

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF
INTERNAL REVENUE,

Petitioner,

CTA EB No. 2254
(CTA Case No. 9448)

Present:

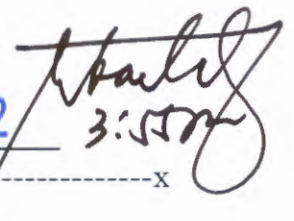
Del Rosario, P.J.,
Castañeda, Jr.,
Uy,
Ringpis-Liban,
Manahan,
Bacorro-Villena,
Modesto-San Pedro,
Reyes-Fajardo, and
Cui-David, JJ.

- versus -

BW SHIPPING PHILIPPINES, INC.
Respondent.

Promulgated:

MAY 30 2022


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RESOLUTION

RINGPIS-LIBAN, J.:

For resolution of the Court *En Banc* is petitioner Commissioner of Internal Revenue's *Motion for Reconsideration (to the Decision dated 29 October 2021)*¹ filed via registered mail on November 19, 2021 and received by the Court on December 6, 2021, with respondent BW Shipping Philippines, Inc.'s *Comment/Opposition (To Petitioner's Motion for Reconsideration Re: Decision dated October 29, 2021)*² filed on April 25, 2022.

Petitioner's *Motion* seeks reconsideration of the Decision of the Court *En Banc* promulgated on October 29, 2021,³ ("Assailed Decision") affirming the

¹ Court *En Banc's* Docket, pp. 107-116.

² *Id.*, pp. 128-142.

³ *Id.*, pp. 70-85.

judgment of the First Division (“Court in Division”) of this Court in CTA Case No. 9448. The dispositive portion of the Assailed Decision reads:

“**WHEREFORE**, premises considered, the Petition for Review is **DENIED**. The assailed Decision dated September 23, 2019 and the Resolution dated February 19, 2020 of the First Division in CTA Case No. 9448 are **AFFIRMED**.

SO ORDERED.”

In his *Motion*, petitioner maintains that the Court in Division erred in holding that the recipient of respondent’s services are foreign corporations doing business outside the Philippines.⁴ Petitioner also claims that the Court in Division erred in not finding that: (1) respondent is a local agent of the foreign corporations; (2) respondent exercises control and supervision over the complements of its foreign principals; and (3) respondent conducts business in the name of its foreign principals as shown in the agreements between the respondent and each of its foreign principals.

On the other hand, respondent, in its *Comment/Opposition* submits that the *Motion* merely reiterates the arguments in the Petition for Review which were already rejected by this Court.⁵ Respondent also maintains that it has duly proved that its foreign principals are nonresident foreign corporations doing business outside the Philippines. Respondent likewise asserts that it is not a local agent and/or representative of its foreign principals.

After careful evaluation of the arguments raised by petitioner vis-à-vis the records of the case, the Court *En Banc* resolves to deny petitioner’s *Motion* for lack of merit.

Petitioner merely recycled the arguments he raised in his *Motion* as these matters had already been thoroughly discussed and resolved by the Court *En Banc* in the Assailed Decision. To put it bluntly, there is nothing in his *Motion* that was not sufficiently passed upon by the Court *En Banc*.

At any rate, the Court *En Banc* maintains its position that the documents presented by respondent sufficiently proved that the recipient of its services were foreign entities **not** doing business in the Philippines. The Court *En Banc* likewise stands by its ruling that respondent cannot be considered as agent of its foreign clients. Respondent simply renders manning or crewing services to foreign shipping companies and, in doing so, respondent merely screens competent and qualified Filipino seaman for employment onboard the vessels of the foreign shipping companies.

⁴ *Id.*, p. 109.

⁵ *Id.*, p. 129.

In sum, petitioner failed to raise any compelling reason to warrant the modification much less reversal of this Court's findings in the Assailed Decision.

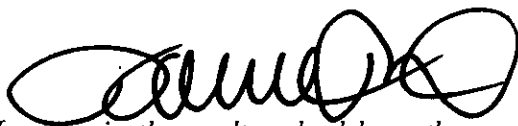
WHEREFORE, petitioner's *Motion for Reconsideration (to the Decision dated 29 October 2021)* is **DENIED** for lack of merit.

SO ORDERED.



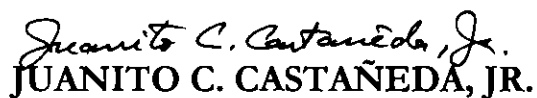
MA. BELEN M. RINGPIS-LIBAN
Associate Justice

WE CONCUR:



*(I concur in the result and solely on the grounds stated
in the Court in Division's Decision)*

ROMAN G. DEL ROSARIO
Presiding Justice



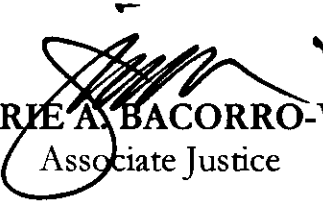
JUANITO C. CASTAÑEDA, JR.
Associate Justice



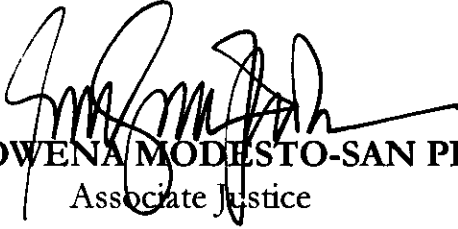
ERLINDA P. UY
Associate Justice



CATHERINE T. MANAHAN
Associate Justice



JEAN MARIE A. BACORRO-VILLENA
Associate Justice



MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice



MARIAN IVY F. REYES-FAJARDO
Associate Justice



LANEE S. CUI-DAVID
Associate Justice