REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC
****

GRANDWORTH RESOURCES CORPORATION, Petitioner,	**CTA EB NO. 1902** (CTA Case No. 8765)
	Present:
- versus -	**DEL ROSARIO,** *P.J.*, **CASTAÑEDA, JR., UY, RINGPIS-LIBAN, MANAHAN, BACORRO-VILLENA,** and **MODESTO-SAN PEDRO,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, Respondent.	***Promulgated:*** NOV 24 2020 11:42a.m.

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RESOLUTION

UY, *J*.:

For resolution is petitioner Grandworth Resources Corporation's ***MOTION FOR RECONSIDERATION (Re: Decision dated January 15, 2020)***[1] filed on February 4, 2020, without the Commissioner of Internal Revenue's (CIR) comment despite notice as per *Records Verification*[2] issued by the Judicial Records Division of this Court on September 23, 2020, seeking the reconsideration and reversal of the Court *En Banc's* Decision[3] dated January 15, 2020, the dispositive portion of which reads:

> "**WHEREFORE,** the Petition for Review dated August 17, 2018 filed by Grandworth Resources Corporation is **DENIED.** The impugned Decision dated April 17, 2018 and

[1] EB Docket, pp. 102 to 127.
[2] EB Docket, p. 140.
[3] EB Docket, pp. 81 to 95.

Resolution dated July 11, 2018 both rendered by the Court in Division are **AFFIRMED**.

SO ORDERED."

In its *Motion*, petitioner argues that the Court has jurisdiction over its *Petition for Review* as it assails the validity of respondent's acts of enforcing collection procedures over deficiency taxes arising from a void assessment.

Citing the case of *Commissioner of Internal Revenue vs. Oriental Assurance Corp.*[4] (or *Oriental Assurance case*) rendered by the Court *En Banc* on August 6, 2019, petitioner contends that the Court has jurisdiction to rule upon respondent's right to collect the subject deficiency tax assessment when it issued the *Preliminary Collection Letter* (PCL) and *Warrant of Distraint and/or Levy* (WDL), and garnished petitioner's funds despite respondent's violation of petitioner's right to due process.

Petitioner likewise claims that respondent violated petitioner's right to procedural due process when it issued the *Formal Letter of Demand* (FLD)/*Final Assessment Notice* (FAN) on January 13, 2012 or after only three (3) days from petitioner's receipt of the *Preliminary Assessment Notice* (PAN).

In addition, petitioner insists that respondent failed to inform petitioner of the factual and legal bases of the subject assessments, in violation of Section 228 of the Tax Code; and that respondent prematurely collected the subject deficiency taxes, which have not yet become delinquent or due and demandable.

Finally, petitioner reiterates that the PCL cannot be considered as a "final decision" on petitioner's protest to the assessment as the same was issued by the Revenue District Officer who is not the duly authorized representative of the CIR; and that the tenor of the PCL is not indicative of the final determination on the disputed assessment.

THE COURT *EN BANC'S* RULING

Petitioner's *Motion for Reconsideration* lacks merit.

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[4] CTA EB No. 1716 (CTA Case No. 8817), August 16, 2019.

After a careful examination and consideration of the instant *Motion for Reconsideration*, it is noted that the arguments raised therein are mere reiteration of matters which have already been considered, weighed and resolved in the assailed Decision.

As found in the assailed Decision, the PCL is equivalent to a denial of petitioner's protest, hence, appealable with respondent or with the Court in Division. Considering that petitioner belatedly filed its appeal with respondent, the subject assessment has become immutable, and further scrutiny by the Court in Division on the merits thereof is no longer possible.

It has been ruled that the perfection of an appeal in the manner and within the period laid down by law is not only mandatory but also jurisdictional. The failure to perfect an appeal as required by the rules has the effect of defeating the right to appeal of a party and precluding the appellate court from acquiring jurisdiction over the case.[5] The right to appeal is not a natural right nor a part of due process. It is merely a statutory privilege, and may be exercised only in the manner and in accordance with the provisions of the law.[6] Correspondingly, in view of petitioner's failure to timely file its appeal before respondent, the subject assessment has become final and unappealable.

As to petitioner's reliance on the *Oriental Assurance case*, the same is misplaced. It bears noting that CTA Decisions do not constitute as binding precedents, as held by the Supreme Court in *Commissioner of Internal Revenue v. San Roque Power Corporation, etseq.,*[7] to wit:

> "There is also the claim that there are numerous CTA decisions allegedly supporting the argument that the filing dates of the administrative and judicial claims are inconsequential, as long as they are within the two-year prescriptive period. **Suffice it to state that CTA decisions do not constitute precedents, and do not bind this Court or the public. That is why CTA decisions are appealable to this Court, which may affirm, reverse or modify the CTA decisions as the facts and the law may warrant**. Only decisions of this

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[5] *CIR vs. Fort Bonifacio Development Corporation*, G.R. No. 167606, August 11, 2010.
[6] *Ibid.*
[7] G.R. Nos. 187485, 196113 & 197156, February 12, 2013.

Court constitute binding precedents, forming part of the Philippine legal system." (Emphasis supplied)

Based from the foregoing, only Supreme Court decisions (and **not** CTA decisions), constitute as binding precedents forming part of the legal system.

Finding no compelling reason to reconsider, modify or reverse Our Decision, We shall no longer belabor in this Resolution, to repeat the disquisitions made therein.

WHEREFORE, in light of the foregoing considerations, the instant *Motion for Reconsideration* is hereby **DENIED** for lack of merit.

SO ORDERED.

ERLINDA P. UY
Associate Justice

WE CONCUR:

ROMAN G. DEL ROSARIO
Presiding Justice

JUANITO C. CASTAÑEDA, JR.
Associate Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

CATHERINE T. MANAHAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

(On Leave)
MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice