REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

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PHILIP MORRIS PHILIPPINES MANUFACTURING, INC. Petitioner,	**CTA EB NO. 1977** **(CTA Case No. 8968)**
	Present:
-versus-	**DEL ROSARIO, *P.J.*,** **CASTAÑEDA, JR.,** **UY,** **RINGPIS-LIBAN,** **MANAHAN,** **BACORRO-VILLENA, *AND*** **MODESTO-SAN PEDRO, *JJ.***
COMMISSIONER OF INTERNAL REVENUE, Respondent.	Promulgated: DEC 21 2020 9:10 a.m.

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RESOLUTION

CASTAÑEDA, JR., J.

For resolution is the petitioner's Motion for Reconsideration (of the Decision dated 30 June 2020) filed on July 29, 2020, with respondent's Opposition (Re: Motion for Reconsideration) filed through registered mail on September 22, 2020.

In its motion, petitioner assails the June 30, 2020 Decision by reiterating the very grounds raised in its petition. Specifically, petitioner insists that Revenue Regulation No. (RR) 03-08 is void and unconstitutional because, contrary to Sections 129 and 130(D) of the Tax Code, it required the payment of excise tax on articles that are *not* subject to the same.[1] Furthermore, it states that the amount subject of the claim were paid to comply with the requirements of RR 03-08 and cannot be considered erroneously paid taxes subject to the two-year prescription in Sections 204(C) and 229 of the Tax Code.[2] Accordingly, the amounts paid pursuant to RR 03-08 should be

[1] Petition for Review, *Rollo*, pp. 15-27; Motion for Reconsideration, *Rollo*, pp. 198-208.
[2] Petition for Review, *Rollo*, pp. 27-35; Motion for Reconsideration, *Rollo*, pp. 208-215.

returned to avoid unjust enrichment on the part of the government at the expense of the taxpayer.[3]

Petitioner's arguments, being mere repetition of its grounds in the petition, cannot be sustained. We, therefore, resolve to deny the motion.

In essence, the question on the constitutionality and validity of RR 03-08 issued by the respondent on January 22, 2008 in a *refund* case filed before the Court *a quo* only on January 12, 2015,[4] or about seven years *after* the issuance of the revenue regulation, is an *indirect*[5] and a stale attack by the petitioner. In addition to the conclusion reached by the Court that its claim is barred by prescription under Sections 204(C) and 229 of the Tax Code,[6] there is a "time-honored rule anchored on public policy [is] that relief will be denied to a litigant whose claim or demand has become 'stale,' or who has acquiesced for an unreasonable length of time, or who has not been vigilant or who has slept on his rights either by negligence, folly or inattention."[7]

Furthermore, administrative issuances, such as RR 03-08, have the force and effect of law. These issuances benefit from the same presumption of validity and constitutionality enjoyed by statutes. These two precepts place a heavy burden upon any party assailing governmental regulations.[8] Petitioner's arguments are simply not enough to overcome the presumption of validity and reasonableness of the subject regulation.

Finally, petitioner's contention on the tax exemption extended to its products is *not* persuasive when viewed in the light of the legislative history of Section 129, as examined by the Court in the assailed decision.[9]

WHEREFORE, premises considered, the motion is **DENIED** for lack of merit. The assailed decision dated June 30, 2020 is **AFFIRMED**.

SO ORDERED.

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

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[3] Petition for Review, *Rollo*, pp. 35-41; Motion for Reconsideration, *Rollo*, pp. 215-221.
[4] August 3, 2018 Decision, *Rollo*, p. 46.
[5] *Pedro Tagabi, et al. v. Margarito Tanque*, G.R. No. 144024, July 27, 2006.
[6] *Rollo*, pp. 179-183.
[7] *Consuelo V. Pangasinan, et al. v. Cristina Disonglo-Almazora, et al.*, G.R. No. 200558, July 1, 2015.
[8] *Chevron Philippines, Inc. (Formerly Caltex Philippines, Inc.) v. Bases Conversion Development Authority, et al.*, G.R. No. 173863, September 15, 2010.
[9] *Rollo*, pp. 175-176.

WE CONCUR:

ROMAN G. DEL ROSARIO
Presiding Justice

ERLINDA P. UY
Associate Justice

ON LEAVE
MA. BELEN M. RINGPIS-LIBAN
Associate Justice

CATHERINE T. MANAHAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice