

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL THIRD DIVISION

NOVARTIS HEALTHCARE CTA Case No. 10900
PHILIPPINES, INC.,

Petitioner, Present:

-versus-

REYES-FAJARDO, Chairperson,
ANGELES, JJ.

COMMISSIONER OF Promulgated:
INTERNAL REVENUE,

Respondent. SEP 07 2026

x----- 1:20 p.m. -----x

RESOLUTION

ANGELES, J.:

This resolves respondent's *Motion for Partial Reconsideration Re: Decision dated 9 May 2025*,¹ with petitioner's *Comment (To Respondent's Motion for Partial Reconsideration Re: Decision dated 9 May 2025)*.²

In the instant *Motion*, respondent moves for the partial reversal of the Decision dated May 9, 2025 (assailed Decision),³ and prays that a new one be entered denying entirely the *Petition for Review*⁴ for failure of petitioner to substantiate its claim for refund.

Respondent argues that: (1) taxes paid and collected are presumed to have been made in accordance with the law and rules; (2) petitioner's claim for refund is still under investigation and examination by the Bureau of Internal Revenue (BIR); (3) tax refunds are in the nature of tax exemptions and are to be construed strictly against the person or entity claiming the exemption; (4) the burden of proof rests on petitioner who must prove that it is entitled to the claim for refund; and (5) petitioner's claim for refund was not duly substantiated with proper documentary evidence; in particular, its supporting documents do not state or even mention that its Value-

¹ Docket - Vol. III, pp. 1531-1537.

² Docket - Vol. III, pp. 1543-1560.

³ Docket - Vol. III, pp. 1512-1530.

⁴ Docket - Vol. I, pp. 6-36, with Annexes.

RESOLUTION

CTA Case No. 10900

Novartis Healthcare Philippines, Inc. v. Commissioner of Internal Revenue

Page 2 of 4

Added Tax (VAT) payments actually pertain to its importation of drugs qualified for VAT exemption. Without the actual connection between the alleged erroneous payment with the actual VAT payment, respondent cannot be expected to make a refund of the same.

In its *Comment*, petitioner counters that respondent's *Motion* raises no new issue that would warrant a reversal of the assailed Decision. Petitioner reiterates that it has sufficiently established through evidence that the prescription drugs and medicines it imported during the period from July 1, 2020 to December 31, 2020 (subject importations) for which the subject VAT was paid, are for the treatment of diabetes and hypertension, and are included in the lists of VAT-exempt drugs as approved by the Department of Health (DOH) through the Food and Drug Administration (FDA). Consequently, petitioner has proved that the VAT it paid on the subject importations was indeed erroneous.

After careful consideration of respondent's arguments in the instant *Motion*, We find the same **insufficient** to merit a reversal or modification of the assailed Decision.

The Court notes that respondent's arguments in the instant *Motion* are the **exact same arguments** raised in his *Answer*⁵ to the *Petition for Review*.

In *Ortigas & Company Limited Partnership v. Velasco*,⁶ the Supreme Court ruled that the Court is not obliged to address each and every argument raised in a Motion for Reconsideration, **where the same consists of a mere reiteration or rehash of arguments already submitted to and considered by the Court in its judgment, to wit:**

Effect, and Disposition of Motion for Reconsideration

The filing of a motion for reconsideration, authorized by Rule 52 of the Rules of Court, does not impose on the Court the obligation to deal individually and specifically with the grounds relied upon therefor, in much the same way that the Court does in its judgment or final order as regards the issues raised and submitted for decision. This would be a useless formality or ritual invariably involving merely a reiteration of the reasons already set forth in the judgment or final order for rejecting the arguments advanced by the movant; and it would be a needless act, too, with respect to issues raised for the first time, these being, as above stated, deemed waived because

⁵ Docket – Vol. I, pp. 111 to 116.

⁶ G.R. Nos. 109645 & 112564, March 4, 1996.

RESOLUTION

CTA Case No. 10900

Novartis Healthcare Philippines, Inc. v. Commissioner of Internal Revenue

Page 3 of 4

not asserted at the first opportunity. It suffices for the Court to deal generally and summarily with the motion for reconsideration, and merely state a legal ground for its denial (Sec. 14, Art. VIII, Constitution); i.e., the motion contains merely a reiteration or rehash of arguments already submitted to and pronounced without merit by the Court in its judgment, or the basic issues have already been passed upon, or the motion discloses no substantial argument or cogent reason to warrant reconsideration or modification of the judgment or final order; or the arguments in the motion are too unsubstantial to require consideration, etc. (Emphasis supplied)

Further, in *Roque, Jr. v. Commission on Elections*,⁷ the Supreme Court, in resolving the petitioners' Motion for Reconsideration, no longer belabored an argument that it found to be a mere rehash of the petitioners' previous position as found in their memorandum, as such was already considered and addressed by the Court in its decision.

In this case, respondent's arguments in the instant *Motion* regarding petitioner's alleged failure to duly substantiate its claim for refund of alleged erroneously paid VAT, were already extensively discussed and resolved by the Court in the assailed Decision.

The Court considered the following evidence submitted by petitioner: the relevant Bureau of Customs (BOC) Import Entry and Internal Revenue Declarations (IEIRDs) or SADs,⁸ SSDTs,⁹ suppliers' Invoices,¹⁰ and the Summary of Importations,¹¹ which reflected VAT payments in the total amount of ₱31,773,256.86. It also presented Dr. Sheila T. Lim, a licensed physician and its Medical Manager, CV (Cardiovascular) 2 Department, who testified, among others, that the brand names and the corresponding generic names of the subject importations were indicated in their respective Certificates of Product Registration (CPR) issued by the FDA,¹² and were included in the lists of VAT-exempt drugs issued by the DOH. Petitioner likewise presented the Independent Certified Public Accountant (ICPA) who, among others, corroborated Dr. Lim's statements.

On the other hand, respondent did not present any contrary evidence sufficient to supplant petitioner's evidence.

⁷ G.R. No. 188456, February 10, 2010.

⁸ Exhibits "P-282-B.1" to "P-282-B.70", USB.

⁹ Exhibits "P-282-C.1" to "P-282-C.70", USB.

¹⁰ Exhibits "P-282-A.1" to "P-282-A.76", USB.

¹¹ Exhibit "P-282", USB.

¹² *Id.*, p. 355.

RESOLUTION

CTA Case No. 10900

Novartis Healthcare Philippines, Inc. v. Commissioner of Internal Revenue

Page 4 of 4

In view thereof, and in line with the foregoing jurisprudence, the Court need not discuss, again, the same matters individually and specifically.

With this, the Court finds no compelling reason to reverse or modify the assailed Decision.

WHEREFORE, premises considered, the instant *Motion for Partial Reconsideration Re: Decision dated 9 May 2025* is **DENIED** for lack of merit.

SO ORDERED.


HENRY S. ANGELES
Associate Justice

I CONCUR:


MARIAN IVY F. REYES-FAJARDO
Associate Justice