REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF INTERNAL REVENUE,
Petitioner,

-versus-

PMAC BUSINESS OPERATIONS INC.,
Respondent.

CTA *EB* NO. 2885
(CTA Case No. 10391)

Present:

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

Promulgated:
APR 23 2025 2:31pm

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RESOLUTION

This resolves petitioner's *Motion for Reconsideration with Prayer to Admit Belated Compliance (Motion),* which was personally filed on January 14, 2025. Petitioner seeks the reversal of the Resolution dated December 26, 2024,[1] which dismissed this case for being filed out of time and for non-compliance with the Court's lawful order in the Resolution dated August 15, 2024.[2] The latter resolution required petitioner to submit proof of filing and the Affidavit of Service of the *Petition for Review* within five (5) days from notice.

Under Section 3, Rule 13[3] of the Rules of Court, as amended, the date of mailing of pleadings sent by registered

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[1] *En Banc* Docket, p. 37–40.
[2] *Id.* at 34.
[3] SEC. 3. *Manner of filing.* — The filing of pleadings and other court submissions shall be made by:
(a) Submitting personally the original thereof, plainly indicated as such, to the court;
(b) Sending them by registered mail;
(c) Sending them by accredited courier; or

mail is considered the filing date, as indicated by the post office stamp on the submission's envelope or the registry receipt. For the *Petition for Review* to be considered timely filed, this date must be on or before April 1, 2024. However, in this case, neither the post office stamp nor the registry receipt bears a date, preventing the Court from determining its timeliness.

The Court reminds petitioner's counsel that their responsibility in filing submissions *via* registered mail does not end upon delivering the documents to the post office. They must also ensure that the date of posting is properly indicated on the post office stamp or the registry receipt. The Court cannot stress enough the importance of properly indicating the actual date of posting in determining the timeliness of filing the petition as it may result in the outright dismissal of the petition.[4]

The Resolution dated August 15, 2024, directing petitioner to submit proof of filing, among others, was received by the Office of the Solicitor General (OSG) on September 4, 2024, and by the Bureau of Internal Revenue (BIR) on August 20, 2024. However, a verification of the records on October 22, 2024, revealed that petitioner had failed to submit the required proof of filing and affidavit of service for the *Petition for Review*, despite the Court's directive. Thus, this case was dismissed in the Resolution dated December 26, 2024.

In this Motion, petitioner's counsel, Atty. Sheeharazadee A. Labor-Moran (Atty. Labor-Moran), submits that the *Petition for Review* was timely filed on April 1, 2024, as evidenced by the attached copy of Registry Receipt No. ED 907 244 829 ZZ. She explains that the non-compliance with the Resolution dated August 15, 2024 was unintentional, citing the death of her mother on August 12, 2024. She further states that she had to arrange the burial and interment and could not immediately return to work. Upon reporting for work, she claims that she was confronted with a heavy workload and deadlines that piled up.

(d) Transmitting them by electronic mail or other electronic means as may be authorized by the Court in places where the court is electronically equipped.
In the first case, the clerk of court shall endorse on the pleading the date and hour of filing. In the second and third cases, the date of the mailing of motions, pleadings, and other court submissions, and payments or deposits, as shown by the post office stamp on the envelope or the registry receipt, shall be considered as the date of their filing, payment, or deposit in court. The envelope shall be attached to the record of the case. In the fourth case, the date of electronic transmission shall be considered as the date of filing.

[4] *Tan, et al. v. Court of Appeals, et al.*, G.R. No. 259935 (Notice), June 20, 2022 [Per Resolution, Third Division].

The Court sympathizes with the loss suffered by Atty. Labor-Moran and understands the difficulties she faced during this period. However, while the Court acknowledges her personal circumstances, it remains bound by procedural rules that must be applied consistently to all litigants. Procedural deadlines are established to ensure fairness, efficiency, and the orderly administration of justice. Non-compliance, regardless of the reason, may have consequences that the Court cannot simply disregard.

At the outset, despite claiming compliance with electronic submission guidelines,[5] petitioner failed to comply with Court of Tax Appeals *En Banc* Resolution No. 8-2024,[6] requiring the transmittal of PDF copies of paper submissions filed personally, by registered mail, or by accredited courier within 24 hours from the filing of the paper copies; otherwise, the submission is deemed not filed:

> 2. Manner of transmittal. — The PDF copies must be transmitted by litigants and court users to the official e-mail addresses:
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> ....
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> When the primary manner of filing is through personal filing, by registered mail, or by accredited courier, in accordance with Rule 13, Section 3(a), 3(b), or 3(c) of the 2019 Amendments to the 1997 Rules of Civil Procedure, ten (10) paper copies for *En Banc* cases, and six (6) paper copies for initiatory pleadings or four (4) paper copies for subsequent pleadings for Division cases, shall be filed. **The PDF copies must be transmitted within twenty-four (24) hours from such filing of paper copies; otherwise, the pleading or court submission shall be deemed as not filed.** (Emphasis supplied)

In this case, the Records Verification Report dated January 16, 2025 shows that petitioner failed to transmit the instant *Motion for Reconsideration with Prayer to Admit Belated Compliance* through e-mail within 24 hours from the filing of its paper copies with the Court on January 14, 2025. Applying the foregoing provision, the *Motion* is therefore deemed not filed.

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5 A Verified Declaration was appended to the *Motion for Reconsideration with Prayer to Admit Belated Compliance* stating that the same was "submitted electronically in accordance with the Guidelines on Submission of Electronic Copies of Pleadings and other Court Submissions Being Filed Before the Lower Court is the complete and true copy of the document filed personally with the Court of Tax Appeals."

6 Guidelines on Submission of Electronic Copies of Pleadings and Other Court Submissions Before the Court of Tax Appeals Pursuant to A.M. No. 10-3-7-SC and A.M. No. 11-9-4-SC, September 1, 2024.

Despite being given the opportunity to submit proof of filing and an affidavit of service, petitioner failed to comply until four (4) months after the case was dismissed. Atty. Labor-Moran did not clarify her work status during this period but is reminded of her obligation to ensure continuity in her duties. She and her office bear the responsibility of transferring her cases to colleagues during her absence. The Court emphasizes that petitioner is represented by the BIR - not by Atty. Labor-Moran alone.

As the Supreme Court has ruled, "[w]hen a client employs the services of a law firm, he does not employ the services of the lawyer who is assigned to personally handle the case. Rather, he employs the entire law firm. In the event that the counsel appearing for the client resigns, the firm is bound to provide a replacement."[7] This principle establishes that clients engage law firms as a whole; thus, continuity in representation is essential even when individual lawyers are unavailable. There is no reason why the same principle should not apply to a government office when one of its legal officers is absent.

The BIR must improve its document handling and case tracking to prevent similar issues that could negatively impact the interests of the government. In *Balgami v. Court of Appeals*,[8] the Supreme Court stressed that a law office is mandated to adopt and arrange matters in order to ensure that official or judicial communications sent by mail would reach the lawyer assigned to the case. This principle applies equally to the OSG, as counsel for the State,[9] and to the BIR, whose legal officers are authorized to conduct civil actions and proceedings on behalf of the government under Section 220[10] of the National Internal Revenue Code of 1997, as amended.

Further, petitioner's counsels are reminded of their ethical duties under the Code of Professional Responsibility and Accountability,[11] which require them to exercise diligence in all undertakings, a duty that is even more stringent for lawyers in government service due to their responsibility to uphold the

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7 *Balgami, et al. v. Court of Appeals, et al.*, G.R. No. 131287, December 9, 2004 [Per J. Callejo, Sr., Second Division].
8 *Id.*
9 *Republic v. Spouses Amarra*, G.R. No. 195319 (Notice), October 16, 2019 [Per Resolution, First Division].
10 SEC. 220. *Form and Mode of Proceeding in Actions Arising under this Code.* - Civil and criminal actions and proceedings instituted in behalf of the Government under the authority of this Code or other law enforced by the Bureau of Internal Revenue shall be brought in the name of the Government of the Philippines and shall be conducted by legal officers of the Bureau of Internal Revenue but no civil or criminal action for the recovery of taxes or the enforcement of any fine, penalty or forfeiture under this Code shall be filed in court without the approval of the Commissioner.
11 A.M. No. 22-09-01-SC, April 11, 2023.

State's policy of promoting high ethical standards in public service. As part of the government bureaucracy, they are expected to perform their duties with professionalism, intelligence, and skill while providing prompt and courteous service to the public.[12]

Finally, clients are generally bound by their counsel's actions in legal proceedings, and only in cases of gross negligence resulting in serious injustice to client may courts grant relief; otherwise, there would be no end to litigation if parties are allowed to challenge adverse judgments based on their counsel's mistake or lack of diligence and experience.[13] This case does not fall within the exception since petitioner was given their opportunity and day in court.[14]

WHEREFORE, in light of the foregoing, the Court is constrained to **DENY** petitioner's *Motion for Reconsideration with Prayer to Admit Belated Compliance*. The dismissal of the instant case in Resolution dated December 26, 2024 is **MAINTAINED**.

SO ORDERED.

ROMAN G. DEL ROSARIO
Presiding Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

CATHERINE T. MANAHAN
Associate Justice

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[12] See *Far Eastern Shipping Company v. Court of Appeals, et al.*, G.R. Nos. 130068 & 130150, October 1, 1998 [Per J. Regalado, *En Banc*].

[13] *Mendoza, et al. v. Court of Appeals (Eight Division), et al.*, G.R. No. 182814, July 15, 2015 [Per J. Perez, First Division].

[14] *Id.*

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

CORAZON G. FERRER-FLORES
Associate Justice

HENRY S. ANGELES
Associate Justice