CTA Form No. 8 (For DCC)

22-000013-0085

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

CTA CASE NO. 10723

PPI HOLDINGS, INC.,
Petitioner,

- versus -

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

NOTICE OF RESOLUTION

To:

OFFICE OF THE SOLICITOR GENERAL
134 Amorsolo Street, Legazpi Village
Makati City

ATTY. SYLVIA R. ALMA JOSE
ATTY. AYESHA HANIA B. GUILING-MAGTANOG
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Room 703, Litigation Division, BIR National Office Building
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1635 Taguig City

GREETINGS:

You are hereby notified by these presents that on **March 31, 2026,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **April 6, 2026.**

Atty. Maria Johoanna F. Chan-Te
Executive Clerk of Court III

REPUBLIC OF THE PHILIPPINES
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PPI HOLDINGS, INC.,
Petitioner,

- versus -

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA Case No. **10723**

Members:

BACORRO-VILLENA, *Acting Chairperson, and*
CUI-DAVID, *JJ.*

Promulgated:
MAR 3 1 2026, 3:00PM

x - x

RESOLUTION

BACORRO-VILLENA, J.:

For the Court's resolution is respondent Commissioner of Internal Revenue's (**respondent**'s/**CIR**'s) "Motion for Reconsideration"[1] (**MR**), filed on 07 November 2025, with petitioner PPI Holdings, Inc.'s (**petitioner**'s) Comment[2] filed on 28 November 2025.

The MR assails the Court's Decision[3] promulgated on 20 October 2025 (**Decision**) which granted the instant Petition for Review and cancelled the tax assessment against petitioner for calendar year (**CY**) 2014. The dispositive portion of the Decision reads:

> ...
>
> **WHEREFORE**, premises considered, the present Petition for Review filed by petitioner PPI Holdings, Inc. on 13 January 2022 is hereby **GRANTED**. Accordingly, the deficiency tax assessments embodied in the Final Decision on Disputed Assessment dated 22 December 2021, indicating petitioner's supposed deficiency tax liabilities in the aggregate amount of ₱268,665,637.25, inclusive of

1 Division Docket, Volume III, pp. 1823-1833.
2 Id., pp. 1839-1846.
3 Id., pp. 1785-1820.

> interest, for the calendar year 2014, is hereby **CANCELLED** and **SET ASIDE**.
>
> Consequently, respondent Commissioner of Internal Revenue or any person duly acting on his behalf is hereby **ENJOINED** and **PROHIBITED** from collecting the said amount against petitioner.
>
> ...

At the outset, the Court notes that while respondent personally filed the MR on 07 November 2025, it was electronically mailed to the Court only on 11 November 2025,[4] which was beyond the twenty four (24)-hour period prescribed in the Court of Tax Appeal's *En Banc* Resolution Nos. 08-2024[5] and 01-2025.[6] Section 2, paragraph 2 of *En Banc* Resolution No. 08-2024 provides:

> ...
>
> 2. Manner of transmittal. — The PDF copies must be transmitted by litigants and court users to the official e-mail addresses:
>
> ...
>
> When the primary manner of filing is through personal filing, by registered mail, or by accredited courier, in accordance with Rule 13, Section 3 (a), 3 (b), or 3 (c) of the 2019 Amendments to the 1997 Rules of Civil Procedure, ten (10) paper copies for En Banc cases, and six (6) paper copies for initiatory pleadings or four (4) paper copies for subsequent pleadings for Division cases, shall be filed. The PDF copies must be transmitted within twenty-four (24) hours from such filing of paper copies; ***otherwise, the pleading or court submission shall be deemed as not filed.***[7]
>
> ...

Thus, respondent's failure to transmit the required soft copy or PDF version of the MR within the prescribed period renders the filing of said pleading procedurally defective. Pursuant to *En Banc* Resolution Nos. 08-2024[8] and 01-2025[9], the MR is deemed not filed and cannot be given legal recognition.

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[4] See printout of respondent's electronic mail with the subject "CTA Case No. 10723, PPI Holdings, Inc. vs Commissioner of Internal Revenue- Motion for Reconsideration", id., p. 1836.

[5] Guidelines on Submission of Electronic Copies of Pleadings and Other Court Submissions Before the Court of Tax Appeals Pursuant to A.M. No. 10-3-7-SC and A.M. No. 11-9-4-SC.

[6] Interim Guidelines on the Submission of Electronic Copies of Pleadings and Other Court Submissions Before the Court of Tax Appeals.

[7] Emphasis and italics in the original text.

[8] Supra at note 5.

[9] Supra at note 6.

Nevertheless, even if the Court exercises its prerogative to relax the rules to serve substantial justice, the MR must still be denied for lack of merit.

In the Decision, the Court cancelled the assessment because of respondent's violation of petitioner's right to due process. Specifically, the Court found that petitioner's receiving copy of the final assessment notices (**FANs**) attached to the Formal Letter of Demand (**FLD**) did not indicate a due date while respondent's copy that he or she asked petitioner's representative to sign indicates 30 September 2019 as the due date for the payment of the assessment.

In his or her MR, respondent mainly argues that obligations arising from law, such as paying taxes, do not require further demand because their demandability is provided by law. Respondent explains that Section 228 of the National Internal Revenue Code (**NIRC**) of 1997, as amended and Section 3.1.4 of Revenue Regulations (**RR**) No. 12-99, as amended by RR No. 18-2013, specifically provides that a taxpayer has a period of thirty (30) days from receipt to either pay his deficiency taxes or file a protest. Therefore, even if the FLD/FAN did not indicate a due date, it is understood that it is due within 30 days from receipt.

Respondent also advanced his or her view that petitioner was not deprived of its right to due process since due process merely demands that the taxpayer was informed, in writing, of the legal and factual bases of the assessment. In other words, so long as the parties are notified and given the opportunity to explain their side, the requirement of due process is satisfactorily complied with.

Lastly, respondent avers that the supposed invalidity of the FLD/FAN does not affect the validity of the FDDA, pursuant to the case of *Commissioner of Internal Revenue v. Liquigaz Philippines Corp* (**Liquigaz**).[10]

On the other hand, petitioner argues that respondent's reliance on the 30-day period to file a protest as basis for the finality and demandability of the assessment is not supported by law or any jurisprudence. As to respondent's claim that petitioner was accorded due process, petitioner asserts that this contention lacks factual and

[10] G.R. Nos. 215534 & 215557, 18 April 2016.

legal basis. While petitioner duly filed a protest to the FLD/FAN, this action was taken to exhaust administrative remedies and did not constitute a waiver of its defense that the deficiency tax assessment is null and void.

Lastly, petitioner argues that respondent's reliance on Liquigaz is misplaced as the factual and legal issues therein are materially different from the issue in this case. The FLD/FAN in Liquigaz was found valid while the FLD/FAN in the instant case is void. Thus, a void assessment bears no valid fruit.

Respondent's arguments lack merit.

First, this Court cannot adhere to respondent's argument that obligations arising from law, such as paying taxes, do not require further demand. As thoroughly discussed in the Decision, the Supreme Court has since ruled that Section 228 of the NIRC of 1997, as amended, requires that the FLD/FAN must contain a definite and fixed date for payment.[11]

As to respondent's argument that due process merely demands that the taxpayer was informed of the legal and factual bases of the assessment, We have also thoroughly discussed in the Decision that if the FDL/FAN does not indicate the due date for its payment, then it fails to meet the requirement to inform the taxpayer of the factual basis of the assessment.

Lastly, respondent's interpretation and application of Liquigaz to the instant case is distorted. In Liquigaz, the Supreme Court ruled that failure of the Final Decision on Disputed Assessment (**FDDA**) to state the facts and law on which it is based renders the decision (*i.e.*, the FDDA) void — but not necessarily the assessment (*i.e.*, the FLD/FAN). However, the reverse is not true. In Liquigaz itself, the Supreme Court

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[11] See *Commissioner of Internal Revenue v. Robert Christopher M. Carmona*, G.R. No. 240328 (Notice), 27 March 2019; *Commissioner of Internal Revenue v. Fitness By Design, Inc.*, G.R. No. 215957, 09 November 2016; *Commissioner of Internal Revenue v. T Shuttle Services*, G.R. No. 240729, 24 August 2020; *Republic of the Philippines v. First Gas Power Corporation*, G.R. No. 214933, 15 February 2022; *Commissioner of Internal Revenue v. Telstar Manufacturing Corporation*, G.R. Nos. 249239, 250286 & 249241-42, 10 February 2025.

cited its pronouncement in *Commissioner of Internal Revenue v. Reyes*[12] that "[a] void assessment bears no valid fruit."

We reiterate the ruling in the Decision that in determining the validity of the assessment, the definiteness of the amount and the deadline for payment, are vital. It is noteworthy that in the MR, respondent did not dispute the Court's finding that the FLD/FAN received by petitioner did not indicate a due date.

With the foregoing disquisitions, the Court has gone above its duty. It is settled that the Court can deal generally and summarily with an MR and merely state a legal ground for its denial (*i.e.*, the motion contains merely a reiteration or rehash of arguments already submitted to and pronounced without merit by the Court in its judgment, or the basic issues have already been passed upon, or the motion discloses no substantial argument or cogent reason to warrant reconsideration or modification of the judgment or final order; or the arguments in the motion are too unsubstantial to require consideration, etc.).[13]

Finally, it is the movant's duty to convincingly show grounds for a reconsideration of an assailed judgment or order, or at the least give its previous arguments a fresh perspective in such a way that would warrant a re-examination of the case.[14] Unfortunately, in the instant case, respondent had failed to do so.

WHEREFORE, in view of the foregoing, respondent's Motion for Reconsideration, filed on 07 November 2025, is hereby **DENIED** for lack of merit.

SO ORDERED.

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

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12 G.R. Nos. 159694 & 163581, 27 January 2006.

13 See *Ortigas and Company Limited Partnership v. Judge Tirso Velasco, et al.*, G.R. No. 109645 (Resolution), 04 March 1996.

14 See *Shangri-La International Hotel Management, Ltd., et al. v. Developers Group of Companies,* Inc., G.R. No. 159938, 22 January 2007.

I CONCUR:

LANEE S. CUI-DAVID
Associate Justice