REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

En Banc

GOLDEN DONUTS, INC.,
Petitioner,

CTA *EB* NO. 2861
(CTA Case No. 9676)

Present:

RINGPIS-LIBAN, *Acting P.J.*,
MANAHAN,
BACORRO-VILLENA,
MODESTO-SAN PEDRO,
REYES-FAJARDO,
CUI-DAVID,
FERRER-FLORES, *and*
ANGELES, *JJ.*

-versus-

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

Promulgated:
DEC 11 2025

x -- x

RESOLUTION

MODESTO-SAN PEDRO, J.:

For the Court's resolution is petitioner's *Motion for Reconsideration (of the Decision dated 25 July 2025)*, filed on August 13, 2025, with respondent's *Comment/Opposition (to Petitioner's Motion for Reconsideration)*, filed on September 3, 2025.

Petitioner, through its Motion, assails this Court *En Banc*'s Decision, dated July 25, 2025, which denied the present Petition for Review. It argues that (1) respondent was mandated to issue a Final Decision on Disputed Assessment ("FDDA") in response to petitioner's protest to the Formal Letter of Demand ("FLD"), so respondent's issuance of the 2017 Run After Tax Evaders ("RATE") Letter of Authority ("LOA") contravened his own rules; and (2) respondent should have actually proved his finding of fraud during judicial proceedings.

Respondent counters the above by claiming that his issuance of the RATE LOA was justified, given his finding of fraud.

We cannot grant the Motion.

First, that respondent did not issue a FDDA does not contravene the rules governing assessments. There are well-established instances where respondent's non-issuance of a FDDA does not constitute grave abuse of discretion or a violation of procedure. This is, in fact, the default status for respondent's inaction: the same allows the taxpayer to raise a judicial appeal before this Court, as it is effectively deemed a denial of the protest, *not* a grave abuse of discretion. The Court must thus reject petitioner's first argument.

As for the second argument, We note that even assuming *arguendo* that respondent was required to prove the *prima facie* finding of fraud before the Court in Division, the issuance of a RATE LOA is also justified by a finding of irregularities, as explained in Honorable Associate Justice Jean Marie A. Bacorro-Villena's Concurring Opinion to the assailed Decision and earlier Decision in CTA Case No. 9676. Petitioner's argument does not address this, so Our affirmation of the Court in Division's findings still stands.

In sum, We cannot grant the instant petition.

ACCORDINGLY, petitioner's *Motion for Reconsideration (of the Decision dated 25 July 2025)*, filed on August 13, 2025, is hereby **DENIED** for lack of merit. The assailed Decision, dated July 25, 2025, is **AFFIRMED**.

SO ORDERED.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

WE CONCUR:

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

With due respect, I maintain my vote joining (ret.) P.J.'s Dissenting Opinion.
CATHERINE T. MANAHAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

Marian Ivy F. Reyes-Fajardo
MARIAN IVY F. REYES-FAJARDO
Associate Justice

LANEE S. CUI-DAVID
Associate Justice

With due respect, I maintain my vote joining (ret.) P.J.'s Dissenting Opinion.
CORAZON G. FERRER-FLORES
Associate Justice

With due respect, I maintain my vote joining (ret.) P.J.'s Dissenting Opinion.
HENRY S. ANGELES
Associate Justice