REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF INTERNAL REVENUE, *Petitioner,*	**CTA EB NO. 3030** (CTA CASE NO. 10515)
	Present:
- versus -	**RINGPIS-LIBAN,** *P.J.,* **BACORRO-VILLENA, MODESTO-SAN PEDRO, REYES-FAJARDO, CUI-DAVID, FERRER-FLORES,** and **ANGELES,** *JJ.*
SONOMA SERVICES, INC., *Respondent.*	Promulgated: MAY 19 2026 4:12p.m.

x---x

DECISION

ANGELES, J.:

Before the Court of Tax Appeals *En Banc* (CTA *En Banc*) is a *Petition for Review (Re: Decision dated July 2, 2024 and Resolution dated November 6, 2024)*[1] filed by the Commissioner of Internal Revenue (Petitioner) on December 11, 2024 praying for the reconsideration, reversal, and setting aside of the July 2, 2024 Decision[2] (Assailed Decision) and November 6, 2024 Resolution[3] (Assailed Resolution) of the Court of Tax Appeals First Division (CTA Division) in CTA Case No. 10515 entitled, *Sonoma Services, Inc. v. Commissioner of Internal Revenue.*

---

[1] EB Docket, pp. 10 to 41.
[2] EB Docket, pp. 47 to 69, Penned by then Presiding Justice Roman G. Del Rosario, and concurred by Associate Justice Jean Marie A. Bacorro-Villena, and Associate Justice Lanee S. Cui-David.
[3] EB Docket, pp. 71 to 75.

In sum, the CTA Division previously ordered herein petitioner to refund or issue a tax credit certificate in favor of herein respondent, in the amount of Five Million Five Hundred Thirty-Three Thousand and Five Hundred Pesos (Php5,533,500.00), representing the former's excess and unutilized creditable withholding taxes for calendar year (CY) 2018.

THE PARTIES

Petitioner is the Commissioner (CIR) of the Bureau of Internal Revenue (BIR), vested by law with the power to decide, approve, grant refunds and/or tax credits of overpaid and erroneously paid or collected internal revenue taxes.[4]

Respondent, on the other hand, is a taxpayer duly registered with Revenue District Office No. 50 – South Makati, Revenue Region No. 8A – Makati City with Identification Number (TIN) 220-868-954-000 and registered business address at 3/F Makati Stock Exchange Plaza Bldg., Ayala Triangle, Ayala Avenue, Makati City.[5]

THE FACTS

The following are the facts as narrated by the CTA Division in the Assailed Decision:[6]

> On April 15, 2019, petitioner [herein respondent] filed with the BIR, through the Electronic Filing and Payment System (eFPS), its Annual Income Tax Return (ITR) for CY 2018.
>
> On May 2, 2019, petitioner [herein respondent] filed with the BIR, through the eFPS, its amended Annual ITR for CY 2018.
>
> On February 2, 2021, petitioner [herein respondent] filed with the BIR Revenue District Office (RDO) No. 50 - South Makati, an administrative claim for its excess and unutilized CWT for CY 2018 in the amount of ₱5,533,500.00.
>
> Due to the inaction of respondent [herein petitioner] and in order to preserve its right to judicially claim for refund its alleged excess and unutilized CWTs for CY 2018, petitioner [herein

---

[4] Par. 9, The Parties, *Petition for Review (Re: Decision dated July 2, 2024 and Resolution dated November 6, 2024)*, EB Docket, p. 11.

[5] Par. 10, The Parties, *Petition for Review (Re: Decision dated July 2, 2024 and Resolution dated November 6, 2024)*, EB Docket, p. 11.

[6] Division Docket, pp. 890 to 893.

respondent] filed, via electronic mail, the present Petition for Review before this Court on April 14, 2021.

Summonses were personally served upon the CIR and the Office of the Solicitor General on May 31, 2021.

On June 29, 2021, respondent [herein petitioner] filed, via registered mail, a Motion for Extension of Time to File Answer, which the Court granted on July 14, 2021, setting a non-extendible period of fifteen (15) days from June 30, 2021 or until July 15, 2021, within which to file Answer.

Respondent [herein petitioner] subsequently filed another Motion for Extension of Time to File Answer praying for an additional period of fifteen (15) days from July 15, 2021 or until July 30, 2021, within which to file Answer.

Thereafter, on July 21, 2021, respondent [herein petitioner] filed a Motion to Admit Answer, with his attached Answer, raising the following special and affirmative defenses: (i) petitioner [herein respondent] is not entitled to refund because it failed to establish the fact of withholding and the fact that the income upon which the taxes were withheld was included as part of the income declared in its Annual ITR; and (ii) even assuming that petitioner [herein respondent] satisfied all the requisites for a refund, petitioner [herein respondent] still is not entitled to its full claim since it has no prior year excess credits in taxable year 2018, which it can apply to the income tax due for the current year.

On October 4, 2021, the Court, in the interest of justice, resolved to grant respondent's [herein petitioner's] Motion to Admit Answer, admitted the Answer attached thereto, and set the case for pre-trial on December 1, 2021.

Respondent [herein petitioner], on October 21, 2021, then transmitted to the Court the BIR Records of this case.

Respondent's [herein petitioner's] Pre-Trial Brief was filed on November 26, 2021, while Petitioner's [herein respondent's] Pre-trial Brief was filed on March 30, 2022. Thereafter, the Pre-Trial Conference was held on April 4, 2022.

On April 25, 2022, the parties filed their Joint Stipulation of Facts and Issues. On the same date, petitioner [herein respondent] filed a Motion to Commission an Independent Certified Public Accountant (ICPA).

In the Pre-Trial Order dated May 10, 2022, the Court approved and adopted the parties' Joint Stipulation of Facts and Issues and set the hearing of petitioner's [herein respondent's] Motion to Commission an ICPA. On May 30, 2022, Ms. Madonna Mia S. Dayego was commissioned as the ICPA of the present case, and was ordered to submit her report within thirty (30) days from the date of her commissioning.

Thereafter, trial ensued and the parties presented their respective pieces of documentary and testimonial evidence. On March 5, 2024, the case was submitted for decision.[7]

Thus, on July 2, 2024, the Assailed Decision was promulgated. The dispositive portion[8] of which is reproduced below, *viz.*:

> <u>Assailed Decision (July 2, 2024)</u>
>
> **WHEREFORE**, premises considered, the present Petition for Review is **GRANTED**. Accordingly, respondent [herein petitioner] Commissioner of Internal Revenue is **ORDERED** to **REFUND** or **ISSUE A TAX CREDIT CERTIFICATE** in the amount of **₱5,533,500.00**, in favor of petitioner [herein respondent] Sonoma Services, Inc., representing its excess and unutilized creditable withholding taxes for CY 2018.
>
> **SO ORDERED.**

Subsequently, the Office of the Solicitor General (OSG) and the BIR received a copy of the Assailed Decision on July 4, 2024.[9] Following thereto, petitioner filed a *Motion for Reconsideration (Re: Decision dated July 2, 2024)*[10] (MR) on July 19, 2024, which was denied in the Assailed Resolution. The dispositive portion[11] of which provides, to wit:

> <u>Assailed Resolution (November 6, 2024)</u>
>
> **WHEREFORE,** premises considered, respondent's [herein petitioner's] Motion for Reconsideration is **DENIED** for lack of merit.
>
> **SO ORDERED.**

The OSG received a copy of the Assailed Resolution on November 8, 2024, while the BIR received the same on November 11, 2024.[12]

---

[7] Minute Resolution, Division Docket, p. 886.
[8] Division Docket, p. 911.
[9] Notice of Decision, Division Docket, p. 888.
[10] Division Docket, pp. 912 to 932.
[11] Division Docket, p. 971.
[12] Notice of Resolution, Division Docket, p. 966.

THE PROCEEDINGS BEFORE THE CTA *EN BANC*

On November 25, 2024, petitioner filed a *Motion for Extension to File Petition for Review*.[13] On November 28, 2024, the Court granted the same, and petitioner was given until December 11, 2024 within which to file its appeal.[14]

Within the extended period provided, the present *Petition for Review (Re: Decision dated July 2, 2024 and Resolution dated November 6, 2024)*[15] was filed. The same was likewise duly electronically filed on the next day, December 12, 2024. Consequently, in a Resolution[16] dated February 14, 2025, the CTA *En Banc* directed herein respondent to file its comment within ten (10) days from notice. On March 3, 2025, respondent timely filed the *Comment (Re: Petition for Review)*[17] which the Court noted in a Resolution dated March 20, 2025.[18] In the same Resolution, the case was likewise submitted for decision.

THE ISSUES[19]

I. **Whether this Honorable Court of Tax Appeals has jurisdiction over the case considering the belated filing of the claim for refund of Sonoma Services, Inc.**

II. **Whether Sonoma Services, Inc. is entitled to its claim for refund of or issuance of tax credit certificate for the amount of PHP5,533,500.00 representing its alleged excess and unutilized creditable withholding tax for CY 2018.**

THE ARGUMENTS

Petitioner's arguments[20]

At the outset, petitioner claims that the CTA Division has no jurisdiction over the claim for refund before it on the ground that it was

---

[13] EB Docket, p. 1.
[14] EB Docket, p. 9.
[15] EB Docket, pp. 10 to 41.
[16] EB Docket, *Resolution unpaginated.*
[17] EB Docket, pp. 79 to 102.
[18] EB Docket, p. 105.
[19] Issues for Resolution, *Petition for Review (Re: Decision dated July 2, 2024 and Resolution dated November 6, 2024)*, EB Docket, pp. 13 to 14.
[20] Arguments and/or Discussion, *Petition for Review (Re: Decision dated July 2, 2024 and Resolution dated November 6, 2024)*, EB Docket, pp. 14 to 38.

belatedly filed. He claims that pursuant to Section 229 of the National Internal Revenue Code (NIRC) of 1997, as amended (Tax Code), the same should have been filed within the two (2)-year prescriptive period from the date of payment of tax regardless of any supervening cause which may arise after such payment, including the closure of courts or the suspension of filing of pleadings during the COVID-19 pandemic. Despite the issuance of Supreme Court Administrative Circulars which allows the late filing of physical copies and proof of payment, respondent failed to consider the core provision of the Tax Code.

Furthermore, petitioner contends that respondent merely electronically filed its petition for review, contrary to the provision of Section 14, Rule 13 of the 2019 Amendments to the 1997 Rules of Civil Procedure[21] which mandates that initiatory pleadings shall be filed and served personally or by registered mail. Even assuming that the electronic filing of the same is permissible, respondent failed to timely comply with the submission of the hard copies within five (5) days from such electronic filing as required by CTA *En Banc* Resolution No. 4-2021.[22]

Nevertheless, even assuming that the CTA Division has jurisdiction over the judicial claim for refund, respondent is not entitled for refund or issuance of Tax Credit Certificate considering that it carried over its alleged excess and unutilized creditable withholding tax (CWT) for taxable year 2018.

Moreover, even further assuming that respondent has established that it opted to claim for refund and had not carried over its excess credits to the succeeding period, the latter failed to establish that it is entitled to such refund for the following reasons: i.) respondent failed to establish the existence of prior year's excess credits in taxable year 2018 to cover its current income tax liability for the year; ii.) respondent failed to demonstrate that there is an excess or unutilized CWT for taxable year 2018; iii.) the judicial claim should be deemed as not filed; iv.) the fact of withholding is not established due to marked discrepancies as to the details between the CWT Certificates and the Summary Alphalist of Withholding Taxes *vis-à-vis* Official Receipts issued *vis-à-vis* alleged supporting documents presented and submitted by the ICPA and respondent; and that v.) respondent failed to establish that the income upon which taxes were withheld forms part of the income disclosed in its Annual Income Tax Return (AITR).

---

[21] 2019 Amendments to the 1997 Rules of Civil Procedure, A.M. No. 19-10-20-SC, October 15, 2019.
[22] Pleadings, Motions and Other Court Submissions Filed by Email, CTA *En Banc* Resolution No. 4-2021, [February 24, 2021]).

Respondent's counter-arguments

On the other hand, respondent, by way of *Comment (Re: Petition for Review)*[23] argues that the present appeal is a mere rehash of the previous defenses and contentions of herein petitioner. Respondent thus prays for the denial of the instant *Petition* considering that the same is legally and factually unmeritorious.

Respondent maintains that, in accordance with Sections 204(C) and 229 of the Tax Code, it timely filed its administrative and judicial claims for refund of its excess and unutilized CWT for CY 2018 within the two (2)-year period. It extensively discussed that: i.) the administrative claim was instituted on February 2, 2021 – prior to the expiration of the two (2)-year prescriptive period; and ii.) the judicial claim was timely filed electronically on April 14, 2021, and the hard copies of which were submitted on May 18, 2021.

Furthermore, it asserts that it has sufficiently proven its entitlement to the same, considering that: i.) its excess and unutilized CWT for CY 2018 are duly substantiated by documentary evidence; ii.) the income upon which the CWTs being claimed for refund were withheld was reported as part of the revenues declared in respondent's Annual ITR; and iii.) it did not carry over its excess and unutilized CWTs for CY 2018 to the succeeding taxable periods.

TIMELINESS OF THE APPEAL

The present Petition for Review was timely filed

As provided in Rule 8 of the Revised Rules of the Court of Tax Appeals (RRCTA),[24] a party adversely affected by a ruling, decision, or resolution of the CTA Division may elevate the matter, on appeal, to the CTA *En Banc* within fifteen (15) days from receipt thereof, to wit:

RULE 8

---

[23] EB Docket, pp. 79 to 102.

[24] Rules of the Court of Tax Appeals - approved by the Supreme Court on November 22, 2005 (A.M. No. 05-11-07-CTA); Amendments to the 2005 Rules of Court of the Court of Tax Appeals - approved by the Supreme Court on September 16, 2008 (A.M. No. 05-11-07-CTA); and Additional Amendments to the 2005 Revised Rules of the Court of Tax Appeals – approved by the Supreme Court on February 10, 2009 (A.M. No. 05-11-07-CTA).

PROCEDURE IN CIVIL CASES

> SEC. 3. *Who may appeal; period to file petition.* —
>
> xxx xxx xxx
>
> (b) A party adversely affected by a decision or resolution of a Division of the Court on a motion for reconsideration or new trial may appeal to the Court by filing before it a petition for review **within fifteen days from receipt of a copy of the questioned decision or resolution.** Upon proper motion and the payment of the full amount of the docket and other lawful fees and deposit for costs before the expiration of the reglementary period herein fixed, the Court may grant an additional period not exceeding fifteen days from the expiration of the original period within which to file the petition for review. *(Rules of Court, Rule 42, sec. 1a) (Emphasis supplied)*

Moreover, prior to the filing an appeal before the CTA *En Banc,* it is crucial that a motion for reconsideration or new trial was previously filed before the CTA Division. In the event that the adverse party failed to do so, jurisprudence dictates that such failure may be a ground for dismissal.[25]

As previously stated, petitioner received a copy of the Assailed Decision on July 4, 2024.[26] Following thereto, an MR[27] was timely filed on July 19, 2024. The CTA Division eventually denied the same in the Assailed Resolution[28] which the OSG received on November 8, 2024, while the BIR received the same on November 11, 2024.[29]

On November 25, 2024, a *Motion for Extension to File Petition for Review*[30] was filed by petitioner. This was granted by the Court, affording petitioner until December 11, 2024 within which to file its appeal.[31] Within the extended period granted, petitioner filed the present *Petition,*[32] and accordingly electronically filed the same on the next day, December 12, 2024.

---

[25] *Asiatrust Development Bank, Inc. v. Commissioner of Internal Revenue,* G.R. Nos. 201530 & 201680-81, April 19, 2017.
[26] Notice of Decision, Division Docket, p. 888.
[27] Division Docket, pp. 912 to 932.
[28] Resolution, Division Docket, pp. 967 to 971.
[29] Notice of Resolution, Division Docket, p. 966.
[30] EB Docket, p. 1.
[31] EB Docket, p. 9.
[32] EB Docket, pp. 10 to 41.

Following the fifteen (15)-day reglementary period to file an appeal before the CTA *En Banc* as required by the RRCTA, the present *Petition* was timely filed.

Nevertheless, even with the timely filing of the same, it cannot be said to have been properly and duly filed. We explain our reasons below.

THE RULING OF THE COURT

Upon careful review and consideration, this Court finds that the *Petition for Review (Re: Decision dated July 2, 2024 and Resolution dated November 6, 2024)* must be **dismissed** for **lack of authority of the BIR lawyers to file the present appeal on behalf of the OSG.**

First and foremost, it is fundamental that it is the OSG which has the primary duty to represent the Government in all proceedings it is involved in – the key provision of which may be found as early as in the Administrative Code of 1987, which outlines the powers and functions of the OSG, including but not limited to the following:

> SECTION 35. Powers and Functions. — The Office of the Solicitor General shall represent the Government of the Philippines, its agencies and instrumentalities and its officials and agents in any litigation, proceeding, investigation or matter requiring the services of a lawyer. When authorized by the President or head of the office concerned, it shall also represent government-owned or controlled corporations. **The Office of the Solicitor General shall constitute the law office of the Government and, as such, shall discharge duties requiring the services of a lawyer**. It shall have the following specific powers and functions:
>
> (1) **Represent the Government** in the Supreme Court and the Court of Appeals in all criminal proceedings; represent the Government and its officers in the Supreme Court, the Court of Appeals, and all other courts or tribunals in all civil actions and special proceedings in which the Government or any officer thereof in his official capacity is a party.[33] *(Emphasis supplied)*

While it may be said that Section 220 of the Tax Code, provides that civil and criminal actions and proceedings instituted in behalf of the Government, shall be conducted by the legal officers of the BIR, the Supreme Court, in the case of *Civil Service Commission, et al. vs.*

---

[33] Section 35, Chapter 12, Title III, Book IV.

Asensi (Asensi Case),[34] clarified and enunciated that the duty of the OSG to represent the Government remains notwithstanding Section 220 of the Tax Code, *viz.*:

> ...the Court has already ruled on a similar argument before in *Commissioner of Internal Revenue v. La Suerte Cigar and Cigarette Factory*,[35] which was previously cited in the assailed Resolution. In that case, the Commissioner of Internal Revenue invoked Section 220[36] of the Tax Reform Act of 1997 in asserting that its legal officers were allowed to institute civil and criminal actions and proceedings in behalf of the government before the Supreme Court. The Court disagreed, stating that '**Section 220 of the Tax Reform Act must not be understood as overturning the long established procedure before this Court in requiring the Solicitor General to represent the interest of the Republic.'** The Court again cited *Gonzales v. Chavez*[37] in holding that 'from the historical and statutory perspectives, **the Solicitor General is the principal law officer and legal defender of the government.' Strikingly, the Tax Reform Act was a law enacted subsequent to the Administrative Code and is more specific in application to tax cases. <u>Yet these considerations were not sufficient for the Court to consider the powers granted to BIR legal officers under Section 220 of the Tax Reform Act as superseding those vested to the Solicitor General under the Administrative Code.</u>** xxx. *(Emphases and underscoring added)*

Moreover, the same case likewise discussed that the primary responsibility of the Solicitor General to appear for the government extends further to appellate proceedings.[38]

Come 2010, Revenue Memorandum Circular (RMC) No. 025-10 was issued, published, and presented the Memorandum of Agreement executed between the OSG and the BIR – where it clearly defined their respective responsibilities in the facilitation and preparation of tax cases. This categorically stated that on the matter of appeals before the CTA *En Banc*, the OSG deputizes BIR handling lawyers to continue the prosecution or litigation of such cases. Moreover, such RMC likewise

---

[34] G.R. No. 160657, December 17, 2004.
[35] G.R. No. 144942, July 2, 2002.
[36] "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 actions 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."
[37] G.R. No. 97351, February 4, 1992.
[38] *Civil Service Commission, et al. vs. Asensi*, G.R. No. 160657, December 17, 2004.

requires the BIR to periodically submit a list of handling lawyers to be deputized by the OSG, *viz.*:

> REVENUE MEMORANDUM CIRCULAR NO. 025-10[39]
>
> xxx xxx xxx
>
> WHEREAS, in the Resolution promulgated on 04 July 2002 in G.R. No. 144942 entitled Commissioner of Internal Revenue vs. *La Suerte Cigar and Cigarette Factory*, the Supreme *Court En* Banc ruled that *"it is the Solicitor General who has the primary responsibility to appear for the government in appellate proceedings."*
>
> xxx xxx xxx
>
> 2. **Cases appealed before the** Regional Trial Courts, Court of Appeals and the **Court of Tax Appeals *En Banc*.**
>
> a. The OSG hereby deputizes BIR handling lawyers to:
>
> i. Appear before the Courts; and
> ii. Continue the prosecution/litigation of appealed tax cases before the Regional Trial Courts, Court of Appeals and the Court of Tax Appeals *En Banc*.
>
> The BIR handling lawyer shall have the following responsibilities:
>
> i. To appear before courts; and
>
> ii. To prepare all pleadings, motions, orders, decisions, resolutions, communications and other papers/documents in connection with the case.
>
> b. The **BIR shall periodically submit a list of handling lawyers to the OSG for purposes of deputation**. *(Emphasis supplied)*

Verily, while the OSG may deputize BIR handling lawyers, the former remains to exercise supervision and control over the deputized lawyers and is entitled to be furnished of copies of all court orders, notices and decisions, as held in *Republic of the Philippines, represented by the Land Registration Authority vs. Raymundo Viaje, et al.*,[40] to wit:

> The power of the OSG to deputize legal officers of the government departments, bureaus, agencies and offices to assist it in

---

[39] Publishing the Full Text of the Memorandum of Agreement Between the BIR and the OSG, Revenue Memorandum Circular No. 025-10, March 17, 2010.
[40] G.R. No. 180993, January 27, 2016.

> representing the government is well settled. **The Administrative Code of 1987 explicitly states that the OSG shall have the power to 'deputize legal officers of government departments, bureaus, agencies and offices to assist the Solicitor General and appear or represent the Government in cases involving their respective offices, brought before the courts and exercise supervision and control over such legal officers with respect to such cases.' But it is likewise settled that the OSG's deputized counsel is 'no more than the 'surrogate' of the Solicitor General in any particular proceeding' and the latter remains the principal counsel entitled to be furnished copies of all court orders, notices, and decisions.** xxx. *(Emphases and underscoring added)*

In connection thereto, a deputized special attorney has no legal authority to decide whether or not an appeal should be made.[41] As a consequence, copies of orders and decisions served on the deputized counsel, acting as agent or representative of the Solicitor General, are not binding until they are actually received by the latter.[42] More crucially, the proper basis for computing the reglementary period to file an appeal and for determining whether a decision had attained finality is service on the OSG.[43]

In view of the foregoing, it is well-settled and necessary to emphasize that the distinct role of the BIR and the OSG is crucial in its pursuit of appeals before any court of law. Absent any proof of deputization, it is clear that the OSG is the proper party to file the necessary appeal.

Accordingly, a perusal of the instant *Petition* before Us reveals that it is merely filed by the BIR lawyers, instead of the OSG who is primarily responsible to appear on behalf of the government in appellate proceedings. In fact, as early as the filing of the *Motion for Extension to File Petition for Review*,[44] it is likewise not accompanied by any authorization from the OSG.

While it may be claimed that the present appeal is accompanied by Revenue Delegation Authority Order (RDAO) No. 2-2007, authorizing the filing of civil and criminal cases, the same is insufficient to serve as the required authorization – as this RDAO merely originated from the Commissioner of the BIR, and not of the OSG.

---

[41] *National Power Corporation vs. National Labor Relations Commission, et al.*, G.R. Nos. 90933-61, May 29, 1997.

[42] *Ibid.*

[43] *Ibid.*

[44] EB Docket, p. 1.

Again, based on the records of this case, no written authorization from the OSG was attached to the *Petition* nor the *Motion for Extension.* Hence, although timely filed, the Court *En Banc* is constrained to deem the same as not validly filed. Consequently, considering that no valid appeal was filed before this Court, the Assailed Decision and Assailed Resolution has attained finality.

Essentially, in the recent case of *Commissioner of Internal Revenue v. Second Division of the Court of Tax Appeals,* it has been held that **a petition filed without the OSG's *imprimatur*, when it is required, shall be defective; it shall be dismissible based on this ground alone.**[45]

On a final note, the Court finds it crucial to stress that the Supreme Court consistently held that the right to appeal is merely a privilege, not a natural right, and the procedures governing the same must be adhered to. Otherwise, the right to appeal may be lost. We find basis in the case of *Stolt-Nielsen Marine Services Inc. v. National Labor Relations Commission*,[46] which provides that:[47]

> Time and again, it has been held that the **right to appeal is not a natural right or a part of due process, but merely a statutory privilege** and **may be exercised only in the manner and in accordance with the provisions of the law**. The party who seeks to avail of the same **must comply with the requirements of the rules, failing in which the right to appeal is lost**. *(Emphasis supplied)*

WHEREFORE, in light of the foregoing, the *Petition for Review* is **DISMISSED** for lack of authority of the BIR to file the same.

SO ORDERED.

HENRY S. ANGELES
Associate Justice

---

[45] G.R. No. 280165, August 4, 2025.
[46] G.R. No. 147623, December 13, 2005.
[47] G.R. No. 255473, February 13, 2023.

WE CONCUR:

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

ON LEAVE

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

ON OFFICIAL BUSINESS

MARIAN IVY F. REYES-FAJARDO
Associate Justice

LANEE S. CUI-DAVID
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, it is hereby certified that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court.

Ma. Belen /—

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice