REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF INTERNAL REVENUE, *Petitioner*,	**CTA *EB* NO. 2490** (CTA Case No. 8890)
	Present:
- versus -	**DEL ROSARIO**, *PJ*, **UY**, **RINGPIS-LIBAN**, **MANAHAN**, **BACORRO-VILLENA**, **MODESTO-SAN PEDRO**, **REYES-FAJARDO**, *and* **CUI-DAVID**, *JJ.*
JOSELITO RANADA LARAYA, *Respondent*.	Promulgated: SEP 14 2022 4:15p.m.

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DECISION

CUI-DAVID, J.:

Before the Court *En Banc* is a *Petition for Review*[1] filed by petitioner Commissioner of Internal Revenue on July 12, 2021, seeking to nullify the Decision[2] dated October 1, 2020 (assailed Decision), and the Resolution[3] dated June 1, 2021 (assailed Resolution), promulgated by the Court's Third Division (Court in Division) in CTA Case No. 8890, entitled *Joselito Ranada Laraya vs. The Commissioner of the Bureau of Internal Revenue, through Jose A. Tan, Revenue Regional Director Region 9, San Pablo City*.

The assailed Decision and Resolution granted the Petition for Review of respondent Joselito Ranada Laraya and ordered the cancellation and setting aside of the Final Decision on

[1] *En Banc* docket, pp. 6-18.
[2] *Id.*, pp. 25-51.
[3] *Id.*, pp. 52-54.

Disputed Assessment (FDDA) dated July 2, 2014, and the deficiency income tax, value-added tax, and expanded withholding tax assessments stated therein, in the aggregate amount of ₱21,106,853.22, inclusive of increments, for the taxable year 2006.

THE PARTIES

Petitioner is the Commissioner of the Bureau of Internal Revenue (BIR), the government agency tasked to, among others, collect national internal revenue taxes. She may be served with a summons and other court processes at the BIR National Office Building, Agham Road, Diliman, Quezon City.[4]

Respondent Joselito Ranada Laraya is of legal age, Filipino, and can be served with summons and other court processes at No. 51 Codera Road, Sta. Clara Sur, Pila, Laguna.[5]

THE FACTS AND THE PROCEEDINGS

The factual antecedents, as narrated in the assailed Decision, are undisputed:

> On June 20, 2008, [Petitioner] issued to [Respondent] Letter Notice (LN) No. 057-WE-I-06-00-00022, stating that a computerized matching conducted by the BIR on information/data provided by Withholding Agents/Payors and Payees/Income Recipients against [Respondent's] declarations per income tax return disclosed a total discrepancy of ₱11,740,723.77, for the calendar/fiscal year ended 2006, and inviting [Respondent] to the BIR in San Pedro, Laguna on July 19, 2008, to present any documentary evidence in connection therewith.
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> Subsequently, on May 15, 2009, the Letter of Authority (LOA) 2008 00015304 was issued by the Regional Director Nestor Valeroso of Revenue Region No. 9, San Pablo City, authorizing Revenue Officer (RO) Teodora Reyes and Group Supervisor (GS) Thelma Omalin, to examine [Respondent's] books of accounts and other accounting records for all internal revenue taxes for the period from January 1, 2006 to December 31, 2006.
>
> Subsequently a Notice of Informal Conference dated November 25, 2009 was issued by Revenue District Officer Alcasabas to [Respondent].

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[4] Par. 2, Circumstances of the Parties, Joint Stipulation of Facts and Issues (JSFI), Docket — Vol. 1, p. 317.
[5] Par. 2, Circumstances of the Parties, JSFI, Docket — Vol. 1, p. 317.

On February 8, 2012, [Petitioner] through Regional Director Jose A. Tan of Revenue Region No. 9, San Pablo City issued to [Respondent] a Preliminary Assessment Notice (PAN), finding due from him deficiency income tax, VAT, and expanded withholding tax (EWT), including increments, for taxable year 2006, in the total amount of ₱40,382,305.92, broken down as follows:

Income Tax	₱29,151,630.06
VAT	11,229,214.28
EWT	1,461.58
Grand Total	₱40,382,305.92

Thereafter, [Petitioner] through Regional Director Tan then issued the Formal Letter of Demand (FLD) dated March 2, 2012, with attached Audit Results/Assessment Notice evenly dated and Details of Discrepancies, assessing [Respondent] deficiency income tax, VAT, and EWT, including increments, for taxable year 2006, in the total amount of ₱40,614,312.11, computed as follows:

Income Tax	₱29,319,930.80
VAT	11,292,912.23
EWT	1,469.08
Grand Total	₱40,614,312.11

[Respondent] then filed his protest letter to the said FLD with a request for reinvestigation on March 26, 2012.

Thereafter, Memorandum of Assignment (MOA) No. 057-LA-0080-5/29/2012 dated May 29, 2012, was issued by Revenue District Officer Julio G. Alcasabas of Revenue District No. 57, Biñan, Laguna, to RO Thelma Omalin and GS Sion Catelo, referring the [Respondent's] case for reinvestigation per protest letter/request for reinvestigation.

On June 4, 2012, Revenue District Officer Alcasabas issued to [Respondent] a letter informing him that his case was returned by the Regional Director, Revenue Region No. 9, San Pablo City, for reinvestigation and referred to RO Omalin under GS Catelo since the previously assigned RO was transferred to another district office.

Thereafter, [Petitioner] though Regional Director Tan issued to [Respondent] the letter dated September 9, 2013, informing the latter that after reinvestigation, deficiency taxes amounting to ₱19,947,627.52, inclusive of increments, remain due and demandable, as follows:

Income Tax	₱14,653,786.74
VAT	5,292,316.61
EWT	1,524.17
Grand Total	₱19,947,627.52

On October 3, 2013, a letter addressed to Regional Director Tan and signed by [Respondent's] sister Ms. Lovella R. Laraya (for [Respondent]) was filed with the BIR, stating that she visited Regional Director Tan's office on even date to clarify [Respondent's] case, and asked for his benevolent understanding, as [Respondent] is only a simple Filipino citizen who wants to earn a living in his own country by being fair to everyone.

Ms. Laraya then filed the letter dated October 21, 2013, stating that they are directly protesting and categorically not accepting the result of the investigation of [Respondent's] case.

Subsequently, [Petitioner] through Regional Director Tan issued to Ms. Laraya the letter dated October 30, 2013, stating that [Respondent] may visit his office to submit a valid protest together with the supporting documents within fifteen (15) days from receipt thereof; otherwise, they will forward his case to the Collection Division for enforcement of collection; and asking for an authorization letter from [Respondent] allowing her to transact/communicate with the BIR.

In the letter dated November 4, 2013 to RO James Geoffrey H. Rivarez, [Respondent's] sister requested for another fifteen (15) days for them to submit a valid protest letter.

In reply, Regional Director Tan stated in his letter dated November 20, 2013 to [Respondent's] sister that a 15-day grace period to submit a valid protest letter was already given to [Respondent] as stated in his letter dated October 30, 2013, and that should they fail to furnish the said protest letter within the prescribed period, [Respondent's] case will be forwarded to the Collection Division for enforcement of collection.

Thereafter, [Petitioner] through Regional Director Tan issued to [Respondent] the assailed FDDA dated July 2, 2014, stating that the deficiency tax assessments were adjusted to reflect a total liability of ₱21,106,853.22, inclusive of increments.

On September 5, 2014, respondent elevated his case before the Court in Division *via* a Petition for Review[6] praying for the Court to declare the disputed assessments as without legal and factual bases.

[6] Docket – Vol. 1, pp. 14-23.

In her Answer[7] filed on November 3, 2014, petitioner alleged, by way of special and affirmative defenses, that:

1. The assessment issued against respondent has long become final, executory, and unappealable;

2. The assessment is well supported by facts and laws; and

3. The right to assess has not prescribed.

The Pre-Trial conference was initially set for February 5, 2014. The parties submitted their Joint Stipulations of Facts and Issues (JSFI) on April 7, 2015.[8] Thereafter, the Court issued the Pre-Trial Order dated April 23, 2015,[9] deeming the termination of the Pre-Trial Conference.

