REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

En Banc

COMMISSIONER OF INTERNAL REVENUE,
Petitioner,

-versus-

REGUS PLT CENTRE, INC.,
Respondent.

CTA EB No. 3208
(CTA Case No. 10778)

Members:

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

Promulgated:

MAY 26 2026 4:23 p.m.

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RESOLUTION

RINGPIS-LIBAN, *J.*:

For resolution is the "*Motion for Reconsideration*"[1] of petitioner Commissioner of Internal Revenue (CIR) timely filed on March 3, 2026, asking the Court *En Banc* to reconsider its Resolution dated February 23, 2026[2] on the following grounds:

1. The failure to submit the required email transmittal was not intentional and was due to excusable inadvertence caused by an unusually heavy workload in counsel's office at the time of filing;

2. Liberal application of the rules is warranted in the interest of substantial justice, as the Petition for Review was timely filed and

[1] *Rollo*, unpaginated, Motion for Reconsideration dated March 3, 2026.
[2] *Id.*, unpaginated, Resolution dated February 23, 2026.

raises substantial issues; a single inadvertent lapse, promptly corrected, should not foreclose the CIR's right to judicial review.

The dispositive portion of the Assailed Resolution reads:

"**WHEREFORE**, the Petition for Review filed by the Commissioner of Internal Revenue is hereby deemed **NOT FILED** for failure to comply with the email transmittal requirement under CTA En Banc Resolution No. 8-2024.

SO ORDERED."[3]

PROCEDURAL ANTECEDENTS

Petitioner CIR filed a Petition for Review[4] with the Court *En Banc* on August 15, 2025, assailing the Decision dated March 11, 2025[5]and Resolution dated July 30, 2025[6] of the Court of Tax Appeals (CTA) Third Division in CTA Case No. 10778. The assailed Decision granted the Petition for Review of respondent Regus PLT Centre, Inc. (Regus), cancelled the BIR's Preliminary Assessment Notice (PAN) dated December 14, 2020 and the Formal Letter of Demand/Final Assessment Notices (FLD/FAN) dated January 12, 2021 for deficiency income tax and value-added tax (VAT) for taxable year (TY) 2017 totaling ₱35,378,902.78, as well as the Warrant of Distraint and/or Levy (WDL) and the Warrant of Garnishment (WOG), on the ground that the BIR's substituted service of said notices was defective and denied Regus due process. The assailed Resolution denied petitioner's Motion for Reconsideration of said Decision.[7]

CTA *En Banc* Resolution No. 8-2024 requires that a filing party, simultaneously with the physical filing of a pleading, transmit via email to the designated *En Banc* email address a soft copy of the pleading filed. Petitioner filed the Petition for Review via registered mail on August 15, 2025, but did not submit the required email transmittal on that date. On February 23, 2026 -- six (6) months and eight (8) days after the filing of the Petition -- this Court issued the Assailed Resolution deeming the Petition as NOT FILED for failure to comply with the email transmittal requirement.

On March 2, 2026 -- six (6) months and fifteen (15) days after the original filing, and seven (7) days after the issuance of the Assailed Resolution --

[3] *Id.*
[4] *Id.*, pp. 1-25, Petition for Review dated August 15, 2025.
[5] *Id.*, pp. 28-57, Decision dated March 11, 2025, CTA Case No. 10778.
[6] *Id.*, pp. 59-63, Resolution dated July 30, 2025, CTA Case No. 10778.
[7] *Id.*

petitioner's counsel transmitted the required email to the *En Banc*.[8] Petitioner thereafter filed the instant Motion for Reconsideration on March 3, 2026.

The Motion for Reconsideration was filed within the fifteen (15)-day period from notice of the Assailed Resolution and is therefore procedurally in order.

SUMMARY OF GROUNDS

Petitioner raises two grounds for reconsideration, as set forth in the preamble above. Both grounds are procedural in character: the first proffers an explanation for the non-compliance, and the second invokes equitable considerations in favor of reinstating the Petition.

THE COURT'S RULING

The Motion for Reconsideration is denied.

The failure to submit the required email transmittal does not constitute excusable inadvertence.

CTA *En Banc* Resolution No. 8-2024 imposes a clear, specific, and mandatory obligation on all filing parties: the simultaneous submission of an email transmittal attaching a soft copy of any pleading filed with this Court. The purpose of this requirement is to facilitate the efficient management of the Court's *En Banc* docket. Petitioner does not dispute that he failed to comply with this requirement when he filed the Petition for Review on August 15, 2025. His sole explanation is that the omission was the product of an unusually heavy workload in counsel's office at the time of filing.

The Court is not persuaded. The Supreme Court has definitively settled that counsel's heavy workload does not constitute excusable negligence. In *Land Bank of the Philippines v. Natividad*,[9] the Court ruled that negligence, to be excusable, must be of a character that ordinary diligence and prudence could not have guarded against, and that heavy workload falls manifestly short of this standard. The Court pointedly characterized such a lapse as "arrant negligence," particularly when committed by experienced legal counsel. The BIR Legal Division, which represents petitioner before this Court, is a specialized government law office well-acquainted with the procedural requirements of the courts before which it appears. The invocation of heavy workload as an excuse

[8] *Id.*, unpaginated, Outlook email printout dated March 2, 2026.
[9] G.R. No. 127198, May 16, 2005.

for the omission of a straightforward email transmittal requirement cannot be sustained.

Moreover, the timeline of this case reveals a prolonged inaction that is wholly inconsistent with any genuine claim of inadvertence. From August 15, 2025 to February 23, 2026 -- a period of six (6) months and eight (8) days -- petitioner took no steps to discover and remedy the deficiency on his own initiative. The email transmittal was submitted only on March 2, 2026, seven (7) days after this Court had already issued the Assailed Resolution. Inadvertence, to be legally excusable, must be attended by the kind of good faith and reasonable diligence that would have prompted the erring party to self-correct well before the Court was compelled to act. Neither quality is demonstrated here.

Most critically, even the Compliance by which the email transmittal was eventually submitted, and the body of the Motion for Reconsideration itself, contain no explanation for why the soft copy of the Petition was not transmitted at the time of original filing, nor for why the omission was not discovered and corrected in the six months that followed. This conspicuous silence fatally undermines the claim of excusable inadvertence. If the lapse were truly an innocent oversight, a straightforward and candid account of the circumstances would have been offered. None was.

The invocation of substantial justice does not warrant the reinstatement of the Petition for Review.

The Court likewise finds no merit in petitioner's appeal to substantial justice. The principle that rules of procedure are instruments of substantial justice -- and not ends in themselves -- is well-entrenched in Philippine jurisprudence. It is, however, equally settled that this principle is not a magic wand that automatically compels courts to suspend procedural rules upon its bare invocation. As the Supreme Court stated in *Daikoku Electronics Phils., Inc. v. Raza*,[10] to merit liberality, the petitioner must show reasonable cause justifying non-compliance and must convince the Court that outright dismissal would defeat the administration of substantive justice.[11] Utter disregard of the rules cannot be justly rationalized by harping on the policy of liberal construction.

No such reasonable cause has been shown. As the Court explained in *Joson v. Office of the Ombudsman*,[12] the liberal application of procedural rules was never intended to forge a bastion for erring litigants to violate the rules with impunity and can be resorted to only in proper cases and under justifiable causes and circumstances. A six-month unexplained silence, broken only after this Court had already issued the Assailed Resolution, does not present the kind of

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[10] G.R. No. 181688, June 5, 2009.
[11] *Id.*
[12] G.R. Nos. 197433 and 197435, August 9, 2017.

justifiable cause that warrants leniency. Petitioner, a perennial litigant before this Court represented by seasoned government counsel, cannot be accorded the benefit of a procedural escape hatch that its own inaction and silence render unavailable.

Consistent with this, the Court in *Ng Ching Ting v. Philippine Business Bank, Inc.*,[13] stressed that the desired leniency cannot be accorded absent valid and compelling reasons for the procedural lapse, and that allegations in support of liberality must be attended by details exhibiting a genuine and diligent effort at compliance. The Motion for Reconsideration here is conspicuously wanting in such details. Petitioner's plea rests entirely on the merit of the underlying Petition and the supposed injustice of losing appellate review on a technicality -- but it offers nothing to explain the six-month gap, and nothing to explain the absence of any account of that gap in the Compliance. This falls well short of the showing required.

The Court is mindful that a denial of the instant Motion for Reconsideration will foreclose petitioner's appellate remedy before this Court. But the finality of judgments and the integrity of procedural rules are values that this Court is equally bound to uphold. To grant relief under the circumstances presented here would render the email transmittal requirement of CTA *En Banc* Resolution No. 8-2024 effectively optional and set a precedent permitting non-compliance to be cured, at any time, by the expedient of asserting that the underlying case is meritorious. The Court declines to do so.

WHEREFORE, premises considered, the "Motion for Reconsideration" filed by the Commissioner of Internal Revenue is hereby **DENIED** for lack of merit. The Resolution dated February 23, 2026 is **AFFIRMED** in its entirety.

SO ORDERED.

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

WE CONCUR:

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

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[13] G.R. No. 224972, July 9, 2018.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

ON LEAVE
MARIAN IVY F. REYES-FAJARDO
Associate Justice

LANEE S. CUI-DAVID
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

HENRY S. ANGELES
Associate Justice