REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

IMAGINET INTERNATIONAL, INC.,
Petitioner,

-*versus*-

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA *EB* NO. 2374
(CTA Case No. 9777)

Present:

DEL ROSARIO, *P.J.*,
UY,
RINGPIS-LIBAN,
MANAHAN,
BACORRO-VILLENA,
MODESTO-SAN PEDRO,
REYES-FAJARDO, *and*
CUI-DAVID, *JJ.*

Promulgated:
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RESOLUTION

MANAHAN, J.:

This resolves petitioner's **Motion for Reconsideration**[1] filed on April 6, 2022, praying that the instant motion be granted and that the deficiency assessment imposed against the petitioner be cancelled and set aside for being null and void.

The instant motion is actually assailing this Court's *Decision* dated March 16, 2022 (Assailed Decision), the dispositive portion of which reads as follows:

> "**WHEREFORE**, premises considered, the instant Petition for Review is hereby **DENIED**. Accordingly, the *Decision* dated February 21, 2020 and *Resolution* dated July 13, 2020 are hereby **AFFIRMED.**

[1] *Rollo*, CTA EB No. 2374, Vol. III, pp. 1224-1262.

SO ORDERED."

Petitioner premises its motion on the following grounds:

a. A Separate or Amended Letter of Authority (LOA) must be issued in the name of a substitute or replacement Revenue Officer (RO) in case of reassignment or transfer of a RO originally named in the previously issued LOA;

b. The assessment conducted against the petitioner was null and void; and,

c. The petitioner is not estopped from questioning the authority of the subsequent revenue officers.

On the other hand, respondent, in his **Comment on Petitioner's Motion for Reconsideration of the Decision dated April 05, 2022**,[2] counters that this Court lacks jurisdiction on the instant case considering that the Final Assessment Notice (FAN) was already final and executory per his finding and of the CTA Second Division, hence, it is no longer necessary to deliberate or discuss the issues raised by the petitioner in the instant motion.

The Court resolves in favor of respondent.

There is no doubt that the petitioner is assailing the validity of petitioner's assessments in its motion, instead of preferring evidence to overturn the lack of jurisdiction of this Court to hear its earlier Petition for Review. Notwithstanding said substantial arguments on the alleged invalidity of the assessment which should have been raised in the first place, in petitioner's protest before the Bureau of Internal Revenue, and which it did, BUT the fact remains that the protest was filed beyond the period prescribed by law. The assessment became final, executory and demandable. The alleged void assessment arising from the lack of authority of the revenue officers who issued the same, or from any other legal defenses like prescription, etc., does not dispense with the requirement that a protest must be filed administratively in order for such assessment to become a disputed assessment as held in

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[2] *Rollo*, Vol. III, pp. 1290-1297.

Commissioner of Internal Revenue v. V.Y. Domingo Jewellers, Inc.,[3] to wit:

> "Admitting for the sake of argument the claim of V.Y. Domingo in its Comment — that its case does not involve an appeal from a decision of the CIR on a disputed assessment since in the first place, there is no disputed assessment to speak of — admits the veracity of petitioner CIR's claim: there being no disputed assessment to speak of when V.Y. Domingo filed its petition for review before the CTA First Division, the latter had no jurisdiction to entertain the same. Thus, the latter's dismissal of the petition for review was proper.
>
> Evidently, V.Y. Domingo's immediate recourse to the CTA First Division was in violation of the doctrine of exhaustion of administrative remedies.
>
> Under the doctrine of exhaustion of administrative remedies, before a party is allowed to seek the intervention of the court, he or she should have availed himself or herself of all the means of administrative processes afforded him or her. Section 228 of the Tax Code requires taxpayers to exhaust administrative remedies by filing a request for reconsideration or reinvestigation within 30 days from receipt of the assessment. Exhaustion of administrative remedies is required prior to resort to the CTA precisely to give the Commissioner the opportunity to 're-examine its findings and conclusions' and to decide the issues raised within her competence."

To reiterate, the Assailed Decision denied the instant petition due to petitioner's failure to file on time its protest against the FAN, hence, the tax assessment did not ripen into a disputed assessment depriving therefore this Court of any authority to exercise jurisdiction thereon pursuant to Section 7(a)(1), Republic Act (RA) No. 1125, as amended by RA No. 9282, as implemented by Section 3(a)(1) of the Revised Rules of the Court of Tax Appeals, as amended.

In fine, there is no compelling reason to disturb or overturn the Assailed Decision.

WHEREFORE, premises considered, petitioner's *Motion for Reconsideration* is hereby **DENIED** for lack of merit.

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[3] G.R. No. 221780, March 25, 2019.

SO ORDERED.

CATHERINE T. MANAHAN
Associate Justice

WE CONCUR:

(With due respect, I reiterate my Dissenting Opinion)
ROMAN G. DEL ROSARIO
Presiding Justice

ERLINDA P. UY
Associate Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

(With due respect, I maintain my original position)
MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

(On Leave)
MARIAN IVY F. REYES-FAJARDO
Associate Justice

LANEE S. CUI-DAVID
Associate Justice