REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

THIRD DIVISION

ROCK STEEL RESOURCES, INC.,
Petitioner,

- versus -

CITY OF DAVAO and **HON. RODRIGO S. RIOLA**, in his official capacity as the City Treasurer of Davao City,
Respondents.

CTA AC No. 158

Members:

BAUTISTA, *Chairperson*
FABON-VICTORINO, and
RINGPIS-LIBAN, *JJ.*

Promulgated:

JUL 12 2017 2:08 p.m.

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RESOLUTION

Fabon-Victorino, J.:

On March 16, 2017, the Court promulgated a Decision,[1] the dispositive portion of which reads:

> **WHEREFORE**, the Petition for Review dated November 3, 2015 filed by Rock Steel Resources, Inc. is **GRANTED**. Accordingly, the assailed Decision dated June 22, 2015 and the Order dated September 11, 2015 of the Regional Trial Court, Branch 16 of Davao City in Civil Case No. 34,855-13 are **REVERSED** and **SET ASIDE**. Respondents are **ORDERED TO REFUND OR CREDIT** in favor of petitioner the amount of ₱1,215,272.00, representing the 0.55% local business tax it paid under protest for the first and second quarters of 2011.

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[1] Docket, pp. 219-236.

SO ORDERED.

Unconvinced, respondents filed the instant *Motion for Reconsideration*[2] on April 17, 2017, assailing the foregoing Decision on the following grounds:

1. The Honorable Court erred in holding that petitioner is not a "Non-Bank Financial Intermediary" which is a category of a "Bank and Other Financial Institutions", as defined under Section 131(E) of R.A. 7160, otherwise known as the "Local Government Code of 1991", Section 2.3 of Revenue Regulations (RR) No. 9-2004, issued by the Bureau of Internal Revenue, and Section 4101Q.1 of the Manual of Regulations for Non-Bank Financial Institution.

2. The Court erred in concluding that "since there is no showing that petitioner was determined by the Monetary Board as performing banking or quasi banking functions, or authorized by the Bangko Sentral ng Pilipinas (BSP) to perform quasi-banking activities, petitioner cannot be treated as a "Non-Bank Financial Intermediary".

3. The Court erred in holding that petitioner's assets having been declared as belonging to the government by the Supreme Court in *Republic v. COCOFED*, G.R. Nos. 147062-64, December 14, 2001, is exempt from payment of local business tax.

In rejecting respondents' move, petitioner argues that the arguments set-forth by respondent have already been considered and found wanting by the Court. Nonetheless, petitioner submits that: (1) as correctly held by the Court, there is no showing that petitioner is a non-bank financial intermediary; (2) petitioner and its SMC Shares are government property, respondent has no authority to impose local business tax on the income thereof, per Supreme Court's ruling in the *COCOFED Case*; and (3) the income of petitioner is not subject to local business tax, considering that it is a holding company.

After going over the allegations in the subject *Motion for Reconsideration* as well as the argumentations advanced by the parties, the Court finds no cogent reason to deviate from its ruling in the assailed Decision of March 16, 2017. The

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[2] Docket, pp. 238-251.

motion has not raised any new or substantial ground that would justify a departure from the previous conclusion and finding of the Court. Indeed, all the arguments raised had already been passed upon, amply discussed, and considered by the Court in the assailed Decision, thus, the Court sees no reasonable ground to set aside or even modify its original determination on the merits of the case.

WHEREFORE, respondents' *Motion for Reconsideration* filed on April 17, 2017 is hereby **DENIED**, for lack of merit.

SO ORDERED.

ESPERANZA R. FABON-VICTORINO
Associate Justice

We concur:

(On Leave)
LOVELL R. BAUTISTA
Associate Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice