REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

En Banc

COMMISSIONER OF INTERNAL REVENUE,
Petitioner,

-versus-

CENTRAL LUZON DRUG CORPORATION,
Respondent.

CTA *EB* NO. 2038
(CTA Case No. 8952)

Present:
DEL ROSARIO, P.J.,
CASTAÑEDA, JR.,
UY,
RINGPIS-LIBAN,
MANAHAN,
BACORRO-VILLENA, *and*
MODESTO-SAN PEDRO, *JJ.*

Promulgated:
MAR 1 6 2021 3:11 pm

x -- x

RESOLUTION

MODESTO-SAN PEDRO, J.:

For resolution are respondent's a) Urgent Motion (To declare Warrant of Distraint and/or Levy Null and Void and Suspend its Enforcement or Collection), filed on 4 November 2020;[1] b) Urgent Motion for Early Resolution, filed on 1 December 2020;[2] and c) Urgent Motion (To lift and declare Warrant of Garnishment Null and Void and Suspend its Enforcement or Collection and Supplemental to the Urgent Motion dated 30 October 2020), filed on 7 December 2020.[3] Collectively, these comprise respondent's Motion for Suspension of Collection of Taxes.

Similarly, for resolution by this Court is petitioner's Motion for Reconsideration (Re: Decision promulgated 18 September 2020) filed on 5 October 2020[4] ("Motion for Reconsideration") with respondent's Comment [To: Motion for Reconsideration dated 5 October 2020] filed on 26 October 2020[5] ("Comment").

---

[1] Records
[2] *Ibid.*
[3] *Ibid.*
[4] *Id.*, pp. 170-181.
[5] *Id.*, pp. 185-203.

We dispose of these, as follows:

Motion for Reconsideration

As respondent's Motion for Suspension of Collection of Taxes is wholly dependent on the strength of petitioner's case, it would be best to dispose first of the Motion for Reconsideration as a precursor to the resolution of the Motion for Suspension of Collection of Taxes.

In the Motion for Reconsideration, petitioner alleged the following:[6]

1. This Court erred in granting a relief that was not prayed for by respondent. As such, petitioner was denied its basic right to fair play and there was a violation of its right to due process; and

2. This Court erred when it cancelled the assessment issued against respondent solely on the ground that the memorandum of assignment was signed by a division chief.

In the Comment, respondent counter-argued, as follows:[7]

1. The Motion for Reconsideration is an exact replica of petitioner's arguments in his Petition for Review. Consequently, it should be dismissed for being pro forma, frivolous, and dilatory;

2. The Court is not bound by the issues specifically raised by the parties but may also rule upon related issues necessary to achieve an orderly disposition of the case. As such, this Court may look into whether the revenue officers who conducted audit of a taxpayer's books of accounts were properly armed with the requisite Letter of Authority ("LOA") for the purpose of determining the validity of the deficiency tax assessment. Further, even assuming that this Court is bound to rule only upon the issues raised by the parties, it may still look upon the issue on whether the revenue officers who conducted audit of respondent's books of accounts were properly armed with a valid LOA as the same is subsumed in the stipulated issue of whether or not respondent is liable to pay the assessed amount of Php1,146,686,052.85.

3. This Court properly ruled that the revenue officers who conducted audit of respondent's books of accounts were not armed with the requisite LOA. Hence, the assessment issued against respondent is void.

We deny the Motion for Reconsideration.

---

[6] *Id.*, pp. 172-177.
[7] *Id.*, pp. 186-199.

We agree with respondent that the arguments raised in the present Motion for Reconsideration are a carbon copy of those raised by petitioner in the Petition for Review. Consequently, these have already been sufficiently passed upon, discussed, and judiciously resolved in the Decision, dated 18 September 2020. The Motion for Reconsideration discloses no cogent reason to disturb the findings and conclusions which this Court made in said Decision. Considering that the Motion for Reconsideration is pro forma, frivolous, and dilatory, nothing is left for this Court to do but to deny the same.

Motion for Suspension of Collection of Taxes

Coming now to the Motion for Suspension of Collection of Taxes, this Court resolves to **GRANT** the same.

Respondent alleges that, on 6 October 2020, petitioner tried to serve upon it a Warrant of Distraint and/or Levy No. 116-2020-043 ("WDL") of even date. Respondent further alleges that, on 3 December 2020, it was informed by its banks, namely Bank of the Philippine Islands ("BPI") and Union Bank of the Philippines ("Union Bank"), that Warrants of Garnishment were served against each of them by petitioner bearing the same number as the WDL. Purportedly, both the WDL and the Warrants of Garnishment seek to collect the Php1,146,557,052.82 deficiency tax assessments which were the subject of the Petition for Review filed before this Court and which have already been found by this Court as null and void, since the revenue officers who conducted audit of respondent's accounting records (which culminated in the said assessment) were not armed with a valid LOA.

Respondent contends that the assessments which are the subject of the present WDL and the Warrants of Garnishment are not yet final and executory, and have, in fact, been previously set aside by this Court. Consequently, the said WDL and the Warrants of Garnishment are contrary to law and void.

Respondent further posits that remedies for the collection of taxes can only be employed once the subject taxes have become delinquent which, in turn, occurs when a deficiency tax assessment, or any part of it, becomes final, executory, and demandable. Respondent alleges that the records of the case show that the taxes subject of the WDL and the Warrants of Garnishment are not delinquent taxes, or in other words, the assessments in the present case did not become final, executory, and demandable This is due to the following reasons: first, respondent duly protested these deficiency tax assessments before petitioner; second, respondent timely appealed these assessments before this Court; third, these Assessments were cancelled thrice by this Court for being void due to lack of a valid LOA in favor of the revenue officers who conducted audit of respondent's books of accounts; and fourth, these assessments remain pending with this Court *En Banc* as petitioner filed a Motion for Reconsideration of the denial of its Petition for Review.

Respondent argues that petitioner may have erroneously considered ***Section 218 of the Tax Code*** as a grant of absolute power to summarily collect taxes, whether or not delinquent, and with no court having the power to stop such collection. For respondent, it cannot be used as a blanket authority to collect taxes by distraint, levy, or garnishment at any stage of the administrative or judicial proceedings. Respondent posits that the summary remedies for collection are available only to petitioner once the taxes have become delinquent. Otherwise, this will lead to an absurdity that all deficiency tax assessments will be collected and converted to tax refund cases through the mere expedience of issuing warrants of distraint and/or levy, and/or garnishments.

Moreover, respondent argues that the WDL was not validly served upon it. Under ***Revenue Regulations No. 03-69 ("RR 03-69")***, a warrant of distraint and/or levy shall be served personally upon the delinquent taxpayer himself. In case he refuses to receive the same or is absent from his given address, the warrant of distraint and/or levy shall be served upon someone of suitable age and discretion in the premises and who shall acknowledge and sign all copies. If still the warrant of distraint and/or levy cannot be served in the manner provided, a copy of the same shall be left in the premises or in the taxpayer's place of business which fact shall be attested to in said copy and in all other copies of the warrant by the distraining and or levying officer and at least two (2) credible witnesses. For respondent, the mandate of ***RR 03-69*** was not followed by petitioner. Based on the Service of the WDL (BIR Form No. 0700), the WDL was purportedly served upon a certain Carlo Miguel Narboneta and Carlo Alfredo Cayo. It is not indicated, however, that such persons were ascertained to be persons of suitable age and discretion in the premises. Moreover, no acknowledgment or signature of the said persons can be found in respondent's copy of the WDL. There is likewise no attestation by the distraining and/or levying officer and at least two (2) credible witnesses in respondent's copy of the WDL as regards the impossibility of actual services to respondent or upon a person of suitable age and discretion.

Respondent further posits that the WDL and the Warrant of Garnishment are void ab initio and unenforceable because the assessments upon which these are based are void. A void assessment does not bear any valid fruit. In the instant case, the assessments sought to be collected by the WDL and the Warrants of Garnishment have been struck down by this Court as void due to lack of a valid LOA in favor of the revenue officers who conducted audit of respondent's books of accounts. Considering this, the WDL and the Warrants of Garnishment should similarly be declared as null and void since it was issued based on a void assessment.

Moreover, respondent points out that since the WDL and the Warrants of Garnishment are void ab initio and produces no legal effect whatsoever, their enforcement should be suspended without necessity of a bond. To require a bond would give effect to a void WDL and cause grave and irreparable injury and jeopardy to respondent. It would be the height of absurdity if this Court, which has already ruled three (3) times against the validity of the assessments which are the subject of the WDL and the Warrants of Garnishments, would require respondent to post a surety bond to suspend the enforcement of petitioner's collection efforts. In so doing, this Court would in effect affirm otherwise void assessments. In ***Spouses Pacquiao v. The Court of Tax Appeals-First Division***,[8] the Supreme Court provided that when it is proven that the method employed by the Commissioner of Internal Revenue in the collection of taxes is not sanctioned by law, the bond requirement under ***Section 11 of Republic Act No. 1125*** should be dispensed with. In this case, the method of collection by the petitioner is not sanctioned by law since this Court has already found that the assessments on which the WDL and the Warrants of Garnishments are based are void due to lack of a valid LOA authorizing the revenue officers who conducted audit of respondent's books of accounts.

Lastly, respondent argues that the enforcement of the WDL and the Warrants of Garnishment would cause serious prejudice, injury, and jeopardy such that it would kill respondent. Given the amount sought to be collected by petitioner (*i.e.,* Php1,146,557,052.82), enforcing the same against respondent's assets would surely cause the demise of respondent's business. Respondent's total current liabilities as of 31 December 2019 only amounts to Php3,779,429,50. Meanwhile, its total current assets for the same period amounts to Php2,400,329,874. Thus, respondent has a negative working capital. As testified upon by respondent's Account Manager, Ms. Adelia Sarmiento, should the collection efforts continue, this would result in the ultimate closure of the company, stop operations for all its ninety-five (95) drug stores and cause the termination of the employment of its 1,143 employees during a public health crisis.[9]

Rule 10 of the Revised Rules of the Court of Tax Appeals provides, as follows:

[8] G.R. No. 213394, 6 April 2016.

[9] See Judicial Affidavit of Adelia Sarmiento, Annex "C" of Urgent Motion (To declare Warrant of Distraint and/or Levy Null and Void and Suspend its Enforcement or Collection), Records; See Judicial Affidavit of Cyre M. Clores, Annex "A" of Urgent Motion (To lift and declare Warrant of Garnishment Null and Void and Suspend its Enforcement or Collection and Supplemental to the Urgent Motion dated 30 October 2020), *Id.*

"RULE 10
SUSPENSION OF COLLECTION OF TAX

SECTION 1. *No suspension of collection of tax, except as herein prescribed.* - No appeal taken to the Court shall suspend the payment, levy, distraint, or sale of any property of the taxpayer for the satisfaction of tax liability as provided under existing laws, except as hereinafter prescribed.

SECTION 2. *Who may file.* - Where the collection of the amount of the taxpayers liability, sought by means of a demand for payment, by levy, distraint or sale of any property of the taxpayer, or by whatever means, as provided under existing laws, may jeopardize the interest of the Government or the taxpayer, an interested party may file a motion for the suspension of the collection of the tax liability."

Following these provisions, this Court is authorized by law and applicable rules to suspend tax collection if, in its opinion, such collection may jeopardize the interest of the Government and/or the taxpayer. Hence, it may, in proper cases, issue a writ of injunction to restrain collection efforts ordered by internal revenue officials to collect taxes under dispute.

It is undeniable that the assessments on which the present WDL and Warrants of Garnishment are based are void. This Court, in its Decision, dated 18 September 2020, reasoned as follows:

> "As duly found by the Court in Division, LOA No. 116-2010-00000100, issued on 14 May 2010, authorized revenue officers Maribel Serafica, Olivia Sison, Walter Batoon, Reynoso Bravo, Daniella Gabaon, Julietta Tubilla, and group supervisor Erlinda Ulgado of LT Regular Audit Division I ('LT-RAD I') to examine respondent's books of accounts and other accounting records for all internal revenue taxes for taxable year 2009. It did not, however, authorize RO Gomez to perform an audit/tax investigation on respondent. Rather, it was Memorandum of Assignment No. LOA-116-2013-1421 issued on 25 February 2013 by the Chief of the LT-RAD I which authorized RO Gomez to continue the tax audit/investigation of respondent for all internal revenue taxes for taxable year 2009 as the previously assigned revenue officers named in LOA No. 116-2010-00000100 have already been transferred to other district offices.
>
> As these facts show, RO Gomez, the revenue officer who examined respondent's books of accounts and other accounting records, was not properly authorized to conduct said audit/tax

> investigation. *First,* he was not one of the revenue officers named in LOA No. 116-20 I 0-00000100, issued on 14 May 2010, authorizing the audit/tax investigation of respondent for all internal revenue taxes for taxable year 20100. Thus, he may not acquire the authority to examine respondent therefrom. *Second,* Memorandum of Assignment No. LOA-116-2013-1421, issued on 25 February 2013 and which authorized RO Gomez to continue the examination of respondent, cannot be considered a valid LOA as it was merely issued by the Chief of the LT-RAD 1, who is neither the petitioner nor any of his duly authorized representatives allowed to issue LOAs to conduct audit/tax investigations on taxpayers to assess the correct amount of taxes due, as stated in ***Section 13 of the NIRC and Section D (4) of RMO 43-90.***
>
> Considering that RO Gomez proceeded with the examination of respondent's books of accounts and other accounting records without any authority, the deficiency tax assessments issued against respondent based on his examination are void. And as the familiar adage goes, a void assessment bears no valid fruit."

Indeed, a revenue officer who proceeded with the audit and examination of a taxpayer's books of accounts and other accounting records without a valid LOA authorizing him to do so nullifies any resulting deficiency tax assessment.[10]

This Court's ruling on the matter remains unfazed despite petitioner's Motion for Reconsideration of the said Decision, especially since the arguments posed in said Motion for Reconsideration were mere reiterations of those raised in the Petition for Review that petitioner filed with this Court *En Banc.*

With this Court's conclusive finding that the present assessments are void for lack of a valid LOA, no tax collection based on such assessments can be pursued by petitioner since it is without a doubt that a void assessment never bears any valid fruit.[11] Consequently, petitioner's collection efforts that hinged upon such assessments, namely the WDL and the Warrants of Garnishment, are null and void.

Should any amount be collected against respondent based on the present assessments through the garnishment of its bank deposits, distraint of its personal properties, levy of its real properties, and/or through such other collection remedies afforded to petitioner, the same are illegally collected.

---

[10] Medicard Philippines, Inc. vs. Commissioner of Internal Revenue, G.R. No. 222743, 5 April 2017.

[11] Commissioner of Internal Revenue v. Azuceua T. Reyes, Azucena T. Reyes v. Commissioner of Internal Revenue, G.R. Nos. 159694 and 163581, respectively, 27 January 2006, 480 SCRA 382.

This Court *En Banc* takes this opportunity to remind petitioner that the civil remedies for collection of taxes provided under ***Chapter II, Title VIII of the Tax Code*** should not be used at will but only when the taxes sought to be collected have already become delinquent. The relevant provisions in said chapter explicitly provide that collection remedies can only be employed once the taxes have become delinquent, *viz*:

"CHAPTER II
CIVIL REMEDIES FOR COLLECTION OF TAXES

SEC. 205. ***Remedies for the Collection of Delinquent Taxes.*** **- The civil remedies for the collection of internal revenue taxes, fees or charges, and any increment thereto <u>resulting from delinquency</u>** shall be:

(a) By distraint of goods, chattels, or effects, and other personal property of whatever character, including stocks and other securities, debts, credits, bank accounts and interest in and rights to personal property, and by levy upon real property and interest in rights to real property; and

(b) By civil or criminal action.

Either of these remedies or both simultaneously may be pursued in the discretion of the authorities charged with the collection of such taxes: Provided, however, That the remedies of distraint and levy shall not be availed of where the amount of tax involve is not more than One hundred pesos (P100).

The judgment in the criminal case shall not only impose the penalty but shall also order payment of the taxes subject of the criminal case as finally decided by the Commissioner.

The Bureau of Internal Revenue shall advance the amounts needed to defray costs of collection by means of civil or criminal action, including the preservation or transportation of personal property distrained and the advertisement and sale thereof, as well as of real property and improvements thereon.

xxx xxx xxx

SEC. 207. ***Summary Remedies.*** –

(A) Distraint of Personal Property. **- Upon the failure of the person owing any <u>delinquent</u> tax or <u>delinquent</u> revenue** to pay the same at the time required, the Commissioner or his duly authorized representative, if the amount involved is in excess of One million pesos (P1,000,000), or the Revenue District Officer, if the amount involved is One million pesos (P1,000,000) or less, shall seize and distraint any goods, chattels or effects, and the personal property, including stocks and other securities, debts, credits, bank accounts, and interests in and rights to personal property of such persons in sufficient quantity to satisfy the tax, or charge, together with any increment thereto **incident to <u>delinquency</u>,** and the expenses of the distraint and the cost of the subsequent sale.

A report on the distraint shall, within ten (10) days from receipt of the warrant, be submitted by the distraining officer to the Revenue District Officer, and to the Revenue Regional Director: Provided, That the Commissioner or his duly authorized representative shall, subject to rules and regulations promulgated by the Secretary of Finance, upon recommendation of the Commissioner, have the power to lift such order of distraint: Provided, further, That a consolidated report by the Revenue Regional Director may be required by the Commissioner as often as necessary.

(B) Levy on Real Property. - **After the expiration of the time required to pay the <u>delinquent</u> tax or <u>delinquent</u> revenue** as prescribed in this Section, real property may be levied upon, before simultaneously or after the distraint of personal property belonging to the delinquent. To this end, any internal revenue officer designated by the Commissioner or his duly authorized representative shall prepare a duly authenticated certificate showing the name of the taxpayer and the amounts of the tax and penalty due from him. Said certificate shall operate with the force of a legal execution throughout the Philippines.

Levy shall be affected by writing upon said certificate a description of the property upon which levy is made. At the same time, written notice of the levy shall be mailed to or served upon the Register of Deeds for the province or city where the property is located and upon the delinquent taxpayer, or if he be absent from the Philippines, to his agent or the manager of the business in respect to which the liability arose, or if there be none, to the occupant of the property in question.

In case the warrant of levy on real property is not issued before or simultaneously with the warrant of distraint on personal property, and the personal property of the taxpayer is not sufficient **to satisfy his <u>tax delinquency</u>,** the Commissioner or his duly authorized representative shall, within thirty (30) days after execution of the distraint, proceed with the levy on the taxpayer's real property.

Within ten (10) days after receipt of the warrant, a report on any levy shall be submitted by the levying officer to the Commissioner or his duly authorized representative: Provided, however, That a consolidated report by the Revenue Regional Director may be required by the Commissioner as often as necessary: Provided, further, That the Commissioner or his duly authorized representative, subject to rules and regulations promulgated by the Secretary of Finance, upon recommendation of the Commissioner, shall have the authority to lift warrants of levy issued in accordance with the provisions hereof." (Emphasis and underscoring, Ours)

While ***Section 218 of the Tax Code*** expressly provides that "[n]o court shall have the authority to grant an injunction to restrain the collection of any national internal revenue tax, fee or charge imposed by this Code", the same should not be construed to mean that petitioner has the blanket authority to use such collection remedies at any stage of the tax collection proceedings. As the said provision is within ***Chapter II, Title VIII of the Tax Code***, it should be interpreted in a manner that will give effect to ***Sections 205 and 207 of the Tax Code***, as explained in ***Philippine International Trading Corporation v. Commission on Audit***:[12]

> "It is a rule in statutory construction that every part of the statute must be interpreted with reference to the context, *i.e.,* that every part of the statute must be considered together with the other parts, and kept subservient to the general intent of the whole enactment. Because the law must not be read in truncated parts, its provisions must be read in relation to the whole law. The statute's clauses and phrases must not, consequently, be taken as detached and isolated expressions, but the whole and every part thereof must be considered in fixing the meaning of any of its parts in order to produce a harmonious whole. Consistent with the fundamentals of statutory construction, all the words in the statute must be taken into consideration in order to ascertain its meaning."

As such, before any of the civil collection remedies can be employed, it must first be established that the taxes which are the subject of collection have become delinquent.

As to the question of when a tax becomes delinquent, petitioner provided the answer when he issued ***Revenue Regulations No. 4-2019 ("RR 4-19")***[13] to implement the provisions on Tax Amnesty on Delinquencies. Under ***RR 4-19,*** a tax becomes delinquent when the deficiency tax assessment has become final and executory, *viz*:

> "A. Delinquent Account - shall pertain to a tax due from a taxpayer arising from the audit of the Bureau of internal Revenue (BIR) which had been issued Assessment Notices that have become final and executory due to the following instances:
>
> 1. Failure to pay the tax due on the prescribed due date provided in the Final Assessment Notice (FAN)/Formal Letter of Demand (FLD) and for which no valid Protest, whether a request for reconsideration or reinvestigation, has been filed within thirty (30) days from receipt thereof;

[12] G.R. No. 183517, 22 June 2010.
[13] Implementing Rules and Regulations of Repubiic Act No. 71213, Otherwise Known as the "Tax Amnesty Act", Providing for the Guidelines on the Processing of Tax Amnesty Application on Tax Delinquencies, 5 April 2019.

> 2. Failure to file an appeal to the Court of Tax Appeal (CTA) or an administrative appeal before the Commissioner of Internal Revenue (CIR) within thirty (30) days from receipt of the decision denying the request for reinvestigation or reconsideration; or
>
> 3. Failure to file an appeal to the CTA within thirty (30) days from receipt of the Decision of the CIR denying the taxpayer's administrative appeal to the Final Decision on Disputed Assessment (FDDA)."

Following this, a tax becomes delinquent when a taxpayer: a) fails to pay the tax due in a Final Assessment Notice ("FAN")/Formal Letter of Demand ("FLD") which has not been protested, whether for reconsideration or reinvestigation, within thirty (30) days from receipt thereof; b) fails to file an appeal before this Court or an administrative appeal before petitioner within thirty (30) days from receipt of the denial of the request for reconsideration or reinvestigation; and c) fails to file an appeal before this Court within thirty (30) days from receipt of petitioner's denial of the administrative appeal.

None of the following instances are present in the case at bar. Respondent duly filed a Protest to the FAN/FLD subject of the present case. When petitioner denied this Protest, respondent timely filed an appeal before this Court questioning such denial. Thereafter, this Court ruled thrice against the validity of the assessments issued against respondent. As such, the tax which is the subject of the present assessments never became delinquent. There was thus no basis for petitioner to institute the collection remedies under ***Chapter II, Title VIII of the Tax Code***.

While this Court appreciates the passion by which petitioner is performing his mandated duty to collect the necessary funds for the operation of the government, petitioner is given a stern warning not to repeat the present grievous action lest the government appear to be abusive of its power rather than protective of the interests of its people.

As to the bond requirement, respondent need not deposit a cash bond or post a surety bond for the suspension of petitioner's efforts to collect the taxes subject of the present assessments. Indeed, in ***Spouses Pacquiao v. The Court of Tax Appeals-First Division***,[14] the High Court ruled as follows:

> "From all the foregoing, it is clear that the authority of the courts to issue injunctive writs to restrain the collection of tax and to dispense with the deposit of the amount claimed or the filing of the required bond is not simply confined to cases where prescription has set in. As explained by the Court in those cases, **whenever it is determined by the courts <u>that the method employed by the</u>**

[14] G.R. No. 213394, 6 April 2016.

> **Collector of Internal Revenue in the collection of tax is not sanctioned by law, the bond requirement under Section 11 of R.A. No. 1125 should be dispensed with.** The purpose of the rule is not only to prevent jeopardizing the interest of the taxpayer, but more importantly, to prevent the absurd situation wherein the court would declare 'that the collection by the summary methods of distraint and levy was violative of law, and then, in the same breath require the petitioner to deposit or file a bond as a prerequisite for the issuance of a writ of injunction.'"

In the case at bar, petitioner employed a collection method not sanctioned by law. As provided above, since the assessments issued against respondents have been declared null and void due to the absence of a valid LOA authorizing the revenue officers who conducted audit of respondent's accounting records, petitioner had no basis at all in instituting any of the collection remedies. Consequently, when he issued the WDL and the Warrants of Garnishment subject of the present Motion for Suspension of Collection of Taxes, respondent employed an illegal collection effort. The bond requirement can thus be dispensed with.

WHEREFORE, petitioner's Motion for Reconsideration (Re: Decision promulgated 18 September 2020) is hereby **DENIED** for lack of merit.

As to respondent's Urgent Motion (To declare Warrant of Distraint and/or Levy Null and Void and Suspend its Enforcement or Collection) and Urgent Motion (To lift and declare Warrant of Garnishment Null and Void and Suspend its Enforcement or Collection and Supplemental to the Urgent Motion dated 30 October 2020), the same are hereby **GRANTED.**

Accordingly, this Court *En Banc* hereby **LIFTS** and **DECLARES** as **NULL AND VOID** the **Warrant of Distraint and/or Levy No. 116-2020-043** and the **Warrants of Garnishment** served upon respondent's banks, namely BPI and Union Bank, on 3 December 2020, with both seeking to collect alleged deficiency taxes in the amount of One Billion One Hundred Forty Six Million Five Hundred Fifty Seven Thousand Fifty Two Pesos and 82/100 (Php1,146,557,052.82).

For the reasons stated above, the bond requirement is hereby **DISPENSED WITH**.

This Court further **ORDERS** petitioner and any of its officers and/or employees to **CEASE and DESIST** from committing any or all acts to collect the alleged deficiency taxes in the total amount of One Billion One Hundred Forty Six Million Five Hundred Fifty Seven Thousand Fifty Two Pesos and 82/100 (Php1,146,557,052.82).

SO ORDERED.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

WE CONCUR:

ON LEAVE
ROMAN G. DEL ROSARIO
Presiding Justice

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

ERLINDA P. UY
Associate Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

Catherine T. Manahan
CATHERINE T. MANAHAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice