REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
Quezon City

Second Division

PEOPLE OF THE PHILIPPINES,

Plaintiff,

- versus -

RIZALDY GOLORAN CHUA,
(Purok Gumamela, Sta. Cruz, Rosario, Agusan Del Sur)

Accused.

CTA CRIM CASE NOS. O-792 & O-793
For: Violation of Section 255 of the NIRC of 1997, as amended

Members:

RINGPIS-LIBAN, *Chairperson*
MODESTO-SAN PEDRO, *and*
FERRER-FLORES, *JJ.*

Promulgated:
FEB 10 2025

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10:00 a.m.

RESOLUTION

RINGPIS-LIBAN, J.:

For resolution is plaintiff's "Motion for Reconsideration (of the Decision dated October 29, 2024)"[1] filed *via* registered mail on November 27, 2024, with accused's "Opposition to Plaintiff's Motion for Reconsideration" filed on January 15, 2025.

On November 30, 2023, a Decision[2] was promulgated acquitting the accused, Rizaldy Goloran Chua, of the offenses charged against him. In the interest of justice however, the Court deemed it proper to reopen the case for reception of accused's evidence on the civil aspect of the case. Thus, hearings[3] were set to give opportunity for both the accused and plaintiff to present their evidence.

1 Docket, pp. 1660-1682.
2 *Id.*, pp. 1287-1327.
3 *Id.*, Notice of Hearing dated March 12, 2024 and Notice of Hearing dated July 18, 2024 pp. 1436 and 1587.

On October 29, 2024, the Decision on the Civil Aspect[4] was promulgated exonerating the accused, Rizaldy Goloran Chua, from the civil liability for the unpaid taxes in relation to the offenses charged against him.

The dispositive portion of the Decision on the Civil Aspect reads:

> "**WHEREFORE**, premises considered, accused **RIZALDY GOLORAN CHUA** is exonerated from the civil liability for the unpaid taxes in relation to the offenses charged against him in Criminal Case Nos. O-792 and O-793.
>
> **SO ORDERED.**"

In the "Motion for Reconsideration (of the Decision dated October 29, 2024)", plaintiff prays for the following:

1) For the Court to set aside the Decision dated November 30, 2023 acquitting the accused, on the ground that the elements of the crime, as punished under Sections 255 of the National Internal Revenue Code ("NIRC") of 1997, as amended, has not been proven beyond reasonable doubt; and

2) For the Court to set aside the Decision dated October 29, 2024 absolving the accused of any civil liability.

According to plaintiff, the Court erred in holding that a three (3) year assessment from the filing of the income tax return to assess the accused is required prior to the finding of civil liability for deficiency taxes. While Section 203 of the NIRC of 1997, as amended, require as a rule that collection of taxes by a proceeding in court cannot be done without an assessment, Section 222 of the Code provides the exception that in case of a false or fraudulent return with intent to evade tax, a proceeding in court for the collection of such tax may be filed without an assessment.

Additionally, plaintiff avers that it was able to discharge the burden of proving fraud or falsity. Particularly, its witness Roberto P. Rara, Jr., testified that during his investigation, he found that accused failed to supply correct and accurate information for his annual income tax return. He also testified that the accused's underdeclaration of more than thirty percent (30%) showed that the failure to supply correct and accurate information was willful, voluntary, intentional and with specific intent to make a false return. Plaintiff maintains that this is a form of a tax fraud which is similar if not in the same nature as false or fraudulent return that should have triggered the application of Section 222 of the NIRC of 1997, as amended.

[4] *Id.*, pp. 1648-1658.

Plaintiff also submits that even if accused is acquitted for their criminal liability due to the failure of the plaintiff to prove beyond doubt the elements of the crimes as charged, a finding of civil liability may still be imposed by this Court.

On December 13, 2024, a Minute Resolution was issued ordering accused to comment on plaintiff's "Motion for Reconsideration (of the Decision dated October 29, 2024)" within five (5) days from notice; after which, the said motion shall be deemed submitted for resolution.

On December 23, 2024, the accused filed his "Opposition to Plaintiff's Motion for Reconsideration" *via* registered mail, asserting that the arguments in plaintiff's motion are mere rehash of the arguments already raised and thoroughly ruled upon in the Decision on the Civil Aspect dated October 29, 2024.

Accused contends that plaintiff's motion for reconsideration merely revolves around its blind assertion that there was fraud and therefore the ten (10) year assessment period should apply instead of the three (3) year assessment period limitation. However, the Court has painstakingly ruled that there was no evidence showing actual fraud on the part of the accused.

On February 06, 2025, a Minute Resolution was issued noting accused's "Opposition to Plaintiff's Motion for Reconsideration" and submitting plaintiff's "Motion for Reconsideration (of the Decision dated October 29, 2024)" for resolution.

The Court is not persuaded by plaintiff's assertions.

Preliminarily, it must be pointed that plaintiff's first prayer in the motion questioning the acquittal of the accused cannot be entertained anymore, accused's criminal liability having already been final and executory upon promulgation of the in the Decision[5] dated November 30, 2023. We have discussed this in the Resolution[6] dated March 04, 2024.

As for plaintiff's second prayer in the motion, Plaintiff's contentions in the motion for reconsideration are mere reiterations of its arguments which have been amply considered, weighed and resolved in the Decision on the Civil Aspect dated October 29, 2024, and will not suffice to warrant the reconsideration of the same.

[5] *Id.*, pp. 1287-1327.
[6] *Id.*, pp. 1366-1369.

In the case of *Shangri-La International Hotel Management Ltd., Et Al. v. Developers Group of Companies, Inc.*[7], the Supreme Court denied respondent's motion for reconsideration for being a mere reiteration of their previous arguments, and for failure to raise matters substantially plausible or compellingly persuasive to warrant the reversal of the assailed Decision, thus:

> "The bulk of the aforementioned grounds is a mere rehash of movant's previous arguments. While DGCI is correct in stating that a motion for reconsideration, by its very nature, may tend to dwell on issues already resolved in the decision sought to be reconsidered and that this should not be an obstacle for a reconsideration, the hard reality is that movant has failed to raise matters substantially plausible or compellingly persuasive to warrant the desired course of action.
>
> Considering that the grounds presently raised have been sufficiently considered, if not squarely addressed, in the subject Decision, it behooves movant to convince the Court that certain findings or conclusions in the Decision are contrary to law. As it is, however, the instant motion does not raise any new or substantial legitimate ground or reason to justify the reconsideration sought."

It must be stressed that among the ends to which a motion for reconsideration is addressed, one is precisely to convince the Court that its ruling is erroneous and improper, contrary to law or the evidence.[8] If the movant failed to do so, the motion for reconsideration must necessarily fail.

In this case, it was already found by this Court that the ten (10) year prescriptive period for assessment does not apply for there was no filing by the accused of a fraudulent return or false return with intent to intent to evade tax.[9]

Certainly, the acquittal of the taxpayer-accused in the criminal case for tax laws violation will not necessarily result in the obliteration of the civil liability for deficiency taxes relative to the criminal case since the duty to pay the tax is imposed by law prior to and independently of any attempts of the taxpayer to evade payments.[10]

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7 G.R. No. 159938, January 22, 2007.

8 Teodulo M. Coquilla v. The Hon. Commission on Elections and Mr. Neil M. Alvarez, G.R. No. 151914, July 31, 2002.

9 *See* Commissioner of Internal Revenue v. Arturo E. Villanueva, Jr., G.R. No. 249540. February 28, 2024

10 People of the Philippines v. E & D Parts Supply, Inc. and Margaret L. Uy, G.R. No. 259284, January 24, 2024.

Nevertheless, accused is not liable for deficiency income tax for the taxable years 2009 and 2010 because the assessment is already barred by the statute of limitations. Hence, his exoneration from civil liability is in order.

In sum, We find no cogent reason to warrant a reconsideration of the Assailed Decision on the Civil Aspect.

WHEREFORE, premises considered, plaintiff's "Motion for Reconsideration (of the Decision dated October 29, 2024)" is **DENIED** for lack of merit.

SO ORDERED.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

WE CONCUR:

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice