

REPUBLIC OF THE PHILIPPINES  
COURT OF TAX APPEALS  
Quezon City

EN BANC

COMMISSIONER OF  
INTERNAL REVENUE,  
Petitioner,

CTA EB NO. 2621  
(CTA Case No. 9728)

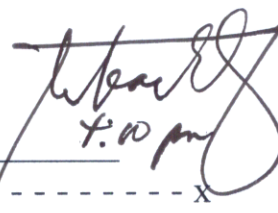
Present:

- versus -

DEL ROSARIO, *P.J.*,  
RINGPIS-LIBAN,  
MANAHAN,  
BACORRO-VILLENA,  
MODESTO-SAN PEDRO,  
REYES-FAJARDO,  
CUI-DAVID,  
FERRER-FLORES, *and*  
ANGELES, *Jl.*

BAC-MAN GEOTHERMAL,  
INC.,  
Respondent.

Promulgated:  
**OCT 11 2023**



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**DECISION**

**BACORRO-VILLENA, J.:**

Before the Court is the Petition for Review<sup>1</sup> filed by petitioner Commissioner of Internal Revenue (**petitioner/CIR**) on 20 May 2022, praying for the reversal of the First Division's Decision dated 18 November 2021<sup>2</sup> (**assailed Decision**) and Resolution dated 29 April 2022<sup>3</sup> (**assailed Resolution**). Both have annulled petitioner's Final Decision on Disputed Assessment (**FDDA**) dated 30 October 2017<sup>4</sup> which

<sup>1</sup> *Rollo*, pp. 1-14.

<sup>2</sup> Penned by Presiding Justice Roman G. Del Rosario, with Associate Justice Catherine T. Manahan and Associate Justice Marian F. Reyes-Fajardo, concurring; Division Docket, Volume VIII, pp. 4182-4205.

<sup>3</sup> *Id.*, pp. 4277-4284.

<sup>4</sup> Exhibit "P-11", *id.*, Volume III, pp. 1590-1592.


held respondent Bac-Man Geothermal Inc. (**respondent/BGI**) liable for ₱175,900,963.76, of deficiency income taxes and penalties for taxable year (**TY**) 2013.

Petitioner is the duly appointed head of the Bureau of Internal Revenue (**BIR**) and is vested with authority to decide disputed assessments of internal revenue taxes and penalties imposed against taxpayers pursuant to the National Internal Revenue Code (**NIRC**) of 1997, as amended.

Respondent, on the other hand, is a domestic corporation duly organized and existing under Philippine Laws, with principal office at 40F One Corporate Centre, Julia Vargas Avenue corner Meralco Avenue, Ortigas Center, Pasig. It is registered with the BIR under Tax Identification Number (**TIN**) 007-721-206-00000. It is engaged in the business of producing energy through, among others, renewable energy resources.

**The antecedent facts follow.**

On 10 January 2017, respondent received a Letter of Authority (**LOA**) No. SN: eLA201500034554<sup>5</sup> dated 05 January 2017, signed by Teresita M. Angeles, Officer-in-Charge Assistant Commissioner, Large Taxpayers Service (**OIC-ACIR-LTS Angeles**), authorizing Revenue Officers (**ROs**) Cletofel Parungao (**Parungao**), Ana Veronica Asis (**Asis**), Rogelio Gonzales (**Gonzales**), Ma. Daisy Loyola (**Loyola**) and Group Supervisor (**GS**) Edgar Espiritu (**Espiritu**) to examine its books of accounts and other accounting records for corporate income tax (**CIT**) for the period from 01 January 2013 to 31 December 2013.

On 18 January 2017, respondent received an undated Preliminary Assessment Notice<sup>6</sup> (**PAN**) with Details of Discrepancy. On 02 February 2017, respondent filed its Reply to the PAN<sup>7</sup> and Senior Vice-President and Chief Financial Officer of respondent, Nestor H. Vasay (**Vasay**), executed a Waiver of the Statute of Limitations Under the NIRC of 1997, 

<sup>5</sup> Exhibit "P-4", id., p. 1560.

<sup>6</sup> Exhibit "P-5", id., pp. 1561-1563.

<sup>7</sup> Exhibit "P-6", id., pp. 1564-1568.


as amended<sup>8</sup>, extending the period to assess respondent for income tax liabilities for TY ending 31 December 2013 until 31 December 2017.