Trial ensued.

During the trial, both petitioner and respondent presented evidence in support of their respective claims.

On September 5, 2019, petitioner filed her Memorandum,[10] while on October 7, 2019, the Memorandum (For the [Respondent]) was filed.[11]

The instant case was deemed submitted for decision on October 15, 2019.

On October 1, 2020, the Court in Division promulgated the assailed Decision, the dispositive portion of which reads:

> **WHEREFORE**, in light of the foregoing considerations, the instant Petition for Review is **GRANTED**. Accordingly, the FDDA dated July 2, 2014, and the deficiency income tax, VAT, and EWT assessments stated therein, in the aggregate amount of ₱21,106,853.22, inclusive of increments, issued against Petitioner for taxable year 2006, are **CANCELLED** and **SET ASIDE**.
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> **SO ORDERED**.

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[7] Docket – Vol. 2, pp. 67-80.
[8] Docket – Vol. 1, pp. 317-319.
[9] Docket – Vol. 1, pp. 329-336.
[10] Docket – Vol. 3, pp. 1420-1436.
[11] Docket – Vol. 3, pp. 1447-1453.

Aggrieved, petitioner moved for reconsideration[12] but the same was denied in the equally assailed Resolution dated June 1, 2021.

Unfazed, petitioner elevated the case to the Court *En Banc via* the instant Petition for Review on July 12, 2021.

In compliance with the Court *En Banc's* directive per Resolution dated November 4, 2021, respondent filed his Comment/Opposition (To the Petitioner's Petition for Review)[13] through a private courier on January 4, 2022.

On February 21, 2022, the instant case was referred to the Philippine Mediation Center – Court of Tax Appeals (**PMC-CTA**) for mediation, under Section II of the Interim Guidelines for Implementing Mediation in the Court of Tax Appeals (CTA).[14]

On April 7, 2022, the Court *En Banc* received PMC-CTA Form No. 6 (No Agreement to Mediate),[15] stating that the parties decided not to have their case mediated by the PMC-CTA. In view thereof, the Court *En Banc* issued a Resolution[16] dated April 28, 2022, submitting the instant case for decision.

Hence, this decision.

THE ISSUES

Petitioner anchors her Petition for Review on the following grounds:

I. THE HONORABLE COURT IN DIVISION ERRED IN DECLARING THE ASSESSMENT VOID DUE TO SERVICE OF THE LETTER OF AUTHORITY BEYOND THIRTY (30) DAYS FROM ITS ISSUANCE.

II. WHEN THE ASSESSMENT HAS BECOME FINAL AND THE COURT OF TAX APPEALS TAKES COGNIZANCE OF THE CASE, THE LATTER CAN ONLY RESOLVE MATTERS PERTAINING TO THE COLLECTION OF TAX.

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[12] Docket – Vol. 3, pp. 1486-1489.
[13] *En Banc* docket, pp. 76-81.
[14] *En Banc* docket, pp. 84-85.
[15] *En Banc* docket, p. 86.
[16] *En Banc* docket, pp. 88-89.

III. THE ASSESSMENT ISSUED AGAINST PETITIONER IS VALID AND LAWFUL.

***Petitioner's Arguments*:**

Petitioner contends that while Revenue Memorandum Order (RMO) No. 43-90[17] and Revenue Audit Memorandum Order (RAMO) No. 1-00 mandate that Letter of Authority (LOA) must be served to the taxpayer within thirty (30) days from the date of issuance, it also provides that the taxpayer has the right to refuse service of the LOA if presented beyond the 30 days. In the instant case, petitioner emphasizes that while the LOA was presented to respondent beyond 30 days, it was, nonetheless, respondent's acceptance thereof that precludes any question regarding the validity of its service. Otherwise stated, instead of refusing the service of LOA, respondent knowingly accepted the same despite being served 30 days from its issuance. Thus, petitioner submits that respondent is estopped from questioning the late service of the LOA.

Petitioner likewise contends that the non-revalidation of the LOA did not invalidate the assessment. A revalidation is merely an administrative tool to track the progress of examinations under LOAs and to spur Revenue Officers (ROs) action. In fact, according to petitioner, relevant RMOs do not provide for the invalidity of non-revalidated LOAs. It merely states that if the RO cannot finish the report within 120 days, he must submit a progress report and then have the LOA revalidated. No consequence at all. The so-called "invalidity" is, therefore, merely a concoction by the CTA.

Petitioner further contends that when the assessment has become final and the CTA takes cognizance of the case, its jurisdiction is limited only to the propriety of the collection process made by petitioner against respondent. It cannot go beyond the validity of the assessment which has already become final and executory. Thus, for petitioner, the Court cannot use an action seeking invalidation of the LOA to attack the validity of the assessment which has already attained finality.

Finally, petitioner contends that the assessment issued against respondent is valid and lawful. According to petitioner, the burden of proof is on the taxpayer contesting the validity or

[17] *Amendment of Revenue Memorandum Order No. 37-90 Prescribing Revised Policy Guidelines for Examination of Returns and Issuance of Letters of Authority to Audit.*

correctness of an assessment to prove not only that the Commissioner of Internal Revenue (CIR) is wrong, but that the taxpayer is right. Otherwise, the presumption of correctness of tax assessments stands.

***Respondent's Arguments*:**

Respondent counters that under RMO No. 43-90 and RAMO No. 1-00,[18] no audit should be conducted without an LOA which must be served to the taxpayer within 30 days from the date of issue; otherwise, it becomes null and void. Here, the LOA was issued on May 15, 2009, and received by respondent on June 30, 2009. Thus, following the mandate of RAMO No. 1-00, the subject LOA is null and void for having been served or presented to respondent more than 30 days from the date of issue. It follows, therefore, that all assessments emanating from such unauthorized audits must be canceled and set aside.

Further, petitioner's assertion that respondent's acceptance of the belatedly served LOA precludes any question as to the validity thereof, is flawed. Truly, RAMO No. 1-00, in relation to RMO No. 43-90, gives the taxpayer the right to refuse belatedly served LOA. However, nowhere in the said RMO and RAMO was it stated, in any manner, that should an LOA be served to the taxpayer after 30 days from the date of issuance, the same shall be considered valid if the taxpayer failed to refuse its belated service.

Lastly, respondent submits that RMO No. 8-2006[19] is not applicable in this case because it presupposes that the LOA is valid and served within the 30-day period required by RAMO No. 1-00 except that the audit/examination was not finished within the required 120-day period.

THE COURT *EN BANC'S* RULING

The instant Petition for Review was filed on time.

Before delving into the merits of the case, the Court *En Banc* shall first determine whether the present Petition for Review was timely filed.

[18] *Updated Handbook on Audit Procedures and Techniques Volume I (Revision —Year 2000).*
[19] *Prescribing Guidelines and Procedures in the Implementation of the Letter of Authority Monitoring System (LAMS).*

Section 3(b), Rule 8 of the Revised Rules of the Court of Tax Appeals states:

> **SEC. 3**. *Who may appeal; period to file petition.* — xxx
>
> xxx xxx xxx
>
> (b) A party adversely affected by a decision or resolution of a Division of the Court on a motion for reconsideration or new trial may appeal to the Court by filing before it a petition for review **within fifteen days from receipt of a copy of the questioned decision or resolution**. **Upon proper motion and the payment of the full amount of the docket and other lawful fees and deposit for costs before the expiration of the reglementary period herein fixed, the Court may grant an additional period not exceeding fifteen days from the expiration of the original period within which to file the petition for review**. (*Emphasis supplied*)

Records show that petitioner received the assailed Resolution on June 10, 2021. Thus, petitioner had fifteen (15) days from June 10, 2021, or until June 25, 2021, to file a Petition for Review before the Court *En Banc.*

On June 24, 2021, petitioner filed a Motion for Extension of Time to File Petition for Review, asking for an extension of fifteen (15) days from June 25, 2021, or until July 10, 2021, to file a Petition for Review, which the Court *En Banc* granted in a Minute Resolution dated June 28, 2021.

