHINRYO PHILIPPINES FOR CGT AND DT.

The CIR also alleges that the Court in Division mistakenly held that Shinryo Philippines is not liable to CGT and DT deficiencies in the exchange of shares of stock between Shinryo Japan and Dr. Cangco.

Shinryo Philippines is estopped from denying its liability to pay CGT and DT on the exchange of shares of stock between Shinryo Japan and Dr. Cangco. The two latter parties authorized Shinryo Philippines to act as their agent to

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[15] G.R. No. 170257, September 7, 2011.

legally effect the exchange of shares of stock and make the corresponding transfer in the corporate books evidenced in the Deed of Exchange dated October 17, 2001. As a result of this transaction, Shinryo Philippines through its President executed and filed the returns and paid the corresponding CGT and DST on November 5, 2001.

Shinryo Philippines counters that it is not subject to CGT and DT because it is not a privy to the deed of exchange of shares of stocks entered by the stockholders.

Pursuant to the Corporation Code and Securities and Exchange ("SEC") Opinion, Shinryo Philippines being a juridical person is a separate and distinct entity from that of its stockholders.

Shinryo Japan is only a stockholder of Shinryo Philippines based on the General Information Sheet duly filed before the SEC for the fiscal years ending September 30, 2002 and September 30, 2003.

The President of Shinryo Japan, Mr. Hideaki Sakai also attested that the corporation is entirely different and distinct from Shinryo Philippines.

The subject exchange of shares of stock is not subject to CGT as both Class "A" and Class "B" shares are part of Shinryo Philippines' capital stock and as a matter of fact, both are voting shares of equal number, each for 900 shares. Such exchange resulted to no gain, as it was a mere paper transaction, which will not result as in-flow of wealth until such subscriber disposes his interest. Paper transaction in the sense that at that moment, no gain or loss was realized as the same remains unrealized until such time that the holders thereof sell such shares.

Thus, in the absence of capital gain, CGT should not be imposed.

Shinryo Philippines is also not liable for DT. Under Section 98 of the Tax Code, the person liable to tax is the party who owns the property and who, with donative intent transfers the same to another during the lifetime of the donor and the donee, who accepts the same.

In the instant case, there is no donative intent as the interest of either party never increased or has changed after the exchange. Even if there is a donation, Shinryo Philippines is neither the owner of the shares allegedly being donated nor is it a party thereto.

The Court is not persuaded with the CIR's arguments.

CGT is a tax imposed on the gain or profit from the sale of capital assets. It is due on the gain from the sale of shares of stock not traded in the stock exchange under Sec. 24 (C) of the 1997 NIRC.[16] DT on the other hand is imposed on goods or properties acquired through donation. A donation as a mode of acquiring ownership results in an effective transfer of title over the property from the donor to the donee and the donation is perfected from the moment the donor knows of the acceptance by the donee. And once a donation is accepted, the donee becomes the absolute owner of the property donated.[17] *ge*

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[16] *Irene C. Salud v. The Commissioner of Internal Revenue*, C.T.A. Case No. 6954, April 29, 2008.
[17] *Heirs of Cesario Velasquez v. The Court of Appeals*, G.R. No. 126996, February 15, 2000, 325 SCRA 552.

In donation, the nature of the transfer is inter vivos[18] or the disposition of the properties occurs during the lifetime of the transferor and transferee.

In this case, although the exchange transaction pertained to the shares of stock of Shinryo Philippines, it was never a party to the exchange transaction between Shinryo Japan and Dr. Cangco. Neither did the exchange transaction benefit or the ownership of the shares of stock redound to Shinryo Philippines.

Moreover, a corporation has a separate personality distinct from its stockholders and from other corporations to which it may be connected. This feature flows from the legal theory that a corporate entity is separate and distinct from its stockholders.[19] This means that the tax liabilities due if any by Shinryo Japan and Dr. Cangco have nothing to do with Shinryo Philippines.

