

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF
INTERNAL REVENUE,

Petitioner,

CTA EB NO. 3040
(CTA Case No. 10814)

Present:

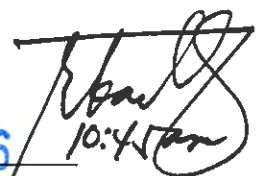
Ringpis-Liban, P.J.,
Bacorro-Villena,
Modesto-San Pedro,
Reyes-Fajardo,
Cui-David,
Ferrer-Flores,
Angeles,
Teston, and
Centeno-Dijamco, JJ.

- versus -

WIPRO PHILIPPINES, INC.,
Respondent.

Promulgated:

SEP 30 2026


10:41 am

X-----X

RESOLUTION

RINGPIS-LIBAN, P.J.:

For resolution of the Court *En Banc* is petitioner's *Motion for Reconsideration* (Re: *Decision dated 13 March 2026*) filed on March 31, 2026, with respondent's *Comment/Opposition* (Re: *Petitioner's Motion for Reconsideration dated 30 March 2026*) filed on May 6, 2026.

For easy reference, the dispositive portion of the assailed Decision¹ states: ✓

¹ *En Banc* (EB) Docket, pp. 95-106.

FOR THESE REASONS, the Petition for Review is **DENIED**, for lack of merit. Accordingly, the Decision dated June 24, 2024 and the Resolution dated November 13, 2024, respectively, of the CTA First Division, are **AFFIRMED**.

SO ORDERED.²

Petitioner asserts in the instant motion that: (1) the Court cannot resolve matters that were not raised by the parties or prayed for in the pleadings; and (2) the subject assessment had already attained finality and cannot be impugned.

On the other hand, respondent counters that: (1) petitioner is obligated to consider the explanations of respondent during the tax assessment process; and (2) the fact that respondent filed a protest to the Preliminary Assessment Notice (PAN) and Formal Letter of Demand/Final Assessment Notice (FLD/FAN) does not cure the violation of respondent's right to due process.

After careful consideration, the Court *En Banc* finds petitioner's motion devoid of merit.

At the onset, the Court *En Banc* observes that petitioner failed to raise any new matter that was not addressed in the assailed Decision. On this score, the consolidated cases of *Social Justice Society (SJS) Officers, et al., v. Alfredo S. Lim*,³ 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 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**

² EB Docket, pp. 105-106.

³ G.R. Nos. 187836 and 187916, March 10, 2015.

to warrant reconsideration or modification of the judgment or final order; or the arguments in the motion are too unsubstantial to require consideration, etc. (*Emphasis supplied*)

Considering that petitioner merely rehashed its arguments that were already passed upon in the assailed Decision, the denial of the instant motion is proper.

At any rate, on the issue of the Court taking cognizance of matters not raised by the parties, the case of *Prime Steel Mill, Inc. v. Commissioner of Internal Revenue*⁴ cited in the assailed Decision is instructive, thus:

In *Prime Steel Mill, Inc. v. Commissioner of Internal Revenue*, the Supreme Court held that the CTA may rule on issues not raised by the parties either in the pleadings or during trial, provided two (2) conditions concur:

1. The arguments are related to the principal issue to be resolved by the court and are necessary to achieve an orderly disposition of the case; and
2. The resolution of these new arguments would not require the presentation of additional evidence and must rely solely on factual bases that are already matters of record in the case.

Both conditions are satisfied in this case.

First, the due process issue is inextricably linked to the principal issue of whether respondent may be held liable for the assessed deficiency income tax. As the Supreme Court aptly held in *Prime Steel Mill*, the issue of violation of the right to due process is inextricably linked to the validity of the assessment. This logically follows from the settled principle that the right to collect deficiency taxes must flow from a valid assessment, for a void assessment bears no fruit. An assessment issued in violation of due process is a legal nullity that cannot serve as basis for tax collection.

Second, the resolution of the due process issue requires no additional evidence. The determination may be made through examination of the records already before the Court, which

⁴ G.R. No. 249153, September 12, 2022.

contain the necessary factual bases to resolve whether the assessment complied with the due process requirements.

The Court in Division therefore acted within its authority in addressing the due process issue. Far from constituting error, doing so is consistent with the Court's duty to ensure that tax assessments conform to substantive and procedural safeguards before taxpayers may be compelled to satisfy tax liabilities.⁵

Meanwhile, the subject assessment did not attain finality by reason of respondent's payment of its undisputed portion. In this regard, the assailed Decision has this to say:

Petitioner asserts that respondent is estopped from assailing the validity of the assessment by virtue of its payment of the undisputed portion thereof.

The Court *En Banc* is unconvinced.

In *Kalalo v. Luz*,⁶ the Supreme Court outlined the essential elements of estoppel as follows:

"The essential elements of estoppel *in pais* may be considered in relation to the party sought to be estopped, and in relation to the party invoking the estoppel in his favor. As related to the party to be estopped, the essential elements are: (1) **conduct amounting to false representation or concealment of material facts or at least calculated to convey the impression that the facts are otherwise than, and inconsistent with, those which the party subsequently attempts to assert**; (2) intent, or at least expectation that this conduct shall be acted upon by, or at least influence, the other party; and (3) knowledge, actual or constructive, of the real facts. As related to the party claiming the estoppel, the essential elements are (1) lack of knowledge and of the means of knowledge of the truth as the facts in question; (2), **reliance, in good faith, upon the conduct or statements of the party to be estopped**; (3) action or inaction based thereon of such character as to change the position or status of the party claiming the estoppel, to his injury, detriment or prejudice." *(Emphasis supplied)*

Applying these elements, the Court *En Banc* finds petitioner's estoppel argument untenable. 

⁵ See Note 1, pp. 102-103.

⁶ G.R. No. L-27782, July 31, 1970.

First, respondent's partial payment cannot be equated with conduct amounting to false representation or concealment of material facts. The payment of undisputed amounts, while contesting other portions of the assessment, merely reflects an acknowledgment of liability for items not in dispute—not an admission that the entire assessment is valid. Such conduct does not convey an impression inconsistent with respondent's subsequent challenge to the assessment's validity.

Second, the case records are devoid of any showing that petitioner relied on respondent's partial payment. Reliance is a critical element of estoppel, yet petitioner has failed to demonstrate how the payment altered its position or caused it injury or prejudice.

Third, and more fundamentally, the validity of a tax assessment cannot be established or negated by estoppel. The intrinsic validity of an assessment does not depend upon the will or conduct of the taxpayer but must be determined from the factual circumstances surrounding its issuance as measured against the requirements laid down by law and jurisprudence. An assessment that fails to comply with legal requisites remains invalid regardless of any subsequent action by the taxpayer. To rule otherwise would undermine the mandatory safeguards that the law imposes on the taxing authority.

Finally, the Court *En Banc* affirms that petitioner violated respondent's right to due process when he failed to explain the reasons for the denial of the subject protests to the PAN and FLD/FAN.

Considering the foregoing, the Court *En Banc* finds no reason to deviate from the findings and conclusion reached in the assailed Decision. Consequently, the denial of the instant Motion for Reconsideration is in order.

FOR THESE REASONS, petitioner's Motion for Reconsideration is **DENIED**, for lack of merit.

SO ORDERED.

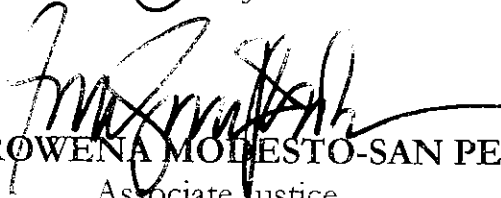


MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

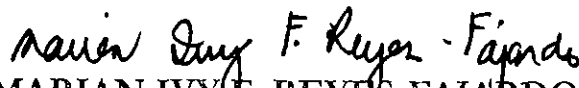
WE CONCUR:



JEAN MARIE A. BACORRO-VILLENA
Associate Justice



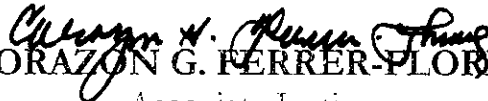
MARIA ROWENA MOLESTO-SAN PEDRO
Associate Justice



MARIAN IVY F. REYES-FAJARDO
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