Considering that July 10, 2021, fell on a Saturday, the filing of petitioner's Petition for Review on July 12, 2021, the next working day, was on time.

The Court shall now proceed to determine the merits of the Petition for Review.

A judicious review of the arguments set forth by petitioner in her Petition for Review readily shows that they are a mere restatement of the arguments in her Memorandum [20] and Motion for Reconsideration, [21] which were exhaustively considered and discussed by the Court in Division in the assailed Decision dated October 1, 2020, and affirmed in the assailed Resolution dated June 1, 2021.

[20] Docket – Vol. 3, pp. 1420-1436.
[21] Docket – Vol. 3, pp. 1486-1489.

The Court in Division did not err in declaring the resulting tax assessments void due to the service of the Letter of Authority beyond 30 days from its issuance.

Petitioner claims that the Court in Division relied on RMO No. 43-90 and RAMO No. 1-00 in deciding the instant case.

RMO No. 43-90 provides that all audits/investigations *must* be conducted by the revenue officers under an LOA, *viz.*:

> **1. All audits/investigations**, whether field audit or office audit, should be conducted **under a Letter of Authority**. (*Emphasis supplied*)
>
> ... ...

Relatedly, RAMO No. 1-00 mandates that an LOA *must* be served or presented within 30 days from its date of issue, *viz.*:

> 2.3 A Letter of Authority must be served or presented to the taxpayer within 30 days from its date of issue; otherwise, it becomes null and void unless revalidated. The taxpayer has all the right to refuse its service if presented beyond the 30-day period depending on the policy set by top management. Revalidation is done by issuing a new Letter of Authority or by just simply stamping the words "Revalidated on ______" on the face of the copy of the Letter of Authority issued. (*Emphasis supplied*)

The above rule invalidates a previously issued LOA, which has remained unserved for more than 30 days after its issuance date unless the same is revalidated.

In the instant case, LOA No. 2008-00015304 was issued by petitioner on May 15, 2009. Applying RAMO 1-00, the subject LOA should have been served to respondent within 30 days counted from May 15, 2009, or until June 14, 2009. However, the same was served to respondent only on June 30, 2009, or forty-six (46) days from the date of issue.

As found by the Court in Division, there is no showing that the subject LOA has been revalidated. Hence, the same has already become null and void when served to respondent on June 30, 2009, and the revenue officer named in the LOA is deemed to have no authority to examine respondent's books of

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accounts and other accounting records for the taxable year 2006.

Thus, the Court *En Banc* is one with the Court in Division in ruling that:

> Relative thereto, Revenue Memorandum Order (RMO) No. 43-90 directs that audits conducted by BIR revenue officers must be conducted under an LOA, to wit: ...
>
> Moreover, Revenue Audit Memorandum Order (RAMO) No. 1-00 mandates that an LOA must be served within thirty (30) days from the time it is issued, viz.: ...
>
> > 2.3 A Letter of Authority **must be served** or presented to the taxpayer **within 30 days from its date of issue**; **otherwise, it becomes null and void**, unless revalidated. The taxpayer has the right to refuse its service if presented beyond the 30-day period depending on the policy set up by management. Revalidation is done by issuing a new Letter of Authority or by just simply stamping the words 'Revalidated on ______________' on the face of the copy of the Letter of Authority issued.
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> Clearly, **an LOA must be served or presented to the concerned taxpayer within thirty (30) days from its date of issuance; otherwise, it becomes null and void, unless revalidated**. In other words, an LOA is valid only for thirty (30) days from date of issue, unless served to the concerned taxpayer within the said thirty (30) days, or even after the lapse of the said 30-day period, the same has been revalidated.
>
> It is well-settled that where the language of the law is clear and unequivocal, it must be given its literal application and applied without interpretation. The general rule of requiring adherence to the letter in construing statutes applies with particular strictness to tax laws and provisions of a taxing act are not to be extended by implication. A plain reading of the above-stated BIR issuances shows that the service of the LOA within the said 30-day period is mandatory.
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> **In this case, the LOA No. 2008 00015304 was issued on May 15, 2009. Thus, the same should have been served to Petitioner by June 14, 2009, the last day of the 30-day validity period of the LOA, unless the same is revalidated thereafter.**
>
> **In his Memorandum dated February 19, 2014, the Regional Director of Revenue Region No. 9 stated, inter alia, that while LOA No. 200800015304 was issued on May 15, 2009, the same was served to Petitioner only on June**

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> **30, 2009, or forty-six (46) days after the date of its issuance.**
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> Correspondingly, **since there is no showing that the subject LOA has been revalidated, the same has already become void, and was already without force and effect when it was served to Petitioner, for the BIR's failure to observe the 30-day mandatory period.**
>
> To emphasize, a void LOA logically characterizes the authority of the revenue officer named therein as non-existent and not legally binding. **Such being the case, the said revenue officer is deemed to have no authority at all to carry out the examination of the books of accounts and other accounting records of Petitioner for all internal revenue taxes for the period covering the year 2006.**
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> Considering that the revenue officer who conducted the examination of Petitioner's books of accounts and other accounting records for taxable year 2006 did not have the valid authority to do so in the first place, the resulting tax assessment issued by Respondent against Petitioner is inescapably void. (*Emphasis supplied*)

Anent petitioner's insistence that respondent's acceptance of the belatedly served LOA precludes any question as to the validity of the service thereof, the Court *En Banc* adopts and quotes the findings of the Court in Division in the assailed Resolution, *viz.*:

> As correctly pointed out by Petitioner, the BIR issuances are clear and unambiguous. RMO No. 43-90 and RAMO No. 01-00 evidently state that the LOA must be served or presented to the taxpayer within thirty (30) days from its date of issuance, otherwise it becomes null and void **unless revalidated**. RAMO No. 01-00 further provides that the taxpayer has the right to refuse its service if presented beyond the 30-day period. To emphasize, the condition for an LOA to remain valid even after the 30-day period is its subsequent revalidation, **and not the taxpayer's acceptance thereof.**
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> In the present case, the LOA was served to Petitioner beyond the 30-day period. Considering that it was not revalidated, the LOA is deemed null and void, **<u>even if it was subsequently accepted by the taxpayer, the same did not cure the LOA's defect</u>**. Consequently, the revenue officer who examined Petitioner's books of accounts and other accounting records for the period covering the year 2006 is deemed to have no authority, thereby negating respondents' tax assessments against Petitioner. (*Emphasis supplied*)

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Further, in *AFP General Insurance Corporation v. Commissioner of Internal Revenue,* [22] the Supreme Court clarified that RAMO No. 1-00 invalidates a previously issued LOA, which has remained unserved for more than 30 days past its issuance date, unless the same is revalidated, *viz.*:

> Read in these lights, the rules clearly impose a *30-day expiration period for service.* Upon expiration, the LOA becomes *wholly unenforceable,* inasmuch as it cannot be served without revalidation upon the taxpayer who, in turn, has the right to refuse the same.
>
> The revalidation requirement involving an *unserved LOA* is imposed on the revenue officer because he/she exclusively derives authority therefrom. It is intended to *reconfirm his/her designation* as the BIR personnel duly authorized (by the CIR) to examine the taxpayer's books and *extend the period of service.* Otherwise, his/her subsequent presence in a taxpayer's premises for a supposed tax audit shall be **illegitimate**. (*Underscoring supplied*)

Indeed, RAMO No. 1-00, in relation to RMO No. 43-90, is very clear. The LOA must be served or presented to the taxpayer within thirty (30) days from the date of its issuance, otherwise, it becomes ***null and void,*** unless revalidated. As the Court in Division correctly pointed out, the condition for an LOA to remain valid even if served after the 30-day period, is its subsequent revalidation, and not the taxpayer's acceptance thereof.

Indubitably, the "invalidity" of the LOA is not a mere concoction of the CTA, as claimed by petitioner through counsel, in a last-ditch effort to justify her non-observance of the revenue issuance she swore to enforce and uphold.[23] On the contrary, the said "invalidity" is a concoction of the petitioner CIR herself, who authored RAMO No. 1-00.

Let it be emphasized that the provision in any administrative issuance must be accorded with the same weight as any statute, as long as it is not contrary to law, or the Constitution. Petitioner failed to show that its issuance, RAMO No. 1-00, is contrary to law or the Constitution. Hence, it must be given effect.

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[22] G.R. No. 222133, November 4, 2020.
[23] Page 7, Petition for Review, CTA *EB* Case No. 2490, *En Banc* docket, p. 12.

The subject deficiency tax assessments are not yet final, executory, and demandable given respondent's timely appeal.

Finally, on petitioner's assertion that when the assessment has become final, and the CTA takes cognizance of the case, the latter can only resolve matters about the collection of tax, the Court *En Banc* finds the same inaccurate.

Contrary to petitioner's claim, the subject tax assessments are not yet final, demandable, and executory given the timely filing of respondent's appeal before the Court in Division.

Records show that on August 7, 2014, respondent received the FDDA dated July 2, 2014, stating that:

> Sir:
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> **Referring to your letter dated November 21, 2013, please be informed that your protest against our taxable year 2006 deficiency tax assessments** in the amount of P29,319,930.80, P11,292,912.23, and P1,469.08, representing Income, Value Added, and Expanded Withholding taxes, respectively, the subject matter of our covering Letter of Demand dated March 2, 2012, **is hereby adjusted**, to wit:
>
> xxx xxx xxx
>
> It is requested that your aforesaid deficiency tax liabilities be paid immediately upon receipt hereof, inclusive of penalties incident to delinquency. **This is our final decision. if you disagree, you may appeal this final decision with the Court of Tax Appeals within thirty (30) days from date of receipt hereof, otherwise our said deficiency tax assessments shall be final, executory and demandable**.
>
> Please give this matter your preferential attention.
>
> Very truly yours,
>
> **JOSE N. TAN**
> Regional Director

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Guided by the foregoing, it is clear that the FDDA dated July 2, 2014, is the *final decision* appealable to the CTA within thirty (30) days from respondent's receipt thereof on August 7, 2014, or until September 6, 2014.

Respondent filed a Petition for Review challenging petitioner's final decision on September 5, 2014, which is well within the 30-day period. Hence, the deficiency tax assessments have not yet become final, executory, and demandable.

All told, the Court *En Banc* finds no compelling reason to deviate from the findings of the Court in Division that the assessments are void as the revenue officer who examined respondent's books of accounts and other accounting records for the taxable year 2006 is deemed to have no authority to do so.

WHEREFORE, premises considered, the instant *Petition for Review* is **DENIED**, for lack of merit. Accordingly, the Decision dated October 1, 2020, and the Resolution dated June 1, 2021, promulgated by the Court's Third Division in CTA Case No. 8890, are **AFFIRMED**. Petitioner, her agent, or any person acting on her behalf are hereby **ENJOINED** from enforcing the collection of the deficiency taxes arising from the said Final Decision on Disputed Assessment.

SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

We Concur:

ROMAN G. DEL ROSARIO
Presiding Justice

ERLINDA P. UY
Associate Justice

MA. BELEN RINGPIS-LIBAN
Associate Justice

CATHERINE T. MANAHAN
Associate Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

MARIA ROWENA G. MODESTO-SAN PEDRO
Associate Justice

ON LEAVE
MARIAN IVY F. REYES-FAJARDO
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, it is hereby certified that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court.

ROMAN G. DEL ROSARIO
Presiding Justice