On 05 July 2017, respondent received a Formal Letter of Demand (FLD) dated 03 July 2017<sup>9</sup> with Details of Discrepancies and Audit Result/Assessment Notice dated 15 June 2017. Aggrieved by the BIR's findings, respondent filed a Request for Reinvestigation<sup>10</sup> against the FLD on 04 August 2017. On 03 October 2017<sup>11</sup>, it submitted additional documents.

On 06 November 2017, respondent received the FDDA dated 30 October 2017<sup>12</sup>, finding it liable for deficiency income taxes and administrative penalties amounting to ₱175,900,963.76.

Thereafter, respondent filed its original Petition for Review<sup>13</sup> which was initially raffled to the Court's Second Division but later on transferred to the Court's First Division on 24 September 2018.<sup>14</sup> On 20 December 2017, summonses were served on petitioner and the Office of the Solicitor General (OSG) on 19 December 2017.<sup>15</sup>

On 02 February 2018, petitioner filed his or her Answer<sup>16</sup>, raising, among others, respondent's non-entitlement to the special CIT rate of 10% since it commenced its commercial operation only on 01 July 2013. On this ground, petitioner sought the dismissal of the petition for lack of jurisdiction. It also prayed that the assessment against respondent be upheld instead.

Subsequently, the Pre-Trial Conference<sup>17</sup> was set on 15 March 2018. On 19 February 2018, respondent filed a "Reply (Re: [petitioner's] Answer dated February 1, 2018)".<sup>18</sup> In the meantime, petitioner's Pre-Trial Brief<sup>19</sup> 

<sup>8</sup> Exhibit "P-7", id., p. 1569.

<sup>9</sup> Exhibit "P-8", id., pp. 1570-1572.

<sup>10</sup> Exhibit "P-9", id., pp. 1573-1586.

<sup>11</sup> Exhibit "P-10", id., pp. 1588-1589.

<sup>12</sup> Supra at note 4.

<sup>13</sup> Division Docket, Volume I, pp. 10-193.

<sup>14</sup> See Order dated 24 September 2018, id., Volume III, p. 1364.

<sup>15</sup> Id., Volume I, pp. 194 and 200.

<sup>16</sup> Id., pp. 205-213.

<sup>17</sup> Id., p. 215.

<sup>18</sup> Id., pp. 217-233.

<sup>19</sup> Id., pp. 237-240.

was filed on 06 March 2018 and respondent's Pre-Trial Brief<sup>20</sup> was filed on 09 March 2018.

During the Pre-Trial Conference on 15 March 2018, the parties were given twenty (20) days within which to file their Joint Stipulation of Facts and Issues (JSFI), which was extended until 04 May 2018 upon their motion.<sup>21</sup> However, it was only on 07 May 2018 that the parties filed their JSFI.<sup>22</sup> On 16 May 2018, in the interest of justice, the Pre-Trial Order was issued, approving the JSFI and terminating the Pre-Trial Conference.<sup>23</sup>

During trial, respondent (as then petitioner) presented four (4) witnesses who all testified through their Judicial Affidavits, namely: (1) Liberato Virata (**Virata**), the Vice President for Energy Development Corporation's (EDC) Bac-Man Geothermal Business Unit<sup>24</sup>; (2) Charles Remy S. Capaque (**Capaque**), Tax Compliance Officer of EDC<sup>25</sup>; (3) Marcel Rosario (**Rosario**), OIC-Plant Manager of the Bac-Man Geothermal Power Plants (BGPP)<sup>26</sup>; and, (4) Atty. Ray-an Francis V. Baybay (**Atty. Baybay**), EDC's Legal Counsel.<sup>27</sup> All witnesses testified mainly on respondent's operations during the taxable period in question bolstering respondent's claim of enjoyment of a special CIT rate during the subject period.

On 02 April 2019, respondent filed its Formal Offer of Evidence (with Motion to Admit Secondary Evidence)<sup>28</sup> (FOE). In the Resolution dated 04 June 2019<sup>29</sup>, respondent's Motion to Admit Secondary Evidence was denied and its offered Exhibits "P-71-a", "P-17-b", "P-18", "P-19-c", "P-19-d", "P-19-f", "P-19-g", "P-19-h", "P-19-z", "P-19-aa", "P-19-cc", "P-19-dd", "P-19-ff", "P-19-gg", "P-19-hh", "P-19-ii", "P-19-ll", "P-19-nn", "P-19-oo", "P-19-pp", "P-19-qq", "P-19-rr", "P-19-ss", "P-19-tt", "P-19-xx", "P-19-yy", "P-19-zz", "P-19-aaa", "P-19-bbb", "P-19-ccc", "P-19ddd", "P-19-fff", and "P-19-hhh" were also denied admission for failure to comply with the requisites for admissibility as secondary evidence. ✎

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<sup>20</sup> Id., pp. 242-257.

