REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SECOND DIVISION

DAEWOO ENGINEERING & CONSTRUCTION COMPANY LIMITED,
Petitioner,

-versus-

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA Case No. 8829

Members:

CASTAÑEDA, JR., *Chairperson*
CASANOVA, *and*
MANAHAN, *JJ.*

Promulgated:

FEB 0 7 2018 9:15 pm

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RESOLUTION

MANAHAN, *J.:*

For resolution is respondent's "Motion for Reconsideration" filed on December 6, 2017 with petitioner's "Comment/Opposition (Re: Respondent's Motion for Reconsideration)" filed on January 25, 2018 praying for the reversal of this Court's Decision dated November 17, 2017, the dispositive portion of which reads:

> "**WHEREFORE**, the instant Petition for Review is hereby **GRANTED**."
>
> Accordingly, the PAN and the FAN dated October 8, 2010 and April 15, 2011, respectively and Warrants of Garnishment issued incident thereto are cancelled and declared **NULL and VOID**."

In his Motion, respondent CIR presented the following arguments, *viz*:

1. The Honorable Court erred in ruling that the petitioner validly transferred its registration in the absence of an updated Certificate of Registration;
2. There is no valid transfer of address by the petitioner for failure to comply with all the requirements of Section 11 of Revenue Regulations (RR) No. 12-1985;
3. The respondent sent the Preliminary Assessment Notice (PAN) and the Final Assessment Notice (FAN) at the petitioner's correct address at 29th floor, Enterprise Center, Tower I, 6766 Ayala Avenue, Makati which makes the assessments valid and binding upon the petitioner;
4. Respondent complied with the due process requirements provided under Section 228 of the NIRC and Section 3 of Revenue Regulations No. 12-99;
5. Respondent complied with the principles laid out in applicable jurisprudence;
6. The assessment notices were sent to the petitioner's proper address.

Respondent's main thrust in praying for the reversal of the assailed Decision is that the change of address of petitioner was not officially made in accordance with the requirements of RR 12-1985, thus the mailing of the PAN and the FAN to its former address was still valid and binding upon the petitioner.

Respondent maintains that the petitioner's registered address is at 29th floor, Enterprise Center I, 6766 Ayala Avenue, Makati and that the PAN and the FAN were correctly addressed and sent thereto. The alleged change of address of the petitioner to the 15th floor, the Taipan Place, Ortigas Center, Pasig City was of no consequence according to respondent because of the following reasons:

1. Petitioner failed to give a written notice of the change of address to the Revenue District Officer having jurisdiction over its new legal residence;
2. Petitioner failed to give a written notice of the change of address to the Revenue Computer Center;
3. Petitioner failed to give a written notice of the change of address to Receivable Accounts Division, BIR, National Office, Quezon City.

Finally, respondent considers it noteworthy that petitioner never presented its updated Certificate of Registration (COR) reflecting its new address which all the more proves that there was never a valid transfer of address as far as the Bureau of Internal Revenue (BIR) is concerned.

Petitioner, in its Comment, asserts that it sufficiently proved that it transferred its official address and that respondent was duly notified of such transfer. It heavily relies on the testimony of its witness, Ms. Janice Reyes, when she testified that petitioner filed with the Revenue District Office (RDO) (RDO) No. 47 on December 2, 2009, an Application for Registration Information Update (BIR Form 1905) proving that respondent was duly notified of its change of address. Petitioner mentions the fact that even respondent's witness, Ms. Gemina B. Salvador, confirmed that the new office address of petitioner is clearly reflected in the Integrated Tax System (ITS) of the BIR and that the Final Notice Before Seizure (FNBS) was duly served in said new address.

Petitioner disagrees with the contention of respondent that the Certificate of Registration reflecting the new address is an indispensable requirement for notice of change of address.

RULING OF THE COURT

After a careful and thorough evaluation of respondent's arguments, We find his Motion for Reconsideration bereft of merit.

We maintain and reiterate our ruling in the assailed Decision that the PAN and the FAN issued by respondent were not received by petitioner because both documents reflect the wrong address, thus giving credence to the stance of petitioner that the Warrants of Garnishment (WOGs) issued by the Commissioner of Internal Revenue (CIR) are null and void because it never received the PAN and the FAN which should have apprised it of its tax liabilities.

The contention of respondent that an updated COR indicating the new address is a solid evidence of a valid transfer is without merit as neither the law nor implementing regulations require such a document to prove that the BIR is deemed to have been informed of the new business location.

Records of the case clearly show that respondent knew of the transfer of address of petitioner and in fact already sent several official notices to the new address prior to the issuance of the PAN and the FAN.[1] After issuing several notices to the new address, the representatives of the CIR reverted to the old address when it issued the PAN and the FAN leading this Court to conclude that there was miscommunication on the part of the BIR personnel responsible for the issuance and subsequent mailing of these official documents to herein petitioner.

We find it important in the resolution of this case that the new address was already reflected in the Integrated Tax System (ITS) of the BIR as testified to by respondent's witness. This is sufficient notice to the BIR that any and all communication must be sent to the address of the petitioner reflected in the ITS. In fact, the Final Notice Before Seizure (FNBS) was sent to petitioner via this new address and which was duly received by the petitioner.

After due consideration, the arguments proferred by respondent in his Motion for Reconsideration have already been analyzed and passed upon in the assailed Decision, henceforth, this Court finds no cogent reason to deviate from the conclusions reached therein.

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[1] Court's Decision in the above-entitled case promulgated on November 17, 2017, pp. 16-17.

WHEREFORE, in view of the foregoing and finding no reversible error in the assailed Decision dated November 17, 2017, respondent's Motion for Reconsideration is hereby **DENIED** for lack of merit.

SO ORDERED.

Catherine T. Manahan
CATHERINE T. MANAHAN
Associate Justice

WE CONCUR:

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

CAESAR A.CASANOVA
Associate Justice