REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

PHILAM PLANS, INC.
Petitioner,

- versus -

C.T.A. CASE NO. 5584

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

Promulgated:
JUL 02 1998

x - x

RESOLUTION

In a motion filed on June 4, 1998, petitioner seeks the dismissal of the instant petition in view of the alleged compromise settlement between the petitioner and the respondent pursuant to Sec. 204 of the Tax Code, as amended by Republic Act No. 8424. Under said section, "(t)he Commissioner may -

> "(A) Compromise the payment of any internal revenue tax, when:
>
> "(1) A reasonable doubt as to the validity of the claim against the taxpayer exists; or
>
> "(2) The financial position of the taxpayer demonstrates a clear inability to pay the assessed tax.
>
> "The compromise settlement of any tax liability shall be subject to the following minimum amounts:
>
> "For cases of financial incapacity, a minimum compromise rate equivalent to ten percent (10%) of the basic assessed tax; and
>
> "For other cases, a minimum compromise rate equivalent to forty percent (40%) of the basic assessed tax.

> "**Where the basic tax involved exceeds One Million Pesos (P1,000,000)** or where the settlement offered is less than the prescribed minimum rates, **the compromise shall be subject to the approval of the Evaluation Board which shall be composed of the Commissioner and the four (4) Deputy Commissioners.**" xxx

Respondent's counsel, however, in his "Comment on Motion to Dismiss" filed last June 8, 1998, manifested that, while he has no objection to the motion to dismiss filed by petitioner, the compromise settlement is yet to be approved by the Evaluation Board. Respondent pointed out that the Regional Approval Committee of Revenue Region No. 6 merely recommended the acceptance of petitioner's offer of compromise.

However, since it is the petitioner who is seeking the dismissal of its own appeal by virtue of a compromise settlement which is not yet final, this Court hereby **GRANTS** petitioner's motion and considers the instant case **DISMISSED.**

SO ORDERED.

ERNESTO D. ACOSTA
Presiding Judge

AMANCIO Q. SAGA
Associate Judge

RAMON O. DE VEYRA
Associate Judge