

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
Quezon City

EN BANC

CCSO TOLLING SERVICE
INC.,
Petitioner,

CTA EB No. 3097
(CTA Case No. 11481)

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

x ----- x

DECISION

BACORRO-VILLENA, L:

At bar is a Petition for Review¹ filed by petitioner CCSO Tolling Service Inc. (**petitioner**) pursuant to Section 2(a)(1),² Rule 4 of the Revised Rules of the Court of Tax Appeals (**RRCTA**), as it seeks to

¹ Filed personally on 13 March 2025 and via email on 14 March 2025, *rollo*, pp. 9-32.

² SEC. 2. *Cases within the jurisdiction of the Court en banc.* - The Court *en banc* shall exercise exclusive appellate jurisdiction to review by appeal the following:

(a) Decisions or resolutions on motions for reconsideration or new trial of the Court in Division in the exercise of its exclusive appellate jurisdiction over:

1. Cases arising from administrative agencies - Bureau of Internal Revenue, Bureau of Customs, Department of Finance, Department of Trade and Industry and Department of Agriculture[.]

reverse the Second Division's Resolutions issued on 03 October 2024³ (**first assailed Resolution**) and 24 January 2025⁴ (**second assailed Resolution**) (collectively, the **assailed Resolutions**) that dismissed petitioner's Petition for Review⁵ filed on 19 April 2024 (**prior Petition**) for lack of jurisdiction.

PARTIES TO THE CASE

Petitioner is a corporation organized under Philippine laws and registered with the Securities and Exchange Commission (SEC) under Company Registration No. CS201110015 with principal office at Zone 1, Brgy. Anislag, Daraga, Albay.⁶ It is likewise registered with the Bureau of Internal Revenue (BIR) with Taxpayer's Identification Number (TIN) 008-062-829-000.⁷ Petitioner is primarily engaged in the business of hauling, land transport operation, storage and warehousing services.⁸

On the other hand, respondent Commissioner of Internal Revenue (**respondent/CIR**) is the duly appointed CIR empowered under the National Internal Revenue Code (NIRC) of 1997, as amended, to authorize the examination of any taxpayer, to assess the correct amount of tax, and to decide disputed assessments arising under the laws administered by the Bureau of Internal Revenue (BIR). He or she may be served with notices, pleadings, resolutions, orders, decisions, and other legal processes at the BIR National Office Bldg., Agham Road, Diliman, Quezon City.

FACTS OF THE CASE

On 10 January 2020, respondent issued Letter of Authority (LOA) No. LOA-067-2019-00000266 (SN: eLA201600011498) (**First LOA**) which authorized Group Supervisor (GS) Emmanuel Remolacio (**Remolacio**) and Revenue Officer (RO) Mary Louise Baldo (**Baldo**) to examine

³ Division Docket, pp. 424-429. Signed by Associate Justice (now Presiding Justice) Ma. Belen M. Ringpis-Liban and Associate Justice Maria Rowena Modesto-San Pedro. Associate Justice Corazon G. Ferrer-Flores is on leave.

⁴ Id., pp. 470-473. Signed by Associate Justice (now Presiding Justice) Ma. Belen M. Ringpis-Liban, Associate Justice Maria Rowena Modesto-San Pedro, and Associate Justice Corazon G. Ferrer-Flores.

⁵ Id., pp. 6-84.

⁶ Certificate of Incorporation, Annex D to Petition Review, id., pp. 125-131.

⁷ Part 1. Corporate Information, Audited Financial Statements for CY 2018, BIR Records, p. 103.

⁸ Id.

petitioner's books of accounts and other accounting records for all internal revenue taxes for the calendar year (CY) 2018.⁹ The First LOA was accompanied by a Checklist of Requirements that petitioner must provide.¹⁰

Following RO Baldo's resignation, respondent replaced the First LOA on 23 June 2021 with LOA No. LOA-067-2021-00000165 (SN: eLA201700027720) (**Second LOA**) which authorized GS Mary Ann Obis (**Obis**) and RO Ezra Joy Deyto (**Deyto**) to continue the audit of petitioner's books for CY 2018.¹¹

On 19 July 2021, petitioner submitted the relevant returns, financial statements, and books of accounts to respondent.¹² However, respondent found petitioner's submission insufficient and issued a Subpoena *Duces Tecum* (**SDT**) on 16 August 2021.¹³ The SDT directed petitioner to submit the documents listed therein. Petitioner heeded the SDT and submitted Sales Invoices, Purchase Invoices, supporting documents for costs and expenses, and various schedules, contracts, and documents to respondent on 31 August 2021.¹⁴

On 29 March 2022, respondent issued a Notice of Discrepancy (**NOD**) inviting petitioner to discuss the details of the discrepancies for CY 2018 resulting in deficiency taxes of ₱50,048,245.13, computed as follows:¹⁵

Tax Type	Basic	Surcharge	Interest	Compromise	Total
Income Tax	₱15,123,263.73	₱7,561,631.87	₱5,523,927.45		₱28,808,823.05
VAT ¹⁶	5,743,607.37	2,871,803.69	2,248,976.34		10,864,387.40
DST ¹⁷	107,250.00	26,812.50	41,642.38	₱20,000.00	195,704.88
IAET ¹⁸	5,687,327.71	2,843,663.86	2,189,543.26		10,720,534.83
Registration Fee	500.00	125.00	169.97	1,000.00	1,794.97
Compromise Penalty				57,000.00	57,000.00
Total					₱50,048,245.13

⁹ Received by petitioner on 06 February 2020, id., p. 4.
¹⁰ See Checklist of Requirements, id., p. 2.
¹¹ Received by petitioner on 01 July 2021, id., p. 12-13.
¹² Transmittal Letter dated 16 July 2021, id., pp. 14-123 (including attachments).
¹³ SDT No. RR10-2021-104, id., p. 160-161.
¹⁴ Letter of Transmittal dated 21 August 2021, id., pp. 153-157.
¹⁵ Received by petitioner on 08 April 2022, id., pp. 386-389. See also petitioner's Acknowledgment Receipt dated 11 April 2022, id., p. 390.
¹⁶ Value-Added Tax.
¹⁷ Documentary Stamp Tax.
¹⁸ Improperly Accumulated Earnings Tax.

Later, on 10 October 2022, respondent, through Revenue Region No. 10, Legazpi City (**Legazpi Regional Office**), issued the Preliminary Assessment Notice (**PAN**), Parts I and II, wherein petitioner was found liable for deficiency taxes and compromise penalties totaling to ₱45,069,218.05, computed as follows:¹⁹

Tax Type	Basic	Surcharge	Interest	Compromise	Total
Income Tax	₱15,170,354.27	₱ 7,585,177.13	₱ 5,695,740.68		₱28,451,272.08
VAT	2,995,367.19	1,497,683.59	1,203,399.03		5,696,449.81
IAET	5,703,024.56	2,851,512.28	2,309,959.32		10,864,496.16
Compromise				57,000.00	57,000.00
Total					₱45,069,218.05

Thereafter, on 09 November 2022, respondent’s Legazpi Regional Office issued the Formal Letter of Demand (**FLD**), Parts I and II, and Final Assessment Notices (**FANs**), reiterating the assessments in the PAN amounting to ₱45,069,218.05.²⁰

In response, petitioner filed its Letter of Protest (**Protest**) on 23 December 2022 requesting for the assessment’s reinvestigation based on the following: (1) the assessment lacked factual and legal basis; (2) the assessment has prescribed; and (3) respondent violated its right to due process when the latter did not revalidate the Second LOA despite the lapse of 120-days.²¹

Finding no merit in petitioner’s arguments, respondent’s Legazpi Regional Office issued the Final Decision on Disputed Assessment (**FDDA**) on 19 June 2023.²² Thus, the assessment for deficiency taxes in the PAN and FLD/FAN amounting to ₱45,069,218.05 was reiterated.²³

On 21 July 2023, petitioner filed a Letter of Appeal (**Request for Reconsideration**) assailing the FDDA before the CIR. There, it reiterated that the assessment has prescribed and that there was a violation of its right to due process.²⁴ Respondent’s Legazpi Regional Office received a copy of the Request for Reconsideration on the same day.²⁵


¹⁹ Received by petitioner on 17 October 2022, BIR Records, pp. 475-482.
²⁰ Received by petitioner on 29 November 2022, id., pp. 501-512.
²¹ Letter of Protest dated 07 December 2022, id., pp. 515-543.
²² Received by petitioner on 04 July 2023, id., pp. 649-652.
²³ Id.
²⁴ Letter of Appeal dated 15 July 2023, id., pp. 661-674.
²⁵ Id.

Despite the pendency of the Request for Reconsideration before the CIR, respondent's Legazpi Regional Office proceeded to issue the Warrant of Dstraint and/or Levy (WDL) No. WDL-RR10-AMS-2023-061 on 17 August 2023.²⁶ Therein, Seizure Agent RO Liza Marie A. Rebutica (**Rebutica**) was commanded to distrain petitioner's personal properties, and levy upon petitioner's real properties or interests in real properties.²⁷

On 25 September 2023, petitioner wrote the Collection Division of respondent's Legazpi Regional Office, manifesting that the parties' representatives met on 25 August 2023 and discussed that collection will not be pursued until the CIR's final decision is released.²⁸

On 12 March 2024, petitioner again wrote respondent's Legazpi Regional Office manifesting that RO Rebutica informed it of the continuation of the collection efforts against it (**March 12 Letter**).²⁹ Petitioner lamented that such action is premature, considering petitioner's pending Request for Reconsideration before the CIR.³⁰

On the same day, and unknown to petitioner, RO Rebutica caused the service of Warrants of Garnishments (WOGs) on various banks.³¹

PROCEEDINGS BEFORE THE COURT IN DIVISION

On 19 April 2024, petitioner filed its prior Petition with the CTA.³² According to petitioner, it filed the prior Petition within thirty (30) days from its knowledge of Warrant of Garnishment No. WG-RR10-AMS-2023-067 dated 24 August 2023 (WOG), through a Garnishment Advisory from Metrobank, which petitioner received 20 March 2024.³³

In the prior Petition, petitioner sought the cancellation of the FDDA, WDL, and WOG due to violation of its right to due process caused by the following: (1) the premature issuance of the WDL and 

²⁶ Constructively served on petitioner on 25 August 2023, id., p. 682.

²⁷ Id.

²⁸ See Letter dated 25 September 2025, id., p. 695.

²⁹ See Letter dated 12 March 2024, id., pp. 710-716.

³⁰ Id.

³¹ See Memorandum from RO Rebutica dated 13 March 2024, id., pp. 718-719.

³² See prior Petition, supra at note 5.

³³ Id., p. 14. See also Exhibit "P-1", Division Docket, p. 121.

WOG considering that its Request for Reconsideration was still then pending before the CIR; (2) the improper service of the WDL; (3) respondent maintained his or her findings from the PAN to the FDDA; (4) the FLD/FAN did not contain an unequivocal demand to pay; (5) the FLD/FAN and FDDA were not received by petitioner's authorized representative; and (6) the BIR examiners violated the 120-day rule to complete the audit.³⁴ Petitioner also claimed that the assessment has prescribed and that it lacked factual and legal basis.³⁵

The prior Petition incorporated a Motion to Suspend Collection of Taxes (**Motion to Suspend**) wherein petitioner argued that the premature collection of its alleged deficiency tax liabilities will seriously prejudice its business operations. Petitioner also claimed that respondent's method in the collection of its alleged deficiency tax liabilities was not sanctioned by law.³⁶

The prior Petition was raffled to the CTA's Second Division, which accordingly issued Summons on respondent on 24 May 2024.³⁷ On the same day, the Second Division ordered respondent to refrain from collecting the subject assessment during the pendency of the Motion to Suspend so as not to render nugatory its ruling thereon.³⁸

On 28 May 2024, petitioner manifested that on 16 May 2024, it received a Letter dated 13 May 2024³⁹ (**May 13 Letter**) from respondent's Legazpi Regional Office wherein the latter recognized petitioner's March 12 Letter⁴⁰ but insisted that (1) if the CIR fails to act on the taxpayer's protest within 180 days from its date of submission, the taxpayer may appeal to the CTA, otherwise, the assessment shall become final, executory, and demandable; and (2) injunctions are not available to restrain the collection of taxes.⁴¹ Respondent's Legazpi Regional Office, thus, informed petitioner that it will follow the collection enforcement procedures under its collection manual to protect the interest of the government.⁴²

³⁴ Id.

³⁵ Id.

³⁶ Id.

³⁷ Id., p. 240.

³⁸ Resolution dated 24 May 2024, id., pp. 238-239.

³⁹ See Annex "Z", id., p. 250.

⁴⁰ Supra at note 29.

⁴¹ See Manifestation (Re: BIR Letter dated May 13, 2024), Division Docket, pp. 246-249.

⁴² Id.

Subsequently, respondent filed a “Comment and Opposition” to the Motion to Suspend on the following grounds: (1) petitioner’s period to appeal has already prescribed ousting the Court of its jurisdiction over the case and the ancillary remedies included therein; (2) the WDL and WOG were not prematurely issued as the assessment already became final, executory, and demandable; (3) the assessment was issued within the prescriptive period to assess; (4) the assessment is valid and was issued in accordance with law and pertinent issuances; (5) the collection of petitioner’s tax liabilities will not jeopardize petitioner’s interest; and (6) paying the bond is a necessary step to suspend tax collection.⁴³

During the hearing on the Motion to Suspend on 06 June 2024, petitioner presented its General Manager, Alejandro S. Saw (**Saw**).⁴⁴ Testifying by way of his Judicial Affidavit, Saw testified that: (1) the premature collection of the alleged deficiency taxes in the total amount of ₱45,069,218.05 would seriously jeopardize petitioner’s business operations; (2) it will result in the breach of its contractual obligations and expose it to unwanted suits from its creditors, suppliers, and employees; (3) the enforcement of the WDL would not only hamper its daily business operations but would also cripple its profitability; (4) the suspension will not have any adverse effect against the government since the alleged deficiency tax assessment has not become final and executory; and (5) it will be very difficult, if not impossible, for petitioner to comply with the bond requirement because of financial constraints or incapacity.⁴⁵

During cross-examination, Saw testified that petitioner’s bank accounts were already frozen by virtue of respondent’s WOGs. He claimed that petitioner had since been using Saw’s personal accounts for its continuous operations.⁴⁶

There were no redirect examination questions.⁴⁷ 

⁴³ See respondent’s Comment and Opposition (*Re: Petitioner’s Motion to Suspend Collection of Taxes*) filed on 04 June 2024, id., pp. 318-345.

⁴⁴ Order dated 06 June 2024, id., p. 252.

⁴⁵ See Judicial affidavit of Mr. Alejandro S. Saw subscribed on 19 April 2024, Exhibit “P-25”, id., pp. 85-120.

⁴⁶ TSN dated 06 June 2024, pp. 12-14.

⁴⁷ Id., p. 15.

Thereafter, petitioner filed its Formal Offer of Evidence (FOE) on its Motion to Suspend.⁴⁸ After respondent filed his or her Comment⁴⁹ thereto, the Court submitted the Motion to Suspend for resolution.⁵⁰

Meanwhile, after respondent was granted an extension of time, the Answer was filed on 26 July 2024.⁵¹ The Answer mostly mirrored the arguments in respondent's "Comment and Opposition" to petitioner's Motion to Suspend.⁵² Notably, respondent reiterated that petitioner's period to appeal had already prescribed, thus, the Court has no jurisdiction over the prior Petition. According to respondent, petitioner failed to observe the 30-day period within which to appeal the CIR's final decision to the CTA. Since petitioner admitted receiving the FDDA on 03 July 2023, the prior Petition filed on 19 April 2024 (or 291 days later) was filed out of time.⁵³

Respondent added that even if the prior Petition were to be deemed as falling under the CTA's "other matters" jurisdiction, it was still filed out of time considering its receipt of the WDL on 25 August 2023. Thus, if the prior Petition was rooted on respondent's enforcement of collection remedies, then the 30-day period to appeal should have been reckoned from the notice of the WDL and not from its subsequent receipt of the WOG.⁵⁴

Thereafter, respondent elevated the BIR Records to the Court.⁵⁵

On 29 August 2024, the Second Division resolved petitioner's FOE by admitting petitioner's exhibits except for Exhibit "P-1"⁵⁶ for petitioner's failure to present the original for comparison.⁵⁷ 

⁴⁸ Petitioner's Formal Offer of Evidence (Re: Motion to Suspend Collection of Taxes dated April 19, 2024) with Manifestation, filed on 10 June 2024, Division Docket, pp. 346-366.

⁴⁹ Respondent's Comment/Opposition (on Petitioner's Formal Offer of Evidence Re: Motion to Suspend Collection of Taxes dated April 19, 2024 with Manifestation), id., pp. 367-369.

⁵⁰ See Minute Resolution dated 19 June 2024, id., p. 371.

⁵¹ Motion for Extension of Time to File Answer filed on 21 June 2024, id., pp. 372-375. See also Answer (re: Petition for Review with Motion to Suspend Collection of Taxes dated 19 April 2024), id., pp. 376-405. See further Minute Resolution dated 27 June 2024 granting the Motion for Extension, id., pp. 407.

⁵² Supra at note 43.

⁵³ See Answer, supra at note 51.

⁵⁴ Id.

⁵⁵ Respondent's Compliance filed on 06 August 2024, Division Docket, pp. 408-409.

⁵⁶ Warrant of Garnishment dated 24 August 2023, supra at note 33.

⁵⁷ See Resolution dated 29 August 2024, Division Docket, pp. 420-422.

On 03 October 2024, while resolving petitioner's Motion to Suspend, the Second Division issued the first assailed Resolution⁵⁸ which dismissed petitioner's prior Petition for having been filed out of time. According to the Second Division:

...

[I]t is clear that prior to the issuance of the WOG, petitioner was served, albeit constructively, with a WDL as early as **August 25, 2023**.

In *Philippine Journalists, Inc. vs. Commissioner of Internal Revenue*, the Supreme Court reckoned the 30-day period to file an appeal before this Court from receipt of the WDL. The WDL constitutes an act of the CIR on "other matters" arising under the National Internal Revenue Code of 1997, as amended, or other laws administered by the Bureau of Internal Revenue (BIR) which may, in turn, be the subject of an appropriate appeal before this Court.

Counting thirty (30) days from August 25, 2023, petitioner had until **September 24, 2023** within which to file its *Petition for Review* before this Court. Accordingly, the filing of the present *Petition for Review* on **April 19, 2024** was already time-barred.

It is quite erroneous for the petitioner to reckon the filing of its *Petition for Review* on the date in which it received the WOG considering its prior receipt of the WDL. To be sure, it is the issuance of the WDL that effectively triggered petitioner's right to assail the validity of the collection effort being implement by the respondent *via* the "other matters" jurisdiction of this Court. The collection effort by the BIR in this case is comprised of both the WDL and the WOG. In fact, the *Petition for Review* is challenging not only the validity of the WOG but of the WDL as well.

Having found that it is devoid of jurisdiction to take cognizance of the present *Petition for Review*, this Court has no option but to dismiss the same.

WHEREFORE, petitioner's *Motion to Suspend Collection of Taxes* is **DENIED**. The present *Petition for Review* is **DISMISSED** for lack of jurisdiction.⁵⁹

...

In its bid for the Second Division to reconsider, petitioner filed a Motion for Reconsideration⁶⁰ (**MR**) arguing that the premature issuance of the WDL, together with respondent's assurance that the WDL will

⁵⁸ Supra at note 3.

⁵⁹ Citations omitted, emphasis and italics in the original text.

⁶⁰ Filed on 28 October 2024, Division Docket, id., pp. 432-453.

not be implemented during the pendency of the Request for Reconsideration, left petitioner with no choice but to file the prior Petition from its receipt of the Notice of Garnishment from Metrobank. According to petitioner, upon its receipt of the WDL, its representatives met with respondent's officials who made assurances that the WDL and garnishment of its accounts will not be implemented during the pendency of its Request for Reconsideration with the CIR. With this assurance, it no longer appealed the WDL. Instead, it opted to wait for the CIR's resolution of its Request for Reconsideration but was later on surprised to receive Metrobank's Notice of Garnishment on 20 March 2024. Invoking substantial justice, petitioner prayed for a full-blown trial to proceed so that the CTA may properly evaluate these allegations.

In addition, petitioner argued that the prior Petition assailed the garnishment of its funds in violation of (1) Section 205⁶¹ of the NIRC of 1997, as amended; (2) Revenue Regulations (RR) No. 4-2019;⁶² (3) RR No. 12-99,⁶³ as amended by RR No. 18-2013;⁶⁴ (4) Revenue Memorandum (RMO) No. 35-2019,⁶⁵ and RMO No. 39-2007.⁶⁶ Since it calls for the CTA to interpret the said provision and regulations and apply them to determine the validity of the WOG's issuance, then the Court has jurisdiction pursuant to its "other matters" jurisdiction 

⁶¹ SEC. 205. *Remedies for the Collection of Delinquent Taxes.* - The civil remedies for the collection of internal revenue taxes, fees or charges, and any increment thereto resulting from delinquency shall be:

(a) By distraint of goods, chattels, or effects, and other personal property of whatever character, including stocks and other securities, debts, credits, bank accounts and interest in and rights to personal property, and by levy upon real property and interest in rights to real property; and

(b) By civil or criminal action.

Either of these remedies or both simultaneously may be pursued in the discretion of the authorities charged with the collection of such taxes: Provided, however, That the remedies of distraint and levy shall not be availed of where the amount of tax involve is not more than One hundred pesos (P100).

The judgment in the criminal case shall not only impose the penalty but shall also order payment of the taxes subject of the criminal case as finally decided by the Commissioner.

The Bureau of Internal Revenue shall advance the amounts needed to defray costs of collection by means of civil or criminal action, including the preservation or transportation of personal property distrained and the advertisement and sale thereof, as well as of real property and improvements thereon.

⁶² Implementing Rules and Regulations of Republic Act No. 11213, Otherwise Known as the "Tax Amnesty Act," Providing for the Guidelines on the Processing of Tax Amnesty Application on Tax Delinquencies, 05 April 2019.

⁶³ Implementing the Provisions of the National Internal Revenue Code of 1997 Governing the Rules on Assessment of National Internal Revenue Taxes, Civil Penalties and Interest and the Extra-Judicial Settlement of a Taxpayer's Criminal Violation of the Code Through Payment of a Suggested Compromise Penalty, 06 September 1999.

⁶⁴ Amending Certain Sections of Revenue Regulations No. 12-99, 28 November 2013.

⁶⁵ Civil Remedies for the Collection of Accounts Receivable/Delinquent Accounts (AR/DAs), 08 July 2019.

⁶⁶ Issuance of Warrants of Distraint and Garnishment, and/or Levy on Disputed Assessments Finally Decided by the Bureau, 12 December 2007.

granted to it under Section 7(a)(1)⁶⁷ of Republic Act (RA) No. 1125,⁶⁸ as amended by RA 9282.⁶⁹

Unconvinced, the Second Division issued the second assailed Resolution⁷⁰ which denied petitioner's MR for lack of merit. The Second Division stood by its ruling that it never acquired jurisdiction over the case. It resolved petitioner's arguments in this wise:

...

It is worth emphasizing that the Bureau of Internal Revenue's (BIR)'s collection effort that may be a valid subject of a suspension order by this Court is initiated by distraint, levy, or court proceeding. The distraint and levy proceedings are validly begun or commenced by the issuance of a warrant of distraint and levy and service thereof on the taxpayer. As related to the present case, the collection effort by the respondent was duly initiated when a WDL was issued. Verily, this Court cannot justly disregard the existence of a WDL prior to the issuance of the WOG. The issuance of the WOG is merely a continuation of the BIR's summary collection effort. In other words, it is [the] issuance of the WDL that effectively triggered the petitioner's right to assail the validity of the collection effort being implemented by the respondent *via* the "other matters" jurisdiction of this Court.

...

This Court vehemently disagrees with petitioner's submission that the ruling in the Assailed Resolution would lead to a "dangerous precedent" wherein "respondent will simply assure the taxpayer that they will hold in abeyance the service of the WOG, in an effort to secure administrative compromise or settlement, and just release the WOG, if and when the desired outcome is not achieved." Quite the contrary, adherence to petitioner's position would be detrimental to the proper and sound administration of justice. It is tantamount to allowing the factual basis of this Court's jurisdiction to depend on the mere agreement of the parties. To be sure, it is the responsibility of the parties to be on the lookout as to the existence of sufficient factual basis for the proper invocation of this Court's jurisdiction as duly



⁶⁷ SEC. 7. *Jurisdiction.* — The CTA shall exercise:

(a) Exclusive appellate jurisdiction to review by appeal, as herein provided:

(1) Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, or other matters arising under the National Internal Revenue Code or other laws administered by the Bureau of Internal Revenue[.]

⁶⁸ AN ACT CREATING THE COURT OF TAX APPEALS.

⁶⁹ AN ACT EXPANDING THE JURISDICTION OF THE COURT OF TAX APPEALS (CTA), ELEVATING ITS RANK TO THE LEVEL OF A COLLEGIATE COURT WITH SPECIAL JURISDICTION AND ENLARGING ITS MEMBERSHIP, AMENDING FOR THE PURPOSE CERTAIN SECTIONS OF REPUBLIC ACT NO. 1125, AS AMENDED, OTHERWISE KNOWN AS THE LAW CREATING THE COURT OF TAX APPEALS, AND FOR OTHER PURPOSES.

⁷⁰ Supra at note 4.

conferred by law and to properly plead the same within the prescribed reglementary period. It is only then that this Court can legally assume jurisdiction over the case.⁷¹

...

PROCEEDINGS BEFORE THE COURT *EN BANC*

Frustrated with the Second Division's actions, petitioner filed the instant Petition before the Court *En Banc* on 13 March 2025.⁷² Respondent filed his or her Comment thereto on 05 May 2025.⁷³

After the parties decided not to subject their case to mediation, the Court *En Banc* submitted the case for decision on 27 August 2025.⁷⁴

ISSUE

The sole issue for the Court *En Banc*'s resolution is —

WHETHER THE SECOND DIVISION ERRED IN RULING THAT IT HAS NO JURISDICTION OVER THE PRIOR PETITION.

ARGUMENTS

Before Us, petitioner advances three (3) arguments in calling for the reversal of the assailed Resolutions.

First, petitioner asserts that the WOG is not a mere continuation of the BIR's collection efforts. According to petitioner, a WOG may be issued as a result of a delinquent assessment rather than stemming from the issuance of a WDL. They are separate and distinct remedies which the BIR may avail to collect deficiency taxes from delinquent taxpayers.

Here, respondent effectively treated the WDL and WOG as two (2) independent actions as they were issued separately on 17 August 2023 

⁷¹ Citations omitted.

⁷² Supra at note 1.

⁷³ Comment (Re: Petition for Review filed on March 13, 2025), *rollo*, pp. 44-58.

⁷⁴ See No Agreement to Mediate filed by the Philippine Mediation Center – Court of Tax Appeals Unit on 07 August 2025, *id.*, p. 63. See also Resolution dated 27 August 2025, *id.*, p. 64.

and 24 August 2023, respectively. Moreover, when the WDL was served on 25 August 2023, there was no mention of the WOG's issuance a day earlier on 24 August 2023. In addition, the WOG was served six (6) months after the service of the WDL while the Request for Reconsideration was pending before the CIR.

Second, petitioner submits that the discontinuation of the WDL was not merely by "agreement of the parties" as stated in the second assailed Resolution. Instead, the WDL's issuance was erroneous and premature as the subject assessment has yet to become delinquent. Petitioner highlights that it received the FDDA on 03 July 2023. Thus, when it filed its Request for Reconsideration before the CIR on 15 July 2023, it was well within the 30-day reglementary period to do so and respondent's resort to summary collection remedies was premature.

Lastly, petitioner implores this Court to take cognizance of the prior Petition to promote substantial justice. According to petitioner, the following circumstances merit the relaxation of procedural rules: (1) petitioner's property and its continued survival are involved; (2) the BIR's act of issuing the WOGs despite being aware of the pendency of the Request for Reconsideration before the CIR; (3) the merits of petitioner's case which may be threshed out in a full-blown trial; (4) the BIR's premature issuance of the WDL and WOG despite the assessments' non-delinquency; (5) the sincerity of petitioner's pleas; and (6) respondent will not be prejudiced in the event that the instant Petition is granted and petitioner is given the chance to present its side.

On the other hand, respondent echoes the Second Division's ruling that the WOG is merely a continuation of the BIR's summary collection efforts.⁷⁵ Respondent adds that in the prior Petition, petitioner mainly questioned the premature collection of taxes due to pendency of the Request for Reconsideration before the CIR. However, the WDL issued by respondent should be deemed a denial of petitioner's appeal on the FDDA. Thus, the deficiency tax assessment has already become final, executory, and demandable, justifying respondent's issuance of the WOG and WDL.⁷⁶

⁷⁵ Comment, supra at note 73.

⁷⁶ Id.

Lastly, respondent insists that even if this Court has jurisdiction over the case, the issuance of the WOG and WDL was sanctioned by law. For respondent, a taxpayer's tax liability becomes delinquent when it fails to pay its tax liabilities on the due date. Since petitioner failed to pay its deficiency tax liabilities within the prescribed period for payment as provided in the FLD/FAN and FDDA, then the taxes sought to be collected from petitioner have indubitably become delinquent.⁷⁷

RULING OF THE COURT *EN BANC*

Before the Court *En Banc* proceeds with the resolution of the issue raised, We find it proper to first determine whether the instant Petition was filed on time.

As the records bear, petitioner received a copy of the second assailed Resolution on 11 February 2025.⁷⁸ Petitioner, therefore, had fifteen (15) days therefrom, or until 26 February 2025, within which to elevate the case to the Court *En Banc*.⁷⁹

On 26 February 2025, petitioner requested for and the Court *En Banc* granted, an additional 15 days from 26 February 2025 or until 13 March 2025 to appeal.⁸⁰ Thus, the instant Petition filed on 13 March 2025 was filed on time.⁸¹

We now proceed to the merits of the case.



⁷⁷ Id.

⁷⁸ See Notice of Resolution dated 24 January 2025, Division Docket, p. 469.

⁷⁹ Section 3(b), Rule 8 of the RRCTA, which reads:
SEC. 3. *Who may appeal; period to file petition.* —

...

(b) A party adversely affected by a decision or resolution of a Division of the Court on a motion for reconsideration or new trial may appeal to the Court by filing before it a petition for review within fifteen days from receipt of a copy of the questioned decision or resolution. Upon proper motion and the payment of the full amount of the docket and other lawful fees and deposit for costs before the expiration of the reglementary period herein fixed, the Court may grant an additional period not exceeding fifteen days from the expiration of the original period within which to file the petition for review.

⁸⁰ Motion for Extension of Time to File Petition for Review, *rollo*, pp. 1-7.

⁸¹ *Supra* at note 1.

THE SECOND DIVISION HAS
JURISDICTION OVER THE PRIOR
PETITION.

The CTA, being a court of special jurisdiction, can only take cognizance of matters which are clearly within its jurisdiction.⁸² In this connection, Section 11 of RA 1125,⁸³ as amended by RA 9282,⁸⁴ provides for the proper period during which a party may bring an appeal before the CTA, to wit:

...

SEC. 11. *Who May Appeal; Mode of Appeal; Effect of Appeal.* — Any party adversely affected by a decision, ruling or inaction of the Commissioner of Internal Revenue, the Commissioner of Customs, the Secretary of Finance, the Secretary of Trade and Industry or the Secretary of Agriculture or the Central Board of Assessment Appeals or the Regional Trial Courts may file an appeal with the CTA within thirty (30) days after the receipt of such decision or ruling or after the expiration of the period fixed by law for action as referred to in Section 7(a)(2) herein.⁸⁵

...

On the other hand, Section 228 of the NIRC of 1997, as amended, outlines how a taxpayer may administratively protest an assessment issued by the CIR or his or her duly authorized representative and later on, if necessary, appeal the same to the CTA:

...

Sec. 228. *Protesting of Assessment.* — When the Commissioner or his duly authorized representative finds that proper taxes should be assessed, he shall first notify the taxpayer of his findings[.] ...

...

Within a period to be prescribed by implementing rules and regulations, the taxpayer shall be required to respond to said notice. If the taxpayer fails to respond, the Commissioner or his duly authorized representative shall issue an assessment based on his findings.



⁸² *Commissioner of Internal Revenue v. V.Y. Domingo Jewellers, Inc.*, G.R. No. 221780, 25 March 2019, citing *Commissioner of Internal Revenue v. Burmeister and Wain Scandinavian Contractor Mindanao, Inc.*, G.R. No. 190021, 22 October 2014.

⁸³ Supra at note 68.

⁸⁴ Supra at note 69.

⁸⁵ Italics in the original text.

Such assessment may be protested administratively by filing a request for reconsideration or reinvestigation within thirty (30) days from receipt of the assessment in such form and manner as may be prescribed by implementing rules and regulations. Within sixty (60) days from filing of the protest, all relevant supporting documents shall have been submitted; otherwise, the assessment shall become final.

If the protest is denied in whole or in part, or is not acted upon within one hundred eighty (180) days from submission of documents, the taxpayer adversely affected by the decision or inaction may appeal to the Court of Tax Appeals within thirty (30) days from receipt of the said decision, or from the lapse of the one hundred eighty (180)-day period; otherwise, the decision shall become final, executory and demandable.⁸⁶

...

Section 228 of the NIRC of 1997, as amended, is implemented by RR No. 12-99,⁸⁷ as amended by RR No. 18-2013.⁸⁸ Relevant portions of Section 3.1.4 of RR No. 12-99, as amended by RR No. 18-2013, provides the taxpayer's options on disputed assessments, to wit:

...

Sec. 3. Due Process Requirement in the Issuance of a Deficiency Tax Assessment. —

...

Sec. 3.1.4. Disputed Assessment. — The taxpayer or its authorized representative or tax agent may protest administratively against the aforesaid FLD/FAN within thirty (30) days from date of receipt thereof. The taxpayer protesting an assessment may file a written request for reconsideration or reinvestigation defined as follows:

- (i) *Request for reconsideration* — refers to a plea of re-evaluation of an assessment on the basis of existing records without need of additional evidence. It may involve both a question of fact or of law or both.
- (ii) *Request for reinvestigation* — refers to a plea of re-evaluation of an assessment on the basis of newly discovered or additional evidence that a



⁸⁶ Italics in the original text.

⁸⁷ Implementing the Provisions of the National Internal Revenue Code of 1997 Governing the Rules on Assessment of National Internal Revenue Taxes, Civil Penalties and Interest and the Extra-Judicial Settlement of a Taxpayer's Criminal Violation of the Code Through Payment of a Suggested Compromise Penalty.

⁸⁸ Amending Certain Sections of Revenue Regulations No. 12-99 Relative to the Due Process Requirement in the Issuance of a Deficiency Tax Assessment.

taxpayer intends to present in the reinvestigation.
It may also involve a question of fact or of law or
both.

...

For request for reinvestigation, the taxpayer shall submit all relevant supporting documents in support of his protest within sixty (60) days from date of filing of his letter protest, otherwise, the assessment shall become final. The term "*relevant supporting documents*" refer to those documents necessary to support the legal and factual bases in disputing a tax assessment as determined by the taxpayer. ...

...

If the protest is denied, in whole or in part, by the Commissioner's duly authorized representative, the taxpayer may either: (i) appeal to the Court of Tax Appeals (CTA) within thirty (30) days from date of receipt of the said decision; or (ii) elevate his protest through request for reconsideration to the Commissioner within thirty (30) days from date of receipt of the said decision. No request for reinvestigation shall be allowed in administrative appeal and only issues raised in the decision of the Commissioner's duly authorized representative shall be entertained by the Commissioner.⁸⁹

...

In applying the foregoing rules, the Supreme Court, in *Philippine Amusement and Gaming Corporation v. Bureau of Internal Revenue, et al.*⁹⁰ (**PAGCOR**) and later on in *Commissioner of Internal Revenue v. V.Y. Domingo Jewellers, Inc.*⁹¹ (**V.Y. Domingo Jewellers**), explained that there are three (3) options by which a taxpayer may appeal the denial of its administrative protest, to wit:

...

Following the *verba legis* doctrine, the law must be applied exactly as worded since it is clear, plain, and unequivocal. A textual reading of Section 3.1.5 gives a protesting taxpayer like PAGCOR only three options:

1. If the protest is wholly or partially denied by the CIR or his authorized representative, then the taxpayer may appeal to the CTA within 30 days from receipt of the whole or partial denial of the protest.



⁸⁹ Italics in the original text.

⁹⁰ G.R. No. 208731, 27 January 2016.

⁹¹ Supra at note 82.

2. If the protest is wholly or partially denied by the CIR's authorized representative, then the taxpayer may appeal to the CIR within 30 days from receipt of the whole or partial denial of the protest.

3. If the CIR or his authorized representative failed to act upon the protest within 180 days from submission of the required supporting documents, then the taxpayer may appeal to the CTA within 30 days from the lapse of the 180-day period.⁹²

...

In addition to its jurisdiction over cases involving the CIR's decisions on assessments or refunds, the CTA also exercises jurisdiction over "other matters" arising under the NIRC of 1997, as amended, pursuant to Section 7(a)(1) of RA 1125,⁹³ as amended by RA 9282.⁹⁴ The provision reads:

...

SEC. 7. *Jurisdiction.* — The CTA shall exercise:

(a) Exclusive appellate jurisdiction to review by appeal, as herein provided:

(1) Decisions of the Commissioner of Internal Revenue in cases involving disputed assessments, refunds of internal revenue taxes, fees or other charges, penalties in relation thereto, **or other matters arising under the National Internal Revenue Code** or other laws administered by the Bureau of Internal Revenue[.]⁹⁵

...

Relative to this, the Supreme Court held in *Philippine Journalists, Inc. v. Commissioner of Internal Revenue*⁹⁶ (PJI) that:

...

The appellate jurisdiction of the CTA is not limited to cases which involve decisions of the Commissioner of Internal Revenue on matters relating to assessments or refunds. The second part of the provision covers other cases that arise out of the NIRC or related laws administered by the Bureau of Internal Revenue. The wording of the provision is clear and simple. It gives the CTA the jurisdiction to



⁹² Citation omitted, emphasis, italics and underscoring in the original text.

⁹³ Supra at note 68.

⁹⁴ Supra at note 69.

⁹⁵ Italics in the original text and emphasis supplied.

⁹⁶ G.R. No. 162852, 16 December 2004.

determine if the warrant of distraint and levy issued by the BIR is valid and to rule if the Waiver of Statute of Limitations was validly effected.
...

In this case, the following are the pertinent dates and events in determining the timeliness of the prior Petition:

Date	Event
29 November 2022	Petitioner received the FLD/FAN issued by respondent's Legazpi Regional Office on 09 November 2022. ⁹⁷
23 December 2022	Respondent's Legazpi Regional Office received petitioner's Protest (Request for Reinvestigation) to the FLD/FAN dated 07 December 2022. ⁹⁸
04 July 2023	Petitioner received the FDDA issued by respondent's Legazpi Regional Office on 19 June 2023 denying its Protest to the FLD/FAN. ⁹⁹
21 July 2023	Respondent CIR received petitioner's Request for Reconsideration dated 15 July 2023 assailing the FDDA. Respondent's Legazpi Regional Office was copy furnished of the Request for Reconsideration on the same day. ¹⁰⁰
25 August 2023	The WDL issued by respondent's Legazpi Regional Office on 17 August 2023 was constructively served on petitioner despite the pendency of the Request for Reconsideration. ¹⁰¹
25 September 2023	Petitioner wrote the Collection Division of respondent's Legazpi Regional Office, manifesting that the parties' representatives met on 25 August 2023 (same day of petitioner's receipt of the WDL) and discussed that collection will not be implemented until there is a final decision from the CIR. ¹⁰²
12 March 2024	Petitioner again wrote respondent's Legazpi Regional Office manifesting that it was informed by RO Rebutica of the continuation of the collection efforts against it. ¹⁰³
12 March 2024	Unknown to petitioner, RO Rebutica caused the service of WOGs on various banks. ¹⁰⁴
20 March 2024	Petitioner received a Garnishment Advisory from Metrobank. ¹⁰⁵
19 April 2024	Petitioner filed the prior Petition before the CTA, within 30 days from its receipt of the Garnishment Advisory. ¹⁰⁶

⁹⁷ Supra at note 20.
⁹⁸ Supra at note 21.
⁹⁹ Supra at note 22.
¹⁰⁰ Supra at note 24.
¹⁰¹ Supra at note 26.
¹⁰² Supra at note 28.
¹⁰³ Supra at note 29.
¹⁰⁴ Supra at note 31.
¹⁰⁵ Supra at note 33.
¹⁰⁶ Supra at note 32.

Date	Event
16 May 2024	Petitioner received the May 13 Letter from respondent's Legazpi Regional Office denying its March 12 Letter. ¹⁰⁷

As discussed above, pursuant to *PAGCOR*¹⁰⁸ and *V.Y. Domingo Jewellers*,¹⁰⁹ petitioner had three (3) options from its filing of its Protest to the FLD/FAN. In filing the Request for Reconsideration against the FDDA before the CIR, petitioner had chosen the second option (i.e., to appeal the authorized representative's denial of the protest with the CIR, within 30 days from receipt of such denial).

With the timely filing of the Request for Reconsideration before the CIR, the assessment against petitioner was yet to become delinquent and, thus, remained a non-demandable assessment.¹¹⁰ This fact notwithstanding, respondent's Legazpi Regional Office proceeded to issue the assailed WDL and WOG.

To recall, the Second Division, during its resolution of petitioner's Motion to Suspend, dismissed the prior Petition for having been filed out of time. Citing *PJI*,¹¹¹ the Second Division ruled that the WDL constitutes an act of the CIR on "other matters" which may be the subject of an appropriate appeal before the CTA. It also ruled that it was erroneous for petitioner to reckon the filing of its Petition for Review from the time it received the WOG (considering its prior receipt of the WDL). Thus, according to the Second Division, petitioner had until 24 September 2023 within which to appeal and the filing of the prior Petition on 19 April 2024 was already time-barred.

Taking exception from the Second Division's declaration, We deem that petitioner cannot be faulted in opting not to appeal the WDL. For one, the WDL was issued *despite* the pendency of the Request for Reconsideration before the CIR. At the risk of repetition, this makes the assessment non-demandable and not yet ripe for collection. As the Supreme Court clearly ruled in *Mannasoft Technology Corporation v. Commissioner of Internal Revenue*¹¹² — 

¹⁰⁷ Supra at note 41.
¹⁰⁸ Supra at note 90.
¹⁰⁹ Supra at note 82.
¹¹⁰ See *Light Rail Transit Authority v. Bureau of Internal Revenue*, G.R. No. 231238, 20 June 2022.
¹¹¹ Supra at note 96.
¹¹² G.R. No. 244202, 10 July 2023; Citations omitted and emphasis supplied.

...

It should also be emphasized that availing of the summary collection remedies under the Tax Code, such as the issuance of a WDL, are premised first and foremost on the existence of "delinquent taxes." **This premise is lacking when the matter of the taxpayer's civil liability is subject of a valid request for reinvestigation which is still pending resolution by the respondent and its authorized agents.**

...

Respondent appears to be very well aware of this rule. In a *Memorandum* dated 02 May 2024,¹¹³ respondent's Legazpi Regional Office's Legal Division advised its Collection Division, as follows:

...

Applying the above issuances to this case, the taxpayer has filed an administrative appeal to the FDDA before the CIR within the reglementary period, thus, the latter's decision shall not be considered as final, executory, and demandable. **As such, as long as the protest is under appeal, the assessment issued by the BIR would not be considered as demandable. It being non-demandable, there are no delinquent taxes to collect and a WDL is not an available civil remedy to the government. Therefore, any WDL, while the assessment is pending appeal is void.**

...

In view of the foregoing, this office opines that the case be remanded to the Collection Division with the following instructions:

- a) Further verification shall be made from the office of the CIR regarding the current status of the appeal/motion for reconsideration to the FDDA;
- b) Inform the taxpayer regarding the appreciation of the BIR in her request for deferment of collection by WDL and WG due to pending appeal by submitting a reply to her letter dated March 12, 2024; and
- c) Await the decision of the CIR to the pending appeal.

...

Moreover, respondent is estopped from assailing petitioner's failure to appeal the WDL. Petitioner alleged (and respondent did not 

¹¹³ BIR Records, pp. 722-733; emphasis supplied.

deny) that upon petitioner's receipt of the WDL, their representatives had a meeting where they agreed not to implement the WDL until the CIR's resolution of petitioner's pending Request for Reconsideration. Petitioner's letter of 25 September 2023 to respondent's Legazpi Regional Office's Collection Division reads:

...

Pursuant to your meeting with our Abner Ty and Roberto Centus, on September 11, 2023, regarding the warrant of distraint and/or levy (WDL) under WDL-RR10-AMS-2023-061, issued on August 17, 2023, for the Honorable Commissioner by Regional Director Hon. V. C. Cadangen of Revenue Region 10, Legazpi and received by our company CCSO Tolling Service, Inc. on August 25th 2023. The following have been discussed:

1. The collection will not be implemented until there is a final decision from [the commissioner's] office.
2. CCSO is required to submit proof of [f]iling an appeal at the commissioner's office.

In view hereof, the undersigned respectfully submit[s] the certification from BIR Post Office signed by Ms. Gloria L. Japitana, (Officer-In-Charge) to confirm that CCSO Tolling Services, Inc. have filed the appeal via registered mail and duly received one by the name Melvin Gurion on July 28, 2023 at 3:00 pm.¹¹⁴

...

Further, a careful perusal of the Supreme Court's pronouncement in *PJI*¹¹⁵ shows that the CTA's "other matters" jurisdiction was given wide interpretation such that it "covers other cases that arise out of the NIRC or related laws administered by the Bureau of Internal Revenue," to wit:

...

The appellate jurisdiction of the CTA is not limited to cases which involve decisions of the Commissioner of Internal Revenue on matters relating to assessments or refunds. **The second part of the provision covers other cases that arise out of the NIRC or related laws administered by the Bureau of Internal Revenue. The wording of the provision is clear and simple.** It gives the CTA the jurisdiction to determine if the warrant of distraint and levy issued by the BIR is valid and to rule if the Waiver of Statute of Limitations was validly effected. 

...

¹¹⁴ Supra at note 28.

¹¹⁵ Supra at note 96; Emphasis supplied.

Here, the WOG¹¹⁶ itself state that it was issued pursuant to Section 208¹¹⁷ of the NIRC of 1997, as amended. It further states that failure to comply with the WOG shall make the recipient bank criminally liable under Section 277¹¹⁸ of the NIRC of 1997, as amended. Since the WOG's issuance is a matter that arose from respondent's implementation of the provisions of the NIRC of 1997, as amended, then the CTA has jurisdiction to take cognizance of the prior Petition which, among others, prayed for the WOG's quashal.¹¹⁹

Lastly, in the prior Petition, petitioner claimed serious breach of its right to due process because of the supposed: (1) premature issuance of the WDL and WOG considering the pendency of its Request for Reconsideration before the CIR; (2) improper service of the WDL; (3) replication of respondent's findings from the PAN to the FDDA; (4) lack of unequivocal demand to pay in the FLD/FAN; (5) non-receipt of the FLD/FAN and FDDA by petitioner's authorized representative; and (6) violation of the 120-day rule to complete the audit by the 

¹¹⁶ Supra at note 33.

¹¹⁷ **SEC. 208. Procedure for Distrain and Garnishment.** - The officer serving the warrant of distrain shall make or cause to be made an account of the goods, chattels, effects or other personal property distrained, a copy of which, signed by himself, shall be left either with the owner or person from whose possession such goods, chattels, or effects or other personal property were taken, or at the dwelling or place of business of such person and with someone of suitable age and discretion, to which list shall be added a statement of the sum demanded and note of the time and place of sale.

Stocks and other securities shall be distrained by serving a copy of the warrant of distrain upon the taxpayer and upon the president, manager, treasurer or other responsible officer of the corporation, company or association, which issued the said stocks or securities.

Debts and credits shall be distrained by leaving with the person owing the debts or having in his possession or under his control such credits, or with his agent, a copy of the warrant of distrain. The warrant of distrain shall be sufficient authority to the person owning the debts or having in his possession or under his control any credits belonging to the taxpayer to pay to the Commissioner the amount of such debts or credits.

Bank accounts shall be garnished by serving a warrant of garnishment upon the taxpayer and upon the president, manager, treasurer or other responsible officer of the bank. Upon receipt of the warrant of garnishment, the bank shall turn over to the Commissioner so much of the bank accounts as may be sufficient to satisfy the claim of the Government.

¹¹⁸ **SEC. 277. Failure to Surrender Property Placed under Distrain and Levy.**- Any person having in his possession or under his control any property or rights to property, upon which a warrant of constructive distrain, or actual distrain and levy has been issued shall, upon demand by the Commissioner or any of his deputies executing such warrant, surrender such property or right to property to the Commissioner or any of his deputies, unless such property or right is, at the time of such demand, subject to an attachment or execution under any judicial process. Any person who fails or refuses to surrender any of such property or right shall be liable in his own person and estate to the Government in a sum equal to the value of the property or rights not so surrendered but not exceeding the amount of the taxes (including penalties and interest) for the collection of which such warrant had been issued, together with costs and interest if any, from the date of such warrant. In addition, such person shall, upon conviction for each act or omission, be punished by a fine of not less than Five thousand pesos (P5,000), or suffer imprisonment of not less than six (6) months and one (1) day but not more than two (2) years, or both.

¹¹⁹ See prior Petition, supra at note 5.

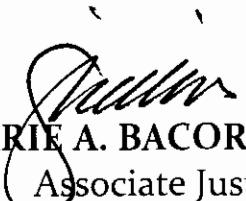
examiners.¹²⁰ Petitioner also claimed that the assessment has already prescribed and is devoid of factual and legal basis.¹²¹

In *Ortiz Memorial Chapel, Inc. v. Commissioner of Internal Revenue*,¹²² the Supreme Court emphasized that “[w]hen the assessment is void *ab initio* for want of due process, it produces no legal effect and may be assailed at any time, even if no protest was filed.” Thus, it behooves the Court to hear petitioner’s accusations and respondent’s defenses thereto.

Given the circumstances surrounding the issuance of the WDL, the Supreme Court’s non-restrictive interpretation of the CTA’s “other matters” jurisdiction in the *PJI*¹²³ case, and petitioner’s allegations of due process violations, the Court *En Banc* finds that the CTA has jurisdiction over the prior Petition and deems it proper to remand the case for trial on the merits.

WHEREFORE, with the foregoing considered, the instant Petition for Review filed by petitioner CCSO Tolling Service Inc. on 13 March 2025 is hereby **GRANTED**. Accordingly, the assailed Resolutions dated 03 October 2024 and 24 January 2025, of the Second Division in CTA Case No. 11481, entitled *CCSO Tolling Service Inc. v. Commissioner of Internal Revenue* are hereby **REVERSED** and **SET ASIDE**. Thus, the case is **REMANDED** to the Second Division of this Court for trial on the merits.

SO ORDERED.


JEAN MARIE A. BACORRO-VILLENA
Associate Justice

¹²⁰ Id.
¹²¹ Id.
¹²² G.R. No. 278483, 03 December 2025.
¹²³ Supra at note 96.

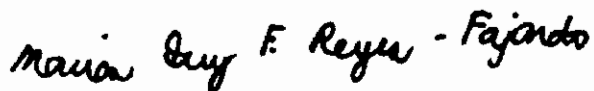
WE CONCUR:



MA. BELEN M. RINGPIS-LIBAN
Presiding Justice



MARIA ROWENA MODESTO-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

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, it is hereby certified that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court.



MA. BELEN M. RINGPIS-LIBAN
Presiding Justice