REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF INTERNAL REVENUE, Petitioner,	**CTA EB NO. 2794** (CTA Case No. 9696)
	Present:
- versus -	**DEL ROSARIO, *P.J.*, RINGPIS-LIBAN, MANAHAN, BACORRO-VILLENA, MODESTO-SAN PEDRO, REYES-FAJARDO, CUI-DAVID, FERRER-FLORES,** *and* **ANGELES, *JJ.***
BRIGHT ALLIANCE ENTERPRISES CORPORATION, Respondent.	Promulgated: JUL 08 2025 1:20pm

x - x

RESOLUTION

FERRER-FLORES, J.:

For this Court's resolution is the **Motion for Reconsideration** filed by **Commissioner of Internal Revenue (CIR/petitioner)** via registered mail on January 2, 2025, with **Comment/Opposition to Motion for Reconsideration** filed by **Bright Alliance Enterprises Corporation (BAEC/respondent)** via registered mail on January 20, 2025.

In the instant *Motion for Reconsideration*, the CIR prays for the Court *En Banc* to reconsider and set aside its *Decision* dated December 11, 2024 **(assailed Decision)**,[1] wherein the Court denied the CIR's *Petition for Review* for lack of merit and affirmed the Decision and Resolution issued by the First

[1] *Rollo*, pp. 57 to 72.

Division of the Court (Court in Division), the dispositive portion of which reads:

> **WHEREFORE**, premises considered, the Petition for Review is hereby **DENIED** for lack of merit. Accordingly, the assailed Decision dated December 13, 2022, and assailed Resolution dated July 25, 2023 in CTA Case No. 9696 are **AFFIRMED**.
>
> **SO ORDERED.**

To recall, in the assailed Decision, this Court held that the assessment did not attain finality in view of the timely filed Protest of respondent. In ruling so, the Court reckoned the 30-day period to file a protest from respondent's actual receipt of the Formal Letter of Demand (FLD) with corresponding Final Assessment Notices (FLD/FAN) on January 15, 2016 and held that the alleged substituted service by petitioner on January 12, 2016 was invalid. The Court also ruled that the subject deficiency tax assessments are void in view of the premature issuance of the FLD/FAN prior to the expiration of the 15-day period for respondent to file its Reply to the Preliminary Assessment Notice (PAN). Consequently, the assessment notices and the subsequently issued Warrant of Distraint and/or Levy (WDL) were also declared void.

In the present *Motion for Reconsideration*, petitioner alleges the following grounds:

I. The Court erred in ruling that the subject deficiency tax assessments failed to attain finality and that the protest of herein respondent against the final assessment notice was filed on time; and,

II. The Court erred in ruling that the subject deficiency tax assessments and the subsequently issued warrant of distraint and/or levy are void for violating respondent's right to due process.

As to the first ground, petitioner insists that respondent initially received the FLD/FAN on January 12, 2016; therefore, the 30-day period to file protest should be reckoned therefrom. Since respondent filed the protest only on February 15, 2016, it was clearly filed out of time; thus, the deficiency tax assessments have become final and executory. Petitioner maintains that BAEC is the owner of the branch located at "Space 14 Blk B 3/F Farmers Plaza, Cubao, Quezon City", as shown in the Integrated Tax System (ITS) Print-out of BAEC's branch registration, where a copy of the assessment notice was served to BAEC and received by its allegedly authorized representative, Mr. Mark Anthony J. Mainit.

With regard to the second ground, petitioner argues that the FLD/FAN was not prematurely issued on January 12, 2016 as the PAN was allegedly earlier served upon respondent on December 28, 2015 through a certain "Rosan Mollenido".

On the other hand, BAEC counters that the grounds relied upon by petitioner have already been discussed by this Court and do not warrant the reconsideration.

After an evaluation of the respective arguments raised by the parties, this Court finds petitioner's *Motion for Reconsideration* bereft of merit.

A cursory reading of the present *Motion for Reconsideration* would reveal that the grounds and supporting arguments raised by the petitioner were exact repetitions of the issues raised in his *Petition for Review* which have been considered and exhaustively discussed by the Court *En Banc* in the assailed Decision.

In *Department of Energy vs. Commissioner of Internal Revenue*,[2] the Supreme Court, citing *Shangri-la International Hotel Management, Ltd. vs. Developers Group of Companies, Inc.*,[3] held that, while a motion for reconsideration, by its nature, may tend to dwell on issues already resolved in the decision or resolution sought to be reconsidered, a circumstance which should not be an obstacle for a reconsideration, petitioners must still raise matters substantially plausible or compellingly persuasive to warrant a reversal of the Court's previous ruling.

Clearly, there are no new matters which warrant the Court's attention.

As explained in the assailed Decision, respondent's Protest was timely filed on February 15, 2016,[4] which was within 30 days from its actual receipt of the FLD/FAN on January 15, 2016. At the risk of sounding repetitive, this Court cannot consider as valid the substituted service of the notice on January 12, 2016 as the person who received the notice, Mr. Mainit, was not authorized to receive the same. In fact, he is not even an employee of BAEC.

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[2] G.R. No. 260912 (Resolution), August 30, 2023.
[3] G.R. No. 159938 (Resolution), January 22, 2007.
[4] The last day to file a Protest fell on February 14, 2016, which is a Sunday; thus, respondent had until February 15, 2016 to file the same.

Hence, the assessment did not become final and executory in view of the timely filing of respondent's protest.

As to the second ground, the Court emphasizes that the petitioner failed to establish the validity of its service of the PAN on December 28, 2015 and the authority of the person to receive the PAN on behalf of respondent BAEC. At any rate, even assuming *arguendo* that the 15-day period for BAEC to file a Reply to PAN will be reckoned from December 28, 2015, as claimed by petitioner, BAEC had until **January 12, 2016** within which to file the same. Thus, FLD/FAN issued on January 12, 2016 would still be prematurely issued, in violation of BAEC's right to due process.

All told, the Court *En Banc* finds no compelling reason to reverse or modify the assailed Decision.

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

SO ORDERED.

CORAZON G. FERRER-FLORES
Associate Justice

WE CONCUR:

ROMAN G. DEL ROSARIO
Presiding Justice

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

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

LANEE S. CUI-DAVID
Associate Justice

HENRY S. ANGELES
Associate Justice