<sup>21</sup> See Order dated 15 March 2018 and 25 April 2018, id., Volume II, pp. 680 and 700, respectively.

<sup>22</sup> Id., pp. 706-719.

<sup>23</sup> Id., pp. 722-727.

<sup>24</sup> Exhibit "P-22", id., Volume III, pp. 1211-1222.

<sup>25</sup> Exhibit "P-21", id., Volume II, pp. 732-755.

<sup>26</sup> Exhibit "P-23", id., pp. 1196-1203.

<sup>27</sup> Exhibit "P-24", id., Volume III, pp. 1239-1245.

<sup>28</sup> Id., pp. 1506-1538.

<sup>29</sup> Id., Volume V, pp. 3123-3132.

On 02 July 2019, petitioner presented its lone witness, RO Parungao<sup>30</sup> who essentially testified regarding the conduct of the audit investigation against respondent and the reasons for subjecting the latter to the regular rate of CIT. On the same day, respondent filed a “Motion for Reconsideration (Re: Resolution dated June 4, 2019) (with Motion for Leave to Present Supplemental Evidence)” (MR on the 04 June 2019 Resolution).<sup>31</sup>

On 15 July 2019, petitioner filed his or her FOE.<sup>32</sup>

In the Resolution dated 10 September 2019<sup>33</sup>, respondent's Motion for Leave to Present Supplemental Evidence was granted. Accordingly, the hearing on respondent's presentation of its supplemental evidence was set on 05 November 2019 and the resolution of respondent's MR (on the 04 June 2019 Resolution) and petitioner's FOE was held in abeyance.

During the hearing, respondent recalled its witness, Atty. Baybay who testified through a supplemental Judicial Affidavit<sup>34</sup> to identify respondent's additional pieces of evidence.

On 28 September 2020, respondent filed its Supplemental FOE.<sup>35</sup> In a Resolution dated 11 December 2020<sup>36</sup>, respondent's Exhibits "P-20-f", "P-20-g", "P-26" and "P-26-a"<sup>37</sup> as well as all of petitioner's offered exhibits were admitted in evidence while the MR on the 04 June 2019 Resolution was denied as no grounds for the admission of secondary evidence were found to be present. Thereafter, the parties were given thirty (30) days from receipt of the Resolution to file their respective memoranda.

On 27 January 2021, respondent filed its Memorandum<sup>38</sup> while, petitioner filed his or her Memorandum<sup>39</sup> on 29 January 2021.

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<sup>30</sup> Id., pp. 3134-3135.

<sup>31</sup> Id., pp. 3141-4153.

<sup>32</sup> Id., pp. 3157-3161.

<sup>33</sup> Id., pp. 3192-3200.

<sup>34</sup> Exhibit "P-26", id., Volume VI, pp. 3216-3225.

<sup>35</sup> Id., Volume VII, pp. 3504-3527.

<sup>36</sup> Id., Volume VIII, pp. 4118-4124.

<sup>37</sup> See Exhibit "P-20-f", id., pp. 3783-3785, Exhibit "P-20-g", id., pp. 3528-3529, Exhibit "P-26" and "P-26-a", id., Volume VI, pp. 3216-3224.

<sup>38</sup> Id., Volume VIII, pp. 4125-4167.

<sup>39</sup> Id., pp. 4168-4176.

Subsequently, in a Resolution dated 15 February 2021<sup>40</sup>, the case was submitted for decision.

On 18 November 2021, the First Division promulgated the assailed Decision<sup>41</sup>, the dispositive portion of which provides thusly:

...

**WHEREFORE**, premises considered, Bac-Man Geothermal, Inc.'s Petition for Review filed on December 5, 2017 is hereby **GRANTED**. Formal Letter of Demand dated July 3, 2017 and Audit Result/Assessment Notice No. F-LA010001-IT-121-2013-06-17-0000001024 dated June 15, 2017 are **CANCELLED** and **WITHDRAWN** and the Final Decision on Disputed Assessment dated October 30, 2017 is **SET ASIDE**.

