

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL THIRD DIVISION

TONIK DIGITAL BANK
INC.,

Petitioner,

CTA Case No. 11095

Members:

-versus-

REYES-FAJARDO, *Chairperson,*
and ANGELES, JL.

COMMISSIONER OF
INTERNAL REVENUE,
Respondent.

Promulgated:

SEP 23 2026

8:04 a.m.

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RESOLUTION

REYES-FAJARDO, J.:

On April 30, 2026, a Decision¹ was rendered, the *fallo* of which reads:

WHEREFORE, premises considered, the present Petition for Review is **GRANTED**.

Accordingly, respondent is **ORDERED TO REFUND** or **ISSUE A TAX CREDIT CERTIFICATE** to petitioner the total amount of ₱13,862,084.69, representing DST erroneously paid on petitioner's TSA and Stashes for the period from February 2021 to October 2021.

SO ORDERED.

In so ruling, the Court found that petitioner's administrative and judicial claims for refund were timely filed and that the Court properly acquired jurisdiction over the case. The Court likewise found that petitioner's Transactional Savings Accounts (TSA) and

¹ Decision, Docket - Vol. VII, pp. 555 to 573.

Stashes are demand-withdrawable savings accounts without a fixed term or maturity and, considering their actual classification and features, are exempt from documentary stamp tax (DST) under Section 199(k) of the National Internal Revenue Code (NIRC) of 1997, as amended.

Respondent moves for reconsideration, maintaining that: 1) the Court erred in assuming jurisdiction despite petitioner's alleged failure to exhaust administrative remedies, arguing that *Commissioner of Internal Revenue v. Estate of Mr. Charles Marvin Romig, represented by its Sole Heir Mrs. Maricel Narciso Romig* ("Romig")² is distinguishable because petitioner still had sufficient time to await action on its administrative claim; and 2) petitioner's TSA and Stashes are subject to DST under Section 179 of the NIRC of 1997, as amended, because the provision recognizes two independent categories of taxable deposit instruments, and petitioner's Group Stashes, allegedly fall within the category of deposits drawing significantly higher interest than regular savings deposits, considering the size of the deposit and the risks involved.³

Petitioner counters that respondent merely reiterates arguments already considered and resolved by the Court. It maintains that the Court properly acquired jurisdiction over the case and correctly ruled that its TSA and Stashes are exempt from DST.⁴

Respondent's *Motion for Reconsideration* is denied.

At the outset, a motion for reconsideration must identify substantial arguments or cogent reasons warranting the reversal or modification of the assailed ruling. It is not intended merely to relitigate issues already considered and passed upon by the Court.⁵

Respondent offers none.

² G.R. No. 262092, October 9, 2024.

³ *Motion for Reconsideration*, Docket – Vol. VII, pp. 575 to 581; Personally and electronically filed on May 21, 2026.

⁴ *Comment/Opposition (Re: Respondent's Motion for Reconsideration dated 21 May 2026)*, Docket – Vol. VII, pp. 587 to 599; Personally and electronically filed on June 22, 2026.

⁵ *Eayer Philippines, Inc. v. Commissioner of Internal Revenue*, CTA Case No. 11122, March 16, 2026; *Mendoza v. United Coconut Planters Bank*, G.R. No. 197434, October 14, 2015; *Government of the United States of America v. Purganan*, G.R. No. 148571, September 24, 2002.

First. Respondent's insistence that petitioner failed to exhaust administrative remedies does not warrant reconsideration.

As discussed in the assailed Decision, *Romig* categorically held that the interval between the filing of the administrative and judicial claims is immaterial, provided that the administrative claim precedes the judicial claim and both are filed within the two (2)-year prescriptive period.

Respondent's attempt to distinguish *Romig* on the ground that the prescriptive period therein was about to expire is unavailing. Such circumstance merely reinforced the propriety of the taxpayer's immediate resort to judicial relief; it did not qualify the rule that the interval between the two claims is immaterial.

In any event, petitioner filed its judicial claim on March 3, 2023, only two (2) days before the two-year period for its earliest DST payment covered by the judicial claim would expire on March 5, 2023. More importantly, petitioner's administrative claim, filed on January 17, 2023, preceded its judicial claim, and both were filed within the applicable two (2)-year prescriptive periods.

Accordingly, respondent's claim of prematurity remains without basis.

Second. Respondent's arguments on the DST treatment of petitioner's TSA and Stashes likewise fail.

Respondent correctly points out that Section 179 of the NIRC of 1997, as amended, states in the disjunctive the two deposit-related categories covered thereunder. Thus, certificates or other evidences of deposits may fall within Section 179 if they are either: (1) drawing interest significantly higher than the regular savings deposit, taking into consideration the size of the deposit and the risks involved; or (2) drawing interest and having a specific maturity date. As recognized in *Philippine Veterans Bank v. Commissioner of Internal Revenue* ("*Philippine Veterans Bank*"),⁶ the first category is independent of the existence of a specific maturity date.

⁶ G.R. No. 205261, April 26, 2021.

This, however, does not demonstrate error in the assailed Decision.

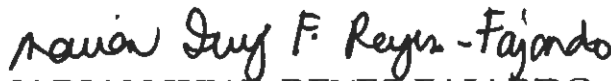
Contrary to respondent's assertion, the Court did not predicate the exemption of petitioner's TSA and Stashes solely on the absence of a fixed term or maturity. Applying *Philippine Veterans Bank*, the Court examined their actual classification and features and found that they have no fixed term or maturity, holding or lock-in period, or minimum balance requirement to earn interest, and may be withdrawn at any time without penalty.

The Court likewise found that the higher interest rates on Stashes are not conditioned upon maintaining a specified deposit amount for a defined period. Viewed in their totality, these features align more closely with ordinary demand-withdrawable savings deposits than with time deposits or hybrid deposit products.

Accordingly, respondent has shown no cogent reason to disturb the Court's findings and conclusions in the assailed Decision.

WHEREFORE, premises considered, respondent's *Motion for Reconsideration* is **DENIED** for lack of merit. Accordingly, the Decision promulgated on April 30, 2026 is **SUSTAINED**.

SO ORDERED.


MARIAN IVY F. REYES-FAJARDO
Associate Justice

I CONCUR:


HENRY S. ANGELES
Associate Justice