All told, Shinryo Philippines is not bound by the terms of the exchange transaction between Shinryo Japan and Dr. Cangco; thus, it should not be liable for CGT and DT erroneously imposed by CIR. The Court in Division aptly ruled that:

> Petitioner is not subject to Capital Gains Tax and Donor's Tax for not being privy to the Deed of Exchange of shares of stocks between its stockholders and for having a separate and distinct personality from its stockholders.
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> On the issue of whether or not petitioner has to pay Capital Gains Tax and Donor's Tax on the exchange of shares of stock between Shinryo Japan and Christian E. Cangco, both stockholders of petitioner, the Court finds that petitioner is not liable to pay the same on the simple reason

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[18] *Estate of Fidel F. Reyes and Estate of Teresita R. Reyes v. Commissioner of Internal Revenue*, C.T.A. Case No. 6747, January 16, 2006.
[19] *Alex B. Carlos et al.v. Court of Appeals et al.,* G.R. No. 168096, August 28, 2007, 531 SCRA 461 and *Salvador O. Booc v. Malayo B. Bantuas,* A.M. No. P-01-1464, March 13, 2001, 354 SCRA 279.

> that petitioner is not a party to the said transaction as shown in the Deed of Exchange. And pursuant to the provision of the Corporation Code and numerous jurisprudence, petitioner, being a juridical person, "is invested by law with a separate personality, separate and distinct from that of the persons composing it as well as from any other legal entity to which it may be related."
> At this point, it must be emphasized that Shinryo Japan is only a stockholder of petitioner Shinryo Philippines as clearly indicated in the General Information Sheet duly filed before the SEC for fiscal years ending September 30, 2002 and September 30, 2003. Likewise, the testimony of Mr. Hideaki Sakai, the President of Shinryo Japan has proven that Shinryo Japan, whose principal place of business is in Tokyo, Japan, is distinct and different from Shinryo Philippines. On the other hand, Shinryo Philippines is a domestic corporation organized and existing under the laws of the Philippines as evidenced by its SEC registration. Consequently, the one that should be made liable are the parties to the Deed of Exchange, namely; Shinryo Japan and Christian E. Cangco.
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> xxx As stated in the above provision, the person liable to donor's tax is the party who owns the property and who, with donative intent, transfers the same to another to effect *inter vivos* or during the lifetime of the donor and the donee, who accepts the same. In the case of petitioner, it is neither the owner of the shares allegedly being donated nor a party to the alleged donation; hence, petitioner is not liable.xxx [20]

Considering that Shinryo Philippines is not liable for FWT, CGT and DT for fiscal year ending September 30, 2002, the CIR should not have issued an assessment against it.

The CIR also insists that Shinryo Philippines failed to file returns for FWT and DT due and it substantially underdeclared the CGT due because it paid P27,325.30 when the correct amount should have been P4,902,450.00. The transaction involved 900 Class A with par value of P100.00 in exchange for 900 Class B Shares with par value of P9,000.00 per share. *[initials]*

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[20] Rollo, pp. 50-51.

The Court does not subscribe to the CIR's view that the assessment of FWT, CGT and DT for fiscal year ending September 30, 2002 should be ten (10) years under the 1997 NIRC. First, Shinryo Philippines is not liable to withhold income tax on the stock dividend income received by Shinryo Japan as there was no change in proportionate interest of shareholdings. Otherwise stated, there was no omission to file FWT return on the part of Shinryo Philippines. Finally, due to the fact that Shinryo Philippines is a stranger to the exchange transaction of shares of stock between Shinryo Japan and Dr. Cangco, Shinryo Philippines cannot be considered to have fraudulently or falsely filed the CGT return nor can Shinryo Philippines be liable for failure to file DT return.

WHEREFORE, premises considered, the Petition is **DISMISSED**. The Decision dated January 20, 2010 and the Resolution dated August 11, 2010 are **AFFIRMED.**

SO ORDERED.

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

WE CONCUR:

ERNESTO D. ACOSTA
Presiding Justice

LOVELL R. BAUTISTA
Associate Justice

ERLINDA P. UY
Associate Justice

CAESAR A. CASANOVA
Associate Justice

(On Leave)
OLGA PALANCA-ENRIQUEZ
Associate Justice

ESPERANZA R. FABON-VICTORINO
Associate Justice

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

AMELIA R. COTANGCO-MANALASTAS
Associate Justice

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, it is hereby certified that the conclusions in the above decision were reached in consultation before the case was assigned to the writer of the opinion of the Court.

ERNESTO D. ACOSTA
Presiding Justice