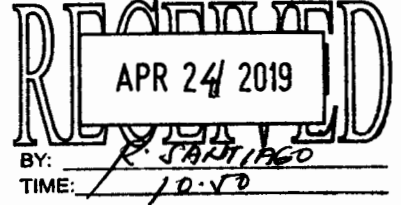




REPUBLIC OF THE PHILIPPINES
SUPREME COURT
Manila

SUPREME COURT OF THE PHILIPPINES
PUBLIC INFORMATION OFFICE



SECOND DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court, Second Division, issued a Resolution dated **27 March 2019** which reads as follows:

G.R. No. 240328 – Commissioner of Internal Revenue versus Robert Christopher M. Carmona, doing business under the name Saga Casting and Productions

After reviewing the Petition and its annexes, inclusive of the Decision¹ dated December 20, 2017 and Resolution² dated July 2, 2018 of the Court of Tax Appeals (CTA) *En Banc* in CTA EB No. 1324, the Court resolves to **DENY** the Petition for failure of petitioner Commissioner of Internal Revenue (CIR) to sufficiently show that the CTA *En Banc* committed any reversible error in the assailed Decision and Resolution.

The Court notes that the Petition raises issues which the CTA *En Banc* has correctly and thoroughly passed upon in the assailed Decision and Resolution.

The CTA did not err in ruling that the CIR's bare and belated claim of falsity of the respondent's returns will not suffice for the exceptional 10-year prescriptive period to apply. As correctly pointed out by the CTA, for the extraordinary 10-year period to apply, it is incumbent upon the CIR to allege and prove the existence of a false/fraudulent return and the intent to defraud on the part of the respondent, which the CIR failed to accomplish in this case.

In any event, the CTA found the assessments issued against the respondent fatally infirm. Apart from the fact that the Letter of Authority was issued beyond its effectivity, the CIR's assessment does not contain a clear and definite amount of the taxes due from the respondent and even lacks a definite due date for the payment of tax, which are mandatory for an assessment to be valid.³

¹ *Rollo*, pp. 56-69. Penned by Associate Justice Esperanza R. Fabon-Victorino, with Presiding Justice Roman G. Del Rosario (with Concurring Opinion, *id.* at 70-77), Associate Justices Lovell R. Bautista, Erlinda P. Uy, Caesar A. Casanova and Cielito N. Mindaro-Grulla concurring; Associate Justice Juanito C. Castañeda, Jr. joined in the Opinions of Associate Justices Ma. Belen Ringpis-Liban and Catherine T. Manahan; Associate Justice Ma. Belen Ringpis-Liban with Dissenting Opinion (*id.* at 78-86); Associate Justice Catherine T. Manahan joined the Dissenting Opinion of Associate Justice Ma. Belen Ringpis-Liban and penned a Separate Dissenting Opinion (*id.* at 87-89).

² *Id.* at 91-96. Penned by Associate Justice Esperanza R. Fabon-Victorino, with Presiding Justice Roman G. Del Rosario (reiterated his Concurring Opinion), Associate Justices Juanito C. Castañeda, Jr., Lovell R. Bautista, Erlinda P. Uy, Caesar A. Casanova and Cielito N. Mindaro-Grulla concurring; Associate Justices Ma. Belen M. Ringpis-Liban and Catherine T. Manahan maintained their Dissenting Opinions.

³ See *Adamson v. Court of Appeals*, 606 Phil. 10, 29 (2009); see also *Commissioner of Internal Revenue v. PASCOR Realty and Development Corp.*, 368 Phil. 714, 716, 722-724 (1999).

1122

It is settled that the Court accords findings and conclusions of the CTA with the highest respect. As a specialized court dedicated exclusively to the resolution of tax problems, the CTA has accordingly developed an expertise on the subject of taxation. Thus, its decisions are presumed valid in every aspect and will not be overturned on appeal, unless the Court finds that the questioned decision is not supported by substantial evidence or there has been an abuse or improvident exercise of authority on the part of the tax court, which is not present in the instant case.⁴

Accordingly, the Court finds no cogent reason to reverse or modify the findings of the CTA *En Banc*. The assailed Decision and Resolution are hereby **AFFIRMED**.

SO ORDERED."

Very truly yours,


MARIA LOURDES G. PERFECTO
Division Clerk of Court p 4/22

By:

TERESITA AQUINO TUAZON
Deputy Division Clerk of Court

22 APR 2019

⁴ *Sitel Philippines Corp. v. Commissioner of Internal Revenue*, 805 Phil. 464, 480-481 (2017).

OFFICE OF THE SOLICITOR GENERAL (reg)
134 Amorsolo Street
1229 Legaspi Village
Makati City

ATTY. CARLITO MONTENEGRO (reg)
Counsel for Respondent
7/F, Electra House Building, 115-177
Esteban Street, Legaspi Village
Makati City

COURT OF TAX APPEALS (reg)
National Government Center
Agham Road, 1104 Diliman
Quezon City
CTA EB No. 1324

JUDGMENT DIVISION (x)
Supreme Court, Manila

PUBLIC INFORMATION OFFICE (x)
LIBRARY SERVICES (x)
[For uploading pursuant to A.M. No. 12-7-SC]

OFFICE OF THE CHIEF ATTORNEY (x)
OFFICE OF THE REPORTER (x)
Supreme Court, Manila

Please notify the Court of any change in your address.
GR240328. 03/27/2019(172)URES

17/04/22