The Commissioner of Internal Revenue, his representatives, agents or any person acting on his behalf are hereby **ENJOINED** from enforcing the collection of the deficiency income tax assessment against Bac-Man Geothermal, Inc. arising from the Formal Letter of Demand dated July 3, 2017 and Audit Result/Assessment Notice No. F-LA010001-IT-121-2013-06-17-0000001024 dated June 15, 2017 and Final Decision on Disputed Assessment dated October 30, 2017. This order of suspension is **IMMEDIATELY EXECUTORY** consistent with Section 4, Rule 39 of the Rules of Court.

**SO ORDERED.**

...

In arriving at the above decision, the First Division found that the FLD's contents were merely reiterations of the PAN's contents; thus, leading to a finding that petitioner did not consider respondent's arguments and supporting evidence in its protest to the PAN. Taking a cue from the case of *Commissioner of Internal Revenue v. Avon Products Manufacturing, Inc.*<sup>42</sup> (**Avon**), wherein the Supreme Court found similar acts of petitioner CIR to be in violation of a taxpayer's due process rights, the First Division voided the assessment against respondent.

Aggrieved, petitioner filed an "[MR] (Re: Decision promulgated 18 November 2021)"<sup>43</sup> filed on 09 December 2021, with respondent's

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<sup>40</sup> Id., p. 4179.

<sup>41</sup> Supra at note 2, pp. 4204-4205; Emphasis in the original text.

<sup>42</sup> G.R. Nos. 201398-99, 03 October 2018.

<sup>43</sup> Division Docket, Volume VIII, pp. 4206-4216.

“Comment (Re: [MR] dated December 3, 2017)”<sup>44</sup> filed on 07 March 2022. In the assailed Resolution dated 29 April 2022<sup>45</sup>, the Court denied petitioner’s motion, and affirmed the assailed Decision.

Hence the present petition.<sup>46</sup>

In a Resolution dated 11 July 2022<sup>47</sup>, the Court ordered respondent to file its comment/opposition to the present petition. On 22 July 2022, respondent filed its “Comment (Re: Petition for Review dated May 18, 2022)”<sup>48</sup>.

In yet another Resolution dated 11 August 2022<sup>49</sup>, the parties were directed to appear before the Philippine Mediation Center – CTA (PMC-CTA) for the possible amicable settlement of the case between the parties. As *per* the PMC-CTA’s Report dated 19 September 2022<sup>50</sup>, the parties, unfortunately, decided to not have their case mediated. Therefore, in a Resolution dated 11 October 2022<sup>51</sup>, the Court submitted the present petition for decision.

The only issue for the Court’s resolution will be as follows —

WHETHER THE COURT’S FIRST DIVISION ERRED WHEN IT CANCELLED THE ASSESSMENT OF RESPONDENT BAC-MAN GEOTHERMAL, INC. FOR VIOLATION OF THE LATTER’S RIGHT TO DUE PROCESS.

Petitioner advances the argument that respondent’s right to due process was not violated as it was given the opportunity to be heard at the administrative level. Petitioner further contends that the First Division erred in enjoining the collection of tax even after respondent had failed to adduce evidence to prove the concurrence of the requisites for the issuance of an injunctive writ, to wit:

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<sup>44</sup> Id., pp. 4221-4242.  
<sup>45</sup> Supra at note 3.  
<sup>46</sup> Supra at note 1.  
<sup>47</sup> *Rollo*, pp. 55-56.  
<sup>48</sup> Id., pp. 57-79.  
<sup>49</sup> Id., pp. 82-83.  
<sup>50</sup> Id., p. 84.  
<sup>51</sup> Id., pp. 86-87.

- ...
1. The invasion of the right is material and substantial;
  2. The right of the complainant is clear and unmistakable;
  3. There is an urgent and permanent necessity for the writ to prevent serious damage.<sup>52</sup>
- ...

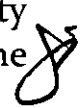
Petitioner goes as far as to point out that since respondent did not move for a suspension for collection of taxes during the proceedings before the First Division, the Court *En Banc* could no longer provide such relief.

Respondent, however, echoes the findings made in the assailed Decision that its right to due process was violated when petitioner merely restated the PAN's contents in the FAN without any apparent consideration of the arguments and evidence it adduced in its protest.

### **The Court *En Banc*'s ruling follows.**

At the onset, it must be noted that in the proceedings before the First Division, petitioner raised several issues regarding respondent's non-entitlement to a special CIT rate in relation to its status as a renewable energy developer and its commercial operations during the TY in question. Owing to the fact, however, that the First Division has found violations of respondent's right to due process, such issues were no longer resolved in the assailed Decision and Resolution. Considering that the present petition no longer raises anew the said issues, the Court *En Banc* finds no needful use to again discuss them. Instead, the focus of its discussion will be on the issue of whether reasonable grounds exist to reverse the First Division's findings.

Even after an arduous review of the case's records and the arguments put forth by the parties, We find the present petition bereft of merit.

In administrative proceedings, due process means an opportunity to explain one's side, or an opportunity to seek a reconsideration of the 

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<sup>52</sup> *Marcela Gonzales Almeida v. Court of Appeals, et al.*, G.R. 159124, 17 January 2005; Citation omitted.



action or ruling complained of.<sup>53</sup> In *Ray Peter O. Vivo v. Philippine Amusement and Gaming Corporation (PAGCOR)*<sup>54</sup> (**Vivo**), the Supreme Court elaborated on what administrative due process means in this wise:

...

The essence of procedural due process is embodied in the basic requirement of notice and a real opportunity to be heard. In administrative proceedings, such as in the case at bar, procedural due process simply means the opportunity to explain one's side or the opportunity to seek a reconsideration of the action or ruling complained of. "To be heard" does not mean only verbal arguments in court; one may be heard also thru pleadings. Where opportunity to be heard, either through oral arguments or pleadings, is accorded, there is no denial of procedural due process.

In administrative proceedings, procedural due process has been recognized to include the following: (1) the right to actual or constructive notice of the institution of proceedings which may affect a respondent's legal rights; (2) a real opportunity to be heard personally or with the assistance of counsel, to present witnesses and evidence in one's favor, and to defend one's rights; (3) a tribunal vested with competent jurisdiction and so constituted as to afford a person charged administratively a reasonable guarantee of honesty as well as impartiality; and (4) **a finding by said tribunal which is supported by substantial evidence submitted for consideration during the hearing or contained in the records or made known to the parties affected.**

...

A perusal of the ruling in *Vivo* shows that the Supreme Court likewise enumerated the requirements for the observance of the requirements of administrative due process. With the set legal parameters above, the case at bar shows that petitioner failed to afford respondent all of the said requisites; particularly, the *fourth* requisite which deems that the findings of the subject quasi-judicial body be based on the evidence that the parties have submitted.

In the *Avon*<sup>55</sup> case, the Supreme Court has underscored the importance of this *fourth* requisite. There, it held that the opportunity

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<sup>53</sup> *F/O Augustus Z. Ledesma v. Court of Appeals, et al.*, G.R. No. 166780, 27 December 2007.

<sup>54</sup> G.R. No. 187854, 12 November 2013; Emphasis supplied.

<sup>55</sup> *Supra* at note 42; Citations omitted and emphasis supplied.

to be heard goes hand in hand with a decision based on the arguments and evidence presented by the taxpayer, to wit:

...

**Tax assessments issued in violation of the due process rights of a taxpayer are null and void.** While the government has an interest in the swift collection of taxes, the Bureau of Internal Revenue and its officers and agents cannot be overreaching in their efforts, but must perform their duties in accordance with law, with their own rules of procedure, and always with regard to the basic tenets of due process.

The 1997 National Internal Revenue Code, also known as the Tax Code, and revenue regulations allow a taxpayer to file a reply or otherwise to submit comments or arguments with supporting documents at each stage in the assessment process. **Due process requires the Bureau of Internal Revenue to consider the defenses and evidence submitted by the taxpayer and to render a decision based on these submissions.** Failure to adhere to these requirements constitutes a denial of due process and taints the administrative proceedings with invalidity.

...

In carrying out these quasi-judicial functions, the Commissioner is required to "investigate facts or ascertain the existence of facts, hold hearings, weigh evidence, and draw conclusions from them as basis for their official action and exercise of discretion in a judicial nature." Tax investigation and assessment necessarily demand the observance of due process because they affect the proprietary rights of specific persons.

...

"[A] fair and reasonable opportunity to explain one's side" is one aspect of due process. **Another aspect is the due consideration given by the decision-maker to the arguments and evidence submitted by the affected party.**

...

Clearly, contrary to petitioner's arguments, to simply afford a party the opportunity to be heard is not enough in tax cases. To completely afford a taxpayer of administrative due process in cases of disputed assessments also requires that the arguments and evidence adduced (by the taxpayer) be taken into consideration in arriving at a conclusion (as regards its liabilities).



As the First Division found correctly, a perusal of the FLD would readily yield that its contents are a mere reproduction of the PAN's contents, differing only in the calculation of interest considering the lapse of time in between the two issuances. Glaringly, no mention was made of the additional documents that respondent submitted in support of its protest to the PAN. There was also no reference made to respondent's arguments in the FAN. Verily, a mere opportunity to be heard is rendered naught when the same becomes an empty exercise if automatically shut down or has fallen routinely on deaf ears. To contend otherwise is to deem the right to due process as a mere technicality, complied with by the simple act of reception of evidence without any actual contemplation of the merits involved.

Similarly, We find implausible petitioner's argument that this Court lacks the authority to enjoin the collection of taxes by reason of respondent's failure to pray for the same before the First Division. Rule 135, particularly Section 6 of the Rules of Court provides:

...


RULE 135

Powers and Duties of Courts and Judicial Officers

...

**Sec. 6.** *Means to carry jurisdiction into effect.* — When by law jurisdiction is conferred on a court or judicial officer, all auxiliary writs, processes and other means necessary to carry it into effect may be employed by such court or officer; and if the procedure to be followed in the exercise of such jurisdiction is not specifically pointed out by law or by these rules, any suitable process or mode of proceeding may be adopted which appears comfortable to the spirit of the said law or rules.

...

Aside from this Court having explicit authority by law to suspend the collection of taxes by virtue of Section 11<sup>56</sup> of Republic Act (RA) 

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<sup>56</sup> 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.

...

**DECISION**

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No. 1125<sup>57</sup> as amended by RA 9282<sup>58</sup>, it is like any other court tasked to take such necessary actions to carry its judgments into effect. Without such authority, then court decisions will be reduced to a trivial matter, void of any actual consequence, much like the way petitioner reduced respondent's right to be heard in the case at bar.

**WHEREFORE**, the foregoing premises considered, the instant Petition for Review filed by petitioner Commissioner of Internal Revenue on 20 May 2022 is **DENIED** for lack of merit. Accordingly, the assailed Decision and Resolution dated 18 November 2021 and 29 April 2022, respectively, of the First Division in CTA Case No. 9728, entitled *Bac-Man Geothermal, Inc. v. Commissioner of Internal Revenue* are hereby **AFFIRMED**.

**SO ORDERED.**

  
**JEAN MARIE A. BACORRO-VILLENA**  
Associate Justice

**WE CONCUR:**


**ON OFFICIAL BUSINESS**  
**ROMAN G. DEL ROSARIO**  
Presiding Justice


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No appeal taken to the CTA from the decision of the Commissioner of Internal Revenue or the Commissioner of Customs or the Regional Trial Court, provincial, city or municipal treasurer or the Secretary of Finance, the Secretary of Trade and Industry or the Secretary of Agriculture, as the case may be, shall suspend the payment, levy, distraint, and/or sale of any property of the taxpayer for the satisfaction of his tax liability as provided by existing law: *Provided, however*, That when in the opinion of the Court the collection by the aforementioned government agencies may jeopardize the interest of the Government and/or the taxpayer the Court at any stage of the proceeding may suspend the said collection and require the taxpayer either to deposit the amount claimed or to file a surety bond for not more than double the amount with the Court.

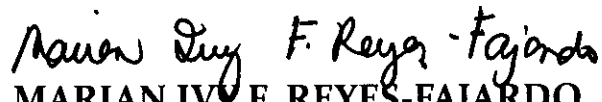
<sup>57</sup> AN ACT CREATING THE COURT OF TAX APPEALS.

<sup>58</sup> 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.

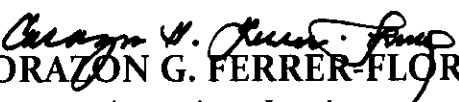
  
**MA. BELEN M. RINGPIS-LIBAN**  
Associate Justice

  
**CATHERINE T. MANAHAN**  
Associate 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

**ON LEAVE**  
**HENRY S. ANGELES**  
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  
Acting Presiding Justice