REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

AVALOQ PHILIPPINES OPERATING HEADQUARTERS,
Petitioner,

- versus -

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA EB NO. 2746
(CTA Case No. 10119)

Present:

DEL ROSARIO, *PJ,*
RINGPIS-LIBAN,
MANAHAN,
BACORRO-VILLENA,
MODESTO-SAN PEDRO,
REYES-FAJARDO,
CUI-DAVID,
FERRER-FLORES, *and*
ANGELES *JJ.*

Promulgated:

MAR 20 2025 1:0 pm

x- x

RESOLUTION

FERRER-FLORES, J.:

For the Court's resolution is petitioner's **Motion for Reconsideration (Re: Decision promulgated on 31 July 2024)** (MR) filed on August 19, 2024,[1] with respondent's **Comment and Opposition (Re: Motion for Reconsideration dated 19 August 2024)** filed on October 28, 2024.[2] The assailed Decision is quoted as follows:

> **WHEREFORE**, the instant **Petition for Review (RE: Decision dated 09 January 2023 and Resolution dated 13 March 2023)** is **DENIED** for lack of merit. The Decision dated January 9, 2023 and the Resolution dated March 13, 2023 in CTA Case No. 10119 are hereby **AFFIRMED**.
>
> **SO ORDERED.**

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[1] *Rollo*, pp. 115-131.
[2] *Id.*, at 138-142.

In its MR, petitioner insists that the totality of evidence presented is sufficient to prove that services were rendered in the Philippines. In support of this argument, petitioner submits that its accountant, Ms. Mary Lalaine Munar, testified that it is an exporter of service. By the definition of exportation, it can be deduced that petitioner rendered the services in the Philippines.

Petitioner likewise asserts that the Report of the Independent Certified Public Accountant (ICPA) Ms. Krista V. Bambao, together with the submitted documents for her review, prove that that services were rendered in the Philippines.

Lastly, petitioner avers that payment of income tax on the sales to its foreign affiliates means services are rendered in the Philippines. By its very nature as a regional operating headquarters (ROHQ), there is a disputable presumption that services were rendered in the Philippines.

Respondent, on the other hand, echoes the discussion of the Court in the assailed Decision. He stresses that the claimant has the burden of proof to establish the factual basis of the claim for tax refund. Partaking of the nature of exemptions, claims for refund are strictly construed against the claimant and cannot be allowed unless granted in the most explicit and categorical languages.

We resolve.

Petitioner's MR is bereft of merit. The Court finds no cogent reason to reverse or modify the Decision dated July 31, 2024.

As can be gleaned from the records, petitioner's arguments in its MR were exhaustively discussed and passed upon in the assailed Decision.

To reiterate the Court *En Banc* Decision, the findings and conclusions of the ICPA shall not be conclusive upon the Court, which may, in whole or in part, adopt such findings and conclusions subject to verification.[3] The Court finds that the ICPA Report, as well as the testimony of the ICPA, failed to show that the requirement that services were rendered in the Philippines was satisfied. Similarly, the Court cannot just presume compliance with the requirement by the mere definition of exportation or by its nature as an ROHQ.

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[3] Section 3, Rule 13 of the Revised Rules of the CTA.

The Court thus maintains that petitioner was not able to satisfactorily show compliance with the requirements for claiming tax refund.

In this regard, the Supreme Court ruling in *Social Justice Society (SJS) Officers, et al. v. Lim*,[4] is instructive:

> The grounds relied on being mere reiterations of the issues already passed upon by the Court, there is no need to "cut and paste" pertinent portions of the Decision or re-write the ponencia in accordance with the outline of the instant motion.
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> As succinctly put by then Chief Justice Andres R. Narvasa in Ortigas and Co. Ltd. Partnership v. Judge Velasco on the effect and disposition of a motion for reconsideration:
>
> The filing of a motion for reconsideration, authorized by Rule 52 of the Rules of Court, does not impose on the Court the obligation to deal individually and specifically with the grounds relied upon therefor, in much the same way that the Court does in its judgment or final order as regards the issues raised and submitted for decision. This would be a useless formality or ritual invariably involving merely a reiteration of the reasons already set forth in the judgment or final order for rejecting the arguments advanced by the movant; and it would be a needless act, too, with respect to issues raised for the first time, these being, as above stated, deemed waived because not asserted at the first opportunity. It suffices for the Court to deal generally and summarily with the motion for reconsideration, and merely state a legal ground for its denial (Sec. 14, Art. VIII, Constitution); i.e., the motion contains merely a reiteration or rehash of arguments already submitted to and pronounced without merit by the Court in its judgment, or the basic issues have already been passed upon, or the motion discloses no substantial argument or cogent reason to warrant reconsideration or modification of the judgment or final order; or the arguments in the motion are too unsubstantial to require consideration, etc.

All told, petitioner's MR failed to present matters warranting reconsideration from this Court. The Court need not elaborate further on the issues already addressed only to affirm the assailed Decision.

WHEREFORE, premises considered, petitioner's **Motion for Reconsideration (Re: Decision promulgated on 31 July 2024)** is **DENIED** for lack of merit.

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[4] G.R. Nos. 187836 & 187916, March 10, 2015 (Resolution).

SO ORDERED.

CORAZON G. FERRER-FLORES
Associate Justice

WE CONCUR:

ROMAN G. DEL ROSARIO
Presiding Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

With due respect, I maintain my Dissenting Opinion dated July 31, 2024
CATHERINE T. MANAHAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

Marian Ivy F. Reyes - Fajardo
MARIAN IVY F. REYES-FAJARDO
Associate Justice

LANEE S. CUI-DAVID
Associate Justice

HENRY S. ANGELES
Associate Justice