Supreme Court E-Library

SECOND DIVISION

[G.R. No. 171266. April 4, 2007]

INTERNATIONAL EXCHANGE BANK, *petitioner, vs.* **COMMISSIONER OF INTERNAL REVENUE,** *respondent.*

SYLLABUS

1. TAXATION; TAX CODE, AS AMENDED BY REPUBLIC ACT 7660; DOCUMENTARY STAMP TAX; CERTIFICATE OF DEPOSIT DRAWING INTEREST; A PASSBOOK REPRESENTING AN INTEREST EARNING DEPOSIT ACCOUNT ISSUED BY A BANK QUALIFIES AS A CERTIFICATE OF DEPOSIT DRAWING INTEREST.— [A] passbook representing an interest earning deposit account issued by a bank qualifies as a certificate of deposit drawing interest. A document to be deemed a certificate of deposit requires no specific form as long as there is some written memorandum that the bank accepted a deposit of a sum of money from a depositor. What is important and controlling is the nature or meaning conveyed by the passbook and not the particular label or nomenclature attached to it, inasmuch as substance, not form, is paramount.

2. ID.; ID.; ID.; ID.; MAY OR MAY NOT BE NEGOTIABLE.— A certificate of deposit may or may not be negotiable as gathered from the use of the conjunction **or**, instead of **and**, in its definition. A certificate of deposit may be payable to the depositor, to the order of the depositor, **or** to some other person or his order. In any event, the negotiable character of any and all documents under Section 180 [of the Tax Code] is immaterial for purposes of imposing DST.

3. ID.; ID.; ID.; A REGULAR SAVINGS ACCOUNT WITH A PASSBOOK WHICH IS WITHDRAWABLE AT ANY TIME IS NOT SUBJECT TO DOCUMENTARY STAMP TAX, UNLIKE A TIME DEPOSIT WHICH IS PAYABLE ON A FIXED MATURITY DATE.— Orders for the payment of sum of money payable at sight or on demand are of course explicitly exempted from the payment of DST. Thus, a regular savings account with a passbook which is withdrawable at any time is

Supreme Court E-Library

not subject to DST, unlike a time deposit which is payable on a fixed maturity date.

4. ID.; ID.; ID.; SAVINGS ACCOUNT-FIXED SAVINGS DEPOSIT HAS THE SAME NATURE AND CHARACTERISTICS AS A TIME DEPOSIT.— The FSD, like a time deposit, provides for a higher interest rate when the deposit is not withdrawn within the required fixed period; otherwise, it earns interest pertaining to a regular savings deposit. Having a fixed term and the reduction of interest rates in case of pre-termination are essential features of a time deposit.

5. REMEDIAL LAW; EVIDENCE; CREDIBILITY; FACTUAL FINDINGS OF THE COURT OF TAX APPEALS ON TAX MATTERS, GENERALLY DESERVE RESPECT.— The findings and conclusions reached by the CTA which, by the very nature of its function, is dedicated exclusively to the consideration of tax problems and has necessarily developed an expertise on the subject, and unless there has been an abuse or improvident exercise of authority, and none has been shown in the present case, deserves respect.

6. TAXATION; TAX CODE, AS AMENDED BY REPUBLIC ACT 7660; DOCUMENTARY STAMP TAX; NATURE.— It bears emphasis that DST is levied on the exercise by persons of certain privileges conferred by law for the creation, revision, or termination of specific legal relationships through the execution of specific instruments. It is an excise upon the privilege, opportunity or facility offered at exchanges for the transaction of the business.

APPEARANCES OF COUNSEL

Tan Venturanza Valdez for petitioner.
Rhodora J. Corcuera-Menzon for respondent.

D E C I S I O N

CARPIO MORALES, *J.*:

Is a Savings Account-Fixed Savings Deposit (FSD) evidenced by a passbook issued by International Exchange Bank (petitioner)

Supreme Court E-Library

subject to documentary stamp tax (DST) for the years 1996 and 1997?

Petitioner, a banking institution duly organized and existing under the laws of the Philippines, was on April 13, 1999 served Letter of Authority No. 000020535[1] by the Commissioner of Internal Revenue (respondent) directing the examination by a "Special Team created pursuant to RSO 797-98" (Special Team) of petitioner's books of accounts and other accounting records for the year 1997 and "unverified prior years." An examination of said documents was in fact conducted.

Petitioner subsequently received on November 16, 1999 a "Notice to Taxpayer"[2] from the Assistant Commissioner, Enforcement Service of the Bureau of Internal Revenue, notifying it of the results of the examination conducted by the Special Team regarding its tax liabilities, which amounted to ₱465,158,118.31 for 1996 and ₱17,033,311,974.23 for 1997, and requesting it to appear for an informal conference to present its side.

Between November[3] and December[4] 1999, petitioner's representatives met with the Special Team to discuss and/or dispute portions of the Special Team's audit findings. Eventually, the parties resolved issues relating to transactions involving payment of final withholding and gross receipts taxes.[5]

On January 6, 2000, petitioner was personally served with an undated Pre-Assessment Notice[6] (PAN) assessing it of deficiency on its purchases of securities from the Bangko Sentral ng Pilipinas or Government Securities Purchased-Reverse

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[1] Bureau of Internal Revenue (BIR) records, p. 626. The BIR records are paginated from 658-1.

[2] *Id.* at 445-444.

[3] *Id.* at 447-446.

[4] Court of Tax Appeals (CTA) Division *rollo*, p. 73.

[5] *Ibid.*

[6] BIR records, pp. 619-617.

Supreme Court E-Library

Repurchase Agreement (RRPA) and its FSD for the taxable years 1996 and 1997, *viz:*

Details of Discrepancies
(Taxable Year 1996)

INDUSTRY ISSUES

1. DOCUMENTARY STAMP TAX (DST) — On Government Securities Purchased-RRPA and Savings Deposits — SD totaling ₱25,180,492.15.

Government Securities Purchased-RRP amounting to ₱3,584,098,013.35 is subject to DST under Section 180 of the NIRC, as amended, since this falls under the classification of Deposits Substitutes as defined by RR 3-97.

Savings Deposit-FSD amounting to ₱9,845,497,800.27 should be treated as time deposits considering that its features are very much the same as time deposits (interest rates; terms). In substance, these are certificate[s] of deposits subject to Documentary Stamp Tax under Section 180 of the NIRC which provides among others that certificate[s] of deposits bearing interest and others not payable on sight or demand are subject to DST.[7]

Details of Discrepancies
(Taxable Year 1997)

INDUSTRY ISSUES

1. DOCUMENTARY STAMP TAX (DST) — On Government Securities Purchased-RRPA and Savings Deposits-FSD totaling ₱75,383,751.55.

Government Securities Purchased-RRP amounting to ₱12,180.427,820.44 is subject to DST under Sec. 180 of the NIRC, as amended, since this falls under the classification of Deposit Substitutes as defined by RR 3-97.

Savings Deposits-FSD amounting to ₱28,024,239,673.35 should be treated as time deposits considering that its features are very much the same as time deposits (interest rates; terms). In substance, these are certificates of deposit subject to Documentary Stamp Tax under Section 180 of the NIRC which provides among others that

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[7] *Id.* at 618.

Supreme Court E-Library

certificate[s] of deposit bearing interest and others not payable on sight or demand are subject to DST.[8] (Underscoring in the original)

The PAN advised petitioner that in case it was not agreeable to the above-quoted findings, it may "see the Assistant Commissioner-Enforcement Service to clarify issues arising from the investigation and/or review," and its failure to do so within 15 days from receipt of the PAN would mean that it was agreeable.[9]

On January 12, 2000, petitioner received a Formal Assessment Notice[10] (FAN) for deficiency DST on its RRPA and FSD, including surcharges, in the amounts of ₱25,180,492.15 for 1996 and ₱75,383,751.55 for 1997, and an accompanying demand letter[11] requesting payment thereof within 30 days.

Acting on the FAN, petitioner filed on February 11, 2000 a protest letter[12] alleging that the assessments should be reconsidered on the grounds that: (1) the assessments are null and void for having been issued without any authority and due process, and were made beyond the prescribed period for making assessments; (2) there is no law imposing DST on RRPA, and assuming that DST was payable, it is the Bangko Sentral ng Pilipinas which is liable therefor; (3) there is no law imposing DST on its FSD; and (4) assuming the deficiency assessments for DST were proper, the imposition of surcharges was patently without legal authority.

Respondent failed to act on the protest, prompting petitioner to file a petition for review before the Court of Tax Appeals (CTA).

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[8] *Id.* at 617.

[9] *Id.* at 619.

[10] *Id.* at 631-629.

[11] *Id.* at 629.

[12] *Id.* at 651-632.

