CTA Form No. 8 (For DCC)

23-000435-0052

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

CTA CASE NO. 11270

GE HEALTHCARE PHILIPPINES, INC., (formerly General Electric Philippines, 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-MATANOG
ATTY. MCLAIR D. GARCIA
Bureau of Internal Revenue
Room 703, Litigation Division, BIR National Office Buillding
Sen. Miriam P. Defensor-Santiago Avenue
Diliman, Quezon City

CABRERA & COMPANY
28th Floor, AIA Tower (formerly Philamlife Tower)
8767 Paseo de Roxas
1226 Makati City

GREETINGS:

You are hereby notified by these presents that on **April 17, 2026,** Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **April 21, 2026.**

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

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

GE HEALTHCARE PHILIPPINES, INC. (formerly General Electric Philippines, Inc.), *Petitioner,*	**CTA CASE NO. 11270**
	Members:
-versus-	**BACORRO-VILLENA**, *Acting Chairperson, and* **CUI-DAVID**, *JJ.*
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: APR 17 2026 ; 11:20 AM

x- x

RESOLUTION

CUI-DAVID, J.:

For this Court's consideration is petitioner's ***Omnibus Motion with Leave of Court (1) For Reconsideration of the Decision dated 28 October 2025; and (2) To Reopen Trial and to Recall Witness***[1] (***Omnibus Motion***), filed on November 19, 2025. Respondent filed his ***Comment/Opposition (Re: Omnibus Motion with Leave of Court 1. For Reconsideration of the Decision dated 28 October 2025; and 2. To Reopen Trial To Recall Witness)*** [***Comment/Opposition***] on January 21, 2026.

In its *Omnibus Motion*, petitioner prays that the Court:

(1) give due course to the *Omnibus Motion* and set a hearing for the presentation of additional evidence; and

[1] Docket – Vol. II, pp. 813–826.

(2) reverse and set aside the Court's *Decision* dated October 28, 2025 (**assailed *Decision***), [2] the dispositive portion of which reads:

> "**WHEREFORE,** in light of the foregoing considerations, the present *Petition for Review* is **DENIED** for lack of merit."

In support of its *Omnibus Motion,* petitioner contends that the documentary evidence of record clearly shows a double payment of final withholding tax (**FWT**). According to petitioner, the Court itself confirmed in its findings that, of the FWT remittance for July 2021 amounting to ₱22,946,111.02, the amount of ₱17,647,690.64 pertains to FWT withheld from royalty payable to GE Energy Switzerland GmbH (**GE Switzerland**) and that the FWT remittance of ₱51,271,825.70 for August 2021 includes ₱47,972,225.78 pertaining to FWT withheld from royalty payable to GE Switzerland — the double payment being claimed by petitioner as erroneously or illegally paid FWT.

Petitioner avers that while it failed to explain the nature and basis of the ₱28,647,664.18 adjustment relating to GE Switzerland, it submits that such a finding of underpayment of taxes, if any, may be compensated with the present refund claim.

Further, petitioner implores the Court to reopen the trial for the reception of evidence to further aid and guide the Court in reconsidering its findings in the assailed *Decision.*

Petitioner further seeks the recall of its witness, Mr. Armando V. Dayag, Jr. (**Mr. Dayag, Jr.**), to identify and testify on the additional evidence to be presented. It likewise filed a *Supplemental Judicial Affidavit of Mr. Armando V. Dayag, Jr.* on December 11, 2025, which the Court noted in its Resolution dated January 8, 2026.[3]

As discussed in the assailed *Decision,* petitioner failed to establish that no other royalty fees were due to GE Switzerland on a monthly basis and that the entries in the July and August 2021 FWT returns pertain to identical transactions with GE

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[2] *Id.* at 789–811.

[3] Docket – Vol. III, pp. 1172–1173, Minute Resolution dated January 8, 2026; 993–995, *Submission (Of the Supplemental Judicial Affidavit of Mr. Armando V. Dayag, Jr.)*; 998-1013, *Supplemental Judicial Affidavit of Mr. Armando V. Dayag, Jr.*

Switzerland. As such, petitioner argues that these findings warrant the reception of additional evidence. Citing *Cabarles v. Hon. Maceda* (***Cabarles***),[4] petitioner asserts that a motion to reopen for further reception of evidence is permitted and shall be governed by the guideline of paramount interest of justice. Petitioner likewise cites Section 5(f), Rule 30[5] of the Rules of Court as a basis for reopening the case, asserting that doing so would prevent a miscarriage of justice and the government's retention of taxes not legally due.

On the other hand, in his *Comment/Opposition*, respondent vehemently opposes the motion to reopen the case as petitioner not only conceded that it "failed to explain the nature and basis" of the ₱28,647,664.18 adjustment pertaining to GE Switzerland, but also failed to: (1) prove that no monthly royalty fees were due to GE Switzerland; (2) present competent corroborating evidence establishing the entries in the July and August 2021 FWT returns pertained to identical transactions with GE Switzerland; and (3) submit supporting documents, such as a schedule of royalty payments, proof of actual transfer, or other relevant filings.

Respondent emphasizes that allowing the case to be reopened would permit petitioner to retroactively build a case it failed to establish initially, thereby prejudicing respondent, who defended against the evidence as originally presented. He argues that petitioner now attempts to cure evidentiary deficiencies by presenting additional documents already in its possession and control during the trial, which cannot be considered newly discovered evidence but rather forgotten evidence.

For respondent, a motion to reopen cannot be used to remedy a party's failure to present essential evidence. Granting its reopening would encourage laxity in preparation for litigation and undermine Court decisions. He underscores that litigation is not a "trial and error" process, and piecemeal presentation of evidence is repugnant to orderly justice.

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4 *Cabarles v. Hon. Maceda.*, G.R. No. 161330, February 20, 2007 [Per J. Quisumbing, Second Division].

5 Sec. 5. Order of trial. – Subject to the provisions of Section 2 of Rule 31, and unless the court for special reasons otherwise directs, the trial shall be limited to the issues stated in the pre-trial order and shall proceed as follows:

...

(f) The parties may then respectively adduce rebutting evidence only, **unless** the court, for **good reasons and in the furtherance of justice**, permits them to **adduce evidence upon their original case**[.] (Emphasis supplied)

Finally, respondent argues that a justification must accompany every plea for liberal construction of the rules. However, petitioner presented no exceptional circumstance nor has shown compelling grounds rooted in newly discovered evidence or the paramount interest of justice, but merely seeks to supplement deficient evidence to overturn the decision. Petitioner should not be allowed, in the guise of equity, to benefit from its own negligence.

Accordingly, the instant *Omnibus Motion* must fail.

As to its *Motion For Reconsideration of the Decision dated 28 October 2025 (**Motion for Reconsideration**),* petitioner merely raises that it clearly paid the FWT for July 2021 twice when it was allegedly included again in the August 2021 FWT return. While the Court indeed found that petitioner remitted and paid the total amounts of ₱22,946,111.02 and ₱51,271,825.70 as reflected in its *FWT Returns* for July and August 2021, respectively, the Court nonetheless denied petitioner's claim for refund or issuance of a tax credit certificate amounting to ₱47,972,225.78, because it failed to prove that the government erroneously or illegally collected such FWT.

Considering the totality of evidence offered and admitted, the assailed *Decision* underscores that petitioner still failed to establish that the FWT withheld from GE Switzerland for July and August 2021 pertained to identical transactions. This showing is vital in ascertaining whether there was, in fact, any double payment of FWT during the relevant period. Notably, petitioner failed to address this crucial finding in its present *Motion for Reconsideration* without resorting to the presentation of additional documents or records.

Ultimately, in seeking reconsideration, petitioner urges the Court to allow it to reopen the case for the reception of additional evidence and to recall its witness.

However, petitioner's *Motion with Leave of Court To Reopen Trial and to Recall Witness (**Motion to Reopen**)* deserves scant consideration.

In *Philippine National Bank v. Commissioner of Internal Revenue* (***PNB***),[6] citing *Alegre v. Reyes*[7] and *Cabarles*, the Supreme Court clarified the circumstances under which a motion to reopen may be allowed:

> In *Alegre v. Reyes*, this Court declared that a motion to reopen may properly be presented only after either or both parties have formally offered, and closed their evidence, but before judgment.
>
> In *Cabarles v. Maceda*, the Court further expanded the instances when a motion to reopen can be allowed, *i.e.*, "before judgment is rendered, and even after promulgation but before finality of judgment and the only controlling guideline governing a motion to reopen is the paramount interest of justice." (Citations omitted)

Furthermore, in *PNB*, the Supreme Court ruled that the denial of Philippine National Bank's alternative prayer to reopen the proceedings before the CTA in Division so that it could present additional evidence was proper because Philippine National Bank sought to present **forgotten evidence**, *viz.*:

> In the case at bar, however, **what PNB seeks is essentially the presentation of forgotten evidence** which, in a case, was defined in the following manner:
>
>> **Forgotten evidence refers to evidence already in existence or available before or during a trial; known to and obtainable by the party offering it; and could have been presented and offered in a seasonable manner, were it not for the sheer oversight or forgetfulness of the party or the counsel. Presentation of forgotten evidence is disallowed, because it results in a piecemeal presentation of evidence, a procedure that is not in accord with orderly justice and serves only to delay the proceedings.** A contrary ruling may open the floodgates to an endless review of decisions, whether through a motion for reconsideration or for a new trial, in the guise of newly discovered evidence.
>
> **Apart from the bare invocation of the interests of substantial justice,** which is not a magic wand that will automatically compel this Court to suspend procedural rules, **PNB has failed to demonstrate any compelling reason for the grant of its alternative prayer.** (Emphasis supplied, citations omitted)

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[6] G.R. Nos. 242647 *et al.*, March 15, 2022 [Notice, First Division].
[7] G.R. No. L-56923, May 9, 1988 [Per J. Narvasa, First Division].

The Supreme Court in *PNB* stressed that, beyond a bare invocation of substantial justice, no compelling justification was shown for reopening.

In the instant case, petitioner seeks to reopen the case to present supplemental evidence and to recall its witness, Mr. Dayag, Jr., purportedly to guide and assist the Court in reconsidering its findings in the assailed *Decision* and to substantiate its claim of double payment of FWT.

These additional documents refer to *Monthly Remittance Forms of Final Income Taxes Withheld* (BIR Form No. 0619-F) for taxable year (**TY**) 2021, *Quarterly Remittance Returns of Final Income Taxes Withheld* (BIR Form No. 1601-FQ) for TY 2021, *Annual Information Return of Income Taxes Withheld on Compensation and FWT* (BIR Form 1604-CF) for TY 2021, Monthly and Annual Alphalist of Payees for TY 2021, BIR Acknowledgment Receipt of DAT Files, eFPS Payment Details, 2021 Audited Financial Statements, and other relevant documents such as billing statements, invoices, proof of payment and schedule of royalty.

Petitioner asserts that such additional evidence is necessary to support its claim for refund and to uphold substantial justice.

While the *Cabarles* case recognizes that a motion to reopen may be filed even after promulgation but before finality of judgment, and the only controlling guideline in resolving such motion is the paramount interest of justice, which is subject to the Court's sound discretion, due regard must still be given to the nature of evidence sought to be introduced and the justification offered by petitioner for its omission. It bears stressing that such a reopening remains **exceptional** and is warranted only for justifiable reasons.

Lamentably, a thorough review of the additional evidence that petitioner seeks to present reveals that it undeniably constitutes **forgotten evidence**. Petitioner already had access to these documents during trial and even before the filing of its *Petition for Review,* and the same were known to petitioner and readily obtainable. Yet petitioner did not present them despite having the full opportunity to do so. Accordingly, **these documents cannot be considered newly discovered and are not proper subjects of a motion to reopen.**

To reiterate, the presentation of forgotten evidence is disallowed as it leads to the piecemeal presentation of evidence, a procedure that is not in accord with orderly justice and serves only to delay the proceedings.[8] The rationale behind this rule is to avoid injurious surprises to the other party and the consequent delay in the administration of justice.[9]

Even if treated as a motion for new trial, the additional evidence adduced by petitioner does not meet the standard for newly discovered evidence.

In *Alamayri v. Pabale,*[10] the Supreme Court stressed that parties must present *every argument* and *all available evidence* supporting their respective positions before the case is deemed submitted for decision, and only in truly exceptional circumstances may additional evidence be received thereafter, to wit:

> **The parties must diligently and conscientiously present all arguments and available evidences in support of their respective positions to the court before the case is deemed submitted for judgment. Only under exceptional circumstances may the court receive new evidence after having rendered judgment; otherwise, its judgment may never attain finality since the parties may continually refute the findings therein with further evidence.** Alamayri failed to provide any explanation why she did not present her evidence earlier. **Merely invoking that the ends of justice would have been best served if she was allowed to present additional evidence is not sufficient to justify deviation from the general rules of procedure.** Obedience to the requirements of procedural rules is needed if the parties are to expect fair results therefrom, and utter disregard of the rules cannot justly be rationalized by harking on the policy of liberal construction. Procedural rules are tools designed to facilitate the adjudication of cases. Courts and litigants alike are thus enjoined to abide strictly by the rules. And while the Court, in some instances, allows a relaxation in the application of the rules, this, we stress, was never intended to forge a bastion for erring litigants to violate the rules with impunity. **The liberality in the interpretation and application of the rules applies only to proper cases and under justifiable causes and circumstances.** While it is true that litigation is not a game of technicalities, it is equally true that every case must be prosecuted in accordance with the prescribed

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8 *Supra* note 6.
9 *Republic v. Sandiganbayan (Fourth Division)*, G.R. No. 152375, December 13, 2011 [Per J. Brion, *En Banc*].
10 G.R. No. 151243, April 30, 2008 [Per Chico-Nazario, Third Division].

procedure to insure an orderly and speedy administration of justice. (Emphasis supplied, citations omitted)

Here, petitioner candidly admitted that it was in "firm, honest and genuine belief that the presentation of its evidence revolving only in these two months would suffice to establish its present judicial claim for refund."[11] Also, it categorically stated that it indeed "failed to explain the nature and basis of the deduction of the ₱28,647,664.18 adjustment pertaining to GE Switzerland."[12]

Evidently, petitioner was negligent in failing to exercise reasonable diligence in the preparation and examination of the documents supporting its refund claim before their submission to the Court. An entitlement to a tax refund is for the taxpayer to prove and not for the government to disprove.[13] Corollarily, petitioner was expected to have fully assembled and presented all its evidence at the time of filing its judicial claim.

However, it was only **after** this Court rendered the assailed *Decision* unfavorable to petitioner that it sought to introduce additional supporting documents. Such a belated submission highlights petitioner's lack of due diligence and does not justify the reopening of the proceedings.

Respondent is indeed correct in asserting that procedural rules cannot be relaxed to accommodate petitioner's negligence. Neither may petitioner be allowed to rebuild its case after an unfavorable ruling. Notably, apart from the bare invocation of the interest of substantial justice, which is not a magic wand that will automatically compel the suspension of procedural rules,[14] petitioner has failed to advance any compelling reason to justify its *Motion to Reopen* or the belated submission of additional evidence. Instead, petitioner merely attempts to supplement the case records to cure evidentiary deficiencies arising from its own failure to establish its case in the first instance.

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[11] *Omnibus Motion with Leave of Court (1) For Reconsideration of the Decision dated 28 October 2025; and (2) To Reopen Trial and to Recall Witness*, par. 30.

[12] *Id.* at par. 11

[13] *Commissioner of Internal Revenue v. Far East Bank & Trust Company (Now Bank of the Philippine Islands)*, G.R. No. 173854, March 15, 2010 [Per J. Del Castillo, Second Division].

[14] *Dobes v. Court of Appeals*, G.R. No. 261610, August 9, 2023 [Per J. Kho, Jr., Second Division] citing *Philippine Savings Bank v. Papa*, 823 Phil. 725, 736 (2008) [Per J. Martires, Third Division].

Thus, the Court agrees with respondent that petitioner cannot be permitted to benefit from its own negligence in failing to adduce sufficient evidence.

Given the denial of petitioner's motion to reopen the trial and in the absence of any new or persuasive argument in petitioner's plea for reconsideration, the Court finds no cogent reason to reverse or modify the assailed *Decision*. In any event, even if the Court takes a second look at the facts of the case, it would still reach the same conclusion.

WHEREFORE, premises considered, petitioner's *Omnibus Motion with Leave of Court (1) For Reconsideration of the Decision dated 28 October 2025; and (2) To Reopen Trial and to Recall Witness* is hereby **DENIED** for lack of merit.

SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

I CONCUR:

JEAN MARIE A. BACORRO-VILLENA
Associate Justice