REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

SECOND DIVISION

THE INTERNATIONAL COMMERCIAL BANK OF CHINA, PHILIPPINE BRANCH, Petitioner,	**C.T.A. CASE NO. 7105**
	Members:
- versus -	**CASTAÑEDA, JR.,** *Chairperson* **UY,** *and* **PALANCA-ENRIQUEZ,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, Respondent.	**Promulgated:** NOV 0 7 2007

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DECISION

CASTAÑEDA, JR., *J.*:

This is a Petition for Review praying for this Court to rule that petitioner is not liable for deficiency documentary stamp taxes (DST) for taxable year 2000, in the aggregate amount of P2,366,507.70, imposed upon its Special Savings Accounts (SSA), through Assessment Notice No. DST-2-00-000042 dated February 13, 2004.

Petitioner is the Philippine branch of The International Commercial Bank of China (ICBC) which is a foreign private banking corporation incorporated in Taiwan. It is duly authorized by the Banko Sentral ng Pilipinas (BSP) to operate as a branch with full banking authority in the country and

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with office address at 3rd Floor Pacific Star Bldg., Sen. Gil Puyat Avenue corner Makati Avenue, Makati City.[1]

Respondent is the Commissioner of Internal Revenue (CIR), duly appointed to perform the duties of his office, including, *inter alia*, the power to decide disputed assessments. He is holding office at the 5th Floor, Bureau of Internal Revenue (BIR) National Office Building, BIR Road, Diliman, Quezon City.[2]

On February 13, 2004, petitioner received a copy of an undated Formal Letter of Demand and Assessment Notice No. DST-2-00-000042[3] issued by respondent, assessing petitioner of deficiency DST for taxable year 2000 in the amount of P2,366,507.70, inclusive of penalties, computed as follows[4]:

Amount of Dollar/Peso Time and Special Savings Deposits:

Branch		Dollar (Converted to Peso)		Peso		Total
Makati	P	529,174,741.01	P	111,036,104.03	P	640,210,845.04
Caloocan		90,062,512.08		20,417,395.36		110,479,907.44
Subic		203,145,875.64		10,142,733.48		213,288,609.12
Total					P	963,979,361.60
Documentary Stamp Tax Due					P	1,445,969.70
Add: Interest up to 2/15/04						895,538.00
Compromise Penalty						25,000.00
TOTAL AMOUNT DUE					**P**	**2,366,507.70**

In a letter[5] dated March 2, 2004, received by respondent on March 3, 2004, petitioner protested the aforementioned assessment of deficiency DST pursuant to Section 228 of the Tax Code.[6] In the said letter, petitioner discussed the factual and legal bases of the protest; arguing that its Special

[1] Paragraph 2, Joint Stipulation of Facts and Issues (JSFI), *Rollo*, page 77.
[2] Paragraphs 4 and 5, JSFI, *Rollo*, page 77.
[3] Exhibit "A", *Rollo*, pages 140-141.
[4] Paragraph 14, JSFI, *Rollo*, page 79.
[5] BIR Records, pages 61-64.
[6] Paragraph 15, JSFI, *Rollo*, page 80.

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Deposit or Super Savings Account with Passbook and Time Deposit-Forex are not subject to DST.

Under the aforementioned Section 228 of the National Internal Revenue Code of 1997 (1997 Tax Code), respondent has one hundred eighty (180) days from submission of documents within which to decide on the protest. In this case, the 180-day period within which respondent had to decide petitioner's protest lapsed on October 29, 2004. To date, respondent has not acted upon the said protest.[7]

Hence, to protect its right, petitioner instituted the instant Petition[8] where it stated that respondent's right to assess petitioner of deficiency DST has already prescribed and, assuming that the right to assess has not lapsed, that it is not liable to pay deficiency DST on its Dollar and Peso Special Savings Account and the compromise penalty imposed thereon.

In his Answer[9], filed on February 10, 2005, respondent alleged, *inter alia*, that the assessment was issued in accordance with law and pertinent regulations; that the period to assess the deficiency DST has not prescribed because petitioner did not file its DST Returns on its Time and Special Savings Deposits Transactions, as specifically provided in Section 222(a) of the 1997 Tax Code, which states:

> "**Sec. 222. Exceptions as to Period of Limitation of Assessment and Collection of Taxes.—**
>
> (a) In the case of a false or fraudulent return with intent to evade tax or of **failure to file a return**, the tax may be assessed, or a proceeding in court for the collection of such tax may be filed without assessment, **at any time within ten (10)**

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[7] Paragraph 17, JSFI, *Rollo*, page 80.
[8] *Rollo*, page 1.
[9] *Rollo*, pages 46-51.

> **years after the discovery of the falsity, fraud or omission: Provided, That in a fraud assessment which has become final and executory, the fact of fraud shall be judicially taken cognizance of in the civil or criminal action for the collection thereof.**" (*Emphasis supplied*)

Respondent also averred that onshore income is now subject not only to the ten percent (10%) final tax under Section 27(D)(3) of the 1997 Tax Code but also to such other taxes that said income may be classified as taxable, in view of the deletion of the phrase "exempt from all taxes" from Section 27(D)(3) of the same Code.[10] Hence, petitioner's Dollar Time Deposits are subject to DST under Section 180 of the 1997 Tax Code. He further claimed that petitioner's Special Savings Deposit (SSD) Account has features similar to a time deposit; hence, subject to DST under Section 180 of the 1997 Tax Code as certificate of deposit. Assuming *arguendo* that the SSD is not a certificate of deposit, it is a loan agreement because the relationship between a bank and a depositor is that of debtor and creditor.[11] As such, it is subject to DST. Finally, respondent argued that all presumptions are in favor of the correctness of tax assessments. The good faith of tax assessors and the validity of their actions are presumed. They are presumed to have taken into consideration all the facts to which their attention was called.[12] It is incumbent upon the taxpayer to prove the contrary, and failure to do so shall vest legality to respondent's actions and assessments.

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[10] Citing the case of *ING Bank (Manila Branch) vs. Commissioner of Internal Revenue, CTA Case No. 6017, March 11, 2002.*

[11] Citing the case of *Gullas vs. Philippine National Bank, 62 Phil. 519; Integrated Realty Corporation vs. Philippine National Bank, 174 SCRA 295.*

[12] Citing the case of *CIR vs. Construction Resources of Asia, Inc. 145 SCRA 671.*

A Pre-Trial Conference was held on March 31, 2005. Thereafter, the parties submitted their Joint Stipulation of Facts and Issues on April 12, 2005, which was approved by this Court on April 20, 2005.

After trial on the merits, the case was submitted for decision on February 2, 2007, after both parties filed their respective Memorandum.

The issues,[13] jointly stipulated by the parties for this Court's resolution, are the following:

> "1. Whether Respondent's right to assess deficiency documentary stamp tax for taxable year 2000 has already prescribed when it issued the undated Formal Letter of Demand and Assessment Notice on February 13, 2004.
>
> 2. Whether Petitioner is subject to DST on its dollar deposit accounts.
>
> 3. Whether Petitioner's Peso Special Savings Deposit Account is subject to DST under Section 180 of the Tax Code of 1997.
>
> 4. Whether the imposition of compromise penalty on the deficiency assessment for DST is proper."

On the first issue, petitioner claims that the Formal Letter of Demand and Assessment Notice[14] were personally served on petitioner on **February 13, 2004**, way beyond the three (3)-year prescriptive period under Section 203 of the 1997 Tax Code which provides that *internal revenue taxes shall be assessed within three (3) years after the last day prescribed by law for filing of the return*. Since the last day prescribed by law to file DST returns is within ten (10) days after the close of the month when the taxable document was consummated; therefore, "this means that counted from the last day for filing

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[13] Joint Stipulation Facts and Issues, *Rollo*, pages 81-82.
[14] Exhibits "A" and "B".

of the DST Returns for the month of December 2000 (or from January 10, 2001), the BIR (respondent) had only until January 10, 2004 within which to issue a final assessment of deficiency DST for the taxable year 2000."[15]

Respondent counters that the period to assess the deficiency DST has not prescribed because petitioner did not file its DST Returns on its Dollar/Peso Time and Special Savings Deposits Accounts. He further states that if the taxpayer fails to file any return, the ten-year prescriptive period applies, citing Section 222(a) of the 1997 Tax Code.

The Court finds respondent's arguments meritorious.

Section 222(a) of the 1997 Tax Code provides:

> "**SECTION 222.** *Exceptions as to Period of Limitation of Assessment and Collection of Taxes.* —
>
> (a) In the case of a false or fraudulent return with intent to evade tax or of **failure to file a return**, **the tax may be assessed,** or a proceeding in court for the collection of such tax may be filed without assessment, at any time **within ten (10) years after the discovery of the** falsity, fraud or **omission**: Provided, That in a fraud assessment which has become final and executory, the fact of fraud shall be judicially taken cognizance of in the civil or criminal action for the collection thereof." (*Emphasis supplied*)

Stated otherwise, failure of a taxpayer to file a return gives right to the Bureau of Internal Revenue to assess the former for deficiency taxes upon which the returns were not filed, within ten (10) years after the discovery of the said omission.

Based on the evidence presented to the Court, petitioner did not pay nor file any DST returns on its Dollar/Peso Time and Special Savings

[15] Petitioner's Memorandum, *Rollo*, pages 318-342.

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Deposits Accounts. This was supported by the testimony of petitioner's own witness, Mr. Bonifacio Santos, before this Court last July 27, 2005[16], to wit:

> "ATTY. PADAEN
> Q. Mr. Santos, you said that RCBC [ICBC] did not file DST returns for Special Savings Account, do you know the reason for this, Mr. Santos?
>
> MR. SANTOS
> A. As far as I know, Savings Account is not subject to Documentary Stamp Tax and since Special Savings Account is the same as Regular Savings Account, they are not also subject to DST.
>
> ATTY. PADAEN
> Q. **You did not file the DST returns** because the bank which is the entity is not subject to DST, **is that what you mean?**
>
> MR. SANTOS
> A. **Yes, mam**." (*Emphasis supplied*)

Therefore, since petitioner did not file DST returns for its Dollar/Peso Time and Special Savings Deposits Accounts, the three (3)-year prescriptive period under Section 203 of the 1997 Tax Code will not apply in this case, but the ten (10)-year prescriptive period as provided by Section 222(a) of the 1997 Tax Code instead. Accordingly, respondent's right to assess petitioner's deficiency DST for taxable year 2000 has *not prescribed* when it issued the undated Formal Letter of Demand and Assessment Notice on February 13, 2004.

The Court shall discuss the second, third and fourth issues simultaneously as they are closely intertwined.

It should be noted that as regards petitioner's Dollar Special Savings Account, petitioner does not question the accuracy of respondent's

[16] Transcript of Stenographic Notes, page 24.

computation of the amount of alleged deficiency DST on its dollar accounts. Instead it argues that "the dollar deposit accounts subjected to deficiency DST are FCDU accounts of the Petitioner. As such, Petitioner is not liable for deficiency DST on said deposits since FCDUs are exempt from all taxes, except the 10% onshore tax."[17] It further claims that "prior to the Tax Reform Act of 1997 which took effect on January 1, 1998, Respondent has consistently treated offshore income, which was exempt from all taxes, and onshore income, which was subject to 10% final tax, as exempt from all other taxes such as DST. This was on the strength of the Tax Code provision, as implemented by Revenue Regulations No. 10-76, as amended."[18]

Respondent, on the other hand, posits that "onshore income is now subject not only to the 10% final tax under Section 27(D)(3) of the Tax Code of 1997 but also to such other taxes in which said income may be classified as taxable in view of the deletion of the phrase 'exempt from all taxes' from Section 27(D)(3) of the same Code",[19] citing the case of **ING Bank (Manila Branch) vs. Commissioner of Internal Revenue**.[20]

The Court rules in favor of respondent.

As correctly pointed out by respondent, in the above-mentioned case of **ING Bank (Manila Branch) vs. Commissioner of Internal Revenue**,[21] this Court has already settled that payment of the 10% final tax on income of Foreign Currency Deposit Units (FCDUs) does not exempt the taxpayer from payment of other taxes. The Court explained its ruling in this wise:

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[17] Petitioner's Memorandum, *Rollo*, page 325.
[18] Petitioner's Memorandum, *Rollo*, page 326.
[19] Respondent's Memorandum, *Rollo*, pages 344-356.
[20] *CTA Case No. 6017, March 11, 2002.*
[21] *Supra.*

> "By clear import of the present law, income derived by a branch of a foreign bank that may be authorized by the Bangko Sentral ng Pilipinas to transact business with foreign currency deposit system units, like herein Petitioner, shall be subject to a final tax of 10%. The phrase "exempt from all taxes" has been deleted by the legislators. The amendment by deletion of certain words or phrases in a statute indicates that the legislature intended to change the meaning of the statute (*Gloria vs. Court of Appeals, 306 SCRA 287*). By virtue of such deletion, Revenue Regulations No. 10-76, which implemented the old law is no longer applicable. In other words, **the payment of the 10% final tax on FCDU income does not exempt Petitioner from the payment of branch profit remittance or other taxes for that matter**." (*Emphasis supplied*)

Therefore, petitioner is still subject to other forms of taxes, including DST, aside from the 10% final tax as provided by the 1997 Tax Code.

As to petitioner's Peso Special Savings Account, it is petitioner's contention that the SSA is a regular savings account, which is not subject to DST. It further states that the passbook[22] issued to SSA depositors is not a certificate of deposit, which under various authorities, is defined as "a written acknowledgment by a bank of the receipt of money on deposit which the bank promises to pay to the depositor, bearer or to some other person or order"; while the passbook is just a mere acknowledgment of receipt of the deposit and does not contain a promise to pay to depositor, to his order, or to some other person or his order, which is an essential attribute of a certificate of deposit. Petitioner further argues that the SSA is not a time deposit because the SSA has no definite time of maturity and can be withdrawn anytime.

Respondent, on the other hand, reiterates that the SSA has features similar to a time deposit; hence, subject to DST under Section 180 of the 1997 Tax Code, as certificate of deposit. He further mentions that the SSA is a

[22] Exhibit "C".

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certificate of deposit and creates a relation of debtor and creditor between the bank and the depositor. Assuming *arguendo* that the SSA is not a certificate of deposit, it is a loan agreement and as such, it is subject to DST.

The respondent is correct.

Petitioner's SSA is not the same as its regular savings account. This fact was admitted by petitioner's own witness, Mr. Bonifacio Santos, before this Court last July 27, 2005,[23] when he testified that the SSA gives one percent (1%) to two percent (2%) higher interest than the regular savings account, to quote:

> "ATTY. VILLARUBIA
> Q. Can you give a specific rate for this Special Savings Account?
>
> MR. SANTOS
> A. **One percent (1%) to two (2%) higher than Regular Saving Account.**
>
> ATTY. PADAEN
> A. So, it is higher than the Regular Savings Account?
>
> MR. SANTOS
> A. Yes." (*Emphasis supplied*)

Inasmuch as petitioner's SSA is not the same as its regular savings account, the question is whether it is subject to DST under Section 180 of the 1997 Tax Code, as amended. Section 180 provides as follows:

> **"SECTION 180.** *Stamp Tax on All Bonds, Loan Agreements, Promissory Notes, Bills of Exchange, Drafts, Instruments and Securities Issued by the Government or Any of its Instrumentalities, Deposit Substitute Debt Instruments, Certificates of Deposits Bearing Interest and Others Not Payable on Sight or Demand.* — On all bonds, loan agreements, including those signed abroad, wherein the object of the contract is located or used in the Philippines, bills of exchange (between

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[23] Transcript of Stenographic Notes of July 27, 2005 Hearing, page 14.

points within the Philippines), drafts, instruments and securities issued by the Government or any of its instrumentalities, deposit substitute debt instruments, certificates of deposits drawing interest, orders for the payment of any sum of money otherwise than at sight or on demand, on all promissory notes, whether negotiable or non-negotiable, except bank notes issued for circulation, and on each renewal of any such note, there shall be collected a documentary stamp tax of Thirty centavos (P0.30) on each Two hundred pesos (P200), or fractional part thereof, of the face value of any such agreement, bill of exchange, draft, certificate of deposit, or note; *Provided*, That only one documentary stamp tax shall be imposed on either loan agreement, or promissory notes issued to secure such loan, whichever will yield a higher tax: *Provided*, however, That loan agreements or promissory notes the aggregate of which does not exceed Two hundred fifty thousand pesos (P250,000) executed by an individual for his purchase on installment for his personal use or that of his family and not for business, resale, barter or hire of a house, lot, motor vehicle, appliance or furniture shall be exempt from the payment of the documentary stamp tax provided under this Section."

Based on the foregoing, Section 180 imposes documentary stamp tax on specific documents, namely:

1) Bonds;
2) Loan agreements, including those signed abroad, wherein the object of the contract is located or used in the Philippines;
3) Bills of exchange (between points within the Philippines);
4) Drafts, instruments and securities issued by the Government or any of its instrumentalities;
5) Deposit substitute debt instruments;
6) Certificates of deposit drawing interest;
7) Order for the payment of any sum of money otherwise than at sight or on demand; and
8) Promissory notes, whether negotiable or non-negotiable, except bank notes issued for circulation, and each renewal of any such note.

Among these documents that are made subject to DST is a "certificate of deposit." In this connection, defining pertinent terms are in order.

A "certificate of deposit" is defined as a written acknowledgment by a bank or banker of the receipt of a sum of money on deposit which the bank or

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banker promises to pay to the depositor, to the order of the depositor, or to some other person or his order, whereby the relation of debtor and creditor between the bank and the depositor is created.[24] Meanwhile, a "time deposit", which is also a form of a certificate of deposit, refers to a deposit account paying interest for a fixed term, with the understanding that funds cannot be withdrawn before maturity without giving advance notice. Ordinarily, a time deposit is defined as "one, the payment of which cannot legally be required within such a specified number of days".[25] In practice, a "time deposit" is evidenced by a certificate of time deposit. Certificate of deposits or time deposits usually carry penalties for early withdrawal.[26]

Since a certificate of deposit is subject to documentary stamp tax, it is thus relevant to determine whether petitioner's Peso SSA bears the same nature or characteristics of a Time Deposit.

The main difference between a "savings deposit" and a "time deposit" is the penalty, which may come in the form of reduced interest rate. An instance is when the depositor makes a withdrawal prior to the maturity of the deposit. In both the Time Deposit and petitioner's Peso SSA, the deposit may be withdrawn anytime, but the depositor gets to earn a higher rate of interest if the money is kept in the bank within the specified number of days. The only difference lies on the document used as evidence of the transaction. While in the Peso SSA, the transaction is covered by a passbook,[27] the Time Deposit is evidenced by a certificate of time deposit. Nonetheless, the fact that

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[24] *Far East Bank and Trust Company vs. Querimit, 373 SCRA 665.*
[25] *BPI Family Savings Bank vs. First Metro Investment Corp., 429 SCRA 36.*
[26] *Black's Law Dictionary, 6th ed.*
[27] Exhibit "C".

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petitioner's Peso SSA is evidenced by a passbook and not by a certificate of deposit is of no moment. What is important and controlling is the nature or meaning conveyed by the passbook and not the particular label or nomenclature attached to it, inasmuch as its substance is paramount than its form.[28] In determining whether a certain instrument is subject to documentary stamp tax, substance would control over the form and labels.

The Court agrees with respondent that in substance, the Peso/Dollar SSA and Time Deposits are akin to each other. In both cases, the bank acknowledges receipt of a sum of money on deposit, which the bank promises to pay to the depositor, bearer or to the order of a bearer on a specified period of time. The difference lies on the document issued to evidence the transaction. In petitioner's Peso and Dollar SSA, the transactions are covered by passbooks, while in Time Deposit, it is evidenced by a certificate of deposit.

While the DST is levied on the document itself, it is not intended to be a tax on the document alone. Rather, the DST is levied on the exercise by persons of certain privileges conferred by law for the creation, revision or termination of specific legal relationship through the execution of specific instruments.[29] It is a privilege tax because it is really imposed on the privilege to enter into a transaction rather than a document. The law taxes the document because of the transaction. What is being taxed, therefore, is the privilege of the petitioner to enter into such a transaction.[30] It is in the nature

[28] *L.R. Heat Treating Co., 28 TC 874; BPI vs. Commissioner of Internal Revenue, et al., CA-G.R. SP No. 29853, September 19, 1994.*
[29] *Philippine Home Assurance Corporation vs. Court of Appeals, 301 SCRA 447.*
[30] *Philippine Home Assurance Corporation vs. Court of Appeals, 301 SCRA 447, 448.*

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of an excise tax. It is not imposed upon the business transacted, but is an excise upon the privilege, opportunity or facility offered at exchanges for the transaction of the business. It is an excise upon the facilities used in the transaction of the business separate and apart from the business itself.[31]

The Supreme Court recently settled that SSA is similar to a time deposit subject to DST when it sustained this Court sitting *En Banc* in the case of **Banco De Oro Universal Bank vs. Commissioner of Internal Revenue**[32], the pertinent portion of the Decision is hereby quoted, thus:

> "The CTA en banc likewise declared that in practice, a time deposit transaction is covered by a certificate of deposit while petitioner's ISA transaction is through a passbook. Despite the differences in the form of the documents, the CTA en banc ruled that a time deposit and ISA have essentially the same attributes and features. It explained that like time deposit, ISA transactions bear a fixed term or maturity because the bank acknowledges receipt of a sum of money on deposit which the bank promises to pay the depositor, bearer or to the order of a bearer on a specified period of time. Section 180 of the 1997 NIRC does not prescribed the form of a certificate of deposit. It may be any written acknowledgement by a bank of the receipt of money on deposit. The definition of a certificate of deposit is all encompassing to include a savings account deposit such as ISA."

The High Tribunal made a similar pronouncement in the recent case of **International Exchange Bank vs. Commissioner of Internal Revenue**,[33] where the Supreme Court again sustained the Decision of this Court *En Banc* on the issue, the relevant part of which is hereunder quoted, to wit:

> "As correctly ruled by the CTA En Banc, a passbook representing an interest earning deposit account issued by a bank qualifies as a certificate of deposit drawing interest.

[31] *Lincoln Phil. Life Insurance Co., Inc. vs. Court of Appeals, 293 SCRA 99.*
[32] *GR No. 173602, January 15, 2007.*
[33] *GR No. 171266, April 4, 2007.*

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> A document to be deemed a certificate of deposit requires no specific form as long as there is some written memorandum that the bank accepted a deposit of a sum of money from a depositor. What is important and controlling is the nature or meaning conveyed by the passbook and not the particular label or nomenclature attached to it, inasmuch as substance, not form, is paramount.
>
> xxx
>
> As for petitioner's argument that its FSD is similar to a regular savings deposit because it is evidence by a passbook, and that based on the legislative deliberations on the bill which was to become R.A. 9243 which amended Section 180 of the NIRC (which is to a large extent the same as Section 180 of the Tax Code, as amended by R.A. 7660), Congress admitted that deposits evidenced by passbooks which have features akin to time deposits are not subject to DST, the same does not lie."

Considering the abovementioned law and jurisprudence, this Court holds that petitioner's Peso and Dollar SSA are certificates of deposit for they have the same nature and substance of a certificate of deposits bearing interest. Therefore, petitioner's Peso and Dollar SSA are subject to DST under Section 180 of the 1997 Tax Code, as amended.

The Court notes, however, that the compromise penalty of P25,000.00 should not be imposed. The imposition of the compromise penalty without the conformity of the taxpayer is illegal and unauthorized.[34] Considering that respondent had not shown that petitioner conformed to the imposition of the compromise penalty, the compromise penalty is deleted.

WHEREFORE, the Petition for Review is hereby **DISMISSED** for lack of merit. Accordingly, petitioner is hereby **ORDERED TO PAY** respondent the amount of **TWO MILLION THREE HUNDRED FORTY ONE THOUSAND** gc

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[34] *Commissioner of Internal Revenue vs. Lianga Bay Logging Co., Inc.,* G.R. No. 35266, *January 21, 1999 (193 SCRA 86).*

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FIVE HUNDRED SEVEN and 70/100 PESOS (P2,341,507.70)[35], representing deficiency DST for the year 2000. In addition, petitioner is hereby **ORDERED TO PAY** 20% delinquency interest on the amount of P2,341,507.70, computed from February 16, 2004 up to the time such amount is fully paid pursuant to Section 249 of the 1997 Tax Code.

SO ORDERED.

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

WE CONCUR:

ERLINDA P. UY
Associate Justice

OLGA PALANCA-ENRIQUEZ
Associate Justice

ATTESTATION

I attest 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's Division.

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

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[35] P2,366,507.70 less P25,000.00 compromise penalty.

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CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, and the Division Chairperson's Attestation, 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.

ERNESTO D. ACOSTA
Presiding Justice

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