

**REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY**

SECOND DIVISION

**VESTAS SERVICES
PHILIPPINES, INC.,**
Petitioner,

CTA CASE NO. 9672

Members:

- versus -

CASTAÑEDA, JR., *Chairperson,*
MINDARO-GRULLA, *and*
BACORRO-VILLENA, *JJ.*

**COMMISSIONER OF
INTERNAL REVENUE,**
Respondent.

Promulgated:

JUN 08 2020

1:05 pm [Signature]

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RESOLUTION

For the Court's resolution are the following:

1. petitioner's **Urgent Motion for Additional Time to File the Motion for New Trial and/or for Reconsideration**, filed on December 27, 2019, without respondent's comment as per Records Verification dated January 21, 2020; and
2. petitioner's **Motion for Reconsideration (Re: Decision dated 17 December 2019)**, filed on January 17, 2020.

In its urgent motion, petitioner claims that the Court's denial of its claim for refund consists of a first-time allegation and/or finding of failure to present evidence. Hence, it asserts that it requires additional time to prepare a comprehensive Motion for New Trial and/or Reconsideration, and to comply with the required affidavits and due authentication of the documentary evidence under Rule 37 of the Rules of Court. Therefore, it contends that since Christmas and

New Year holidays entail work suspensions for both public and private offices, it is practically impossible for petitioner to comply with the fifteen (15)-day reglementary period, counted from its receipt of the assailed Decision, on December 20, 2019 or until January 4, 2020, to file its motion.

Considering the reasons stated and due to equally important work and other commitments, petitioner prays for an additional fifteen (15) days counted from January 4, 2020 or until January 19, 2020, within which to file its Motion for New Trial and/or Reconsideration of the Decision dated December 17, 2019.

The Court denies both petitioner's urgent motion and motion for reconsideration.

A perusal of the records reveals that the assailed Decision of the Court had become final and executory due to petitioner's failure to file a timely motion for new trial or reconsideration.

Section 1, Rule 15 of the 2005 Revised Rules of the Court of Tax Appeals, as amended, provides:

SECTION 1. *Who may and when to file motion.* – Any aggrieved party may seek a reconsideration or new trial of any decision, resolution or order of the Court by filing a **motion for reconsideration or new trial within fifteen days from the date of receipt of the notice of the decision**, resolution or order of the Court in question.

The Supreme Court emphasized that the fifteen (15)-day period for filing a motion for new trial or reconsideration is non-extendible.

In *Habaluyas Enterprises, Inc. et al. vs. Japson et al.*¹, the Supreme Court ruled that:

xxx Beginning one month after the promulgation of this Resolution, the rule shall be strictly enforced that *no motion for extension of time to file a motion for new trial*

¹ G.R. No. 70895, May 30, 1986.

or reconsideration may be filed with the Metropolitan or Municipal Trial Courts, the Regional Trial Courts, and the Intermediate Appellate Court. *Such a motion may be filed only in cases pending with the Supreme Court* as the court of last resort, which may in its sound discretion either grant or deny the extension requested.

Based on the aforequoted ruling of the *Habaluyas* case, motions for extensions of time to file motion for new trial or reconsideration may no longer be filed before all courts, lower than the Supreme Court. The rule in *Habaluyas* applies even if the motion is filed before the expiration of the period sought to be extended, because the fifteen (15) day period for filing a motion for new trial or reconsideration with said courts, is non-extendible.²

The rule is and has been that the period for filing a motion for reconsideration is non-extendible. The Court has made this clear as early as 1986 in *Habaluyas Enterprises, vs. Japzon*. Since then, the Court has consistently and strictly adhered thereto.³ Hence, the filing of a motion for extension of time to file a motion for reconsideration did not toll the 15-day period before a judgment becomes final and executory.

In this case, petitioner admitted that it received the Decision dated December 17, 2019 on December 20, 2019. Therefore, it had fifteen (15) days from December 20, 2019 or until January 6, 2020⁴, within which to file its motion for reconsideration.

However, instead of filing a motion for reconsideration, petitioner filed an Urgent Motion for Additional Time to File the Motion for New Trial and/or for Reconsideration, on December 27, 2019. Petitioner only filed its Motion for Reconsideration (Re: Decision dated 17 December 2019), on January 17, 2020, which was clearly beyond the mandatory 15-day period.

In the case of *Social Security System vs. Isip*⁵, the Supreme Court held that:

² *Rolloque, et al. vs. The Honorable Court of Appeals, et al*, G.R. No. 78109, January 18, 1991.

³ *Apex Mining Co., Inc., v. Commissioner of Internal Revenue*, G.R. No. 122472, October 20, 2005.

⁴ January 4, 2020 fell on a Saturday.

⁵ G.R. No. 165417, April 4, 2007.

The belated filing of the motion for reconsideration rendered the decision of the Court of Appeals final and executory. A judgment becomes "final and executory" by operation of law. Finality becomes a fact when the reglementary period to appeal lapses and no appeal is perfected within such period. As a consequence, no court (not even this Court) can exercise appellate jurisdiction to review a case or modify a decision that has become final.

When a final judgment is executory, it becomes immutable and unalterable. It may no longer be modified in any respect either by the court which rendered it or even by this Court. The doctrine is founded on considerations of public policy and sound practice that, at the risk of occasional errors, judgments must become final at some definite point in time.

The doctrine of immutability and inalterability of a final judgment has a two-fold purpose: (1) to avoid delay in the administration of justice and thus, procedurally, to make orderly the discharge of judicial business and (2) to put an end to judicial controversies, at the risk of occasional errors, which is precisely why courts exist. Controversies cannot drag on indefinitely. The rights and obligations of every litigant must not hang in suspense for an indefinite period of time.

The only recognized exceptions to the doctrine of immutability and unalterability are the correction of clerical errors, the so-called *nunc pro tunc* entries which cause no prejudice to any party and void judgments. This case does not fall under any of these exceptions.

Verily, a party who fails to question an adverse decision by not filing the proper remedy within the period prescribed by law loses the right to do so as the decision, as to him, becomes final and binding.⁶

In the case of *Barnes vs. Hon. Judge Padilla, et al.*⁷, the Supreme Court held that:

⁶ *Rivelisa Realty, Inc. vs. First Sta. Clara Builders Corporation*, G.R. No. 189618, January 15, 2014.

⁷ G.R. No. 160753, September 30, 2004.

xxx The failure of the petitioner to file his motion for reconsideration within the period fixed by law renders the decision final and executory. Such failure carries with it the result that no court can exercise appellate jurisdiction to review the case. Phrased otherwise, a final and executory judgment can no longer be attacked by any of the parties or be modified, directly or indirectly, even by the highest court of the land.

However, this Court has relaxed this rule in order to serve substantial justice considering (a) matters of life, liberty, honor or property, (b) the existence of special or compelling circumstances, (c) the merits of the case, (d) a cause not entirely attributable to the fault or negligence of the party favored by the suspension of the rules, (e) a lack of any showing that the review sought is merely frivolous and dilatory, and (f) the other party will not be unjustly prejudiced thereby.

In this case, petitioner has not demonstrated any cogent reason for the Court to take an exception. Petitioner committed a blatant disregard of the basic procedural rules in filing motion for reconsideration. The 15-day reglementary period for the filing of the motion for reconsideration is mandatory and jurisdictional.⁸

Hence, the Court can no longer entertain the present Motion for Reconsideration since the assailed Decision has attained finality when petitioner failed to file the same within the 15-day prescribed period. It is settled rule that the period for filing a motion for reconsideration is non-extendible.

Litigation is not a game of technicalities, but every case must be prosecuted in accordance with the prescribed procedure so that issues may be properly presented and justly resolved. Hence, rules of procedure must be faithfully followed except only when for persuasive reasons, they may be relaxed to relieve a litigant of an injustice not commensurate with his failure to comply with the prescribed procedure. Concomitant to a liberal application of the rules of procedure should be an effort on the part of the party invoking liberality to explain its failure to comply with the rules. Procedural law has its own rationale in the orderly administration of justice, namely, to ensure the effective enforcement of substantive rights by providing

⁸ *Suarez vs. Judge Villarama, et al.*, G.R. No. 124512, June 27, 2006.

for a system that obviates arbitrariness, caprice, despotism or whimsicality in the settlement of disputes. The enforcement of procedural rules is not antithetical to the substantive rights of the litigants. The policy of the courts is to give effect to both procedural and substantive laws, as complementing each other, in the just and speedy resolution of the dispute between the parties.⁹

WHEREFORE, premises considered, petitioner's **Urgent Motion for Additional Time to File the Motion for New Trial and/or for Reconsideration** is **DENIED**. Accordingly, petitioner's **Motion for Reconsideration (Re: Decision dated 17 December 2019)** is also **DENIED** for having been filed out of time.

SO ORDERED.


JUANITO C. CASTAÑEDA, JR.
Associate Justice


CIELITO N. MINDARO-GRULLA
Associate Justice


JEAN MARIE A. BACORRO-VILLENA
Associate Justice

⁹ *Mayor Balindong, et al. vs. The Hon. Court of Appeals, et al.*, G.R. No. 159962, December 16, 2004.