

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

ICONIC BEVERAGES, INC.,
Petitioner,

CTA CASE NO. 9657

- versus -

Members:

DEL ROSARIO, P.J., Chairperson,
and **MANAHAN, JJ.**

**COMMISSIONER OF INTERNAL
REVENUE,**

Respondent.

Promulgated:

SEP 21 2020 10:24 am

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RESOLUTION

DEL ROSARIO, P.J.:

For resolution is respondent's "**Motion for Reconsideration Re: Decision dated 02 March 2020**" filed through registered mail on July 1, 2020 and received by the Court on July 6, 2020, with petitioner's "**Opposition to Respondent's 'Motion for Reconsideration Re: Decision dated 02 March 2020' Dated June 26, 2020**" filed on July 23, 2020.

In his Motion, respondent prays that the Court set aside the Decision promulgated on March 2, 2020, and a new decision be rendered ordering petitioner to pay the assessed deficiency income tax, value-added tax, expanded withholding tax (EWT), documentary stamp tax, and miscellaneous tax with interest as provided in Sections 248 and 249 of the National Internal Revenue Code (NIRC) of 1997, as amended until December 31, 2017, as well as twelve percent (12%) interest on the total unpaid amount computed from January 1, 2018 until full payment thereof pursuant to Section 249 (C) of the NIRC of 1997, as amended by Republic Act No. 10963, also known as the Tax Reform for Acceleration and Inclusion and as implemented by Revenue Regulations No. 21-2018.

The dispositive portion of the assailed Decision reads:

“**WHEREFORE**, premises considered, the Petition for Review filed on August 22, 2017 by petitioner is **PARTIALLY GRANTED**. The assessment for deficiency income tax, value-added tax, documentary stamp tax, and compromise penalty is hereby **CANCELLED AND SET ASIDE**. The assessment, however, for deficiency expanded withholding tax is **AFFIRMED**. Accordingly, petitioner is **ORDERED TO PAY** the amount of ₱37.05 representing deficiency EWT, inclusive of the 25% surcharge, 20% deficiency interest, and 20% delinquency interest imposed thereon under Sections 248(A)(3), and 294(B) and (C) of the National Internal Revenue Code of 1997, as amended, respectively, computed until December 31, 2017, detailed below:

Basic Deficiency EWT	₱	14.01
Add: 25% Surcharge		3.50
Deficiency Interest from 01/26/13 to 12/31/2016 (₱14.01 x 20% x 1,436/365 days)		<u>11.02</u>
Total Amount Due, December 31, 2016	₱	<u>28.54</u>
Deficiency Interest From 1/1/17 to 12/31/17		
(₱14.01 x 20% for 365/365 days)	₱	2.80
Delinquency Interest From 1/1/17 to 12/31/17 (₱28.54 x 20% x 365/365 days)		
		<u>5.71</u>
Total Amount Due, December 31, 2017	₱	<u><u>37.05</u></u>

In addition, petitioner is **ORDERED TO PAY** delinquency interest at the rate of twelve percent (12%) on the amount of ₱28.54 computed from January 1, 2018 until full payment thereof, pursuant to Section 249(C) of the 1997 National Internal Revenue Code of 1997, as amended by Republic Act No. 10963, also known as the Tax Reform for Acceleration and Inclusion (TRAIN) and as implemented by Revenue Regulations No. 21-2018.

SO ORDERED.”

Before delving into the merits of the parties’ respective arguments, the Court must first determine whether respondent’s Motion for Reconsideration was timely filed.

On March 4, 2020, respondent received the assailed Decision. Respondent had fifteen (15) days, or until March 19, 2020 within which to file said Motion.

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Due to the enhanced community quarantine, the Supreme Court issued Administrative Circulars Nos. 31-2020, 34-2020, 35-2020, and 39-2020 on **March 16, 2020, April 8, 2020, April 27, 2020, and May 14, 2020**, respectively, extending the period of filing petitions and appeals, complaints, motions, pleadings and other court submissions that fall due during the period from **March 15, 2020 until May 31, 2020**, for thirty (30) calendar days counted from **June 1, 2020, or until June 30, 2020**. Accordingly, respondent had **until July 1, 2020** within which to file his Motion for Reconsideration. Thus, respondent's Motion for Reconsideration was timely filed on July 1, 2020.

As for the merits of the case, the Court finds that the arguments advanced by respondent in his Motion for Reconsideration are **exactly** the same arguments he previously raised in his Memorandum¹ filed on July 18, 2019 which were already duly considered and extensively passed upon in the assailed Decision, particularly on pages 7 to 20 thereof.

One of the grounds raised by respondent in his Motion for Reconsideration was that the Court erred in not ordering petitioner to pay the deficiency EWT in the amount of ₱25.11. Ironically, respondent even prays in the said Motion that petitioner be ordered to pay the same.

Truth to tell, the Court, in the assailed Decision, already considered respondent's argument when it ordered petitioner to pay the deficiency EWT in the total amount of ₱28.54, exclusive of deficiency and delinquency interests. Hence, the Court finds it unnecessary to reiterate its aforesaid order to petitioner.

Since **no new matter** invested with legal significance was raised by respondent in his Motion for Reconsideration, the Court finds no cogent reason to reverse or modify the assailed Decision.

WHEREFORE, premises considered, respondent's "**Motion for Reconsideration Re: Decision dated 02 March 2020**" filed through registered mail on July 1, 2020 is hereby **DENIED** for lack of merit.

¹ CTA Docket, Vol. II, pp. 1017-1020.

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SO ORDERED.



ROMAN G. DEL ROSARIO

Presiding Justice

I CONCUR:



CATHERINE T. MANAHAN

Associate Justice