

**REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY**

EN BANC

**NATIONAL TRANSMISSION
CORPORATION,**

Petitioner,

CTA EB No. 795
(CTA OC No. 013)

Present:

-versus-

Acosta, P.J.,
Castañeda, Jr.,
Bautista,
Uy,
Casanova,
Palanca-Enriquez,
Fabon-Victorino,
Mindaro-Grulla, and
Cotangco-Manalastas, JJ.

**PROVINCIAL GOVERNMENT
OF CAGAYAN, *Represented by:*
Ms. EMILIA L. IRINGAN, *Asst.*
Provincial Treasurer, OIC –
Office of the Provincial
*Treasurer,***

Respondent.

Promulgated:

FEB 06 2012

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R E S O L U T I O N

CASTAÑEDA, JR., J.:

For resolution is the Joint Manifestation and Motion filed by National Transmission Corporation ("petitioner") and the Provincial Government of Cagayan, represented by Assistant Provincial Treasurer, OIC-Office of the 

Provincial Treasurer, Ms. Emilia L. Iringan ("respondent") praying that the Honorable Court dismiss the Petition for Review.

Records disclose that on January 27, 2011, the Court's Third Division ordered petitioner to pay the amount of P4,735,886.24 representing franchise tax deficiency for calendar years 2002 to 2007, governor's fee in the amount of P20,000.00, surcharges and interest.¹

Acting upon petitioner's Motion for Reconsideration, the Court issued a Resolution dated June 10, 2011 denying the Motion for lack of merit.²

On July 15, 2011, petitioner filed an appeal with the Court *en banc*, while respondent filed the corresponding Comment to the Petition on September 5, 2011.³

In compliance with the Court's Resolution dated September 21, 2011, only the petitioner filed a Memorandum. Thereafter, the case was submitted for decision as of January 4, 2012.⁴

Both parties consequently submitted a Joint Manifestation and Motion seeking for the dismissal of the Petition due to the fact that last December 5, 2011, they agreed that petitioner will pay the amount of P6,101,877.13 representing franchise tax liability and governor's permit fee of P40,100.00 for calendar years 2004 to 2007. On December 20, 2011, petitioner paid its agreed monetary liabilities.⁵ 

¹ *Rollo*, pp. 51-52. Penned by Associate Justice Amelia R. Cotangco-Manalastas and concurred in by Associate Justices Lovell R. Bautista and Olga Palanca-Enriquez.

² *Rollo*, p. 63.

³ *Rollo*, p. 8 & p.120.

⁴ *Rollo*, p. 162.

⁵ *Rollo*, pp. 164-167.

The Court shall treat petitioner and respondent's Joint Manifestation and Motion as a Motion to Withdraw the case.

Withdrawal of appeal is discretionary once the case is submitted for decision.⁶

Although petitioner and respondent's Joint Manifestation and Motion was filed more than a week after the case was submitted for Decision, as early as of December 5, 2011, the parties have amicably entered into a compromise agreement to end the case due to petitioner's payment of P6,101,877.13 representing franchise tax liability and governor's permit fee of P40,100.00 for calendar years 2004 to 2007.

A compromise agreement is a contract whereby the parties make reciprocal concessions in order to resolve their differences and thus avoid or put an end to a lawsuit.⁷ There is a joint desire to terminate the proceedings.⁸

Clearly, both petitioner and respondent through their duly authorized representatives have validly signed and voluntarily executed a compromise agreement warranting the withdrawal of the case.

WHEREFORE, petitioner and respondent's Joint Manifestation and Motion to Withdraw the case is hereby **GRANTED**. CTA EB Case No. 795 is considered **CLOSED** and **TERMINATED**. 

⁶ *Kepeco Ilijan Corporation vs. CIR*, CTA EB Case No. 611, Resolution dated June 13, 2011 citing *Central Luzon Drug Corporation v. Commissioner of Internal Revenue*, G.R. No. 181371, Resolution dated March 2, 2011, 644 SCRA 436.

⁷ *Cosmos Bottling Corporation v. Pablo Nagrama, Jr.*, G.R. No. 164403, March 4, 2008, 547 SCRA 571.

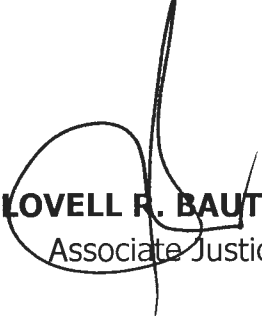
⁸ *Cosmos Bottling Corporation v. Pablo Nagrama, Jr.*, *supra*.

SO ORDERED.


JUANITO C. CASTAÑEDA, JR.
Associate Justice

WE CONCUR:


ERNESTO D. ACOSTA
Presiding Justice


LOVELL R. BAUTISTA
Associate Justice


ERLINDA P. UY
Associate Justice


CAESAR A. CASANOVA
Associate Justice


OLGA PALANCA-ENRIQUEZ
Associate Justice


ESPERANZA R. FABON-VICTORINO
Associate Justice


CIELITO N. MINDARO-GRULLA
Associate Justice


AMELIA R. COTANGCO-MANALASTAS
Associate Justice