REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF INTERNAL REVENUE,
Petitioner,

- versus -

BANCLIFE INSURANCE CO.,
Respondent.

CTA *EB* NO. 2860
(CTA Case No. 9939)

Present:

RINGPIS-LIBAN, *P.J.,*
BACORRO-VILLENA,
MODESTO-SAN PEDRO,
REYES-FAJARDO,
CUI-DAVID,
FERRER-FLORES, *and*
ANGELES, *JJ.*

Promulgated:

JUN 09 2026 10:57 a.m.

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DECISION

CUI-DAVID, J.:

Before the Court *En Banc* is a *Petition for Review*[1] filed by the Commissioner of Internal Revenue (CIR), seeking the reversal of the *Decision*[2] dated October 5, 2022 (assailed *Decision*) and the *Resolution*[3] dated January 2, 2024 (assailed *Resolution*) of the Court's Special Third Division (Court in Division). The assailed issuances canceled and set aside the deficiency income tax, final withholding tax, and expanded withholding tax assessments issued against Banclife Insurance Co., Inc. for calendar year (CY) 2013.

THE PARTIES

Petitioner is the duly appointed Commissioner of the Bureau of Internal Revenue (BIR), vested under the appropriate

[1] *En Banc* (*EB*) Docket, pp. 5–31.
[2] *Id.* at 34–54.
[3] *Id.* at 55–58.

laws with the authority to carry out the functions, duties and responsibilities of his Office, including *inter alia*, the power to decide disputed assessments and to cancel or abate tax liabilities pursuant to the provisions of the National Internal Revenue Code (NIRC) of 1997, as amended, other tax laws, and rules and regulations.[4]

Respondent Banclife Insurance Co., Inc. is a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal place of business at the 4th Floor, Philfirst Building, 6764 Ayala Avenue, Makati City. It is a registered taxpayer of the BIR Revenue District Office (RDO) No. 34, Revenue Region No. 6, with Tax Identification No. 236-669-934-000.[5]

THE FACTS AND PROCEEDINGS

The relevant facts, as found by the Court in Division, are as follows:

> On 25 July 2014, a Letter of Authority ("LOA") was issued by the Regional Director of RR 6, Araceli L. Francisco, in favor of Revenue Officer ("RO") Divina Santos and Group Supervisor ("GS") Almira Navarro of RDO 34 authorizing them to audit and examine [respondent]'s books of accounts and other accounting records for the purpose of determining any deficiency tax liability for the period from 1 January 2013 to 31 December 2013.
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> The LOA and a Checklist of Requirements was received by [respondent] from RDO 34 on 1 August 2014. On 14 August 2014, [respondent] received a First Request for Presentation of Records from RDO 43 requesting certain documents necessary to the audit. This request was reiterated by the BIR on 28 August 2014 when it issued a Second and Final Request for the Presentation of Records. On 8 September 2014, [respondent] submitted the requested documents to RO Santos.
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> On 13 October 2015, [respondent] received a Letter, dated 6 October 2015, from Revenue District Officer Albino M. Galanza, informing it that the audit of its books of accounts and other accounting records would be assigned to RO Aldwin I. Alaan to be supervised by GS Godofredo V. San Diego. A Memorandum of Assignment, dated 30 September 2015, ("MOA") was attached to this Letter indicating that the transfer of the audit to RO Alaan and GS San Diego was due to the

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4 *Id.* at 6, *Petition for Review*, Parties.
5 *Id.* at 6–7, *Petition for Review*, Parties.

previous RO's resignation/retirement/transfer to another district office.

Thereafter, RO Alaan and GS San Diego issued a Memorandum recommending the issuance of a Preliminary Assessment Notice ("PAN"). On 22 December 2016, respondent issued a PAN.

On 13 January 2017, [petitioner] issued Formal Letters of Demand with corresponding Assessment Notices ("FLD/FAN"). The FLD/FAN sought to collect the following deficiency taxes from [respondent]:

Tax Type	Amount Due (inclusive of surcharge and interest, and exclusive of compromise penalties)
IT	Php15,382,174.56
FWT	2,497,500.00
EWT	101,271.33

[Petitioner] then issued a Preliminary Collection Letter, dated 8 August 2017, ("PCL") demanding the above stated amounts. Thereafter, [petitioner] issued a Final Notice Before Seizure, dated 25 August 2017, ("FNBS") seeking the collection of the aforementioned deficiency taxes.

On 31 August 2018, Warrants of Garnishment ("WOG") were received by [respondent]'s affiliates (*i.e.*, Maestro Holdings, Inc., PhilHealthCare, Inc., and Grow Holdings Phil., Inc.) from the BIR seeking to collect the alleged deficiency taxes from [respondent]. On 17 September 2018, [respondent]'s affiliate, PhilPlans First, Inc., also received a WOG from the BIR. [Respondent]'s affiliates responded to these WOG by informing the BIR that they have no investments/dividends/stocks and receivables due to [respondent] and neither is the latter in possession of properties owned by the former.

Upon learning of the presence of these WOGs, [respondent], on 18 September 2018, sent a Letter to the BIR's RR 6 requesting for the cancellation of the WOGs and Warrants of Distraint and/or Levy ("WDL"), if one had been issued, since it never received a copy of the PAN and FAN/FLD in violation of the mandatory requirements under ***Section 228 of the NIRC*** and ***Revenue Regulations No. 12-99 ("RR 12-99")***. [Respondent] also requested for copies of the PAN, FAN/FLD, and the WDL, if any had been issued.

[Petitioner] did not comply with [respondent]'s request. As such, [respondent] filed the instant Petition with an Urgent Motion to Quash Warrant of Garnishment and/or to Suspend Tax Collection of Taxes on 28 September 2018, after it considered the WOGs, which were received by [respondent]'s

> affiliates on 31 August 2018 and 17 August 2018, respectively, as [petitioner]'s decision on other matters arising under the ***NIRC***.
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> On 15 October 2018, this Court issued Summons to [petitioner] to file an Answer to the Petition.
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> On 23 October 2018, a hearing was conducted in relation to [respondent]'s Urgent Motion to Quash Warrant of Garnishment and/or to Suspend Tax Collection of Taxes. In support of its Motion, [respondent] presented various documentary evidence which were identified by its witness, Ms. Nerissa Suganob.
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> On 5 November 2018, [petitioner] filed his Opposition and/or Comment (To Motion to Quash Warrant of Distraint and/or Levy and/or to Suspend Collection of Taxes). He also elevated all of the BIR Records appurtenant to the case on 17 December 2018.
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> On 7 November 2018, [respondent] filed its Formal Offer of Evidence (In Support of [Respondent]'s Application for Suspension of Collection of Taxes). [Petitioner] interposed no objections to this submission.
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> On 14 November 2018, [petitioner] filed his Answer.

After trial on the merits, during which both parties presented evidence in support of their respective claims, the Court in Division cancelled the deficiency tax assessments on the ground of violation of respondent's right to due process. The dispositive portion of the assailed *Decision* reads:

> **WHEREFORE**, in light of the foregoing considerations, the instant Petition for Review is **GRANTED**. The PAN, FLD/FAN, PCL, FNBS and WOGs issued against petitioner are declared **NULL AND VOID**. Accordingly, the deficiency IT, FWT and EWT assessments issued against [respondent] for CY 2013, in the aggregate amount of Php18,067,945.59 are hereby **CANCELLED** and **SET ASIDE**. Consequently, [petitioner] is **ENJOINED** and **PROHIBITED** from collecting the said amount against [respondent].
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> **SO ORDERED.**

On November 10, 2022, petitioner filed a *Motion for Reconsideration (Re: Decision dated 05 October 2022)*,[6] to which respondent filed a *Comment/Opposition (Re: Motion for Reconsideration dated 8 November 2022)*[7] on January 9, 2023.

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[6] Division Docket – Vol. 2, pp. 833–856.
[7] *Id.* at 859–874.

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On January 2, 2024, the Court in Division issued the assailed *Resolution* denying petitioner's motion for reconsideration on the ground that the arguments raised had already been sufficiently passed upon in the assailed *Decision.* The *fallo* of the assailed *Resolution* states:

> **WHEREFORE**, the instant Motion for Reconsideration (Re: Decision dated 05 October 2022) is hereby **DENIED** for lack of merit.
>
> **SO ORDERED**.

On February 8, 2024, petitioner filed a *Motion for Extension of Time to File Petition for Review.*[8]

Thereafter, on February 21, 2024, petitioner filed the present *Petition for Review.*

Following the Court *En Banc*'s directive,[9] respondent filed a *Comment (Re: Petition for Review dated February 20, 2024)*[10] on July 9, 2024.

On July 26, 2024, the Court *En Banc* referred the case to the Philippine Mediation Center – Court of Tax Appeals (PMC-CTA) for mediation, pursuant to Section II of the Interim Guidelines for Implementing Mediation in the Court of Tax Appeals.[11]

On December 6, 2024, the Court received the parties' Request for Extension,[12] seeking an additional thirty (30) days from December 11, 2024, or until January 10, 2025, within which to reach an amicable settlement. On December 18, 2024, the Court granted the request and allowed the parties the requested extension.[13]

On January 15, 2025, the parties filed a *Joint Manifestation and Motion to Suspend Proceedings.*[14] The Court noted and granted the motion on April 7, 2025, and further directed the parties to inform the Court of the status of the compromise application within five (5) days from notice,

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8 *EB* Docket, pp. 1–3.
9 *Id.* at 64, Notice of Resolution dated June 28, 2024.
10 *Id.* at 67–81.
11 *Id.* at 85, Notice of Resolution.
12 *Id.* at 91.
13 *Id.* at 92, Notice of Resolution.
14 *Id.* at 93–96.

considering that the extended mediation period had lapsed on February 11, 2025.[15]

On April 14, 2025, the parties filed a *Joint Manifestation (Re: Resolution dated April 7, 2025),* [16] stating that the compromise application remained pending with the National Evaluation Board for approval.

On September 1, 2025, the case was deemed submitted for decision,[17] following the Court's receipt of PMC-CTA Form 5 (Mediator's Report) [18] dated July 7, 2025, indicating that mediation was unsuccessful.

THE ISSUES

Petitioner assigns the following errors to the Court in Division:

I.
WITH ALL DUE RESPECT, THE HONORABLE COURT *A QUO* HAS NO JURISDICTION OVER THE ORIGINAL PETITION. THE ASSESSMENT AGAINST RESPONDENT HAS ALREADY BECOME FINAL, EXECUTORY AND DEMANDABLE.

II.
THE HONORABLE COURT *A QUO* ERRED IN RULING THAT RESPONDENT WAS NOT PROPERLY SERVED WITH THE PRELIMINARY ASSESSMENT NOTICE, FINAL ASSESSMENT NOTICE (FAN) AND FORMAL LETTER OF DEMAND (FLD).

III.
THE HONORABLE COURT *A QUO* ERRED IN APPLYING THE RULING IN THE CASE OF MEDICARD. THE RULING IS NOT APPLICABLE TO THE INSTANT CASE.

IV.
THE HONORABLE COURT *A QUO* ERRED IN RULING THAT THE ASSESSMENTS ARE VOID BECAUSE THE REVENUE OFFICER WHO CONDUCTED THE AUDIT/ REINVESTIGATION WAS ALLEGEDLY NOT AUTHORIZED THROUGH A LETTER OF AUTHORITY (LOA).[19]

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[15] *Id.* at 99, Notice of Resolution.
[16] *Id.* at 100–101.
[17] *Id.* at 111, Notice of Resolution.
[18] *Id.* at 104.
[19] *Id.* at 8-9, *Petition for Review*, Grounds for the Allowance of the Petition.

Petitioner's arguments

Petitioner argues that the Court in Division had no jurisdiction over respondent's petition because the deficiency tax assessment for taxable year (TY) 2013 had already become final, executory, and demandable. According to petitioner, a FAN/FLD was issued on January 13, 2017, but respondent failed to file an administrative protest within the 30-day period prescribed under Section 228 of the NIRC. As a result, the assessment attained finality by operation of law, and no further inquiry into its merits was permissible.

Petitioner further contends that respondent was properly served with the PAN and the FAN/FLD through registered mail at its registered address, invoking the disputable presumption that mail matter sent by registered mail is received in the regular course of business.

On the issue of authority to audit, petitioner asserts that the Court in Division erred in applying the ruling in *Medicard Philippines, Inc. v. Commissioner of Internal Revenue* [20] (*Medicard*), arguing that the said ruling does not apply to the present case because a valid LOA was issued. Petitioner asserts that when the originally designated revenue officers (ROs) were reassigned, a Memorandum of Assignment (MOA) validly authorized another revenue officer to continue the audit pursuant to the original LOA. Petitioner argues that requiring the issuance of a new LOA would unduly impede tax collection and contravene the lifeblood doctrine.

Respondent's arguments

Respondent counters that the assessment did not become final and that the Court of Tax Appeals properly acquired jurisdiction over its petition. It categorically denies having received the PAN and the FAN/FLD, asserting that the period to file an administrative protest never commenced due to lack of proper notice. Respondent further argues that the burden rests upon petitioner to prove actual receipt.

Respondent stresses that the CIR's evidence, *i.e.*, registry receipts, does not constitute competent proof of receipt, particularly in the absence of registry return cards or postal

[20] G.R. No. 222743, April 5, 2017 [Per J. Reyes, Third Division].

certifications, and that this failure amounts to a violation of due process that renders the assessment void.

Respondent further contends that the audit and reinvestigation were conducted by ROs who were not specifically named in a valid or amended LOA, and that a Memorandum of Assignment issued by a subordinate official cannot substitute for the LOA required by law. Relying on *Medicard* and *Commissioner of Internal Revenue v. McDonald's Philippines Realty Corp.*,[21] (*McDonald's*) respondent argues that an LOA is a jurisdictional and personal grant of authority; hence, any examination conducted by officers not named therein is a nullity. It further asserts that allowing an MOA to substitute for an LOA would amount to a usurpation of the CIR's statutory authority.

THE COURT *EN BANC'S* RULING

The Court En Banc has jurisdiction over the present Petition for Review.

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

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

> SEC. 3. *Who may appeal; period to file petition.* —
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> . . . .
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> (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)

[21] G.R. No. 242670, May 10, 2021 [Per J. Lopez, J., Third Division].

Records show that petitioner received the assailed *Resolution* denying his *Motion for Reconsideration* on January 31, 2024.[22] Accordingly, petitioner had fifteen (15) days, or until February 15, 2024, to file a petition for review before the Court *En Banc*. On February 8, 2024, petitioner timely filed a *Motion for Extension of Time to File Petition for Review*, whether reckoned from the receipt of the BIR lawyers or from the Office of the Solicitor General (OSG), seeking an additional 15 days, or until February 23, 2024, to file the petition. Consequently, the *Petition for Review* filed on February 21, 2024, was timely.

However, a review of the records reveals that **no written deputation or authority from the OSG authorizing the filing of the *Motion for Extension of Time* and the *Petition for Review* was attached thereto**. In the absence of such deputation, the *Petition* is **procedurally dismissible for lack of authority to file**, consistent with settled jurisprudence recognizing the OSG as the statutory counsel of the CIR before the CTA.

Nevertheless, in the interest of substantial justice and to fully resolve the issues raised, the Court *En Banc* proceeds to rule on the merits.

Having established timeliness, the Court *En Banc* likewise finds that it has jurisdiction over the case pursuant to Section 2(a)(1), Rule 4[23] of the RRCTA.

Now, on the merits.

The *Petition for Review* lacks merit.

A careful evaluation of the parties' arguments and the records shows that petitioner merely reiterates matters already thoroughly considered and correctly resolved by the Court in Division. No reversible error has been demonstrated to justify a departure from the assailed *Decision* and *Resolution*.

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[22] Division Docket – Vol. 2, p. 878, Notice of Resolution.

[23] SEC. 2. *Cases Within the Jurisdiction of the Court En Banc.* — The Court *En Banc* shall exercise exclusive appellate jurisdiction to review by appeal the following:
(a) Decisions or resolutions on motions for reconsideration or new trial of the Court in Divisions in the exercise of its exclusive appellate jurisdiction over:
(1) Cases arising from administrative agencies — Bureau of Internal Revenue, Bureau of Customs, Department of Finance, Department of Trade and Industry, Department of Agriculture[.]

The Court in Division properly assumed jurisdiction over the original Petition.

The Court in Division did not err in ruling that respondent was not properly served with the PAN and the FAN/FLD.

Petitioner argues that the Court in Division had no jurisdiction over respondent's original *Petition for Review* because the deficiency tax assessment had already become final, executory, and demandable pursuant to Section 228 of the NIRC. According to petitioner, respondent failed to file an administrative protest within 30 days from receipt of the FAN/FLD, thereby rendering the assessment conclusive and no longer subject to judicial review.

The Court *En Banc* is not persuaded.

While it is undisputed that Section 228 of the NIRC requires a taxpayer to file an administrative protest within 30 days from receipt of the assessment, it is equally settled that the prescriptive period begins to run only from the taxpayer's actual receipt of the assessment notice.

In this case, petitioner invokes the disputable presumption that a letter sent by registered mail is received in the ordinary course of mail. Thus, petitioner contends that the PAN and the FAN/FLD, having been sent through registered mail to respondent's registered address, should be deemed received by respondent in due course.

The argument fails.

The presumption of receipt arising from registered mail is not conclusive. It is merely disputable and may be overcome by a categorical denial of receipt.[24] Once such denial is made, jurisprudence consistently holds that the burden shifts to the

[24] Section 3(v). Rule 131 of the Revised Rules of Evidence provides:
SEC. 3. *Disputable presumptions.* — The following presumptions are satisfactory if uncontradicted, but may be contradicted and overcome by other evidence:

....

(v) That a letter duly directed and mailed was received in the regular course of the mail[.]

sender, which in this case, is the CIR, to prove actual receipt by the addressee.[25]

Here, respondent consistently and categorically denied having received the PAN and the FAN/FLD. Once receipt is directly denied, the burden of proof shifts to the CIR to establish, by competent and convincing evidence, that the assessment notices were indeed received by the taxpayer or its duly authorized representative.[26] This burden was not discharged.

Despite this denial, petitioner failed to present the best evidence of receipt, such as a certification from the postmaster,[27] as well as the registry return cards bearing the signature of respondent's authorized representative.[28] Instead, petitioner relied solely on registry receipts purportedly evidencing mailing. The testimony of petitioner's witness confirmed this deficiency.

As repeatedly ruled by the Supreme Court, proof of mailing does not equate to proof of receipt, especially when receipt is specifically denied.[29]

In the absence of proof of actual receipt, the assessment could not have become final, executory, and demandable. More importantly, respondent was deprived of due process.

The requirement that a taxpayer be informed of the factual and legal bases of an assessment is not a mere formality but a substantive due process requirement.[30] Without proper service of the PAN and FAN/FLD, the assessment is void.[31] Consequently, respondent was not barred from seeking judicial relief, and the Court in Division properly acquired jurisdiction over the case.

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[25] *Barcelon, Roxas Securities, Inc. v. Commissioner of Internal Revenue*, G.R. No. 157064, August 7, 2006 [Per J. Chico-Nazario, First Division], citing *Protector's Services, Inc. v. Court of Appeals*, G.R. No. 118176, April 12, 2000 [Per J. Quisimbing, Second Division].

[26] *Commissioner of Internal Revenue v. T Shuttle Services, Inc.*, G.R. No. 240729, August 24, 2020 [Per J. Inting, Second Division].

[27] *Labastida v. Quires*, G.R. No. 251903, January 27, 2025 [Per J. Gaerlan, Third Division].

[28] *Id.*

[29] *Id.*

[30] *Commissioner of Internal Revenue v. Unioil Corporation*, G.R. No. 204405, August 4, 2021 [Per J. Hernando, Second Division], citing *Commissioner of Internal Revenue v. Reyes*, G.R. Nos. 159694 & 163581, January 27, 2006 [Per C.J. Panganiban, First Division].

[31] *Commissioner of Internal Revenue v. Yumex Philippines Corporation*, G.R. No. 222476, May 5, 2021 [Per C.J. Gesmundo, First Division].

The Court in Division did not err in applying the ruling in Medicard and in declaring the assessment void for lack of authority on the part of the examining revenue officers.

Petitioner further contends that the Court in Division erroneously applied the ruling in *Medicard*, arguing that the case is not applicable because a valid LOA had been issued in the present case. Petitioner maintains that the reassignment of the ROs through an MOA was valid, and that the authority to conduct the audit continued to subsist under the original LOA despite the reassignment.

The Court *En Banc* finds this argument unavailing.

The core issue is not merely the existence of an LOA, but whether the ROs who actually conducted or continued the audit were duly authorized under a valid LOA.

In *Republic v. Robiegie Corporation*,[32] the Supreme Court, citing *Medicard,* emphasized that any reassignment of the investigation must be effected through a new or amended LOA, not by a mere memorandum referral:

> The necessity of a validly issued LOA for the valid conduct of a taxpayer investigation by an RO is a well-settled doctrine embodied in our statutory and case law. In *Medicard Philippines, Inc. v. Commissioner of Internal Revenue,* which involved a deficiency value-added tax assessment in the context of the BIR's electronic "no-contact-audit approach," we discussed the dual function of an LOA as the modality for the delegation of the CIR's investigatory power and as a manifestation of due process:
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>> **An LOA is the authority given to the appropriate revenue officer assigned to perform assessment functions. It empowers or enables said revenue officer to examine the books of account and other accounting records of a taxpayer for the purpose of collecting the correct amount of tax**. An LOA is premised on the fact that the examination of a taxpayer who has already filed his tax returns is a power that statutorily belongs only to the CIR himself or his duly authorized

[32] G.R. No. 260261. October 3. 2022 [Per J. Gaerlan. Third Division].

> representatives. x x x (Citation omitted; emphasis supplied)

Jurisprudence is clear that an LOA is a due process requirement. The authority to examine a taxpayer's books of accounts is *personal* to the ROs specifically named therein. Any examination conducted by officers not named in the LOA, absent the issuance of a new or amended LOA, is a **nullity**.

In this case, the audit and reinvestigation were conducted by ROs whose purported authority was based solely on an MOA issued by a subordinate official, Revenue District Officer Albino M. Galanza. Such a memorandum cannot amend or substitute for an LOA issued by the CIR or a duly authorized representative.

As reiterated in *McDonald's*, citing *Medicard*, the practice of allowing substitute or replacement ROs to continue an audit without a new or amended LOA violates the taxpayer's right to due process:

> The issuance of an LOA prior to examination and assessment is a requirement of due process. It is not a mere formality or technicality. In *Medicard Philippines, Inc. v. Commissioner of Internal Revenue*, We have ruled that the issuance of a Letter Notice to a taxpayer was not sufficient if no corresponding LOA was issued. In that case, We have stated that "[d]ue process demands x x x that after [a Letter Notice] has serve its purpose, the revenue officer should have properly secured an LOA before proceeding with the further examination and assessment of the petitioner. Unfortunately, this was not done in this case." The result of the absence of a LOA is the nullity of the examination and assessment based on the violation of the taxpayer's right to due process.
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> To comply with due process in the audit or investigation by the BIR, the taxpayer needs to be informed that the revenue officer knocking at his or her door has the proper authority to examine his books of accounts. **The only way for the taxpayer to verify the existence of that authority is when, upon reading the LOA, there is a link between the said LOA and the revenue officer who will conduct the examination and assessment; and the only way to make that link is by <u>looking at the names of the revenue officers who are authorized in the said LOA</u>. If any revenue officer other than those named in the LOA conducted the examination and assessment, taxpayers would be in a situation where they cannot verify the existence of the authority of the revenue officer to conduct the examination and assessment**. Due process requires that

> taxpayers must have the right to know that the revenue officers are duly authorized to conduct the examination and assessment, and this requires that the LOAs must contain the names of the authorized revenue officers. In other words, **identifying the authorized revenue officers in the LOA is a jurisdictional requirement of a valid audit or investigation by the BIR, and therefore of a valid assessment**. (Citations omitted; emphases supplied)

Thus, petitioner's contention that the authority to audit attaches to the LOA regardless of the identity of the examining officer cannot be sustained. To accept such a theory would allow internal memoranda to supplant the clear statutory requirement of an LOA and would deprive taxpayers of the ability to verify whether the examining officers are duly authorized. Due process demands transparency and strict compliance with the LOA requirement, **standards that were not met in this case**. Accordingly, the Court in Division did not err in declaring the assessment void for lack of authority of the examining ROs.

In sum, the Court *En Banc* finds that petitioner merely reiterates arguments that were already thoroughly considered and correctly resolved by the Court in Division. Petitioner failed to establish that the assessment had become final, executory, and demandable; failed to prove the proper service of the PAN and the FAN/FLD; and failed to show that the audit and investigation were conducted by duly authorized ROs in accordance with law and jurisprudence.

WHEREFORE, premises considered, the *Petition for Review* is **DENIED** for lack of merit. The *Decision* dated October 5, 2022, and the *Resolution* dated January 2, 2024, of the Court's Special Third Division are **AFFIRMED**.

SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

WE CONCUR:

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

MARIAN IVY F. REYES-FAJARDO
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

HENRY S. ANGELES
Associate Justice

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CERTIFICATION

Pursuant to Article VIII, Section 13 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.

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice