REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

SECOND DIVISION

UNION BANK OF THE PHILIPPINES, Petitioner,	**C.T.A. CASE NO. 7510**
	Members:
- versus -	**CASTAÑEDA, JR.,** *Chairperson* **UY,** *and* **PALANCA-ENRIQUEZ,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, Respondent.	**Promulgated:** AUG 2 6 2008 1:05 p.m.

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RESOLUTION

This resolves petitioner's **"Motion to Declare the Petitioner as Immune from the Payment of Taxes"** filed on April 18, 2008 alleging its availment of the Tax Amnesty Program under Republic Act No. 9480; respondent's **"Opposition (Re: Motion to Declare Petitioner as Immune from Payment of Taxes)"** filed on April 24, 2008; petitioner's **"Reply to Opposition"** filed on May 19, 2008; and petitioner's **"Compliance"** filed on July 31, 2008 pursuant to the Court's Resolution dated July 16, 2008 submitting certified true copies of the pertinent documents required under the Tax Amnesty Program of Republic Act No. 9480.

Finding petitioner's Compliance to be in order, the same is hereby **NOTED**.

In the "Motion to Declare the Petitioner as Immune from the Payment of Taxes" filed on April 18, 2008, petitioner elucidates that it is entitled to avail of the benefits and privileges of tax amnesty and submits the required documents as proof of its availment under R.A. No. 9480. Considering the allegations of the petitioner in said motion and the relief being prayed for, petitioner's instant motion is hereby treated as a Motion to Withdraw the Petition in the above-captioned case.

Hence, this Resolution.

In petitioner's Motion, it posits that on February 19, 2008, petitioner availed of the Tax amnesty Program of the government pursuant to the provisions of Republic Act No. 9480, otherwise known as "An Act Enhancing Revenue Administration and Collection by Granting and Amnesty on all Unpaid Internal Revenue Taxes Imposed by the National Government for Taxable Year 2005 and Prior Years".

It paid the amount of five Hundred Thousand Pesos (P500,000.00) as evidenced by the BIR Tax Payment Deposit slip.

Because of the availment by the petitioner of the tax amnesty program under R.A. No. 9480, petitioner now argues that it "shall now be immune from the payment of taxes, as well as additions thereto, and the appurtenant civil, criminal or administrative penalties under the National Internal Revenue Code of 1997, as amended, arising from the failure to pay and all internal revenue taxes for taxable year 2005 and prior years"(Sec. 6, RA No. 9480).

As a consequence thereof, petitioner therefore prays that this Court issues an Order declaring the petitioner immune/exempt from the payment of internal revenue taxes being contested in this case.

On the other hand, respondent's Opposition thereto manifests that this Court has no jurisdiction over matters concerning the taxpayer's availment of the Tax amnesty Program. There is no provision in R.A. No. 9480 that vests on this Court the jurisdiction to decide whether or not a party validly availed of the provisions of the said law. Furthermore, there is nothing in Department Order No. 29-07, the implementing rules of R.A. No. 9480, that vests such jurisdiction on this Court. Under the auspices of an administrative agency such as the BIR, the Tax amnesty Program is administrative in nature.

In its Reply, petitioner, in explaining the exclusive jurisdiction of this Court to declare and pronounce that the deficient documentary stamp taxes assessed by the respondent and being charged against the petitioner have been abated and extinguished upon its availment under the Tax Amnesty Program, cited Section 7, paragraph (a) of R.A. No. 1125, as amended by R.A. No. 9282. Accordingly, it is petitioner's belief that this is a matter arising under the National Internal Revenue Code as it pertains to an amnesty on all unpaid internal revenue taxes imposed by the National Government for taxable year 2005 and prior years.

We find petitioner's position meritorious.

Section 7 of Republic Act No. 1125, as amended by R.A. No. 9282, provides:

SECTION 7. *Jurisdiction.* — The CTA shall exercise:

(a) Exclusive appellate jurisdiction to review by appeal, as herein provided:

(1) Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or other matters arising under the National Internal Revenue **or other laws administered by the Bureau of Internal Revenue**; *(Emphasis Ours)*

The appellate jurisdiction of this Court is not limited to cases which involve decisions of the Commissioner of Internal Revenue on matters relating to assessments or refunds. The second part of the provision covers other cases that arise out of the NIRC or related laws administered by the Bureau of Internal Revenue.[1]

Republic Act No. 9480, otherwise known as the Tax Amnesty Law, is *"a law administered by the Bureau of Internal Revenue"*. Clearly, this Court has jurisdiction to determine if a taxpayer validly availed of the provisions of the Tax Amnesty Law.

We now proceed to the merits of petitioner's availment of the Tax Amnesty Program. It must be emphasized that a taxpayer desiring to avail of the benefits thereof must conform to the requirements specified under Section 2 of R.A. No. 9480, which provides:

"Sec. 2. *Availment of the Amnesty.* – Any person, natural or juridical, who wishes to avail himself of the tax amnesty authorized and granted under this Act shall file with the Bureau of Internal Revenue (BIR) <u>a notice and Tax Amnesty Return accompanied by a Statement of Assets, Liabilities and Networth (SALN) *as* of December 31, 2005, in *such form as* may be prescribed in the implementing rules and regulations (IRR) of</u>

[1] Philippine Journalist, Inc. vs. Commissioner of Internal Revenue, G.R. No. 162852, December 16, 2004.

this Act, and pay the applicable amnesty tax within six months from the effectivity of the IRR." *(Underscoring Ours)*

In addition, under its IRR,[2] a taxpayer availing of the program must present in the original or in certified true copy the following documents:

Forms to be submitted are:
- Notice of Availment of Tax Amnesty
- Statement of Assets, Liabilities and Networth (SALN)
- Tax Amnesty Return (BIR Form No. 2116)
- Payment Form (BIR Form No. 0617)

A perusal of the records of the case shows that the following certified true copies of the documents were submitted on July 31, 2008 by petitioner marked and attached to its "Compliance":

1. BIR Tax Payment Deposit Slip[3]	Annex "A"
2. Tax Amnesty Payment Form[4]	Annex "B"
3. Notice of Availment of Tax Amnesty[5]	Annex "C"
4. Statement of Assets, Liabilities and Net Worth as of December 31, 2005[6]	Annex "D"
5. Tax Amnesty Return for Taxable Year 2005[7]	Annex "E"

The Court notes that the aforesaid bank receipt is machine validated in the amount of P500,000.00 to the account of the Bureau of Internal Revenue thru Development Bank of the Philippines, Quezon Avenue Branch. Thus, the bank receipt, together with the bank stamps on the other certified true copies submitted by petitioner, substantially proves that petitioner paid its tax amnesty due.

The above documents show sufficient compliance with the provisions of R.A. No. 9480 and its implementing rules and regulations. Hence,

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[2] Department of Finance Department Order No. 29-07, August 15, 2007.
[3] Docket, p. 413.
[4] Ibid., at p. 414.
[5] Id., at, p. 415.
[6] Id., at p. 416.
[7] Id., at p. 417.

considering that petitioner has fully satisfied the requisites of the tax amnesty law, and is deemed a duly qualified tax amnesty applicant, the subject tax deficiencies in the case at bench are extinguished, provided that petitioner's SALN as of December 31, 2005 is not understated to the extent of the thirty percent (30%) or more as may be established in a proceedings initiated by, or at the instance of, parties other than the BIR or its agents.[8]

Hence, finding the instant motion to be well-taken, the same is hereby **GRANTED.**

WHEREFORE, premises considered, the instant Petition for Review filed on July 28, 2006 is deemed **WITHDRAWN**, and the case is considered **CLOSED** and **TERMINATED**, subject to the provisions of R.A. No. 9480.

SO ORDERED.

JUANITO C. CASTAÑEDA, JR.
Associate Justice

ERLINDA P. UY
Associate Justice

OLGA PALANCA-ENRIQUEZ
Associate Justice

[8] Section 4, R.A. No. 9480.