REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF INTERNAL REVENUE,
Petitioner,

CTA EB No. 2866
(CTA Case No. 8340)

Present:

RINGPIS-LIBAN, *P.J.,*
BACORRO-VILLENA,
MODESTO-SAN PEDRO,
REYES-FAJARDO,
CUI-DAVID,
FERRER-FLORES, *and*
ANGELES, *JJ.*

\- versus -

PHILIPPINE AIRLINES, INC.
Respondent.

Promulgated:

FEB 03 2026 1:13p.m.

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RESOLUTION

REYES-FAJARDO, *J.*:

For resolution by the Court *En Banc* is petitioner's Motion for Reconsideration (Re: Decision promulgated 24 April 2025) (Motion)[1] in CTA EB No. 2866 filed on May 7, 2025, with respondent's Comment (Re: Motion for Reconsideration dated 14 March 2025) filed on July 2, 2025.[2]

In the Decision dated April 24, 2025 (assailed Decision),[3] the Court *En Banc* affirmed the findings of the Court in Division, ruling that respondent is entitled to a partial refund of ₱3,133,270.14. This amount represents excise taxes erroneously paid on respondent's importations of wine and liquor products intended for international

1 *Rollo,* pp. 106-125.
2 *Id.* at pp. 137-149.
3 *Id.* at pp. 90-105.

flight consumption. The dispositive portion of the assailed Decision reads as follows:

> **WHEREFORE**, the Petition for Review, filed by the Commissioner of Internal Revenue on February 13, 2024 in CTA EB No. 2866, is **DENIED**, for lack of merit. The Amended Decision dated October 5, 2023 and the Resolution dated January 12, 2024, both rendered by the Court in Division are **AFFIRMED**.
>
> **SO ORDERED.**

The Court *En Banc* explained that the Supreme Court, in its Resolution dated July 9, 2018[4] affirmed the Court of Tax Appeals (CTA) *En Banc*'s decision in CTA *En Banc* No. 1347, which held that respondent satisfied the requirements for excise tax exemption under Section 13 of Presidential Decree (PD) No. 1590[5]. These requirements are: (1) payment of corporate income tax; (2) use of imported supplies for its operations; and (3) unavailability of such supplies locally in reasonable quantity, quality or price. Accordingly, the Supreme Court ordered the remand of the case to the CTA for the reception of evidence relevant to the computation of respondent's refund claim.

Following the Supreme Court's directive, the Court in Division in CTA Case No. 8340 determined that respondent is entitled to a refund amounting to ₱3,133,270.14, representing excise taxes paid on wine and liquor products whose importation costs were lower than their local purchase prices.

The Court *En Banc* ruled that respondent's evidence, including the testimony of its witness; comparative table of cost of importing and cost of locally purchasing commissary and catering supplies; sales invoices issued by foreign suppliers; price lists; and, monthly Philippine dealing system rates, were sufficient to establish that the cost per bottle of importing said products was indeed lower than purchasing them locally. Hence, respondent should be exempt from excise tax.

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4 G.R. No. 238163.

5 An Act Granting a New Franchise to Philippine Airlines, Inc. to Establish, Operate, and Maintain Air-Transport Services in the Philippines and Between the Philippines and Other Countries.

In the present Motion, petitioner reiterates its argument that respondent failed to prove that the imported wine and liquor products were not locally available in reasonable quantity, quality, or price, citing CTA decisions in CTA Case Nos. 10311 and 9913 as supporting authorities.

By way of Comment, respondent contends that the CTA decisions rendered by the Court in Division do not constitute binding precedent unless affirmed by the Supreme Court. Respondent further cites Supreme Court decisions involving the same parties, wherein the Court recognized similar evidence as sufficient to prove that the imported wine and liquor were not locally available in reasonable quantity, quality or price. Accordingly, respondent maintains that it has adequately demonstrated its entitlement to an excise tax refund amounting to ₱3,133,270.14.

The Motion is denied.

Indeed, petitioner's arguments were already considered and rejected by the Court *En Banc* in the assailed Decision. Given the finality of the Supreme Court's Resolution affirming respondent's entitlement to a refund, the remand of the case to the Court in Division was solely to determine the amount due. There is no basis to depart from the Court in Division's finding that respondent is exempt from excise tax to the extent of its imported wine and liquor products, as evidence showed importation costs were lower than local purchase prices.

There is no need to reiterate pertinent portions of the Decision or re-write the *ponencia* in accordance with the outline of the instant motion.[6] The pronouncement in *Social Justice Society (SJS) Officers, et al. v. Lim*[7] on the effect and disposition of a motion for reconsideration is instructive:

> The filing of a motion for reconsideration, authorized by Rule 52 of the Rules of Court, does not impose on the Court the obligation to deal individually and specifically with the grounds relied upon therefor, in much the same way that the Court does in its judgment or final order as

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6 G.R. Nos. 187836 & 187916, March 10, 2015.

7 *Id.*

> regards the issues raised and submitted for decision. This would be a useless formality or ritual invariably involving merely a reiteration of the reasons already set forth in the judgment or final order for rejecting the arguments advanced by the movant; and it would be a needless act, too, with respect to issues raised for the first time, these being, as above stated, deemed waived because not asserted at the first opportunity. It suffices for the Court to deal generally and summarily with the motion for reconsideration, and merely state a legal ground for its denial (Sec. 14, Art. VIII, Constitution); *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.

WHEREFORE, petitioner's Motion for Reconsideration, filed May 7, 2025 is **DENIED,** for lack of merit.

SO ORDERED.

Marian Ivy F. Reyes-Fajardo
MARIAN IVY F. REYES-FAJARDO
Associate Justice

We Concur:

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

ON LEAVE
LANEE S. CUI-DAVID
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

HENRY A. ANGELES
Associate Justice