REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL SECOND DIVISION

G2K CORPORATION, *Petitioner,*	**CTA CASE NO. 10690**
	Members:
- versus -	**RINGPIS-LIBAN**, *Chairperson* **MODESTO-SAN PEDRO**, *and* **FERRER-FLORES**, *JJ.*
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: 4:02 pm

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RESOLUTION

***MODESTO-SAN PEDRO, J.*:**

For the Court's resolution is petitioner's Motion for Reconsideration, filed on October 2, 2025, without respondent's comment, against this Court's *Decision* dated September 9, 2025 ("Assailed Decision") dismissing its Petition for Review for lack of jurisdiction.

Petitioner argues that the assessments are void for lack of a valid Letter of Authority ("LOA"), hence the period to file the Petition for Review to assail the same did not prescribe as it did not even run in the first place. Further, petitioner invokes that the Court already made a finding that the assessments are void for lack of a valid LOA when it granted its Application for Issuance of Temporary Restraining Order and/or Preliminary Injunction. Accordingly, to ultimately rule for the case's dismissal would be inconsistent with such finding and would render the previous finding nugatory.

Lastly, petitioner insists that it is not estopped from invoking the defense of improper service of the Final Decision on Disputed Assessment ("FDDA") to its receptionist, an unauthorized representative, citing the ruling in *Mannasoft Technology Corporation v. Commissioner of Internal Revenue*,[1] ("*Mannasoft*") where it was held that an assessment served to an unauthorized representative were void and of no legal effect.

The foregoing arguments lack merit.

Section 7 of Republic Act ("R.A.") No. 1125, as amended by *R.A. No. 9282*, ("the *CTA Law*"), provides for the Court of Tax Appeal's ("CTA") jurisdiction. Specifically, *Section 7(a)(1)* thereof provides that the CTA shall exercise exclusive appellate jurisdiction to review by appeal 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.

On the other hand, *Section 11 of the CTA Law*, provides for a 30-day period to file an appeal before the CTA from the receipt of the decision or ruling or inaction, as follows:

> SEC. 11. *Who May Appeal; Mode of Appeal; Effect of Appeal. - Any party adversely affected by a decision, ruling or inaction of the Commissioner of Internal Revenue*, the Commissioner of Customs, the Secretary of Finance, the Secretary of Trade and Industry or the Secretary of Agriculture or the Central Board of Assessment Appeals or the Regional Trial Courts *may file an appeal with the CTA within thirty (30) days after the receipt of such decision or ruling* or after the expiration of the period fixed by law for action as referred to in Section 7(a)(2) herein.
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> *Appeal shall be made by filing a petition for review* under a procedure analogous to that provided for under Rule 42 of the 1997 Rules of Civil Procedure with the CTA *within thirty (30) days from the receipt of the decision or ruling or in the case of inaction as herein provided*, from the expiration of the period fixed by law to act thereon. A Division of the CTA shall hear the appeal: Provided, however, That with respect to decisions or rulings of the Central Board of Assessment Appeals and the Regional Trial Court in the exercise of its appellate jurisdiction appeal shall be made by filing a petition for review under a procedure analogous to that provided for under rule 43 of the 1997 Rules of Civil Procedure with the CTA, which shall hear the case en banc.
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> (Italics supplied)

This is consistent with *Section 228 of the National Internal Revenue Code, as amend*ed ("the *Tax Code*"), which provides that if the protest is denied in whole or in part, or is not acted upon within 180 days from submission of documents, the *taxpayer adversely affected by the decision or inaction may appeal to the Court of Tax Appeals within 30 days from receipt*

[1] G.R. No. 244202, July 10, 2023.

of the said decision, or from the lapse of 180-day period; otherwise, the decision shall become final, executory, and demandable.

The timeliness of filing a petition for review before the CTA is not only mandatory but also jurisdictional. There must be a clear reckoning point as to when the 30-day reglementary period would begin to run. To subscribe to petitioner's argument that the 30-day period to file a Petition for Review before the CTA never began to run considering that the assessment is void creates a dangerous precedent, which unintentionally broadens the CTA's jurisdiction in the sense that the CTA would submit jurisdiction based on a party's assertion before it can determine whether it has jurisdiction on the case brought before it.

This would result to a procedural absurdity where the Court must first resolve the validity of the assessment before it can determine whether it can have jurisdiction on the case. Resolving the issue of validity of an assessment necessarily delves on the merits of the case. Determination of the merits of the case can never precede determination of the Court's jurisdiction.

On this note, We emphasize that the Court's findings in resolving motions to suspend tax collection are merely preliminary, based on the evidence offered at that stage of proceedings, and are never intended to prematurely dispose of the merits of the case, to the prejudice of the other party who is yet to present its arguments and evidence.

It is only when respondent had rested his case, after presenting his testimonial and documentary evidence, that We can fully dispose all the issues herein, including the determination of whether or not the Court can take cognizance of the case. Indeed, it was only upon receiving the arguments and evidence of petitioner, confronted with the arguments and evidence of respondent, were We able to peruse and conclude that this Court cannot assume jurisdiction in this case.

As such, petitioner cannot insist that the Court abide by its finding when it resolved petitioner's Application for Issuance of Temporary Restraining Order and/or Preliminary Injunction on September 20, 2022,[2] especially that the findings therein were in light of the evidence presented by petitioner at that stage of the proceedings, without taking into account any evidence from respondent yet.

Further, petitioner's reliance on the CTA *En Banc*'s ruling in *Republic of the Philippines v. Unick Trend Innovation Corp.*[3] ("*Unick*") is misplaced. Petitioner failed to appreciate the facts in said case where the Court in

[2] Docket – Vol. 4, pp. 1615 to 1626.
[3] CTA *EB* Case No. 2858 (CTA OC No. 027), May 20, 2025.

Division then properly acquired jurisdiction over the Petition for Review as it was timely filed by Unick Trend Innovation Corp., thereby vesting the CTA with authority to rule on the merits of the case, specifically in determining the intrinsic invalidity of the disputed assessment even after it was considered final and executory under the law.

This is in stark contrast to this case where this Court did not acquire jurisdiction on petitioner's Petition for Review in the first place for being belatedly filed, making the CTA *En Banc*'s ruling in *Unick* inapplicable.

Lastly, petitioner's reliance on the ruling in *Mannasoft* is likewise misplaced. The ruling therein stating that service of assessment notices to an unauthorized representative produces no effect was in light of the prevailing regulations at the time the assessment notices were served to Mannasoft Technology Corporation in 2011, which is *Revenue Regulations ("RR") No. 12-99*, before it was amended by *RR No. 18-13*. In particular, *Section 3.1.4* thereof, before amendment, states that:

> SECTION 3. *Due Process Requirement in the Issuance of a Deficiency Tax Assessment.* —
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> 3.1.4 *Formal Letter of Demand and Assessment Notice.* — The formal letter of demand and assessment notice shall be issued by the Commissioner or his duly authorized representative. The letter of demand calling for payment of the taxpayer's deficiency tax or taxes shall state the facts, the law, rules and regulations, or jurisprudence on which the assessment is based, otherwise, the formal letter of demand and assessment notice shall be void (see illustration in ANNEX B hereof). The same shall be sent to the taxpayer only by registered mail or by personal delivery. *If sent by personal delivery, the taxpayer* ***or his duly authorized representative*** *shall acknowledge receipt thereof* in the duplicate copy of the letter of demand, showing the following: (a) His name; (b) signature; (c) designation and authority to act for and in behalf of the taxpayer, if acknowledged received by a person other than the taxpayer himself; and (d) date of receipt thereof.
> (Italics and emphasis supplied.)

However, in the advent of *RR No. 18-13*, which was the already prevailing regulations when the Preliminary Assessment Notice, Formal Letter of Demand, and FDDA were issued and received by petitioner from 2015 to 2020, the requirement of service to a duly authorized representative was already eliminated, to wit:

> 3.1.6 *Modes of Service.*— The notice (PAN/FLD/FAN/FDDA) to the taxpayer herein required may be served by the Commissioner or his duly authorized representative through the following modes:
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> > (i) The notice shall be served through personal service by delivering personally a copy thereof to the party at his registered or

known address or wherever he may be found. A known address shall mean a place other than the registered address where business activities of the party are conducted or his place of residence.