Supreme Court E-Library

By Decision[13] of October 26, 2004, the First Division of the CTA (CTA Division) disposed as follows:

> WHEREFORE, petitioner's deficiency assessments pertaining to the reverse purchase agreements in the amounts of ₱6,720,183.77 and ₱22,838,302.16 inclusive of surcharges, for the years 1996 and 1997, respectively, are hereby CANCELLED and WITHDRAWN. However, the **deficiency assessments pertaining to savings deposits-FSD are hereby UPHELD** and petitioner is ORDERED to PAY the respondent the amount of ₱71,005,757.77 representing deficiency documentary stamp tax for the years 1996 and 1997. In addition thereto, petitioner is ORDERED to PAY respondent 20% delinquency interest from February 12, 2000 until fully paid pursuant to Section 249 of the 1997 NIRC.[14] (Emphasis and underscoring supplied)

Petitioner moved for reconsideration of the CTA Division decision. Respondent moved too for a partial review of the decision.

Petitioner argued that its FSD is not subject to DST since it was not one of the documents enumerated either under the 1977 Tax Code (Tax Code) or the 1997 National Internal Revenue Code (NIRC). Respondent on the other hand argued that petitioner should be liable not only for DST on its FSD but also on its RRPA.

For lack of merit, the CTA Division, by Resolution[15] of April 20, 2005, denied petitioner's motion for reconsideration and respondent's motion for partial reconsideration.

Only petitioner appealed to the CTA *En Banc* before which it proffered that its FSD cannot be considered a certificate of deposit subject to DST under Section 180 of the Tax Code for, unlike a certificate of deposit which is a negotiable instrument, the passbook it issued for its FSD was not payable to the order of the depositor or to some other person as the deposit could

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[13] CTA Division *rollo*, pp. 226-251.

[14] *Id.* at 250.

[15] *Id.* at 315-318.

Supreme Court E-Library

only be withdrawn by the depositor or by a duly authorized representative.[16]

Petitioner likewise proffered that the legislative deliberations on the bill that was to become Republic Act No. (R.A.) 9243[17] showed that the definition of certificates of deposit was amended to include "other evidences of deposits that are either drawing interest significantly higher than the regular savings deposit taking into consideration the size of the deposit and the risks involved or drawing interest and having a specific maturity date" in order to plug a revenue loophole caused by the term "certificates of deposit" provided under the Tax Code and the NIRC.[18]

Furthermore, petitioner argued that a "deposits [*sic*] evidenced by a passbook [which] have features akin to a time deposit," such as petitioner's FSD, is not subject to DST under the Tax Code and the NIRC.[19]

Finally, petitioner argued that the FAN for 1996 and 1997 were issued in violation of its right to due process, they having been issued even before it could respond to the PAN; and that the 1996 assessment is null and void for having been issued beyond the 3-year prescriptive period.

By Decision[20] of January 30, 2006, the CTA *En Banc* affirmed the decision of the CTA Division finding petitioner liable for payment of deficiency DST for its FSD.

In affirming the CTA Division Decision, the CTA *En Banc* held that a time deposit is a type of a certificate of deposit

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[16] CTA *En Banc rollo,* pp. 20-21.

[17] AN ACT RATIONALIZING THE PROVISIONS OF THE DOCUMENTARY STAMP TAX OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED, AND FOR OTHER PURPOSES.

[18] CTA *En Banc rollo*, p. 37.

[19] *Ibid.*

[20] *Id.* at 157-180. The decision was penned by Associate Justice Juanito C. Castañeda, Jr., and concurred in by Associate Justices Ernesto D. Acosta, Novell R. Bautista, Erlinda P. Uy, and Olga Palanca-Enriquez. Associate Justice Caesar A. Casanova dissented from the majority decision.

Supreme Court E-Library

drawing interest, and petitioner's FSD has the same nature and characteristics as those of a time deposit; that the requirement of due process had been substantially complied with; and the 1996 assessment was not barred by prescription because there was no requirement for the filing of a DST return under the Tax Code.

Hence, the present petition for review on *certiorari*, petitioner reiterating the same grounds advanced before the CTA *En Banc*.

The issue, in the main, is whether petitioner's FSD is subject to DST for the years assessed.

The applicable provision is Section 180 of the Tax Code, as amended by R.A. 7660,[21] which reads*:*

SEC. 180. Stamp tax on all loan agreements, promissory notes, bills of exchange, drafts, instruments and securities issued by the government or any of its instrumentalities, certificates of deposit bearing interest and others not payable on sight or demand. — On all loan agreements signed abroad wherein the object of the contract is located or used in the Philippines; bills of exchange (between points within the Philippines), drafts, instruments and securities issued by the Government or any of its instrumentalities or **certificates of deposits drawing interest,** or orders for the payment of any sum of money otherwise than at sight or on demand, or on all promissory notes, whether negotiable or non-negotiable, except bank notes issued for circulation, and on each renewal of any such note, there shall be collected a documentary stamp tax of Thirty centavos (₱0.30) on each two hundred pesos, or fractional part thereof, of the face value of any such agreement, bill of exchange, draft, certificate of deposit, or note: Provided, That only one documentary stamp tax shall be imposed on either loan agreement, or promissory notes issued to secure such loan, whichever will yield a higher tax: Provided, however, That loan agreements or promissory

[21] AN ACT RATIONALIZING FURTHER THE STRUCTURE AND ADMINISTRATION OF THE DOCUMENTARY STAMP TAX, AMENDING FOR THE PURPOSE CERTAIN PROVISIONS OF THE NATIONAL INTERNAL REVENUE CODE, AS AMENDED, ALLOCATING FUNDS FOR SPECIFIC PROGRAMS, AND FOR OTHER PURPOSES.

Supreme Court E-Library

notes the aggregate of which does not exceed Two hundred fifty thousand pesos (₱250,000) executed by an individual for his purchase on installment for his personal use or that of his family and not for business, resale, barter or hire of a house, lot, motor vehicle, appliance or furniture shall be exempt from the payment of the documentary stamp tax provided under this section. (Emphasis and underscoring supplied)

Petitioner posits that based on this Court's definition of a certificate of deposit in *Far East Bank and Trust Company v. Querimit,*[22] *viz*:

A certificate of deposit is defined as a written acknowledgment by a bank or banker of the receipt of a sum of money on deposit which the bank or banker promises to pay to the depositor, to the order of the depositor, or to some other person or his order, whereby the relation of debtor and creditor between the bank and the depositor is created. . . .[23]

its FSD is not a certificate of deposit since there is nothing in the terms and conditions printed on the passbook evidencing it that can be construed to mean that the bank or banker acknowledges the receipt of a sum of money on deposit.[24]

Petitioner moreover posits that the FSD, unlike a certificate of deposit, is not negotiable or payable to the order of some other person or his order but is "only withdrawable by the depositor or his authorized representative."[25]

Petitioner's position does not lie.

As correctly found by the CTA *En Banc*, a passbook representing an interest earning deposit account issued by a bank qualifies as a certificate of deposit drawing interest.[26]

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[22] 424 Phil. 723 (2002).

[23] *Id.* at 730.

[24] *Rollo*, p. 51.

[25] *Id.* at 51-52.

[26] CTA *En Banc rollo*, p. 172.

Supreme Court E-Library

A document to be deemed a certificate of deposit requires no specific form as long as there is some written memorandum that the bank accepted a deposit of a sum of money from a depositor.[27] What is important and controlling is the nature or meaning conveyed by the passbook and not the particular label or nomenclature attached to it, inasmuch as substance, not form, is paramount.[28]

Contrary to petitioner's claim, not all certificates of deposit are negotiable. A certificate of deposit may or may not be negotiable as gathered from the use of the conjunction **or**, instead of **and**, in its definition. A certificate of deposit may be payable to the depositor, to the order of the depositor, **or** to some other person or his order.

In any event, the negotiable character of any and all documents under Section 180 is immaterial for purposes of imposing DST.

Orders for the payment of sum of money payable at sight or on demand are of course explicitly exempted from the payment of DST. Thus, a regular savings account with a passbook which is withdrawable at any time is not subject to DST, unlike a time deposit which is payable on a fixed maturity date.

As for petitioner's argument that its FSD is similar to a regular savings deposit because it is evidenced by a passbook,[29] and that based on the legislative deliberations on the bill which was to become R.A. 9243 which amended Section 180 of the NIRC (which is to a large extent the same as Section 180 of the Tax Code, as amended by R.A. 7660), Congress admitted that deposits evidenced by passbooks which have features akin to time deposits are not subject to DST,[30] the same does not lie.

The FSD, like a time deposit, provides for a higher interest rate when the deposit is not withdrawn within the required fixed

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[27] *Ibid*.

[28] *China Banking Corporation v. Commissioner of Internal Revenue*, C.T.A. Case No. 6400, January 3, 2006.

[29] CTA Division *rollo*, p. 246.

[30] *Rollo*, p. 62.

Supreme Court E-Library

period; otherwise, it earns interest pertaining to a regular savings deposit. Having a fixed term and the reduction of interest rates in case of pre-termination are essential features of a time deposit. Thus explains the CTA *En Banc*:

> It is well-settled that certificates of time deposit are subject to the DST and that a certificate of time deposit is but a type of a certificate of deposit drawing interest. Thus, in resolving the issue before Us, it is necessary to determine whether petitioner's Savings Account-Fixed Savings Deposit (SA-FSD) has the same nature and characteristics as a time deposit. In this regard, the findings of fact stated in the assailed Decision [of the CTA Division] are as follows:
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> > "In this case, a depositor of a savings deposit-FSD is required to keep the money with the bank for at least thirty (30) days in order to yield a higher interest rate. Otherwise, the deposit earns interest pertaining only to a regular savings deposit.
> >
> > The same feature is present in a time deposit. A depositor is allowed to withdraw his time deposit even before its maturity subject to bank charges on its pre[-]termination and the depositor loses his entitlement to earn the interest rate corresponding to the time deposit. Instead, he earns interest pertaining only to a regular savings deposit. Thus, petitioner's argument that the savings deposit-FSD is withdrawable anytime as opposed to a time deposit which has a maturity date, is not tenable. In both cases, the deposit may be withdrawn anytime but the depositor gets to earn a lower rate of interest. The only difference lies on the evidence of deposit, a savings deposit-FSD is evidenced by a passbook, while a time deposit is evidenced by a certificate of time deposit."
>
> In order for a depositor to earn the agreed higher interest rate in a SA-FSD, the amount of deposit must be maintained for a fixed period. Such being the case, We agree with the finding that the SA-FSD is a deposit account with a fixed term. Withdrawal before the expiration of said fixed term results in the reduction of the interest rate. Having a fixed term and reduction of interest rate in case of pre-termination are *essentially* the features of a time deposit. Hence, this Court concurs with the conclusion reached in the assailed Decision that petitioner's SA-FSD and time deposit are substantially the same. . .[31] (Italics in the original; underscoring supplied)

[31] CTA *En Banc rollo*, pp. 172-173.

Supreme Court E-Library

The findings and conclusions reached by the CTA which, by the very nature of its function, is dedicated exclusively to the consideration of tax problems and has necessarily developed an expertise on the subject, and unless there has been an abuse or improvident exercise of authority,[32] and none has been shown in the present case, deserves respect.

It bears emphasis that DST is levied on the exercise by persons of certain privileges conferred by law for the creation, revision, or termination of specific legal relationships through the execution of specific instruments.[33] It is an excise upon the privilege, opportunity or facility offered at exchanges for the transaction of the business.[34]

While tax avoidance schemes and arrangements are not prohibited, tax laws cannot be circumvented in order to evade payment of just taxes.[35] To claim that time deposits evidenced by passbooks should not be subject to DST is a clear evasion of the rule on equality and uniformity in taxation that requires the imposition of DST on documents evidencing transactions of the same kind, in this particular case, on all certificates of deposits drawing interest.[36]

The further amendment of Section 180 of the NIRC and its renumbering as Section 179 by R.A. 9243, which was approved on February 17, 2004, *viz:*

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[32] *Commissioner of Internal Revenue v. Citytrust Banking Corporation,* G.R. No. 150812, August 22, 2006, 499 SCRA 477, 483 citing *Sea-Land Service, Inc. v. Court of Appeals,* G.R. No. 122605, April 30, 2001, 357 SCRA 441, 445-446.

[33] *Phil. Home Assurance Corp. v. Court of Appeals,* 361 Phil. 368, 372-373 (1999).

[34] *Id.* at 368, 373 (1999) citing *Du Pont v. United States,* 300 U.S. 150, 153 (1936).

[35] *Com. of Internal Revenue v. Lincoln Phil. Life Ins. Co., Inc.,* 429 Phil. 154 (2002).

[36] *China Banking Corporation v. Commissioner of Internal Revenue,* C.T.A. Case No. 6400, January 3, 2006.

Supreme Court E-Library

SEC. 5. Section 180 of the National Internal Revenue Code of 1997, as amended, is hereby renumbered as Section 179 and further amended to read as follows:

SEC. 179. Stamp Tax on All Debt Instruments. — On every original issue of debt instruments, there shall be collected a documentary stamp tax of One peso (₱1.00) on each Two hundred pesos (₱200), or fractional part thereof, of the issue price of any such debt instruments: *Provided,* That for such debt instruments with terms of less than one (1) year, the documentary stamp tax to be collected shall be of a proportional amount in accordance with the ratio of its term in number of days to three hundred sixty-five (365) days: *Provided, further*, That only one documentary stamp tax shall be imposed on either loan agreement, or promissory notes issued to secure such loan.

For purposes of this section, the term debt instrument shall mean instruments representing borrowing and lending transactions including but not limited to debentures, certificates of indebtedness, due bills, bonds, loan agreements, including those signed abroad wherein the object of contract is located or used in the Philippines, instruments and securities issued by the government of any of its instrumentalities, deposit substitute debt instruments, certificates or other evidences of deposits that are either drawing interest significantly higher than the regular savings deposit taking into consideration the size of the deposit and the risks involved or drawing interest and having a specific maturity date, orders for payment of any sum of money otherwise than at sight or on demand, promissory notes, whether negotiable or non-negotiable, except bank notes issued for circulation." (Underscoring supplied)

does not mean that as proffered, prior to its further amendment on said date, Section 180 of the Tax Code and the NIRC time deposits for which passbooks were issued were exempted from payment of DST.

If at all, the further amendment was intended to eliminate precisely the scheme used by banks of issuing passbooks to "cloak" its time deposits as regular savings deposits. This is reflected from the following exchanges between Mr. Miguel Andaya of the Bankers Association of the Philippines and Senator Ralph Recto, Senate Chairman of the Committee on Ways and

Supreme Court E-Library

Means, during the deliberations on Senate Bill No. 2518 which eventually became R.A. 9243:

MR. MIGUEL ANDAYA (Bankers Association of the Philippines). Just to clarify. Savings deposit at the present time is not subject to DST.

THE CHAIRMAN. That's right.

MR. ANDAYA. Time deposit is subject. I agree with you in principle that if we are going to encourage deposits, whether savings or time…

THE CHAIRMAN. Uh-huh.

MR. ANDAYA. . .it's questionable whether we should tax it with DST at all, even the question of imposing final withholding tax has been raised as an issue.

THE CHAIRMAN. If I had it my way, I'll cut it by half.

MR. ANDAYA. Yeah, but I guess concerning the constraint of government revenue, even the industry itself right now is not pushing in that direction, but in the long term, when most of us in this room are gone, we hope that DST will disappear from the face of this earth, 'no.

Now, I think the move of the DOF to expand the coverage of or to add that phrase, "Other evidence of indebtedness," it just removed ambiguity. When we testified earlier in the House on this very same bull, we did not interpose any objections if only for the sake of avoiding further ambiguity in the implementation of DST on deposits. Because of what has happened so far is, we don't know whether the examiner is gonna come in and say, "This savings deposit is not savings but it's time deposit." So, I think what DOF has done is to eliminate any confusion. They said that a deposit that has a maturity. . .

THE CHAIRMAN. Uh-huh.

MR. ANDAYA. . . . which is time, in effect, regardless of what form it takes should be subject to DST.

THE CHAIRMAN. Would that include savings deposit now?

MR. ANDAYA. So that if we cloaked a deposit as savings deposit but it has got a fixed maturity . . .

THE CHAIRMAN. Uh-huh.

Supreme Court E-Library

MR. ANDAYA. . . that would fall under the purview.[37] (Underscoring supplied)

Finally, as the records show, contrary to petitioner's claim, it had been afforded the opportunity to protest the assessment notices as in fact it even requested for a re-investigation which is, given the nature of the present case, the essence of due process.[38]

WHEREFORE, the petition is *DENIED*.

SO ORDERED.

Quisumbing (Chairperson), Carpio, Tinga, and *Velasco, Jr., JJ.,* concur.

FIRST DIVISION

[G.R. No. 154356 . April 11, 2007]

BANGKO SENTRAL NG PILIPINAS and THE MEMBERS OF THE MONETARY BOARD, *petitioners, vs.* **RURAL BANK OF SAN MIGUEL (BULACAN), INC., represented by HILARIO P. SORIANO, President and Principal Stockholder,** *respondent*.

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[37] Transcript of Stenographic Notes, Deliberations of the Senate Committee on Ways and Means, pp. 2-3, August 14, 2002.

[38] *Marcos II v. CA,* 339 Phil. 253 (1997).