REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

Second Division

MISAMIS ORIENTAL RURAL ELECTRIC SERVICE COOPERATIVE I, INC, (MORESCO I), Petitioner,	**CTA CASE NO. 10206** Members: **RINGPIS-LIBAN,** *Chairperson, and* **MODESTO-SAN PEDRO,** *and* **FERRER-FLORES,** *JJ.*
-versus-	
COMMISSIONER OF INTERNAL REVENUE, Respondent.	Promulgated: JUL 16 2024 2:40 p.m.

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DECISION

MODESTO-SAN PEDRO, J.:

The Case

Before the Court is a *Petition for Review*,[1] filed on October 30, 2019 by petitioner Misamis Oriental Rural Electric Service Cooperative I, Inc. ("MORESCO") against respondents Commissioner of Internal Revenue ("CIR"), praying that the Court nullify and cancel respondent's Final Decision on Disputed Assessment ("FDDA"),[2] dated August 30, 2019.[3]

The Parties

Petitioner MORESCO is allegedly a non-stock, non-profit electric cooperative existing pursuant to the laws of the Republic of the Philippines, including *Presidential Decree* ("*P.D.*") *No. 269*, with principal office address at Poblacion, Laguindingan, Misamis Oriental, duly registered with the National Electrification Administration.[4]

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[1] *Rollo*, pp. 6-12.
[2] *Id.* at 45-48.
[3] *See* Petition for Review, p. 7, *id.* at 12. Petitioner identifies a "Final Assessment Notice/Final Demand Letter" as the issuance it seeks to assail. However, no such issuances dated 30 August 2019 and relevant to this case seem to exist. On the other hand, the FDDA *is* dated 30 August 2019 and is what prompted the filing of the instant Petition for Review in the first place, so the Court interprets said FDDA as the issuance petitioner wishes to be nullified and cancelled.
[4] *See* Petition for Review, p. 1, *id.* at 6.

Respondent CIR is the duly appointed authority with the power to administer and enforce all internal revenue laws of the Philippines.[5]

The Facts

On September 28, 2017, Bureau of Internal Revenue ("BIR") Revenue Region No. 16 – Cagayan de Oro City issued Letter of Authority ("LOA") No. eLA201100012806/LOA-098-2017-00000371.[6]

Respondent then issued a Preliminary Assessment Notice ("PAN") on August 15, 2018.[7] Petitioner replied by filing a Position Paper/Protest with respondent on October 4, 2018.[8]

Then, on October 22, 2018, respondent issued a Formal Letter of Demand ("FLD").[9] Petitioner also filed a Protest against the FLD on 19 December 2018.[10]

Respondent CIR issued the assailed FDDA on August 30, 2019.[11]

Aggrieved, petitioner filed the instant Petition for Review on October 30, 2019. Respondent CIR filed his Answer[12] on January 7, 2020.

Petitioner then filed its Pre-Trial Brief[13] on April 15, 2020 while respondent CIR filed his Pre-Trial Brief[14] on September 7, 2020. Shortly afterwards, a Pre-Trial Conference was held on September 10, 2020.[15] This was followed by the parties' filing of their Joint Stipulation of Facts and Issues[16] on October 30, 2020 and the Court's issuance of a Pre-Trial Order[17] on December 16, 2020.

On July 29 2021, petitioner presented its sole witness, Ms. Kristine Mae A. Guanzon, who testified by way of her Judicial Affidavit.[18] Petitioner then submitted its Formal Offer of Evidence[19] on August 25, 2021 while

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[5] *See* Joint Stipulation of Facts and Issues, p. 1, *id.* at 167; *see also* Pre-Trial Order, p. 2, *id.* at 177.
[6] *See* Petition for Review, p. 1, *id.* at 6; *see also* Memorandum for respondent, p. 2, *id.* at 253.
[7] *See* Petition for Review, p. 2, *id.* at 7; *see also* Memorandum for respondent, p. 2, *id.* at 253.
[8] *See* Petition for Review, p. 2, *id.* at 7.
[9] *See ibid.*; *see also* Memorandum for respondent, p. 2, *id.* at 253.
[10] *See* Petition for Review, p. 2, *id.* at 7.
[11] *Supra* note 9.
[12] *Id.* at 69-81.
[13] *Id.* at 109-112.
[14] *Id.* at 123-127.
[15] *See* Minutes of the Hearing, held on September 12, 2020, *id.* at 128.
[16] *Id.* at 167-171.
[17] *Id.* at 176-181.
[18] *See* Minutes of the Hearing, held on July 29, 2021, *id.* at 194.
[19] *Id.* at 197-199.

