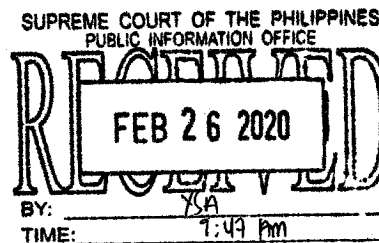




REPUBLIC OF THE PHILIPPINES  
SUPREME COURT  
Manila

SECOND DIVISION

NOTICE



Sirs/Mesdames:

Please take notice that the Court, Second Division, issued a Resolution dated **27 January 2020** which reads as follows:

“**G.R. Nos. 249883-84 (Commissioner of Internal Revenue v. Opulent Landowners, Inc.)**. – After a judicious study of the case, the Court resolves to **DENY** the instant petition<sup>1</sup> and **AFFIRM** the July 5, 2019 Decision<sup>2</sup> and the October 16, 2019 Resolution<sup>3</sup> of the Court of Tax Appeals *En Banc* (CTA *EB*) in CTA *EB* Nos. 1802 and 1803 for failure of petitioner Commissioner of Internal Revenue (CIR) to sufficiently show that the CTA *EB* committed any reversible error in concluding that the Bureau of Internal Revenue revenue officers who recommended the issuance of deficiency tax assessments against respondent Opulent Landowners, Inc. (respondent) were without authority to do so in the absence of a valid Letter of Authority (LOA) in their favor.

As correctly ruled by the CTA *EB*, the CTA was authorized to rule on the authority of the revenue officers to conduct the audit and recommend the issuance of the deficiency tax assessments against respondent, notwithstanding the fact that this was not raised at any point in the proceedings.<sup>4</sup> The Court has already upheld the CTA’s authority to do so, pursuant to Section 1, Rule 14 of the Revised Rules of the Court of Tax Appeals<sup>5</sup> and Section 7 of Republic Act No. 1125,<sup>6</sup> as

<sup>1</sup> *Rollo*, pp. 13-48.

<sup>2</sup> *Id.* at 57-76. Penned by Associate Justice Erlinda P. Uy with Presiding Justice Roman G. Del Rosario and Associate Justices Esperanza R. Fabon-Victorino, Cielito N. Mindaro-Grulla, and Ma. Belen M. Ringpis-Liban, concurring. Presiding Justice Roman G. Del Rosario issued a Concurring Opinion. Associate Justice Juanito C. Castañeda, Jr. issued a Concurring and Dissenting Opinion, which was joined by Associate Justice Catherine T. Manahan. Associate Justice Ma. Belen M. Ringpis-Liban issued a Separate Concurring Opinion.

<sup>3</sup> *Id.* at 92-105. Penned by Associate Justice Erlinda P. Uy with Presiding Justice Roman G. Del Rosario and Associate Justices Esperanza R. Fabon-Victorino, Cielito N. Mindaro-Grulla, Jean Marie A. Bacorro-Villena, and Maria Rowena Modesto-San Pedro, concurring. Associate Justice Juanito C. Castañeda, Jr. reiterated his Concurring and Dissenting Opinion, which was joined again by Associate Justice Catherine T. Manahan. Associate Justice Ma. Belen M. Ringpis-Liban is on leave.

<sup>4</sup> See *id.* at 69.

<sup>5</sup> Pursuant to A.M. No. 05-11-07-CTA of the Supreme Court entitled “REVISED RULES OF THE COURT OF TAX APPEALS” (December 15, 2005).

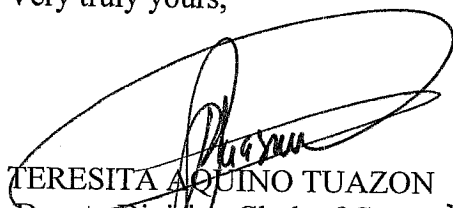
<sup>6</sup> Entitled “AN ACT CREATING THE COURT OF TAX APPEALS” (June 16, 1954).

*Min*

amended,<sup>7</sup> given that such issue falls under the jurisdiction of the CTA.<sup>8</sup> Likewise, the CTA *EB* correctly held that the deficiency tax assessments were invalid due to the revenue officers' lack of authority to do so.<sup>9</sup> Under prevailing jurisprudence,<sup>10</sup> a LOA is statutorily required under the National Internal Revenue Code in order to clothe revenue officers with authority to examine taxpayers. It is axiomatic that only the revenue officers actually named under the LOA are authorized to examine the taxpayer. This is likewise evident under the express provision of Revenue Memorandum Order No. 43-90, which provides that any re-assignment/transfer of cases to another revenue officer(s), and revalidation of a LOA which had already expired, shall require the issuance of a new LOA. In the absence of a new LOA issued in favor of the revenue officers who recommended the issuance of the deficiency tax assessments against respondent, the resulting assessments are void.

**SO ORDERED.** (Reyes, A., Jr. and Hernando, *JJ.*, on official leave.)”

Very truly yours,

  
TERESITA AQUINO TUAZON  
Deputy Division Clerk of Court  
13 FEB 2020 p 2/13

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*Please notify the Court of any change in your address.*  
GR249883-84. 01/27/20(84)URES

<sup>7</sup> Entitled "AN ACT TO AMEND SECTION ONE OF REPUBLIC ACT NUMBERED ONE THOUSAND ONE HUNDRED AND TWENTY-FIVE, ENTITLED "AN ACT CREATING THE COURT OF TAX APPEALS," AND FOR OTHER PURPOSES," approved on June 16, 1962.

<sup>8</sup> *CIR v. Lancaster Philippines, Inc.*, 813 Phil. 622, 636 (2017).

<sup>9</sup> See *rollo*, p. 73.

<sup>10</sup> *Medicard Philippines, Inc. v. CIR*, 808 Phil. 528, 542 (2017).