REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

LIFEBANK FOUNDATION, INC., Petitioner,	**CTA EB NO. 1727** **(CTA Case No. 8836)**
	Present:
-versus-	Del Rosario, *P.J.*, Castañeda, Jr., Uy, Fabon-Victorino, Mindaro-Grulla, Ringpis-Liban, Manahan, Bacorro-Villena, *and* Modesto-San Pedro, *JJ.*
COMMISSIONER OF INTERNAL REVENUE, Respondent.	Promulgated: NOV 06 2019 3:35 p.m.

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RESOLUTION

On June 25, 2019, petitioner filed a Motion for Reconsideration (of the Decision dated May 14, 2019), without a comment filed by respondent Commissioner of Internal Revenue (CIR) despite notice.[1]

Accordingly, on October 8, 2019, the Court submitted the motion for resolution.[2]

However, on October 14, 2019, the parties filed an *unverified* Joint Manifestation and Motion [With Leave of Court to Defer Resolution in View of Offer of Compromise]. The parties manifested the following incidents:

- On February 25, 2014, petitioner filed with BIR Revenue Region No. 11 – Iloilo City an Application for Compromise Settlement pursuant to Section 204(A) of the National Internal Revenue Code

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[1] October 4, 2019 Records Verification, *Rollo*, p. 542.
[2] Minute Resolution, *Rollo*, p. 543.

of 1997, as amended, (NIRC) and paid forty percent (40%) of the basic tax due:[3]

Tax Type	Basic Tax	Compromise Payment	Percentage of Basic Tax
Income Tax	₱77,251,146.30	₱30,900,458.52	40%
Value-Added Tax	70,109,993.16	28,043,997.26	40%
Total	**₱147,361,139.46**	**₱58,944,455.78**	**40%**

- In a May 15, 2017 Memorandum, the CIR tasked Head Revenue Executive Assistant (HREA) Felix Paul R. Velasco III, Enforcement and Advocacy Service, "to supervise and coordinate the conduct and evaluation of cases pending with the CTA where proposals for judicial compromise or amicable settlement have been submitted by the taxpayer(s), and to determine, with the approval of the Commissioner, the appropriate legal strategies or judicial action to take in order to secure a final compromise/settlement agreement with judicial conformity."[4]

- On August 28, 2019, petitioner's Board of Trustees resolved to avail of the tax amnesty on delinquencies pursuant to Republic Act No. 11213, through its attorney-in-fact, Angara Abello Concepcion Regala & Cruz (ACCRALAW).[5]

- On September 25, 2019, petitioner filed with the BIR National Office, through ACCRALAW, an offer of amicable settlement, by way of judicial compromise, which proposed to pay the "remaining tax assessment by paying a total of 75% of the basic tax less the 40% compromise payment initially made, or a total additional compromise payment of Php51,576,398.82."[6]

Pending approval of the National Evaluation Board, the parties moved that the resolution of the Motion for Reconsideration (of the Decision dated May 14, 2019) be deferred and held in abeyance.

First, the Court notes, however, that the factual incidents alleged by the parties are new matters which were not introduced in evidence and, thus, did not become part of the records of the case.

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[3] Annexes A, B and C, Joint Manifestation and Motion [With Leave of Court to Defer Resolution in View of Offer of Compromise].
[4] Annex D, Joint Manifestation and Motion [With Leave of Court to Defer Resolution in View of Offer of Compromise].
[5] Annex E, Joint Manifestation and Motion [With Leave of Court to Defer Resolution in View of Offer of Compromise].
[6] *Id.*

Second, the annexes attached as support for the *unverified* Joint Manifestation and Motion [With Leave of Court to Defer Resolution in View of Offer of Compromise] are mere photocopies.

Third, verification as a requirement is not an empty ritual bereft of any legal importance. It is intended to secure an assurance that the allegations contained in this motion are true and correct; are not speculative or merely imagined; and have been made in good faith.[7]

Finally, the authority granted by the petitioner's Board of Trustees is limited only to the availment of tax amnesty on delinquencies pursuant to Republic Act No. 11213 and does *not* cover the compromise under Section 204(A) of the NIRC.

WHEREFORE, premised considered, the motion is **DENIED** for lack of merit.

SO ORDERED.

ROMAN G. DEL ROSARIO
Presiding Justice

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

ERLINDA P. UY
Associate Justice

ESPERANZA R. FABON-VICTORINO
Associate Justice

ON LEAVE
CIELITO N. MINDARO-GRULLA
Associate Justice

[7] *Makilito B. Mahinay v. Hon. Ireneo Lee Gako, Jr., et al.*, G.R. No. 165338, November 28, 2011.

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