respondent filed a Comment/Opposition[20] to the same on October 21, 2021. The Court admitted all but one of petitioner's offered exhibits.[21]

After various delays, respondent presented his sole witness, Revenue Officer Marical O. Develos, who testified on direct examination by way of her Judicial Affidavit, on October 4, 2022.[22] Respondent filed his Formal Offer of Evidence[23] on October 14, 2022. Petitioner, meanwhile, failed to file any Comment to said Formal Offer of Evidence.[24] The Court admitted all of respondents' offered exhibits.[25]

Prior to the Court's admission of respondent's exhibits, petitioner had filed its Memorandum[26] on November 21, 2022. Respondent, meanwhile, filed his Memorandum[27] on March 9, 2023. Accordingly, the Court submitted this case for decision on August 2, 2023.[28]

Hence, this Decision.

The Issue[29]

The sole issue for this Court's resolution is whether or not petitioner is liable for the payment of deficiency income tax for taxable year 2016 in the amount of PhP 40,963,950.55, plus interest and surcharges.

Arguments of the Parties

Petitioner's Arguments

Petitioner raises the following arguments:

(a) Respondent did not observe due process as (i) the LOA was neither timely served upon an authorized representative of petitioner nor revalidated within the mandatory one hundred twenty (120) days;[30] and (ii) the PAN was not timely served upon an authorized representative of petitioner[31] and did not fully state the factual and legal bases for the assessment;[32] and

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20 *Id.* at 203-206.
21 *See* Resolution, dated December 17, 2021, p. 1, *id.* at 213.
22 *See* Minutes of the Hearing, held on October 20, 2022, *id.* at 380.
23 *Id.* at 228-237.
24 *See* Records Verification Report, *id.* at 246.
25 *See* Resolution, dated 26 January 2023, p. 1, *id.* at 250.
26 *Id.* at 239-244.
27 *Id.* at 252-266.
28 *See* Resolution, dated August 2, 2023, p. 1, *id.* at 269.
29 *See* Joint Stipulation of Facts and Issues, p. 1, *id.* at 167; *see also* Pre-Trial Order, p. 2, *id.* at 177.
30 *See* Memorandum for the Petitioner, pp. 1-2, *id.* at 239-240.
31 *See* Memorandum for the Petitioner, p. 2, *id.* at 240.
32 *See* Memorandum for the Petitioner, p. 5, *id.* at 243.

(b) Petitioner is permanently exempt from the payment of income tax under *P.D. No. 269* and *Revenue Memorandum Circular* ("*RMC*") *No. 72-2003.*[33]

Respondent's Arguments

Respondent counters the above with the following:

(a) A more circumspect reading of *P.D. No. 269* and related issuances will show that petitioner is not actually exempt from income tax, especially as tax exemptions must be strictly construed against the taxpayer;[34]
(b) Petitioner was able to reply to the PAN and the FLD, so its right to due process was not violated;[35] and
(c) There are factual and legal bases for respondent's overall contention that petitioner is liable for deficiency income tax.[36]

The Ruling of the Court

The Petition for Review must be granted.

The Court has jurisdiction over the case at bar

Under *Section 7(a)(1) of Republic Act* ("*R.A.*") *No. 1125, as amended*, this Court has jurisdiction over decisions of the CIR on disputed assessments:

> SEC. 7. Jurisdiction. — The CTA shall exercise:
>
> (a) Exclusive appellate jurisdiction to review by appeal, as herein provided:
>
> (1) *Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments*, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or other matters arising from under the National Internal Revenue Code or other laws administered by the Bureau of Internal Revenue;
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> . . . .

(Italics supplied.)

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33 *See* Memorandum for the Petitioner, pp. 2-5, *id.* at 240-243.
34 *See* Memorandum, pp. 3-9, *id.* at 260.
35 *See* Memorandum, pp. 9-11, *id.* at 260-262.
36 *See* Memorandum, pp. 11-12, *id.* at 262-263.

The above is implemented by *Rule 8, Section 3(a) of the Revised Rules of the Court of Tax Appeals, as amended*, which requires an aggrieved taxpayer to file its appeal with this Court within 30 days from receipt of the assailed issuance:

> SEC. 3. Who may appeal; period to file petition. —
>
> > (a) A party adversely affected by a decision, ruling or the inaction of the Commissioner of Internal Revenue on disputed assessments. . . may appeal to the Court by petition for review *within thirty days after receipt of a copy of such decision or ruling. . .*
>
> (Italics supplied.)

The present Petition seeks the nullification of the CIR's FDDA[37] against petitioner, who received said ruling on October 9, 2019.[38] This gave petitioner until November 8, 2019 within which to file its judicial appeal. As it filed its Petition on October 30, 2019, the same was filed on time.

The Court thus properly assumed jurisdiction over the case at bar.

Petitioner's right to due process was not violated

Petitioner's first major contention is that respondent violated its right to due process by the specific manner in which he executed the LOA and the PAN. Petitioner alleges that the LOA was (a) served late; (b) not served upon an authorized representative of petitioner; and (c) invalidated by the fact that it was not revalidated after the lapse of one 120 days. As for the PAN, petitioner alleges that (a) it was not served upon an authorized representative of petitioner; (b) it was served 321 days after the LOA's date of issuance; and (c) it failed to state the legal and factual bases of the assessment.

Petitioner is mistaken on all of these.

The LOA was properly served upon petitioner and was not invalidated by respondent's failure to revalidate it

In assailing the propriety of the LOA's service, petitioner references a specific copy of the LOA, which it attached to its Petition and subsequently offered as Exhibit "P-2."[39] It claims that "[t]here is no showing who actually received the LOA from the Respondent and the date of its receipt was not

[37] *See* note 3.
[38] *See* Audit Results/Assessment Notice, dated August 30, 2019, p. 1, *Rollo*, p. 44.
[39] *Id.*, p.16.

stated." Said copy of the LOA does, indeed, lack important details. The blank labeled "TAXPAYER / AUTHORIZED REPRESENTATIVE" has neither a printed name nor a signature above it, and the blank labeled "DATE" also lacks a date of receipt. These lead to petitioner's insistence that the LOA was not received by one of its authorized representatives and not served on time.

Petitioner is completely silent, however, on the copy of the LOA kept in the BIR Records, offered by respondent as Exhibit "R-1."[40] This copy of the LOA clearly indicates that it was received by a "Chandler Alec D. Villegas" on "10/5/17", *i.e.* October 5, 2017. Given that petitioner raised no objections to this piece of evidence,[41] the Court must treat these details as accurate to the actual service of the LOA to petitioner. We thus cannot agree with petitioner's claim that the LOA was improperly served to it.

To repeat, petitioner's claim that the LOA was not received by one of its authorized representatives is based solely on the absence of a name on "P-2". Petitioner does not specifically deny the authority of the "Villegas" identified in "R-1" to receive mail matters for it. Considering (a) petitioner's lack of objections to "R-1" and the details contained therein; (b) the fact that petitioner did, indeed, receive the LOA; and (c) the presumption of regularity of service, the Court concludes that the said "Villegas" was authorized to receive the LOA on behalf of petitioner.

As to petitioner's claim that the LOA was served late, the same is based on *Section VIII(C)(2.1) of Revenue Audit Memorandum Order No. 1-00*, which states that a LOA "must be served or presented to the taxpayer within 30 days from its date of issue; otherwise, it becomes null and void unless revalidated". However, "R-1" provides Us with a specific date of service: October 5, 2017. Given that the LOA was issued on September 28, 2017, said letter was served well within the 30-day period.

From the foregoing, then, the LOA was properly served upon petitioner.

Regarding petitioner's contention that the LOA was not revalidated after the lapse of 120 days, the same is true. From a review of the records, no further LOA was issued by respondent for the audit of petitioner's records.

This does not invalidate the assessment, however. As early as in 2010, the BIR already issued *Revenue Memorandum Order No. 44-2010*. *Section IV(8)* of said Order clearly states that from June 1, 2010, LOAs need not be revalidated. A failure to complete the audit in the prescribed time would, instead, lead to applicable administrative sanctions. It would *not*, however, invalidate the audit or the assessment. Applying this to the case at bar, then, respondent's failure to revalidate the LOA does not render it void.

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[40] BIR Records, p. 1753.
[41] *See* Records Verification Report, dated November 23, 2022, *Rollo*, p. 246.

In sum, the LOA and the manner in which respondent served it upon petitioner did not violate the latter's right to due process.

The PAN was also properly served upon petitioner and clearly stated the legal and factual bases for the assessment

Regarding the PAN, the Court also deems the same valid and properly executed.

First, petitioner's claim that the PAN was issued 321 days after the issuance of the LOA has no bearing on the former's validity. The prescriptive period limiting an assessment is that it be issued three years from either the last day prescribed by law for the filing of returns or, if the returns were filed beyond said day, from the actual date that said returns were filed, pursuant to *Section 203 of the NIRC*. Given that the taxable period for the relevant income tax is 2016 and that the PAN was issued in 2018, said assessment notice does not fall foul of the above prescriptive period. Furthermore, said prescriptive period is applicable more to the FAN than the PAN, which is preliminary. As the FAN was also issued in 2018, it similarly falls within the prescriptive period.

Second, petitioner's argument that the PAN was not served upon its authorized representative does not hold water either. Under *Section 3.1.6 of Revenue Regulations* ("*RR*") *No. 12-99, as amended by RR No. 18-13*, an assessment notice can be served via substituted service by leaving it at the taxpayer's registered address with the taxpayer's clerk or anyone having charge of said address. As such, respondent did not need to serve the PAN upon the president of the board of directors or its general manager—service upon someone under the employ of petitioner would be enough.

Every page of the PAN bears a stamp labeled as "MORESCO-1 Office of the General Manager". Each stamp also contains a signature in the field included in the stamp for such. The Court thus concludes that the PAN was validly received by someone under petitioner's employ in the office of its General Manager.

While petitioner denies that the one who received the PAN was among its authorized representatives, this denial is based on the mistaken belief that only members of its Board of Directors and other such officials can be considered authorized representatives: when it denied the LOA's receipt by an authorized representative, the examples of such representatives it gave were both members of its Board of Directors.

Petitioner does not, however, deny the validity of the stamps on the PAN. Accordingly, while the person who signed said stamps might not be a member of petitioner's Board of Directors, said person was presumably working at the Office of the General Manager of petitioner and thus under petitioner's employ. Substituted service to said employee was valid service to petitioner. As such, the PAN was properly served to petitioner.

Finally, petitioner's insistence that the PAN lacked a substantial explanation for the factual and legal bases of the assessment, contrary to *Section 228 of the NIRC* and *Section 3.1.1 of RR No. 12-99, as amended by RR No. 18-13*, is similarly untenable. While the PAN itself, indeed, only contains a single tabulation of the alleged deficiency taxes, the attached Details of Computations and Details of Discrepancies go into thorough detail about the assessments. The fact that these also bear the aforementioned stamp of the Office of petitioner's General Manager shows that these were attached to and served with the PAN.

Petitioner's argument only holds water if We ignore these attachments and expect the PAN itself to contain all necessary discussions. We see no reason to do so, and petitioner offers none. Accordingly, the attached Details must be treated as integral to the PAN, which, through said attachments, contained substantial explanations for the bases of the assessment. The PAN thus complied with the requirements of *Section 228 of the NIRC* and *Section 3.1.1 of RR No. 12-99, as amended by RR No. 18-13*.

In sum, neither the LOA nor the PAN violated petitioner's right to due process through noncompliance with the relevant laws, rules, and regulations.

Petitioner is exempt from income tax, so the assessment against it is void

Petitioner's other major argument is that it is permanently exempted from income tax. Respondent disagrees, quoting *RMC No. 74-2013* and the jurisprudence cited by said circular.

We find for petitioner.

Under *Section 39 of P.D. No. 269*, a law issued on August 6, 1973, cooperatives registered with the National Electrification Administration ("NEA") are permanently exempted from paying income taxes:

> SECTION 39. Assistance to Cooperatives; Exemption from Taxes, Imposts, Duties, Fees; Assistance from the National Power Corporation. — Pursuant to the national policy declared in Section 2, the Congress hereby

finds and declares that the following assistance to cooperatives is necessary and appropriate:

> (a) *Provided that it operates in conformity with the purposes and provisions of this Decree*, ***a cooperative*** (1) ***shall be permanently exempt from paying income taxes***, and (2) for a period ending on December 31; of the thirtieth full calendar year after the date of a cooperative's organization or conversion hereunder, or until it shall become completely free of indebtedness incurred by borrowing, whichever event first occurs, shall be exempt from the payment (A) of all National Government, local government and municipal taxes and fees, including franchise, filing, recordation, license or permit fees or taxes and any fees, charges, or costs involved in any court or administrative proceeding in which it may be a party, and (B) of all duties or imposts on foreign goods acquired for its operations, the period of such exemption for a new cooperative formed by consolidation, as provided for in section 29, to begin from as of the date of the beginning of such period for the constituent consolidating cooperative which was most recently organized or converted under this Decree; Provided, That the Board of Administrators shall, after consultation with the Bureau of Internal Revenue, promulgate rules and regulations for the proper implementation of the tax exemptions provided for in this Decree.

. . . .

(Italics and emphasis supplied.)

This was later withdrawn by *Executive Order* ("*E.O.*") *No. 93* on December 17, 1986:

> SECTION 1. The provisions of any general or special law to the contrary notwithstanding, all tax and duty incentives granted to government and private entities are hereby withdrawn. . .

Then, *Fiscal Incentive Review Board* ("*FIRB*") *Resolution No. 24-87*, effective July 1, 1987, restored all tax exemptions granted by *P.D. No. 269* except that on income tax:

> BE IT RESOLVED, as it is hereby resolved, That the tax and duty exemption privileges of electric cooperatives granted under the terms and conditions of Presidential Decree No. 269 (creating the National Electrification Administration as a corporation, prescribing its powers and activities, appropriating the necessary funds therefor and declaring a national policy objective for the total electrification of the Philippines on an area coverage basis; the organization, promotion and development of electric cooperatives to attain the said objective, prescribing terms and conditions for their operations, the repeal of Republic Act No. 6038, and for other purposes), as amended, are restored effective July 1, 1987: Provided, however, *That income from their electric service operations and other*

> *sources including the interest income from bank deposits and yield or any other monetary benefit from bank deposits and yield or any other similar arrangements shall remain taxable*: Provided, further, That the electric cooperatives shall furnish the FIRB on an annual basis or as often as the FIRB may require them to do so, statistical and financial statements of their operations and other information as may be required, for purposes of effective and efficient tax and duty exemption availment.
> (Italics supplied.)

Finally, *R.A. No. 6938* ("*Cooperative Code*") reinstated tax exemptions for cooperatives registered with the Cooperative Development Authority ("CDA").

The controversy arises mainly from the laws discussed. For petitioner, the *permanent* exemption granted to it by *P.D. No. 269* persists to the present. For respondent, said exemption was withdrawn by *E.O. No. 93* and not reinstated by *FIRB Resolution No. 24-87*, which left the income of cooperatives taxable. Further, tax exemptions under the *Cooperative Code* are granted only to cooperatives registered with the CDA, which petitioner is not.

Unfortunately for respondent, this Court has previously and consistently favored cooperatives when ruling on this issue. The case of *Samar-I Electric Cooperative, Inc. v. Commissioner of Internal Revenue*[42] ("*Samar-I*") is informative here. There, the Court found an electric cooperative exempt from Minimum Corporate Income Tax under *P.D. No. 269*, even in the face of *E.O. No. 93* and *FIRB Resolution No. 24-87* and despite said cooperative not being registered with the CDA under the *Cooperative Code*. The ruling was reached via two conclusions: (1) registration with the CDA was optional for cooperatives already registered with the NEA; and (2) *E.O. No. 93* is inconsistent with the *Cooperative Code*, which thus repealed the former.

The *first* conclusion was drawn from *Rule III, Section 1 of the Omnibus Rules and Regulations on the Registration of Electric Cooperatives* ("*Omnibus Rules*"), which uses the phrase "shall choose" when discussing registration with the CDA by already existing electric cooperatives. The Court then reasoned that an electric cooperative that had previously registered with the NEA could simply opt not to register with the CDA. Such a choice would keep them governed by the provisions of *P.D. No. 269*, not the *Cooperative Code*.

The *second* conclusion was made following *Article 127 of the Cooperative Code*:

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42 CTA Case No. 6697, May 26, 2008. This ruling was affirmed in CTA EB Nos. 460 & 462, March 11, 2010.

> ARTICLE 127. Repeals. — Except as expressly provided by this Code, Presidential Decree No. 175 and ***all other laws, or parts thereof, inconsistent with any provisions of this Code shall be deemed repealed***: Provided, however, That *nothing in this Code shall be interpreted to mean the amendment of repeal of any provision of Presidential Decree No. 269*: Provided, further, That the electric cooperatives which qualify as such under this Code shall fall under the coverage thereof.
> (Italics and emphasis supplied.)

The above repealed all previous laws inconsistent with the *Cooperative Code* while leaving *P.D. No. 269* untouched. The Court in *Samar-I* found that *E.O. No. 93* was "apparently" inconsistent with the *Cooperative Code* and thus deemed the former's withdrawal of tax exemptions repealed by the latter.

Combining these two conclusions, the Court in *Samar-I* found that therein petitioner still enjoyed the exemption from income tax granted by *P.D. No. 269* even without registering with the CDA. The ruling has been reaffirmed by the Court multiple times, such as in the recent case of *Agusan Del Norte Electric Cooperative, Inc. v. Commissioner of Internal Revenue.*[43]

We follow this line of reasoning here. While the bodies with which cooperatives must register differ, *P.D. No. 269* and the *Cooperative Code* share a similar principle: to grant tax exemptions to registered cooperatives. *E.O. No. 93* contradicts this by withdrawing such tax exemptions. The *Cooperative Code* thus repeals said Order while refraining from modifying *P.D. No. 269*. By extension, the *Cooperative Code* also repeals *FIRB Resolution No. 24-87*, insofar as said Resolution reiterates *E.O. No. 93*'s withdrawal of income tax exemptions for cooperatives. As such, the Code effectively reinstates the tax exemptions granted by *P.D. No. 269* to electric cooperatives that had registered with the NEA, without further requiring them to register with the CDA.

Petitioner's Certificate of Registration[44] proves that it was registered with the NEA. It is thus exempt from income tax under *P.D. No. 269.*

We cannot give credence to the contentions respondent draws from *RMC No. 74-2013* as the same contradict Our harmonization of the relevant laws. The law must prevail here.

The various jurisprudence cited by respondent cannot help him, either. *Maceda v. Hon. Catalino, Jr.*[45] validated *FIRB Resolution No. 24-87*'s *restoration* of tax exemptions but does not address said Resolution's affirmation of *E.O. No. 93*'s *withdrawal* of tax exemptions. It is thus inapplicable here. Similarly, *Davao Oriental Electric Cooperative, Inc. v. The*

[43] CTA Case No. 9386, August 5, 2019. This ruling was affirmed in CTA EB No. 2225, March 22, 2022.
[44] Exhibit "P-4," *Rollo*, p. 23.
[45] G.R. No. 88291, May 31, 1991.

Province of Davao Oriental[46] simply states that *FIRB No. 24-87* cannot be retroactively applied, an issue unrelated to those in the case at bar. Finally, both *Philippine Rural Electric Cooperatives Association, Inc. v. The Secretary, Department of The Interior and Local Government*[47] ("*PHILRECA*") and *City of Iriga v. Camarines Sur III Electric Cooperative, Inc.*[48] deal with the withdrawal of *local taxes* by the *Local Government Code*. The same is true even of *Benguet Electric Cooperative v. The Municipality of La Trinidad*,[49] the latest Supreme Court ruling drawing from *PHILRECA*. The case at bar involves income tax, a *national* internal revenue tax, and is thus unaffected by these Decisions.

From the above, none of the jurisprudence invoked by respondent is fully applicable here. We thus follow the past rulings of the Court of Tax Appeals and find petitioner exempt from income tax.

Considering petitioner's exemption from income tax, the assessment against it for alleged deficiency income tax has no basis in law. An entity that is not required to pay any income tax in the first place obviously cannot accrue any deficiency income tax. The assessment must consequently be nullified.

ACCORDINGLY, the instant Petition for Review, filed on October 30, 2019, is hereby **GRANTED**. The assailed FDDA, dated August 30, 2019, is declared **NULL** and **VOID**. Respondent and his agents are consequently **ENJOINED AND PROHIBITED** from collecting the assessed amount.

SO ORDERED.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

WE CONCUR:

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

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46 G.R. No. 170901, January 20, 2009.
47 G.R. No. 143076, June 10, 2003.
48 G.R. No. 192945, September 5, 2012.
49 G.R. No. 229428 (Resolution), November 29, 2021.

ATTESTATION

I attest 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's Division.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution and the Division Chairperson's Attestation, 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.

ROMAN G. DEL ROSARIO
Presiding Justice