REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF INTERNAL REVENUE, *Petitioner,*	**CTA EB No. 2545** *(CTA Case No. 9351)*
	Present:
- versus -	**DEL ROSARIO,** *PJ,* **RINGPIS-LIBAN, MANAHAN, BACORRO-VILLENA, MODESTO-SAN PEDRO, REYES-FAJARDO, CUI-DAVID, FERRER-FLORES,** *and* **ANGELES,** *JJ.*
AIG SHARED SERVICES CORPORATION (PHILIPPINES) [Formerly: CHARTIS TECHNOLOGY AND OPERATIONS MANAGEMENT CORPORATION], *Respondent.*	**Promulgated:** OCT 17 2023 11:45am

x---x

RESOLUTION

***REYES-FAJARDO, J.*:**

For the Court's resolution is the Commissioner of Internal Revenue (CIR)'s Motion for Reconsideration[1] of the Decision dated March 27, 2023, which denied the CIR's Petition for Review and upheld the ruling of the Court of Tax Appeals Third Division (Court in Division). Previously, the Court in Division partially granted respondent AIG Shared Services Corporation (Philippines) (AIG Philippines)'s judicial claim for refund or issuance of tax credit relative to unutilized excess input value-added tax (VAT) attributable to zero-rated sales in CTA Case No. 9351.

---

[1] *Rollo*, pp. 120-126.

In the instant Motion, the CIR mainly reiterates that respondent AIG Philippines is not entitled to any refund or credit and, in fact, is still liable for deficiency VAT.[2]

On June 23, 2023, the CIR's Motion for Reconsideration, with AIG Philippines's Comment/Opposition,[3] was submitted for resolution.

After a careful review of the records of the present case, the Court finds no compelling reason to reverse or modify the Assailed Decision. The instant motion raises the same argument already passed upon and discussed at length by the Court. The CIR has not adduced any substantial argument to warrant reconsideration or modification of the Assailed Decision. It is already settled that if the issues raised in the motion for reconsideration are mere reiterations of those which have already been passed upon and, in fact, adjudged as unmeritorious by the Court, these cannot be regarded as substantial and no longer require another full-blown discussion. Any further discourse will only be unnecessary and repetitive.[4]

Be that as it may, We underscore that, in *refund* cases, the Court has no authority to determine possible deficiency tax and assess the claimant on the basis thereof. Verily, the courts have the power to **review** tax assessments issued by the CIR. However, it has no **assessment** powers and cannot, by itself, assess a taxpayer for deficiency taxes.[5] The law[6] vests sole authority to the CIR to make such assessments. And, as a matter of due process, an administrative remedial process[7] is mandated as a condition precedent to the judicial determination of liability for deficiency taxes. Certainly, We cannot allow the tax authorities "to use a claim for refund under Section 112 of the Tax Code as a means to assess a taxpayer for any deficiency VAT, especially if the period to assess had already prescribed."[8]

---

2 *Rollo*, p. 123.
3 *Rollo*, pp. 134-140.
4 *Social Justice Society (SJS) Officers, et al. v. Lim*, G.R Nos. 187836 & 187916, March 10, 2015.
5 *Commissioner of Internal Revenue v. Toledo Power Company*, G.R. Nos. 196415 & 196451, December 2, 2015.
6 Section 6, Tax Code.
7 Section 228, Tax Code.
8 *Commissioner of Internal Revenue v. Toledo Power Company*, G.R. Nos. 196415 & 196451, December 2, 2015.

WHEREFORE, in light of the foregoing considerations, the Commissioner of Internal Revenue's Motion for Reconsideration of the Decision dated March 27, 2023 is **DENIED** for lack of merit.

SO ORDERED.

MARIAN IVY F. REYES-FAJARDO
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

LANEE S. CUI-DAVID
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

ON LEAVE
HENRY S. ANGELES
Associate Justice