

**REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY**

THIRD DIVISION

**DIGITEL MOBILE
PHILIPPINES, INC.,
Petitioner,**

CTA AC NO. 118

-versus-

**THE CITY GOVERNMENT
OF BACOR, ATTY. EDITH
C. NAPALAN, ET AL.,
Respondents.**

Members:

**BAUTISTA, *Chairperson*
FABON-VICTORINO, and
RINGPIS-LIBAN, *JJ*.**

Promulgated:

JAN 08 2015
Chair 3:53 pm

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RESOLUTION

On December 16, 2014, the parties filed a Joint Motion to Dismiss stating that:

1. The Parties – Digitel Mobile Philippines, Inc. (“DMPI”) and the City Government of Bacoor, Atty. Edith C. Napalan, in her capacity as City Treasurer, and Mr. Francisco J. Ocampo, in his capacity as Head of Business Permit and Licensing Office, have fully settled their claims to their mutual satisfaction, and agreed to terminate this action by the following agreement, the terms of which are not contrary to law, morals, good customs, public order, or public policy.
2. The parties agree that Petitioner’s gross sales of handsets and accessories shall be subject to the local business tax, and not local franchise tax, while its gross receipts from prepaid and postpaid telecommunication services shall be subject to the local franchise tax, and not local business tax, subject to existing or future exemptions as may be provided by law.
3. By reason thereof, the Parties have agreed as follows:
 - a. Petitioner will –

- i. withdraw the instant case; and
 - ii. bear its own legal expenses including the payment of the attorney's fees.
 - b. Respondents will abide by the provisions set under Paragraph 2 herein and will further desist from assessing and collecting from Petitioner DMPI both local business taxes and local franchise taxes for items under a similar tax base.
4. Pursuant thereto, the Parties have agreed to mutually release each other and their successors-in-interest and assigns, from any claim or liability arising from, in relation to or in connection with the subject matter hereof and thus have mutually agreed to jointly move for the dismissal of the instant case, subject to appropriate legal remedies in the event of default by any of the Parties in their respective obligations.

In view of the foregoing, this case is hereby **DISMISSED**.

SO ORDERED.


LOVELL R. BAUTISTA
Associate Justice


ESPERANZA R. FABON-VICTORINO
Associate Justice


MA. BELEN M. RINGPIS-LIBAN
Associate Justice