

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

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FOUNDEVER PHILIPPINES
CORPORATION (formerly: Sitel
Philippines Corporation),
Petitioner,

CTA EB No. 2942
(CTA Case No. 10200)

Present:

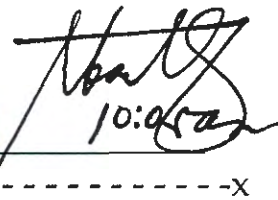
- versus -

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

COMMISSIONER OF INTERNAL
REVENUE,
Respondent.

Promulgated:

SEP 28 2026


10:05 am

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RESOLUTION

REYES-FAJARDO, J.:

For resolution by the Court is petitioner's Motion for Reconsideration (Re: Decision dated December 18, 2025) (Motion)¹ in CTA EB No. 2942, filed on January 21, 2026, with respondent's Comment/Opposition [to Petitioner's Motion for Reconsideration (Re: Decision dated December 18, 2025)] filed on February 27, 2026.²

¹ Rollo, pp. 203- 229.

² Id. at pp. 236-246.



In the assailed Decision dated December 18, 2025,³ the Court affirmed the ruling of the Special Second Division of the Court (Court in Division) denying petitioner's claim for refund of unutilized input value-added tax (VAT), attributable to its zero-rated sales for the second (2nd) quarter of taxable year (TY) 2017, amounting to ₱38,457,558.61. The Court held that petitioner was not a VAT-registered person during the period of the claim, and thus ineligible for refund under Section 112 of the 1997 National Internal Revenue Code (NIRC), as amended. The dispositive portion reads:

WHEREFORE, the Petition for Review, filed by the Foundever Philippines Corporation (Formerly: Sitel Philippines Corporation on July 15, 2024 in CTA EB No. 2942, is **DENIED** for lack of merit. The Decision dated January 31, 2024 and the Resolution dated June 4, 2024 in CTA Case No. 10200 are **AFFIRMED**.

SO ORDERED.

In ruling so, the Court held that while petitioner's Puerto Prinsesa (Palawan) and Ortigas Technopoint Pasig (Technopoint) Facilities were denominated as "facilities," petitioner nonetheless generated sales of call center services to Sitel Operating Corporation and Sitel UK Limited during the second (2nd) quarter of TY 2017, the period covered by the refund claim. However, petitioner failed to register these facilities as branches and to pay the required annual registration fee *prior* to engaging in these sales transactions. This omission constituted a violation of Section 236 of the NIRC, as amended, and its implementing regulations under section 9.236-1 (a) of RR Nos. 16-2005 and 7-2012. Thus, the requirement of VAT registration, as pronounced in *Chevron Holdings, Inc. (Formerly Caltex Asia Limited) v. Commissioner of Internal Revenue*,⁴ was not satisfied.

In its Motion, petitioner insists that it is a VAT-registered person entitled to claim a refund for zero-rated services rendered to its non-resident foreign affiliate during the relevant period. It argues that the VAT registration of its head office extended to its Palawan and Technopoint Facilities.

³ *Id.* at pp. 91-100.

⁴ G.R. No. 215159, July 05, 2022.

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By way of Comment, respondent asserts that petitioner's failure to secure VAT registration for its "branches" renders it ineligible to claim a refund on zero-rated sales made through these unregistered establishments. Thus, there is no basis to overturn the Court's ruling.

The Motion is devoid of merit.

Petitioner's claim of VAT registration has already been addressed by the Court and found deficient. Under Section 236 of the NIRC, as amended, each head office, branch, or facility must register with the Revenue District Office (RDO) and pay a ₱500.00 annual registration fee. Section 9.236-1 (a) of RR No. 16-2005 requires that any person engaged in the sale of goods, properties, or services subject to VAT under Sections 106 and 108 of the same Code, to register with the appropriate RDO before starting operations, while RR No. 7-2012 mandates branch registration once a facility engages in sales. Petitioner's Palawan and Technopoint facilities generated sales in the second (2nd) quarter of TY 2017 but were not registered as branches, thereby violating Section 236 of the NIRC and the cited regulations. As a result, petitioner was not considered a VAT-registered person under Section 112, and its claim for input VAT was properly denied.

Given these findings, and absent any compelling reason to disturb the assailed Decision, the Court finds no need to reiterate pertinent portions of the Decision or re-write the *ponencia* in accordance with the outline of the instant motion.⁵ In this regard, the pronouncement in *Social Justice Society (SJS) Officers, et al. v. Lim*⁶ on the effect and disposition of a motion for reconsideration is instructive:

The filing of a motion for reconsideration, authorized by Rule 52 of the Rules of Court, does not impose on the Court the obligation to deal individually and specifically with the grounds relied upon therefor, in much the same way that the Court does in its judgment or final order as regards the issues raised and submitted for decision. This would be a useless formality or ritual invariably involving merely a reiteration of the reasons already set forth in the judgment or final order for rejecting the arguments advanced by the movant; and it would be a needless act, too, with respect to issues raised for the first time, these being, as above stated, deemed waived because not asserted at the first

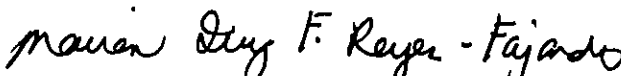
⁵ See *Social Justice Society (SJS) Officers, et al. v. Lim*, G.R. Nos. 187836 & 187916, March 10, 2015.

⁶ *Id.*

opportunity. It suffices for the Court to deal generally and summarily with the motion for reconsideration, and merely state a legal ground for its denial (Sec. 14, Art. VIII, Constitution); *i.e.*, the motion contains merely a reiteration or rehash of arguments already submitted to and pronounced without merit by the Court in its judgment, or the basic issues have already been passed upon, or the motion discloses no substantial argument or cogent reason to warrant reconsideration or modification of the judgment or final order; or the arguments in the motion are too unsubstantial to require consideration, etc.

WHEREFORE, petitioners' Motion for Reconsideration, filed on January 21, 2026 is **DENIED** for lack of merit.

SO ORDERED.


MARIAN IVY F. REYES-FAJARDO
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


LANEE S. CUI-DAVID
Associate Justice


CORAZON G. FERRER-FLORES
Associate Justice



HENRY S. ANGELES
Associate Justice



PAOLO S. TESTON
Associate Justice



DEBBIE JEAN I. CENTENO-DIJAMCO
Associate Justice