In case personal service is not practicable, the notice shall be served by substituted service or by mail.

(ii) Substituted service can be resorted to when the party is not present at the registered or known address under the following circumstances:

The notice may be left at the party's registered address, with his clerk or with a person having charge thereof.

If the known address is a place where business activities of the party are conducted, the notice may be left with his clerk or with a person having charge thereof.

If the known address is the place of residence, substituted service can be made by leaving the copy with a person of legal age residing therein.

If no person is found in the party's registered or known address, the revenue officers concerned shall bring a barangay official and two (2) disinterested witnesses to the address so that they may personally observe and attest to such absence. The notice shall then be given to said barangay official. Such facts shall be contained in the bottom portion of the notice, as well as the names, official position and signatures of the witnesses.

Should the party be found at his registered or known address or any other place but refuse to receive the notice, the revenue officers concerned shall bring a barangay official and two (2) disinterested witnesses in the presence of the party so that they may personally observe and attest to such act of refusal. The notice shall then be given to said barangay official. Such facts shall be contained in the bottom portion of the notice, as well as the names, official position and signatures of the witnesses.

"Disinterested witnesses" refers to persons of legal age other than employees of the Bureau of Internal Revenue.

(iii) Service by mail is done by sending a copy of the notice by registered mail to the registered or known address of the party with instruction to the Postmaster to return the mail to the sender after ten (10) days, if undelivered. A copy of the notice may also be sent through reputable professional courier service. If no registry or reputable professional courier service is available in the locality of the addressee, service may be done by ordinary mail.

The server shall accomplish the bottom portion of the notice. He shall also make a written report under oath before a Notary Public or any person authorized to administer oath under Section 14 of the NIRC, as amended, setting forth the manner, place and date of service, the name of the person/barangay official/professional courier service company who received the same and such other

> relevant information. The registry receipt issued by the post office or the official receipt issued by the professional courier company containing sufficiently identifiable details of the transaction shall constitute sufficient proof of mailing and shall be attached to the case docket.
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> Service to the tax agent/practitioner, who is appointed by the taxpayer under circumstances prescribed in the pertinent regulations on accreditation of tax agents, shall be deemed service to the taxpayer.

Clearly, the ruling in *Mannasoft* is no longer availing in petitioner's case. Thus, as found by this Court and discussed in the Assailed Decision, there was a valid service of the FDDA to petitioner pursuant to the prevailing *RR No. 18-13*. The Court even went so far in discussing therein that, even assuming that there was improper service of FDDA to petitioner, it nevertheless failed to pinpoint a particular date from which to reckon the 30-day period to appeal to CTA as it failed to establish a specific date of receipt or date when it gained knowledge of the Warrants of Garnishment issued by respondent to the banks where it holds depositary accounts.

The perfection of an appeal in the manner and within the period laid down by law is not only mandatory but also jurisdictional. The failure to perfect an appeal as required by the rules has the effect of defeating the right to appeal of a party and precluding the appellate court from acquiring jurisdiction over the case. At the risk of being repetitive, the right to appeal is neither a natural right nor a part of due process. It is merely a statutory privilege and may be exercised only in the manner and in accordance with the provisions of the law.[4]

Accordingly, based on all the evidence and information on record and for lack thereof, petitioner failed to properly invoke the Court's jurisdiction in the manner prescribed by law. Consequently, the Court is divested of power to proceed any further in determining the merits of this case and is left with no other authority but to dismiss the same.

In summary, petitioner failed to impress the Court with cogent arguments to justify the reversal, amendment, or modification of the Assailed Decision. The same shall therefore not be disturbed.

FOR THESE REASONS, petitioner's *Motion for Reconsideration* is **DENIED** for lack of merit.

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[4] *Commissioner of Internal Revenue v. Fort Bonifacio Development Corporation*, G.R. No. 167606, August 11, 2010.

SO ORDERED.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

WE CONCUR:

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

CORAZON G. FERRER-FLORES
Associate Justice