REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

ARDCI NGO GROUP, INC.,
Petitioner,

CTA EB NO. 1849
(CTA Case No. 9056)

Present:

DEL ROSARIO, *PJ*,
CASTAÑEDA, JR.,
UY,
FABON-VICTORINO,
MINDARO-GRULLA,
RINGPIS-LIBAN, and
MANAHAN, *JJ.*

- versus -

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

Promulgated:
MAY 08 2019 3:00

x- -x

RESOLUTION

For Court action is the Motion to Withdraw the instant Petition dated November 5, 2018[1] filed by petitioner on account of possible compromise agreement that may be entered into by the parties.

Instead of filing a comment or opposition to the Motion to Withdraw as required by the Court, respondent filed the Manifestation dated January 3, 2019,[2] stating that the Litigation Division of the Bureau of Internal Revenue (BIR) was yet to receive the application for compromise settlement alleged by petitioner.

In the Resolution dated February 7, 2019, petitioner was directed to update the Court of the status of the alleged compromise settlement of the parties.

[1] Filed on November 6, 2018.
[2] Filed on January 4, 2019.

In its Compliance with Manifestation dated March 21, 2019, which the Court noted, petitioner attached copies of the following documents:

1) Letter dated January 30, 2019 filed with the BIR furnishing the Litigation Division of the BIR with a copy of petitioner's compromise offer filed on November 9, 2018 and November 22, 2018;
2) Compromise Offer dated November 5, 2018 filed with the office of respondent CIR;
3) Compromise Offer dated November 20, 2018 filed with the Regional Director, BIR Region No. 10, Legazpi City.

In the same pleading, petitioner informed the Court that on November 29, 2018, it paid forty percent (40%) of the basic taxes assessed, specifically the amount of P3,968,213.00 for Income Tax (IT) and P5,528,572.00 for Value-Added Tax (VAT), as evidenced by Landbank Payment Slip Nos. 10082063 and 10082064, respectively, and the requisite BIR Payment Forms 0605.

Finally, petitioner manifested that it would avail of the provisions of Republic Act No. 11213 or the Tax Amnesty Act of 2019 upon the approval of its implementing rules and regulations.

Section 3, Rule 50 of the Revised Rules of Court, applicable suppletorily to this Court pursuant to Section 3,[3] Rule 1 of the Revised Rules of the Court of Tax Appeals, pertinently provides:

> SEC. 3. *Withdrawal of appeal.* – An appeal may be withdrawn as of right at any time before the filing of the appellee's brief. Thereafter, the withdrawal may be allowed in the discretion of the court.

Thus, an appeal, such as the instant Petition for Review, may be withdrawn at any time before the filing of the

[3] SEC. 3. *Applicability of the Rules of Court.* – The Rules of Court in the Philippines shall apply suppletorily to these Rules.

appellee's responsive pleading, or at the discretion of the Court thereafter.

The record shows that petitioner elevated the instant case to the Court *En Banc via* a Petition for Review on May 18, 2018.

In compliance with the Court's Resolution of August 20, 2018, respondent filed his Opposition to the Petition on September 7, 2018.

In the Resolution dated September 27, 2018, the Petition for Review was given due course and the parties were directed to file their respective memoranda.

It was at this stage of the proceedings or on November 6, 2018 that petitioner filed the instant Motion to Withdraw the petition.

Clearly, the withdrawal of the Petition is no longer a matter of right on the part of petitioner but at the discretion of the Court.

Petitioner states that the prayed for withdrawal of its Petition for Review is for the purpose of punctuating the controversy through a compromise agreement to be entered into by the parties. Instead of pursuing the case the result of which is uncertain, petitioner has opted to settle its tax liabilities which is beneficial to the parties, including the Court.

Finally, there is no indication of any objection on the part of respondent to the withdrawal of the Petition, despite the opportunity granted by the Court.

Amicable settlements have been encouraged to avoid lawsuits or put an end to those already commenced. This is the reason why courts endeavor to persuade litigants in civil suits to agree upon some fair compromise.[4]

---

[4] Goldloop Properties, Inc. vs. Court of Appeals, Roberto S. Robles and Alicia G. Robles, G.R. No. 99431, August 11, 1992.

It appears that petitioner has a clear and honest intention to settle its tax liabilities with the government. In fact, it already paid the amount of P3,968,213.00 for Income Tax (IT) and P5,528,572.00 for Value-Added Tax (VAT) liabilities, as evidenced by Landbank Payment Slip Nos. 10082063 and 10082064, respectively, and the requisite BIR Payment Forms 0605.

More importantly, by moving to withdraw its appeal before the Court *En Banc,* petitioner is effectively accepting the judgment rendered by the Court in Division on February 5, 2018 and it is no longer impugning the assessment issued against it by respondent which, as ruled by the Court in Division, has become final, executory and demandable. In other words, it is now for respondent to collect.

WHEREFORE, the Motion to Withdraw dated November 5, 2018[5] filed by petitioner, is hereby **GRANTED**.

As prayed for, the Petition for Review dated May 11, 2018 filed by petitioner is deemed **WITHDRAWN**. The assailed Decision dated February 5, 2018 in CTA Case No. 9056 is declared final and executory.

Consequently, this case is now deemed **CLOSED** and **TERMINATED**.

SO ORDERED.

ROMAN G. DEL ROSARIO
Presiding Justice

Juanito C. Castañeda, Jr.
JUANITO C. CASTAÑEDA, JR.
Associate Justice

(On Leave)
ERLINDA P. UY
Associate Justice

ESPERANZA R. FABON-VICTORINO
Associate Justice

Cielito N. Mindaro-Grulla
CIELITO N. MINDARO-GRULLA
Associate Justice

[5] Filed on November 6, 2018.

Ma. Belen S. R.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

(On Leave)
CATHERINE T. MANAHAN
Associate Justice