

**REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY**

SECOND DIVISION

**FIRST GEN HYDRO
POWER CORPORATION,**
Petitioner,

CTA Case No. 9889

Members:

CASTAÑEDA, JR., *Chairperson,*
and
BACORRO-VILLENA, JJ.

- versus -

**COMMISSIONER OF
INTERNAL REVENUE,**
Respondent.

Promulgated:

OCT 29 2020

2:15 p.m.

X-----X

DECISION

CASTAÑEDA, JR., J.:

THE CASE

This *Petition for Review* filed on July 26, 2018 prays for the refund of the amount of ₱15,950,720.98, allegedly representing petitioner's unutilized input value-added tax (VAT) attributable to zero-rated sales for the four (4) quarters of calendar year (CY) 2016.¹

THE PARTIES

Petitioner First Gen Hydro Power Corporation is a corporation duly organized and existing under the laws of the Republic of the *Philippines*

¹ Summary of the Case, Pre-Trial Order dated November 6, 2018, Docket – Vol. I, p. 282.

Philippines.² It is registered with the Bureau of Internal Revenue (BIR) as a large taxpayer and a VAT-taxable entity under Taxpayer's Identification Number (TIN) 244-335-986-00000, with office address at 6/F Rockwell Business Center, Tower 3, Ortigas Avenue, Brgy. Ugong, Pasig City 1604.³

Respondent is the duly appointed Commissioner of Internal Revenue vested under appropriate laws with the authority to carry out the functions, duties and responsibilities of said office including, *inter alia*, the power to decide, approve and grant refunds of excess and unutilized input VAT, pursuant to the pertinent provisions of the Tax Code and other tax laws, rules and regulations.⁴

THE FACTS

On March 28, 2018, petitioner filed an *Application for Tax Credits/Refunds* (BIR Form No. 1914),⁵ with the attached letter dated March 23, 2018,⁶ requesting for the refund of its alleged unutilized input VAT covering the period from January 1, 2016 to December 31, 2016, in the amount of ₱15,950,720.98.

Thereafter, on June 26, 2018, petitioner received a *VAT Refund/Notice* from Ms. Teresita M. Dizon, the OIC-Assistant Commissioner of the Large Taxpayers Service, denying petitioner's administrative claim for refund.⁷

On July 26, 2018, petitioner filed the present *Petition for Review*.⁸

Respondent filed his *Answer* on August 20, 2018,⁹ interposing certain defenses, to wit: (1) since he rendered a decision, the jurisdiction of this Court shifts from a trial court to an appellate tribunal; (2) the Court should confine itself to whether the findings of respondent are consistent with law; (3) since a decision has been rendered in this case, denying petitioner's administrative claim for refund, for failure to substantiate the same, petitioner cannot submit *je*

² Exhibits "P-1" to "P-3", Docket – Vol. I, pp. 437 to 468.

³ Exhibit "P-4", Docket – Vol. I, p. 469.

⁴ Par. 1, Stipulation of Facts, Joint Stipulation of Facts and Issues (JSFI), Docket – Vol. I, p. 260.

⁵ Exhibit "P-24", Docket – Vol. I, p. 511.

⁶ Exhibit "P-23", Docket – Vol. I, pp. 509 to 510.

⁷ Par. 2, Stipulation of Facts, JSFI, Docket – Vol. I, p. 260; Exhibit "P-26", Docket – Vol. I, pp. 512.

⁸ Docket – Vol. I, pp. 10 to 22.

⁹ Docket – Vol. I, pp. 105 to 116.

documents it did not submit at the administrative level; (4) the Court is confined to a more limited issue of whether the denial was proper, given the evidence submitted at the administrative level; (5) since there was no input VAT to be paid by Renewable Energy (RE) Developers, it necessarily follows that petitioner is not entitled to refund or issuance of tax credit certificate from its purchases; (6) since petitioner is not liable to pay input VAT, it is not the proper party to claim for any input VAT refund on the subject purchases; (7) taxes paid and collected by the BIR are presumed to have been made in accordance with law, rules and regulations and the burden to prove otherwise is upon petitioner; and (8) claims for refund are construed strictly against the claimant for the same partake the nature of exemption from taxation and as such, they are looked upon with disfavor.

On August 30, 2018, respondent submitted the *BIR Records* for the present case.¹⁰

The pre-trial conference was initially set on September 27, 2018.¹¹ However, in view of the reorganization of the three (3) Divisions of the Court, the pre-trial conference was reset to, and was held on, October 11, 2018.¹² Prior thereto, *Respondent's Pre-Trial Brief* was filed on September 7, 2018;¹³ while the *Petitioner's Pre-Trial Brief* was submitted on September 21, 2018.¹⁴

On October 26, 2018, the parties submitted their *Joint Stipulations of Facts and Issues* (JSFI).¹⁵ Thereafter, the Pre-Trial Order dated November 6, 2018 was issued,¹⁶ approving and adopting the said JSFI, and thereby deeming termination of the pre-trial.

The trial of this case then proceeded.

During the trial, petitioner presented its documentary and testimonial evidence. Petitioner proffered the testimonies of the following individuals, namely: (1) Ms. Maria Carmina Z. Ubaña,¹⁷ 

¹⁰ Compliance, Docket – Vol. I, pp. 120 to 123.

¹¹ *Notice of Pre-Trial Conference* dated August 23, 2018, Docket – Vol. I, pp. 118 to 119.

¹² *Notice of Resetting* dated September 20, 2018, Docket – Vol. I, p. 132; Minutes of the hearing held on, and Order dated October 11, 2018, Docket – Vol. I, pp. 258 to 259.

¹³ Docket – Vol. I, pp. 127 to 130.

¹⁴ Docket – Vol. I, pp. 245 to 256.

¹⁵ Docket – Vol. I, pp. 260 to 268.

¹⁶ Docket – Vol. I, pp. 282 to 286.

¹⁷ Exhibit "P-29", Docket – Vol. I, pp. 137 to 153; Minutes of the hearing held on, and Order dated, December 5, 2018, Docket – Vol. I, pp. 299 to 301.

petitioner's Vice President and Comptroller; and (2) Mr. Enrico E. Baluyot,¹⁸ the Court-commissioned Independent Certified Public Accountant (ICPA).¹⁹

The *Report* of the ICPA was submitted on January 16, 2019.²⁰

Thereafter, on March 4, 2019, petitioner filed its *Formal Offer of Evidence*.²¹ Respondent filed his *Comment (Re: Petitioner's Formal Offer of Evidence)* on March 6, 2019.²² In the Resolution dated April 8, 2019,²³ the Court admitted petitioner's Exhibits, *except* for the following:

1. Exhibit "P-27", for failure to present original for comparison;
2. Exhibits "P-27-a", "P-27-b", "P-27-c", and "P-27-d", for failure to identify; and
3. Exhibits "P-38-IC" to "P-38-JL", "P-41-AL", "P-44-A", "P-45-A" to "P-45-C", "P-48-AO" to "P-48-AS", "P-49-AH" to "P-49-AK", "P-52-A", "P-66-A" to "P-66-R", "P-67-A" to "P-67-I", "P-68-A" to "P-68-EA", "P-78-B", "P-80-AN", and "P-81-AQ", for not being found in the records of the case.

Thus, petitioner filed a *Motion for Partial Reconsideration with Submission (Re: Resolution dated April 8, 2019)* on April 29, 2019,²⁴ praying for the admission of the following Exhibits: "P-27-a" to "P-27-d", "P-38-IC" to "P-38-JL", "P-41-AL", "P-44-A", "P-45-A" to "P-45-C", "P-48-AO" to "P-48-AS", "P-49-AH" to "P-49-AK", "P-52-A", "P-66-A" to "P-66-R", "P-67-A" to "P-67-I", "P-68-A" to "P-68-EA", "P-78-B", "P-80-AN", and "P-81-AQ", as part of petitioner's evidence.

Petitioner also filed a *Manifestation with Submission (Re: Motion for Reconsideration Dated April 29, 2019)* on May 3, 2019,²⁵ stating that it already submitted a new universal serial bus (USB) containing the scanned copies of the documentary exhibits relevant

¹⁸ Exhibit "P-88", Docket – Vol. I, pp. 380 to 392; Minutes of the hearing held on, and Order dated, February 6, 2019, Docket – Vol. I, pp. 398 and 400, respectively.

¹⁹ Minutes of the hearing held on, and Order dated, December 5, 2018, Docket – Vol. I, pp. 299 to 301.

²⁰ Exhibit "P-87", Docket – Vol. I, pp. 303 to 337.

²¹ Docket – Vol. I, pp. 405 to 436.

²² Docket – Vol. I, pp. 534 to 536.

²³ Docket – Vol. II, pp. 539 to 541.

²⁴ Docket – Vol. II, pp. 543 to 550.

²⁵ Docket – Vol. II, pp. 560 to 564.

to its *Motion for Partial Reconsideration*, without any password-protected security features; and that petitioner attached to the subject *Manifestation* the copy of the transcript of stenographic notes dated December 5, 2018 that could prove that Exhibits "P-27-a", "P-27-b", "P-27-c", and "P-27-d" pertain to Tax Debit Memos that were duly marked and identified by petitioner's witness.

In the Resolution dated June 28, 2019,²⁶ the Court, *inter alia*: (1) partially granted petitioner's *Motion for Partial Reconsideration with Submission (Re: Resolution dated April 8, 2019)*; (2) noted petitioner's *Manifestation with Submission (Re: Motion for Reconsideration dated April 29, 2019)*; (3) admitted petitioner's Exhibits "P-27-a", "P-27-b", "P-27-c", "P-27-d", "P-44-A", "P-45-A to P-45-C", "P-48-AO to P-48-AS", "P-49-AH to P-49-AK", "P-52-A", "P-78-B", "P-80-AN", and "P-81-AQ"; and (4) still denied the admission of Exhibits "P-38-IC" to "P-38-JL", "P-41-AL", "P-66-A to P-66-R", "P-67-A" to "P-67-I" and "P-68-A" to "P-68-EA".

Respondent likewise presented his documentary and testimonial evidence. His lone witness is Ms. Ana Veronica A. Asis,²⁷ Revenue Officer II of the Regular Large Taxpayers Audit Division III of the BIR.

On July 18, 2019, respondent filed his *Formal Offer of Evidence*.²⁸ Petitioner filed its *Comment (Re: Respondent's Formal Offer of Evidence dated July 18, 2019)* on July 24, 2019.²⁹ Thus, in the Resolution dated August 7, 2019,³⁰ the Court admitted respondent's Exhibits.

Thereafter, respondent's *Memorandum* was filed on September 17, 2019,³¹ while petitioner's *Memorandum* was submitted on November 14, 2019.³²

On November 18, 2019, the Court considered the present case submitted for decision.³³ 

²⁶ Docket – Vol. II, pp. 584 to 590.

²⁷ Exhibit "R-6", Docket – Vol. II, pp. 555 to 559; Minutes of the hearing held on, and Order dated, May 8, 2019, Docket – Vol. II, pp. 581 to 582; Minutes of the hearing held on, and Order dated, July 17, 2019, Docket – Vol. II, pp. 593 to 594.

²⁸ Docket – Vol. II, pp. 595 to 598.

²⁹ Docket – Vol. II, pp. 600 to 602.

³⁰ Docket – Vol. II, pp. 604 to 605.

³¹ Docket – Vol. II, pp. 610 to 616.

³² Docket – Vol. II, pp. 626 to 656.

³³ Resolution dated November 18, 2019 Docket – Vol. II, p. 657.

THE ISSUES

The parties submitted the following issues³⁴ for the Court's resolution, to wit:

- "A. WHETHER OR NOT PETITIONER IS ENTITLED TO THE REFUND OF EXCESS AND UNUTILIZED INPUT VAT ALLEGEDLY ATTRIBUTABLE TO ITS ZERO-RATED SALES OF POWER GENERATED THROUGH RENEWABLE ENERGY SOURCES FOR THE FOUR (4) QUARTERS OF CY 2016 IN THE AMOUNT OF PHP15,950,720.98; AND
- B. WHETHER OR NOT THE ADMINISTRATIVE DECISION SERVED TO PETITIONER DENYING THE CLAIM FOR REFUND BASED ON EVIDENCE PRESENTED WAS CORRECT."

Petitioner's arguments:

Petitioner argues that its sale of power that is generated through its hydropower plants is subject to zero-percent (0%) VAT; that during the 1st to 4th quarters of CY 2016, petitioner paid input VAT arising from its domestic sale of goods and services, importations of non-capital goods, and services rendered by non-residents; that petitioner's excess input taxes for the said quarters are attributable to its zero-rated sales of power; that the said excess input VAT are duly supported by VAT invoices and/or official receipts issued by VAT-registered suppliers, Import Entry and Internal Revenue Declarations (IEIRDs), and BIR Form No. 1600 in accordance with Sections 110, 113, 237, Tax Code, and Section 4.100-8, Revenue Regulations (RR) No. 16-2005, as amended; that the same excess input VAT have not been utilized or applied against its output VAT liability for the same period or in succeeding taxable periods; and that petitioner filed its administrative and judicial claim for refund of excess and unutilized input VAT within the periods provided by the Tax Code, as amended. *gr*

³⁴ Proposed Issues for Stipulation, JSFI, Docket – Vol. I, p. 261.

Respondent's counter-arguments:

Respondent counter-argues that the present Petition should be dismissed for failure of petitioner to substantiate its administrative claim for refund; and that petitioner is not entitled to refund in the amount of ₱15,950,720.98.

THE COURT'S RULING

The present *Petition for Review* is not meritorious.

Petitioner failed to show that respondent should not have denied its administrative claim in the first place.

Respondent posits that since he rendered a decision, the jurisdiction of this Court shifts from a trial court to an appellate tribunal; and that the Court should confine itself to whether the findings of respondent are consistent with law.

We agree with respondent.

In the *Pilipinas Total Gas, Inc. vs. Commissioner of Internal Revenue* ("Pilipinas Total Gas case"),³⁵ the Supreme Court said:

"At this stage, a review of the nature of a judicial claim before the CTA is in order. In *Atlas Consolidated Mining and Development Corporation v. CIR*,³⁶ it was ruled –

× × × First, a judicial claim for refund or tax credit in the CTA is by no means an original action but rather an appeal by way of petition for review of a previous, unsuccessful administrative claim. Therefore, as in every appeal or petition for review, a petitioner has to convince the appellate court that the quasi-judicial agency *a quo* did not have any reason to deny its claim. In this case, it was necessary for petitioner to show the CTA not only that it was entitled under substantive law to the *pe*

³⁵ G.R. No. 207112, December 8, 2015.

³⁶ G.R. No. 145526, March 16, 2007.

grant of its claims but also that it satisfied all the documentary and evidentiary requirements for an administrative claim for refund or tax credit.

Second, cases filed in the CTA are litigated *de novo*. Thus, a petitioner should prove every minute aspect of its case by presenting, formally offering and submitting its evidence to the CTA. Since it is crucial for a petitioner in a judicial claim for refund or tax credit to show that its administrative claim should have been granted in the first place, part of the evidence to be submitted to the CTA must necessarily include whatever is required for the successful prosecution of an administrative claim.

A distinction must, thus, be made between administrative cases appealed due to inaction and those dismissed at the administrative level due to the failure of the taxpayer to submit supporting documents. If an administrative claim was dismissed by the CIR due to the taxpayer's failure to submit complete documents despite notice/request, then the judicial claim before the CTA would be dismissible, not for lack of jurisdiction, but of the taxpayer's failure to substantiate the claim at the administrative level. **When a judicial claim for refund or tax credit in the CTA is an appeal of an unsuccessful administrative claim, the taxpayer has to convince the CTA that the CIR had no reason to deny its claim.** It, thus, becomes imperative for the taxpayer to show the CTA that not only is he entitled under substantive law to his claim for refund or tax credit, but also that he satisfied all the documentary and evidentiary requirement for an administrative claim. **It is, thus, crucial for a taxpayer in a judicial claim for refund or tax credit to show that its administrative claim should have been granted in the first place.** Consequently, a taxpayer cannot cure its failure to submit a document requested by the BIR at the administrative level by filing the said document before the CTA." *(Emphases and underscoring ours)*

Based on the foregoing jurisprudential pronouncements of the High Court, it is now settled that as in every appeal or petition for review, a petitioner has to convince the appellate court that the quasi-judicial agency *a quo* did not have any reason to deny its claim; and it is necessary for a petitioner to show this Court not only that it was entitled under substantive law to the grant of its claims *je*

but also that it satisfied all the documentary and evidentiary requirements for an administrative claim for refund or tax credit. It is crucial for a taxpayer in a judicial claim for refund or tax credit to show that its administrative claim should have been granted in the first place, and should not have been denied.

A careful observation of what transpired in the proceedings before this Court would reveal that petitioner presented its case as if its administrative claim was never acted upon or that there was no decision for this Court to review on appeal *per se*. In other words, petitioner presented its case before this Court as if it was an original action, despite that respondent had explicitly denied its administrative claim. Petitioner did not specifically assail the reasons or bases why its administrative claim was denied in the first place by respondent. It did not unambiguously argue or prove that the said reasons or bases of respondent were never justified in law.

In the *VAT Refund/Notice* dated June 26, 2018 of OIC-Assistant Commissioner Teresita M. Dizon,³⁷ the latter stated that "*no refundable amount has been recommended*" and showed how she arrived at the said conclusion, based on the following computations:

A. Local Purchases	Amount
VAT Refund Claimed	₱15,917,690.98
Less: CY Output Tax Per VAT Returns filed – UNAPPLIED TO CURRENT INPUT TAX	36,523,207.61
Output Tax Per Audit (TPI/Aiteid data vs. VATR/SLS)	4,095.58
	36,527,303.19
ADD: Disallowances, NET OF RATABLE ALLOCATION OF INPUT TAX TOTAL DEDUCTIONS/DISALLOWANCES To VAT Refund Claim	7,353,407.34
	₱ (43,880,710.53)
Net Allowable VAT Refund/Credit / (Excess of Output Tax Deduction & Input Tax Disallowances over VAT Refund	₱ (27,963,019.55)
ALLOWABLE INPUT TAX FOR REFUND	₱0.00
B. Importations	Amount
VAT Refund Claimed	₱ 33,030.00
Less: CY Output Tax Per VAT Returns filed – UNAPPLIED TO CURRENT INPUT TAX	77,128.52
Output Tax Per Audit (TPI/Aiteid data vs. VATR/SLS)	14.24
	77,142.76
ADD: Disallowances, NET OF RATABLE ALLOCATION OF INPUT TAX TOTAL DEDUCTIONS/DISALLOWANCES To VAT Refund Claim	3,244.00
	₱ (80,386.76)
Net Allowable VAT Refund/Credit / (Excess of Output Tax Deduction & Input Tax Disallowances over VAT Refund	₱ (47,356.76)
ALLOWABLE INPUT TAX FOR REFUND	₱0.00
Total Excess of Output Tax Deduction & Input Tax Disallowances over	

³⁷ Par. 2, Stipulation of Facts, JSFI, Docket – Vol. I, p. 260; Exhibit "P-26", Docket – Vol. I, pp. 512.

VAT Refund Claim (sum of A & B)	P (28,010,376.31)
Total Amount Allowable for VAT Refund/Credit (sum of A & B)	P0.00

With the foregoing determination, petitioner should have argued and proved before this Court that the same does not stand, pursuant to the submitted documents by it at the administrative level in relation to the pertinent provisions of law and jurisprudence. In other words, petitioner failed to show before this Court that respondent should *not* have denied its administrative claim in the first place, since the BIR's findings may be refuted with the documents it submitted vis-à-vis the pertinent legal provisions.

Having failed to show that respondent should not have denied its administrative claim in the first place, the present *Petition for Review* must already be denied. Nevertheless, even when We are to ignore the ruling in the *Pilipinas Total Gas* case, the present judicial claim is still not meritorious.

In order that petitioner may validly claim for refund of its supposed unutilized input VAT for the subject periods, it is imperative that it must likewise prove compliance with certain legal requisites. As will be shown herein, petitioner failed to show full compliance with the same.

Requisites for the grant of a refund or issuance of a tax credit certificate under the law.

Section 112 of the National Internal Revenue Code (NIRC) of 1997, as amended by RA No. 10963 [otherwise known as the Tax Reform for Acceleration and Inclusion Act ("TRAIN law")],³⁸ provides as follows:

"SEC. 112. *Refunds or Tax Credits of Input Tax.* — *jc*

³⁸ AN ACT AMENDING SECTIONS 5, 6, 24, 25, 27, 31, 32, 33, 34, 51, 52, 56, 57, 58, 74, 79, 84, 86, 90, 91, 97, 99, 100, 101, 106, 107, 108, 109, 110, 112, 114, 116, 127, 128, 129, 145, 148, 149, 151, 155, 171, 174, 175, 177, 178, 179, 180, 181, 182, 183, 186, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 232, 236, 237, 249, 254, 264, 269, AND 288; CREATING NEW SECTIONS 51-A, 148-A, 150-A, 150-B, 237-A, 264-A, 264-B, AND 265-A; AND REPEALING SECTIONS 35, 62, AND 89; ALL UNDER REPUBLIC ACT 8424, OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED, AND FOR OTHER PURPOSES, December 19, 2017.

(A) *Zero-Rated or Effectively Zero-Rated Sales.* — Any VAT-registered person, whose sales are zero-rated or effectively zero-rated may, within two (2) years after the close of the taxable quarter when the sales were made, apply for the issuance of a tax credit certificate or refund of creditable input tax due or paid attributable to such sales, except transitional input tax, to the extent that such input tax has not been applied against output tax: *Provided, however,* That in the case of zero-rated sales under Section 106(A)(2)(a)(1), (2) and (b) and Section 108(B)(1) and (2), the acceptable foreign currency exchange proceeds thereof had been duly accounted for in accordance with the rules and regulations of the *Bangko Sentral ng Pilipinas* (BSP): *Provided, further,* That where the taxpayer is engaged in zero-rated or effectively zero-rated sale and also in taxable or exempt sale of goods of properties or services, and the amount of creditable input tax due or paid cannot be directly and entirely attributed to any one of the transactions, it shall be allocated proportionately on the basis of the volume of sales: *Provided, finally,* That for a person making sales that are zero-rated under Section 108(B)(6), the input taxes shall be allocated ratably between his zero-rated and non-zero-rated sales.

xxx

xxx

xxx

(C) *Period within which Refund of Input Taxes shall be Made.* — In proper cases, the Commissioner shall grant a refund for creditable input taxes within ninety (90) days from the date of submission of the official receipts or invoices and other documents in support of the application filed in accordance with Subsections (A) and (B) hereof: *Provided,* That should the Commissioner find that the grant of refund is not proper, the Commissioner must state in writing the legal and factual basis for the denial.

In case of full or partial denial of the claim for tax refund, the taxpayer affected may, within thirty (30) days from the receipt of the decision denying the claim, appeal the decision with the Court of Tax Appeals: *Provided, however,* That failure on the part of any official, agent, or employee of the BIR to act on the application within the 

ninety (90)-day period shall be punishable under Section 269 of this Code.”

Pursuant to the above provision, certain requisites must be complied with by the taxpayer-applicant to successfully obtain a credit/refund of input VAT. Said requisites are classified into certain categories, to wit:

As to the timeliness of the filing of the administrative and judicial claims:

1. the claim is filed with the BIR within two (2) years after the close of the taxable quarter when the sales were made;³⁹
2. that in case of full or partial denial of the refund claim rendered within a period of ninety (90) days from the date of submission of the official receipts or invoices and other documents in support of the application, the judicial claim shall be filed with this Court within thirty (30) days from receipt of the decision.

With reference to the taxpayer’s registration with the BIR:

3. the taxpayer is a VAT-registered person;⁴⁰

In relation to the taxpayer’s output VAT:

4. the taxpayer is engaged in zero-rated or effectively zero-rated sales;⁴¹
5. for zero-rated sales under Section 106(A)(2)(a)(1), (2) and (b), and Section 108(B)(1) and (2), the acceptable foreign currency exchange proceeds have been duly accounted for in accordance with BSP rules and regulations;⁴² *gr*

³⁹ *Intel Technology Philippines, Inc. vs. Commissioner of Internal Revenue*, G.R. No. 166732, April 27, 2007; *San Roque Power Corporation vs. Commissioner of Internal Revenue*, G.R. No. 180345, November 25, 2009; and *AT&T Communications Services Philippines, Inc. vs. Commissioner of Internal Revenue*, G.R. No. 182364, August 3, 2010.

⁴⁰ *Intel Technology Philippines, Inc. vs. Commissioner of Internal Revenue*, supra; *San Roque Power Corporation vs. Commissioner of Internal Revenue*, supra; and *AT&T Communications Services Philippines, Inc. vs. Commissioner of Internal Revenue*, supra.

⁴¹ *Id.*

⁴² *Id.*

As regards the taxpayer's input VAT being refunded:

6. the input taxes are not transitional input taxes;⁴³
7. the input taxes are due or paid;⁴⁴
8. the input taxes claimed are attributable to zero-rated or effectively zero-rated sales. However, where there are both zero-rated or effectively zero-rated sales and taxable or exempt sales, and the input taxes cannot be directly and entirely attributable to any of these sales, the input taxes shall be proportionately allocated on the basis of sales volume;⁴⁵ and
9. the input taxes have not been applied against output taxes during and in the succeeding quarters.⁴⁶

It must be emphasized that in cases filed before this Court, which are litigated de novo, party-litigants must prove every minute aspect of their case.⁴⁷ Thus, it behooves petitioner to show compliance with each of the foregoing requisites.

Petitioner's administrative and judicial claims were timely filed.

The *first* requisite pertains to the filing of the refund of input taxes before the BIR, within two (2) years from the close of the taxable quarter when the supposed zero-rated or effectively zero-rated sales were made.

The present claim covers the four (4) quarters of taxable year 2016, which closed on March 31, 2016, June 30, 2016, September 30, 2016, and December 31, 2016, respectively. Counting two (2) years from the said dates, petitioner had until March 31, 2018, June 30, 2018, September 30, 2018, and December 31, 2018, respectively, *gr*

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ *Intel Technology Philippines, Inc. vs. Commissioner of Internal Revenue*, supra; and *San Roque Power Corporation vs. Commissioner of Internal Revenue*, supra.

⁴⁶ *Intel Technology Philippines, Inc. vs. Commissioner of Internal Revenue*, supra; *San Roque Power Corporation vs. Commissioner of Internal Revenue*, supra; and *AT&T Communications Services Philippines, Inc. vs. Commissioner of Internal Revenue*, supra.

⁴⁷ *Edison (Bataan) Cogeneration Corporation vs. Commissioner of Internal Revenue, et seq.*, G.R. Nos. 201665 and 201668, August 30, 2017; *Commissioner of Internal Revenue vs. Philippine National Bank*, G.R. No. 180290, September 29, 2014; *Commissioner of Internal Revenue vs. United Salvage and Towage (Phils.), Inc.*, G.R. No. 197515, July 2, 2014; *Dizon vs. Court of Tax Appeals, et al.*, G.R. No. 140944, April 30, 2008; *Atlas Consolidated Mining and Development Corporation vs. Commissioner of Internal Revenue*, G.R. No. 145526, March 16, 2007; and *Commissioner of Internal Revenue vs. Manila Mining Corporation*, G.R. No. 153204, August 31, 2005.

within which to file its administrative claim for refund. Thus, petitioner's administrative claim was timely filed with the BIR on March 28, 2018,⁴⁸ as shown below:

CY 2016	Close of the Taxable Quarter	Last Day to File Administrative Claim	Date of Filing of Administrative Claim
1 st Quarter	March 31, 2016	March 31, 2018	March 28, 2018
2 nd Quarter	June 30, 2016	June 30, 2018	
3 rd Quarter	September 30, 2016	September 30, 2018	
4 th Quarter	December 31, 2016	December 31, 2018	

The *second* requisite is to the effect that the judicial claim must have been filed within thirty (30) days from the receipt of respondent's decision rendered within ninety (90) days from the date of submission of the official receipts or invoices and other documents in support of the application for refund under Section 112(C) of the NIRC of 1997, as amended by the TRAIN law.

As previously stated, petitioner's administrative claim, together with its letter and supporting documents, was filed on March 28, 2018. Thus, respondent had ninety (90) days therefrom, or until June 26, 2018, to decide on the petitioner's claim for refund. Since the *VAT Refund/Credit Notice* denying petitioner's claims was issued by the OIC-Assistant Commissioner of the Large Taxpayers Service, Ms. Teresita M. Dizon, on June 26, 2018 (the last day of the said 90-day period), petitioner had 30 days from that date, or until July 26, 2018, to file an appeal before this Court. Consequently, the filing of the present *Petition on Review* on July 26, 2018⁴⁹ was likewise timely made.

Such being the case, petitioner fulfilled both the above-stated *first* and *second* requisites.

Petitioner is a VAT-registered taxpayer.

As for the *third* requisite, it is undisputed that petitioner is registered with the BIR, as VAT-registered taxpayer under TIN 244-335-986-00000.⁵⁰ Thus, petitioner's compliance with the said requisite is undoubtedly fulfilled. *Je*

⁴⁸ Exhibit "P-24", Docket – Vol. I, p. 511; Exhibit "P-23", Docket – Vol. I, pp. 509 to 510.

⁴⁹ Docket – Vol. I, pp. 10 to 22.

⁵⁰ Exhibit "P-4", Docket – Vol. I, p. 469.

However, not all of petitioner's reported zero-rated sales or effectively zero-rated sales during the four (4) quarters of TY 2016 qualify as such.

Section 108(B)(7) of the NIRC of 1997, as amended, provides that the sale of power generated through renewable sources of energy is one the transactions subject to zero percent (0%) VAT, to wit:

"SEC. 108. Value-added Tax on Sale of Services and Use or Lease of Properties. –

XXX XXX XXX

(B) Transactions Subject to Zero Percent (0%) Rate. – The following services performed in the Philippines by VAT-registered persons shall be subject to zero percent (0%) rate:

XXX XXX XXX

(7) Sale of power or fuel generated through renewable sources of energy such as, but not limited to, biomass, solar, wind, hydropower, geothermal, ocean energy, and other emerging energy sources using technologies such as fuel cells and hydrogen fuels." (Emphases added)

Furthermore, Section 4.108-5(b)(7) of RR No. 16-2005,⁵¹ as amended by RR No. 13-2018,⁵² states that the sale power or fuel generated through renewable sources like hydropower qualifies for zero-rate VAT, viz:

"SEC. 4.108-5. Zero-Rated Sale of Services. —

XXX XXX XXX *je*

⁵¹ Consolidated Value-Added Tax Regulations of 2005, September 1, 2005.
⁵² Regulations Implementing the Value-Added Tax Provisions under the Republic Act (RA) No. 10963, or the "Tax Reform for Acceleration and Inclusion (TRAIN)," Further Amending Revenue Regulations (RR) No. 16-2005 (Consolidated Value-Added Tax Regulations of 2005), as Amended, March 15, 2018.

(b) *Transactions Subject to Zero Percent (0%) VAT Rate.* — **The following services performed in the Philippines by a VAT-registered person shall be subject to zero percent (0%) VAT rate:**

XXX

XXX

XXX

(7) **Sale of power or fuel generated through renewable sources of energy such as**, but not limited to, biomass, solar, wind, **hydropower**, geothermal and steam, ocean energy, and other emerging sources using technologies such as fuel cells and hydrogen fuels: Provided, however, that zero-rating shall apply strictly to the sale of power or fuel generated through renewable sources of energy, and shall not extend to the sale of services related to the maintenance or operation of plants generating said power." (*Emphases ours*)

Records show that petitioner's primary purpose, as stated in its Certificate of Registration with the SEC, is to carry on the general business of generating, transmitting, and/or distributing energy derived from hydropower for lighting and power purposes and whole-selling the electric power to power corporations, public electric utilities, electric cooperatives, and retail electricity suppliers; to enter into contracts either alone or jointly with other companies or persons for the purpose of carrying out all businesses under which the corporation is organized; to acquire, build, construct, own, maintain, and operate all necessary and convenient buildings, structures, dows, machinery, sub-stations, transmission lines, poles, wires, and other things and devices, and to acquire and hold water and flowage rights and to acquire, lease, hold, occupy, or use land rights-of-way and easement therein."⁵³

Similarly, its Certificate of Registration with the BIR shows that that its line of business is electric power generation, transmission and distribution.⁵⁴

However, before a new generation company may commence its commercial operation, it must first secure a Certificate of Compliance (COC) from the Energy Regulatory Commission (ERC) as required *gc*

⁵³ Exhibit "P-1", Docket – Vol. I, p. 439.

⁵⁴ Exhibit "P-4", Docket – Vol. I, p. 469.

under Section 6 of RA No. 9136, otherwise known as the "Electric Power Industry Reform Act of 2001" (EPIRA),⁵⁵ which states:

"SEC. 6. *Generation Sector.* — Generation of electric power, a business affected with public interest shall be competitive and open.

Upon the effectivity of this Act, **any new generation company shall, before it operates, secure from the Energy Regulatory Commission (ERC) a certificate of compliance pursuant to the standards set forth in this Act, as well as health, safety and environmental clearances from the appropriate government agencies under existing laws.**

xxx xxx xxx

Pursuant to the objective of lowering electricity rates to end-users, sales of generated power by generation companies shall be value added tax zero-rated. xxx xxx xxx." (*Emphases and underscoring added*)

Moreover, Section 4, Rule 5 of the Rules and Regulations to Implement RA No. 9136 likewise provides:

"*Section 4. Obligations of a Generation Company.*

—
(a) **A COC shall be secured from the ERC before commercial operation of a new Generation Facility. The COC shall stipulate all obligations of a Generation Company consistent with this Section and such other operating guidelines as ERC may establish. The ERC shall establish and publish the standards and requirements for issuance of a COC. A COC shall be issued upon compliance with such standards and requirements.**

(i) A Person owning an existing Generation Facility or a Generation Facility under construction, shall submit within ninety (90) *je*

⁵⁵ AN ACT ORDAINING REFORMS IN THE ELECTRIC POWER INDUSTRY, AMENDING FOR THE PURPOSE CERTAIN LAWS AND FOR OTHER PURPOSES, June 26, 2001.

days from effectivity of these Rules to ERC, when applicable, a certificate of DOE/NPC accreditation, a three (3)-year operational history, a general company profile and other information that ERC may require. Upon making a complete submission to the ERC, such person shall be issued a COC by the ERC to operate such existing Generation Facility.”

In this case, petitioner shall be considered as a generation company *i.e.*, an entity authorized by the ERC to operate facilities used in the generation of electricity, only on March 1, 2016, the date its COC No. 16-03-M-00286pL⁵⁶ and COC No. 16-03-M-00286qL⁵⁷ were respectively issued by the ERC for its Pantabangan and Masiway Hydroelectric Power Plants. Thus, the Court will only consider petitioner’s zero-rated sales for the period covering March 1, 2016 to December 31, 2016 in resolving the present case.

In its Quarterly VAT Returns for the CY 2016, petitioner’s total sales in the amount of ₱2,612,409,482.37, include zero-rated sales in the amount of ₱2,307,406,681.28, as shown below:

Period Covered (TY 2016)	Exhibit	Sales/Receipts		
		VATable	Zero Rated Sales	Total
1 st Quarter	"P-11"	₱1,634,200.58	₱891,944,915.00	₱893,579,115.58
2 nd Quarter	"P-13"	102,598,811.92	604,607,925.76	707,206,737.68
3 rd Quarter	"P-15"	88,427,930.67	592,617,042.17	681,044,972.84
4 th Quarter	"P-16"	112,341,857.92	218,236,798.35	330,578,656.27
Total		₱305,002,801.09	₱2,307,406,681.28	₱2,612,409,482.37

In support of its zero-rated sales, petitioner submitted in evidence its Schedule of Zero-Rated Sales⁵⁸ for the subject period of claim, as well as the corresponding official receipts (ORs) therefor.⁵⁹

Upon verification, the Court finds that sales amounting to ₱528,385,486.88, as detailed below, should be disallowed on the ground that the same pertain to petitioner’s sales for the period covering January 1, 2016 to February 29, 2016. Thus, said sales cannot qualify for VAT zero-rating, as shown in the table below: *je*

⁵⁶ Exhibit "P-6", Docket – Vol. I, p. 479.
⁵⁷ Exhibit "P-7", Docket – Vol. I, p. 480.
⁵⁸ Exhibits "P-30", "P-31", "P-32" and "P-33".
⁵⁹ Exhibits "P-30-A" to "P-30-AG"; "P-31-A" to "P-31-AX"; "P-32-A" to "P-32-AL"; "P-33-A" to "P-33-AL".

ExhibitNo.	Customer Name	OR ⁶⁰ NO.	OR DATE	Amount
"P-30-A"	Philippine Electric Market Corporation	0405	4-Jan-2016	₱ (96,651.00)
"P-30-B"	Nueva Ecija II Electric Cooperative - Area 2	0406	8-Jan-2016	60,854,114.92
"P-30-C"	Nueva Ecija II Electric Cooperative - Area 1	0407	8-Jan-2016	61,144,637.35
"P-30-D"	Philippine Electric Market Corporation	0408	8-Jan-2016	567,039.12
"P-30-E"	Philippine Electric Market Corporation	0409	18-Jan-2016	1,003.09
"P-30-F"	National Grid Corporation of the Philippines	0410	21-Jan-2016	7,744.66
"P-30-G"	Edong Cold Storage and Ice Plant	0411	22-Jan-2016	1,367,393.45
"P-30-H"	Philippine Electric Market Corporation	0412	26-Jan-2016	41,214,442.39
"P-30-I"	Philippine Electric Market Corporation	0413	27-Jan-2016	2,725,415.76
"P-30-J"	Philippine Electric Market Corporation	0414	29-Jan-2016	3,450.02
"P-30-K"	National Grid Corporation of the Philippines	0415	29-Jan-2016	37,190,132.91
"P-30-L"	National Irrigation Administration-UPRIIS	0416	29-Jan-2016	78,779.55
"P-30-M"	Philippine Electric Market Corporation	0417	3-Feb-2016	567,037.20
"P-30-N"	Nueva Ecija II Electric Cooperative - Area 2	0418	4-Feb-2016	57,077,163.09
"P-30-O"	Philippine Electric Market Corporation	0419	4-Feb-2016	3,953.92
"P-30-P"	Nueva Ecija II Electric Cooperative - Area 1	0420	5-Feb-2016	56,713,654.02
"P-30-Q"	National Grid Corporation of the Philippines	0421	29-Feb-2016	8,714.55
"P-30-R"	Edong Cold Storage and Ice Plant	0422	23-Feb-2016	1,576,764.48
"P-30-S"	National Irrigation Administration-UPRIIS	0423	23-Feb-2026	88,127.42
"P-30-T"	National Grid Corporation of the Philippines	0424	29-Feb-2016	140,951,846.80
"P-30-U"	Philippine Electric Market Corporation	0425	29-Feb-2016	66,340,723.18
	TOTAL			₱ 528,385,486.88

Consequently, out of the reported zero-rated sales of ₱2,307,406,681.28 for the four (4) quarters of CY 2016, only the amount of amount of ₱1,779,021,194.40 (₱2,307,406,681.28 less ₱528,385,486.88) qualifies for VAT zero-rating for purposes of petitioner's compliance with the *fourth* requisite.

As for the *fifth* requisite, it is not applicable since petitioner did not render zero-rated sales under Sections 106(A)(2)(a)(1),(2) and (b), and 108(B)(1) and (2) of the NIRC of 1997, as amended.

Having found that petitioner had VAT zero-rated sales only in the total amount of ₱1,779,021,194.40, the Court deems it necessary to proceed and determine petitioner's compliance with the remaining requisites. *g*

⁶⁰ That is, "Official Receipt".

The input VAT being claimed does not appear to be transitional input taxes.

In its Quarterly VAT Returns for the four (4) quarters of CY 2016, petitioner's total input VAT arising from its purchase of capital goods, domestic purchases and importation of goods other than capital goods, and domestic purchase of services amounted to ₱33,861,189.33, broken down as follows:

CY 2016	1st Quarter (Exhibit "P-11")	2nd Quarter (Exhibit "P-13")	3rd Quarter (Exhibit "P-15")	4th Quarter (Exhibit "P-16")	Total
Input Tax Due on Capital Goods exceeding ₱1M					
Deferred from previous quarter	₱ 2,523,730.57	₱ 2,208,867.59	₱ 2,096,533.41	₱ 1,812,223.89	₱ 2,523,730.57
Purchase of Capital Goods Exceeding ₱1M	-	192,100.85	-	228,169.51	420,270.36
Total	2,523,730.57	2,400,968.44	2,096,533.41	2,040,393.40	2,944,000.93
Less: Deferred for the succeeding period	2,208,867.59	2,096,533.41	1,812,223.89	1,774,236.17	1,774,236.17
Amortized input tax on capital goods exceeding ₱1M	314,862.98	304,435.03	284,309.52	266,157.23	1,169,764.76
Input Tax Due on Current Purchases of Goods other than Capital Goods					
Input tax on purchase of capital goods not exceeding ₱1M	19,959.01	69,975.36	32,948.79	38,389.18	161,272.34
Input tax on domestic purchases of goods other than capital goods	671,147.83	215,423.17	359,519.56	321,018.60	1,567,109.16
<i>Sub-total</i>	<i>691,106.84</i>	<i>285,398.53</i>	<i>392,468.35</i>	<i>359,407.78</i>	<i>1,728,381.50</i>
Input Tax Paid on:					
Importation of goods other than capital goods	9,386.00	-	23,644.00	-	33,030.00
Input tax on domestic purchases of services	3,905,464.18	8,808,967.14	9,505,934.41	8,504,492.35	30,724,858.08
Services Rendered by Non-residents	7,144.50	-	198,010.49	-	205,154.99
<i>Sub-total</i>	<i>3,921,994.68</i>	<i>8,808,967.14</i>	<i>9,727,588.90</i>	<i>8,504,492.35</i>	<i>30,963,043.07</i>
Total input tax during the period	₱4,927,964.50	₱9,398,800.70	₱10,404,366.77	₱9,130,057.36	₱33,861,189.33
CY 2016	1st Quarter (Exhibit "P-11")	2nd Quarter (Exhibit "P-13")	3rd Quarter (Exhibit "P-15")	4th Quarter (Exhibit "P-16")	Total
Input Tax Due on Capital Goods exceeding ₱1M					
Deferred from previous quarter	₱ 2,523,730.57	₱ 2,208,867.59	₱ 2,096,533.41	₱ 1,812,223.89	₱ 8,641,355.46
Purchase of Capital Goods Exceeding ₱1M	-	192,100.85	-	228,169.51	420,270.36
Total	2,523,730.57	2,400,968.44	2,096,533.41	2,040,393.40	9,061,625.82

Less: Deferred for the succeeding period	2,208,867.59	2,096,533.41	1,812,223.89	1,774,236.17	7,891,861.06
Amortized input tax on capital goods exceeding ₱1M	314,862.98	304,435.03	284,309.52	266,157.23	1,169,764.76
Input Tax Due on Current Purchases of Goods other than Capital Goods					
Input tax on purchase of capital goods not exceeding ₱1M	19,959.01	69,975.36	32,948.79	38,389.18	161,272.34
Input tax on domestic purchases of goods other than capital goods	671,147.83	215,423.17	359,519.56	321,018.60	1,567,109.16
<i>Sub-total</i>	<i>691,106.84</i>	<i>285,398.53</i>	<i>392,468.35</i>	<i>359,407.78</i>	<i>1,728,381.50</i>
Input Tax Paid on:					
Importation of goods other than capital goods	9,386.00	-	23,644.00	-	33,030.00
Input tax on domestic purchases of services	3,905,464.18	8,808,967.14	9,505,934.41	8,504,492.35	30,724,858.08
Services Rendered by Non-residents	7,144.50	-	198,010.49	-	205,154.99
<i>Sub-total</i>	<i>3,921,994.68</i>	<i>8,808,967.14</i>	<i>9,727,588.90</i>	<i>8,504,492.35</i>	<i>30,963,043.07</i>
Total input tax during the period	₱4,927,964.50	₱9,398,800.70	₱10,404,366.77	₱9,130,057.36	₱33,861,189.33

The above input VAT do *not* appear to be transitional input taxes, as understood under Section 111(A) of the NIRC of 1997, as amended, to wit:

“SEC. 111. *Transitional/Presumptive Input Tax Credits.* –

(A) *Transitional Input Tax Credits.* – A person who becomes liable to value-added tax or any person who elects to be a VAT-registered person shall, subject to the filing of an inventory according to the rules and regulations prescribed by the Secretary of Finance, upon recommendation of the Commissioner, be allowed input tax on his beginning inventory of goods, materials and supplies equivalent to two percent (2%) of the value of such inventory or the actual value-added tax paid on such goods, materials and supplies, whichever is higher, which shall be creditable against the output tax.”

Transitional input tax credit operates to benefit newly VAT-registered persons, whether or not they previously paid taxes in the acquisitions of their beginning inventory of goods, materials and *2*

supplies. During the period of transition from non-VAT to VAT status, the transitional input tax credit serves to alleviate the impact of the VAT on the taxpayer.⁶¹

Since there is no showing that the above-stated input VAT is transitional input VAT, petitioner has complied with the *sixth* requisite for the grant of an input VAT refund.

The input taxes were due and paid.

Out of the reported total input VAT of ₱33,861,189.33, the subject of the present claim for refund only amounts to ₱15,950,720.98, as shown below:

Particulars	Attributable to VATable Sales	Attributable to Zero-Rated Sales	Total
Input Tax Due on Current Purchases of Goods other than Capital Goods			
Input tax on purchase of capital goods not exceeding ₱1M	₱ -	₱ 161,272.34	₱ 161,272.34
Input tax on domestic purchases of goods other than capital goods	435,482.14	1,131,627.02	1,567,109.16
Input Tax Paid on:			-
Input tax on domestic purchases of services	17,474,986.21	13,249,871.87	30,724,858.08
Importation of goods other than capital goods		33,030.00	33,030.00
Services Rendered by Non-residents		205,154.99	205,154.99
Sub-total	₱ 17,910,468.35	₱ 14,780,956.22	₱ 32,691,424.57
Amortization of input tax of capital goods exceeding ₱1M		1,169,764.76	1,169,764.76
Total	₱17,910,468.35	₱ 15,950,720.98	₱ 33,861,189.33

To substantiate the foregoing, petitioner submitted various official invoices, ORs, import documents and BIR Forms No. 1600.⁶²

However, to validly claim for refund, petitioner must show compliance with the substantiation and invoicing requirements 

⁶¹ *Fort Bonifacio Development Corporation vs. Commissioner of Internal Revenue*, G.R. Nos. 158885 and 170680, April 2, 2008.

⁶² Exhibits "P-38-A" to "P-38-IB"; "P-39-A" to "P-39-C"; "P-40-A" to "P-40-B"; "P-41-A" to "P-41-AK"; "P-42-A" to "P-42-AH"; "P-43-A" to "P-43-D"; "P-44-A"; "P-45-A" to "P-45-C"; "P-46-A" to "P-46-IY"; "P-47-A" to "P-47-C"; "P-48-A" to "P-48-AS"; "P-49-A" to "P-49-AK"; "P-50-A" to "P-50-B"; "P-51-A" to "P-51-C"; "P-52-A"; "P-53-A" to "P-53-IB"; "P-54-A" to "P-54-F"; "P-55-A" to "P-55-AM"; "P-56-A" to "P-56-AN"; "P-57-A" to "P-57-B"; "P-58-A" to "P-58-B"; "P-59-A" to "P-59-IJ"; "P-60-A" to "P-60-AP"; "P-61-A" to "P-61-AE"; "P-62-A" to "P-62-R"; "P-63-A" to "P-63-B"; "P-64-A" to "P-64-B"; "P-65-A" to "P-65-B"; "P-69-A" to "P-69-B"; "P-70-A" to "P-70-B"; "P-71-A"; "P-72-A" to "P-72-C"; "P-73-A" to "P-73-E"; "P-74-A" to "P-74-B"; "P-75-A" to "P-75-C"; "P-76-A" to "P-76-C"; "P-77-A"; "P-78-A" to "P-78-B"; "P-79-A" to "P-79-C"; "P-80-A" to "P-80-BW"; "P-81-A" to "P-81-AQ"; "P-82-A"; "P-83-A".

provided by Sections 110 and 113 of the NIRC of 1997, as amended, to wit:

"SEC. 110. *Tax Credits.* —

(A) *Creditable Input Tax.* —

(1) Any input tax evidenced by a VAT invoice or official receipt issued in accordance with Section 113 hereof on the following transactions shall be creditable against the output tax:

(a) Purchase or importation of goods:

xxx xxx xxx

(b) Purchase of services on which a value-added tax has been actually been paid.

(2) The input tax on domestic purchase or importation of goods or properties by a VAT-registered person shall be creditable:

(a) To the purchaser upon consummation of sale and on importation of goods or properties; and

(b) To the importer upon payment of the value-added tax prior to the release of the goods from the custody of the Bureau of Customs.

Provided, That the input tax on goods purchased or imported in a calendar month for use in trade or business for which deduction for depreciation is allowed under this Code shall be spread evenly over the month of acquisition and the fifty-nine (59) succeeding months if the aggregate acquisition cost for such goods, excluding the VAT component thereof, exceeds One million pesos (P1,000,000): *Provided, however,* That if the estimated useful life of the capital good is less than five (5) years, as used for depreciation purposes, then the input VAT shall be spread over such a shorter period: *Provided, further,* That the amortization of the input VAT shall only be allowed until December 31, 2021 after which taxpayers with unutilized input VAT on capital goods purchased or imported shall be allowed to apply the same *fr*

as scheduled until fully utilized: *Provided, finally,* That in the case of purchase of services, lease or use of properties, the input tax shall be creditable to the purchaser, lessee or licensee upon payment of the compensation, rental, royalty or fee."

"SEC. 113. *Invoicing and Accounting Requirements for VAT-registered Persons.* —

(A) *Invoicing Requirements.* — A VAT-registered person shall issue:

(1) A VAT invoice for every sale, barter or exchange of goods or properties; and

(2) A VAT official receipt for every lease of goods or properties, and for every sale, barter or exchange of services.

(B) *Information Contained in the VAT Invoice or VAT Official Receipt.* — The following information shall be indicated in the VAT invoice or VAT official receipt:

(1) A statement that the seller is a VAT-registered person, followed by his Taxpayer's Identification Number (TIN);

(2) The total amount which the purchaser pays or is obligated to pay to the seller with the indication that such amount includes the value-added tax: *Provided, That:*

(a) The amount of the tax shall be shown as a separate item in the invoice or receipt;

(b) If the sale is exempt from value-added tax, the term '**VAT-exempt sale**' shall be written or printed prominently on the invoice or receipt;

(c) If the sale is subject to zero percent (0%) value-added tax, the term '**zero-rated sale**' shall be written or printed prominently on the invoice or receipt;

(d) If the sale involves goods, properties or services some of which are subject to and some of which *je*

are VAT zero-rated or VAT-exempt, the invoice or receipt shall clearly indicate the break-down of the sale price between its taxable, exempt and zero-rated components, and the calculation of the value-added tax on each portion of the sale shall be shown on the invoice or receipt: *Provided*, That the seller may issue separate invoices or receipts for the taxable, exempt, and zero-rated components of the sale.

(3) The date of transaction, quantity, unit cost and description of the goods or properties or nature of the service; and

(4) In the case of sales in the amount of One thousand pesos (₱1,000) or more where the sale or transfer is made to a VAT-registered person, the name, business style, if any, address and Taxpayer Identification Number (TIN) of the purchaser, customer or client."

The foregoing provisions are further implemented by Sections 4.110-2, 4.110-8 and 4.113-1(A) and (B) of RR No. 16-05, as amended, to wit:

"SEC. 4.110-2. *Persons Who Can Avail of the Input Tax Credit.* — The input tax credit on importation of goods or local purchases of goods, properties or services by a VAT-registered person shall be creditable:

- (a) To the importer upon payment of VAT prior to the release of goods from customs custody;
- (b) To the purchaser of the domestic goods or properties upon consummation of the sale; or
- (c) To the purchaser of services or the lessee or licensee upon payment of the compensation, rental, royalty or fee."

"SEC. 4.110-8. *Substantiation of Input Tax Credits.*—

(a) Input taxes for the importation of goods or the domestic purchase of goods, properties or services is made in the course of trade or business, whether such *gr*

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input taxes shall be credited against zero-rated sale, nonzero-rated sales, or subjected to the 5% Final Withholding VAT, must be substantiated and supported by the following documents, and must be reported in the information returns required to be submitted to the Bureau:

- (1) For the importation of goods import entry or other equivalent document showing actual payment of VAT on the imported goods.
- (2) For the domestic purchase of goods and properties—invoice showing the information required under Secs. 113 and 237 of the Tax Code.
- (3) For the purchase of real property—public instrument i.e., deed of absolute sale, deed of conditional sale, contract/agreement to sell, etc. together with VAT invoice issued by the seller.
- (4) For the purchase of services—official receipt showing the information required under Secs. 113 and 237 of the Tax Code.

A cash register machine tape issued to a registered buyer shall constitute valid proof of substantiation of tax credit only if it shows the information required under Secs. 113 and 237 of the Tax Code.

(b) Transitional input tax shall be supported by an inventory of goods as shown in a detailed list to be submitted to the BIR.

(c) Input tax on 'deemed sale' transactions shall be substantiated with the invoice required under Sec. 4.113-2 of these Regulations.

(d) Input tax from payments made to nonresidents (such as for services, rentals and royalties) shall be supported by a copy of the Monthly Remittance Return of Value Added Tax Withheld (BIR Form 1600) filed by the resident payor in behalf of the nonresident evidencing remittance of VAT due which was withheld by the payor. *✍*

(e) Advance VAT on sugar shall be supported by the Payment Order showing payment of the advance VAT."

"SEC. 4.113-1. *Invoicing Requirements.* —

(A) A VAT-registered person shall issue: —

- (1) A VAT invoice for every sale, barter or exchange of goods or properties; and
- (2) A VAT official receipt for every lease of goods or properties, and for every sale, barter or exchange of services.

Only VAT-registered persons are required to print their TIN followed by the word 'VAT' in their invoice or official receipts. Said documents shall be considered as a 'VAT Invoice' or 'VAT official receipt'. All purchases covered by invoices/receipts other than VAT Invoice/VAT Official Receipt shall not give rise to any input tax.

VAT invoice/official receipt shall be prepared at least in duplicate, the original to be given to the buyer and the duplicate to be retained by the seller as part of his accounting records.

(B) *Information contained in VAT invoice or VAT official receipt.* — The following information shall be indicated in VAT invoice or VAT official receipt:

- (1) A statement that the seller is a VAT-registered person, followed by his TIN;
- (2) The total amount which the purchaser pays or is obligated to pay to the seller with the indication that such amount includes the VAT; *Provided*, That:
 - (a) The amount of tax shall be shown as a separate item in the invoice or receipt;
 - (b) If the sale is exempt from VAT, the term 'VAT-exempt sale' shall be written or printed prominently on the invoice or receipt; *je*

- (c) If the sale is subject to zero percent (0%) VAT, the term 'zero-rated sale' shall be written or printed prominently on the invoice or receipt;
 - (d) If the sale involves goods, properties or services some of which are subject to and some of which are VAT zero-rated or VAT-exempt, the invoice or receipt shall clearly indicate the break-down of the sale price between its taxable, exempt and zero-rated components, and the calculation of the VAT on each portion of the sale shall be shown on the invoice or receipt. The seller has the option to issue separate invoices or receipts for the taxable, exempt, and zero-rated components of the sale.
- (3) In the case of sales in the amount of one thousand peso (₱1,000.00) or more where the sale or transfer is made to a VAT-registered person, the name, business style, if any, address and TIN of the purchaser, customer or client, shall be indicated in addition to the information required in (1) and (2) of this Section."

In addition to the above-enumerated requirements, the sales invoices (SIs) and ORs must be duly registered with the BIR as prescribed under Section 237 in relation to Section 238, both of the NIRC of 1997, as amended, to wit:

"SEC. 237. Issuance of Receipts or Sales or Commercial Invoices. —

(A) *Issuance.* — All persons subject to an internal revenue tax shall, at the point of each sale and transfer of merchandise or for services rendered valued at One hundred pesos (P100) or more, issue duly registered receipts or sale or commercial invoices, showing the date of transaction, quantity, unit cost and description of merchandise or nature of service: *Provided, however,* That where the receipt is issued to cover payment made *gc*

as rentals, commissions, compensation or fees, receipts or invoices shall be issued which shall show the name, business style, if any, and address of the purchaser, customer or client: *Provided, further,* That where the purchaser is a VAT-registered person, in addition to the information herein required, the invoice or receipt shall further show the Taxpayer Identification Number (TIN) of the purchaser.

xxx xxx xxx."

"SEC. 238. *Printing of Receipts or Sales or Commercial Invoices.* — All persons who are engaged in business shall secure from the Bureau of Internal Revenue an authority to print receipts or sales or commercial invoices before a printer can print the same

No authority to print receipts or sales or commercial invoices shall be granted unless the receipts or invoices to be printed are serially numbered and shall show, among other things, the name, business style, Taxpayer Identification Number (TIN) and business address of the person or entity to use the same, and such other information that may be required by rules and regulations to be promulgated by the Secretary of Finance, upon recommendation of the Commissioner."

Based on the verification made by the ICPA, Mr. Enrico E. Baluyut of R.G. Manabat & Co., the input VAT amounting to ₱1,376,781.48 shall be disallowed for not being properly substantiated by the above-stated requirements. Thus, the ICPA's findings thereon are summarized as follows:

Particulars		Exhibit	Input VAT
Purchases of Services and of Goods other than Capital Goods			
a.	Domestic purchase of goods other than capital goods and domestic purchase of service supported with invoices/ORs containing incorrect address of the Company	"P-41"	₱ 63,498.40
		"P-48"	216,236.93
		"P-55"	186,629.50
		"P-60"	178,193.57
b.	Domestic purchase of goods other than capital goods and domestic purchase of service supported with Statement of Account/Billing Statement/Cash Receipt/Acknowledgement Receipt/Non-VAT Acknowledgement Receipt/Service Invoice only/Collection Receipt only	"P-42"	31,520.52
		"P-49"	12,744.31
		"P-56"	15,605.50
		"P-61"	19,198.47
c.	Domestic purchase of goods other than capital goods and domestic purchase of service supported with invoices/ORs containing an incorrect name of the Company	"P-44"	22.67
		"P-50"	1,394.46
		"P-58"	1,896.64

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		"P-63"	1,861.11
d.	Domestic purchase of goods other than capital goods and domestic purchase of service supported with out-of-period invoices/ORs	"P-43"	2,958.53
		"P-57"	10,522.89
		"P-62"	59,367.84
e.	Importation of goods other than capital goods supported with out-of-period import entry documents	"P-45"	3,244.00
f.	Domestic purchase of goods other than capital goods and domestic purchase of service supported with invoices/ORs that the input VAT is not separately indicated	"P-51"	252.00
		"P-64"	3,190.32
g.	Domestic purchase of goods other than capital goods and domestic purchase of service supported with tape receipt	"P-52"	1,308.00
h.	Domestic purchase of goods other than capital goods and domestic purchase of service supported with invoices/ORs containing an incomplete name of the Company	"P-65"	7,032.00
	sub-total		P 816,677.66
Purchases of Capital Goods not exceeding P1Million			
a.	Purchase of capital goods not exceeding P1Million supported with invoices/ORs containing an incorrect address of the Company	"P-70"	P 5,582.14
		"P-72"	26,314.65
		"P-75"	19,355.25
	sub-total		P 51,252.04
Purchases of Capital Goods exceeding P1Million			
a.	Purchase of capital goods exceeding P1Million supported with invoices/ORs containing an incorrect address of the Company - amortization for the current year purchases	"P-78"	732.59
b.	Purchase of capital goods exceeding P1Million supported with out-of-period invoices/ORs - amortization for the current year purchases	"P-79"	4,625.00
c.	Purchase of capital goods exceeding P1Million from previous years supported with invoices/ORs containing an incorrect address of the Company	"P-81"	366,545.81
d.	Purchase of capital goods exceeding P1Million from previous years supported with Statement of Accounts Only	"P-82"	30,390.00
e.	Purchase of capital goods exceeding P1Million from previous years supported with undated invoice	"P-83"	264.66
f.	Purchase of capital goods exceeding P1Million from previous years not substantiated	"P-84"	106,293.72
	sub-total		P 508,851.78
TOTAL			P1,376,781.48

Upon further verification, the Court finds that the input VAT amounting to P9,001,583.31, as presented below, must also be disallowed for the reasons herein stated:

Exhibit	VENDOR NAME	Claimed Input VAT	Remarks
"P-38-IF"	Globe Telecom, Inc.	P 380.60	Supported by Exhibit which was denied admission by the Court.
"P-38-IG"	Hospitality International, Inc.	2,860.64	Supported by Exhibit which was denied admission by the Court.
"P-38-IH"	RS Components Corporation	1,284.55	Supported by Exhibit which was denied admission by the Court.
"P-38-II"	Monark Equipment Corporation	1,882.92	Supported by Exhibit which was denied admission by the Court.

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"P-38-IJ"	Suy Sing Commercial Corporation	4,157.82	Supported by Exhibit which was denied admission by the Court.
"P-38-IK"	Portalloy Industrial Supply Corp.	348.00	Supported by Exhibit which was denied admission by the Court.
"P-38-IL"	Up-Town Industrial Sales, Inc.	1,008.83	Supported by Exhibit which was denied admission by the Court.
"P-38-IM"	Toyota Cabanatuan City, Inc.	235.20	Supported by Exhibit which was denied admission by the Court.
"P-38-IN"	Eden Construction	7,477.61	Supported by Exhibit which was denied admission by the Court.
"P-38-IO"	Southbend Security & Investigative Services, Inc.	955.80	Supported by Exhibit which was denied admission by the Court.
"P-38-IP"	Southbend Security & Investigative Services, Inc.	7,105.63	Supported by Exhibit which was denied admission by the Court.
"P-38-IQ"	RS Components Corporation	1,307.31	Supported by Exhibit which was denied admission by the Court.
"P-38-IR"	Fire Solutions, Inc.	82,793.87	Supported by Exhibit which was denied admission by the Court.
"P-38-IS"	Pixa Corporation	2,950.00	Supported by Exhibit which was denied admission by the Court.
"P-38-IT"	Hi-Safety Industrial Supplies Inc.	562.50	Supported by Exhibit which was denied admission by the Court.
"P-38-IU"	Hospitality International Inc.	635.70	Supported by Exhibit which was denied admission by the Court.
"P-38-IV"	Globe Telecom, Inc.	116.02	Supported by Exhibit which was denied admission by the Court.
"P-38-IW"	Cuervo Appraisers Inc.	9,128.57	Supported by Exhibit which was denied admission by the Court.
"P-38-IX"	S.S.R. Construction	30,661.74	Supported by Exhibit which was denied admission by the Court.
"P-38-IY"	Pantabangan Petron Bulilit Station	24,321.43	Supported by Exhibit which was denied admission by the Court.
"P-38-IZ"	TGServices, Inc.	3,255.10	Supported by Exhibit which was denied admission by the Court.
"P-38-JA"	TGServices, Inc.	29,954.21	Supported by Exhibit which was denied admission by the Court.
"P-38-JB"	Citiband Corporation	1,101.21	Supported by Exhibit which was denied admission by the Court.
"P-38-JC"	Nationware Marketing Services, Inc.	590.94	Supported by Exhibit which was denied admission by the Court.
"P-38-JD"	RS Components Corporation	804.84	Supported by Exhibit which was denied admission by the Court.
"P-38-JE"	Deluxe Industrial Supplies Corporation	2,834.16	Supported by Exhibit which was denied admission by the Court.
"P-38-JF"	Eagle Star Industrial Sales Corporation	482.14	Supported by Exhibit which was denied admission by the Court.
"P-38-JG"	Up-Town Industrial Sales, Incorporated	1,454.45	Supported by Exhibit which was denied admission by the Court.
"P-38-JH"	MOF Company (Subic), Inc.	41,785.71	Supported by Exhibit which was denied admission by the Court.
"P-38-JI"	Northgate Technologies, Inc.	203.57	Supported by Exhibit which was denied admission by the Court.
"P-38-JJ"	Top-rigid Industrial Safety Supply, Inc.	235.80	Supported by Exhibit which was denied admission by the Court.
"P-38-JK"	Top-rigid Industrial Safety Supply, Inc.	123.30	Supported by Exhibit which was denied admission by the Court.
"P-38-JL"	Basic Occupational Safety Supplies Phils. Inc.	160.72	Supported by Exhibit which was denied admission by the Court.
"P-38-B"	Hospitality International Inc.	1,408.31	Nature of the service not indicated/specified in the OR.
"P-38-G"	Hotel Enterprises of the Philippines Inc.	2,588.94	Nature of the service not indicated/specified in the OR.

"P-38-I"	U-Bix Corporation	1,144.48	Nature of the service not indicated/specified in the OR.
"P-38-J"	Royal Cargo Inc.	1,800.00	Nature of the service not indicated/specified in the OR.
"P-38-L"	Hospitality International Inc.	322.74	Nature of the service not indicated/specified in the OR.
"P-38-M"	TGServices, Inc.	229,859.03	Nature of the service not indicated/specified in the OR.
"P-38-N"	TGServices, Inc.	14,001.39	Nature of the service not indicated/specified in the OR.
"P-38-O"	TGServices, Inc.	3,741.85	Nature of the service not indicated/specified in the OR.
"P-38-P"	TGServices, Inc.	5,746.80	Nature of the service not indicated/specified in the OR.
"P-38-Q"	TGServices, Inc.	39,755.06	Nature of the service not indicated/specified in the OR.
"P-38-U"	Southbend Security & Investigative Services, Inc.	936.51	Nature of the service not indicated/specified in the OR.
"P-38-V"	Southbend Security & Investigative Services, Inc.	7,545.52	Nature of the service not indicated/specified in the OR.
"P-38-W"	TGServices, Inc.	788.35	Nature of the service not indicated/specified in the OR.
"P-38-X"	Diagnostics & Maintenance Technique, Inc.	25,141.29	Supported by unreadable document.
"P-38-Z"	Quantuvis Resources Corporation	2,163.46	Nature of the service not indicated/specified in the OR.
"P-38-AA"	Easytrip Services Corporation	84.00	Nature of the service not indicated/specified in the OR.
"P-38-AD"	Donpin Corporation	502,559.37	Nature of the service not indicated/specified in the OR.
"P-38-AF"	Suy Sing Commercial Corporation	857.31	Input VAT Amount not separately indicated.
"P-38-AG"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-38-AH"	Microbase Incorporated	2,400.47	Nature of the service not indicated/specified in the OR.
"P-38-AI"	Indra Philippines Inc. (For. Soluziona Phils, Inc.)	16,824.61	Nature of the service not indicated/specified in the OR.
"P-38-AJ"	Globe Telecom Inc.	5,642.40	Nature of the service not indicated/specified in the OR.
"P-38-AK"	Microbase Incorporated	2,187.86	Nature of the service not indicated/specified in the OR.
"P-38-AL"	Bayan Telecommunications, Inc.	4,032.00	Nature of the service not indicated/specified in the OR.
"P-38-AM"	Bayan Telecommunications, Inc.	3,000.00	Nature of the service not indicated/specified in the OR.
"P-38-AN"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-38-AR"	Southbend Security & Investigative Services, Inc.	7,511.54	Nature of the service not indicated/specified in the OR.
"P-38-AS"	Southbend Security & Investigative Services, Inc.	995.52	Nature of the service not indicated/specified in the OR.
"P-38-AT"	Trends and Technologies, Inc.	5,400.00	Nature of the service not indicated/specified in the OR.
"P-38-AU"	Trends and Technologies, Inc.	75,469.68	Nature of the service not indicated/specified in the OR.
"P-38-AX"	Center for Reliability Excellence Laboratories Corporation	3,984.00	Nature of the service not indicated/specified in the OR.
"P-38-BB"	Continental Rental & Tours Inc.	957.60	Nature of the service not indicated/specified in the OR.
"P-38-BD"	Easytrip Services Corporation	84.00	Nature of the service not indicated/specified in the OR.
"P-38-BH"	Microbase Incorporated	2,276.79	Nature of the service not

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			indicated/specified in the OR.
"P-38-BI"	Richmonde Hotel Ortigas	821.52	Nature of the service not indicated/specified in the OR.
"P-38-BJ"	Rockwell Hotels and Leisure Management Corp.	762.53	Nature of the service not indicated/specified in the OR.
"P-38-BK"	Easytrip Services Corporation	84.00	Nature of the service not indicated/specified in the OR.
"P-38-BL"	Manila North Tollways Corp.	1,702.71	Nature of the service not indicated/specified in the OR.
"P-38-BM"	IC 888 Transits Inc.	10,971.75	Nature of the service not indicated/specified in the OR.
"P-38-BN"	TGServices, Inc.	5,185.22	Nature of the service not indicated/specified in the OR.
"P-38-BO"	TGServices, Inc.	3,639.66	Nature of the service not indicated/specified in the OR.
"P-38-BP"	TGServices, Inc.	12,460.97	Nature of the service not indicated/specified in the OR.
"P-38-BQ"	TGServices, Inc.	5,768.76	Nature of the service not indicated/specified in the OR.
"P-38-BR"	TGServices, Inc.	39,645.52	Nature of the service not indicated/specified in the OR.
"P-38-BT"	Hydrautechnik, Inc.	4,200.00	Nature of the service not indicated/specified in the OR.
"P-38-BU"	Shellsoft Technology Corporation	39,466.57	Nature of the service not indicated/specified in the OR.
"P-38-BV"	Globe Telecom, Inc.	5,689.94	Nature of the service not indicated/specified in the OR.
"P-38-BW"	Pulp Global Direct Philippines Inc.	16.05	Nature of the service not indicated/specified in the OR.
"P-38-BZ"	Manila Execon Group, Inc.	54,056.40	Nature of the service not indicated/specified in the OR.
"P-38-CA"	Southbend Security & Investigative Services, Inc.	7,282.90	Nature of the service not indicated/specified in the OR.
"P-38-CB"	Southbend Security & Investigative Services, Inc.	973.20	Nature of the service not indicated/specified in the OR.
"P-38-CC"	Southbend Security & Investigative Services, Inc.	944.95	Nature of the service not indicated/specified in the OR.
"P-38-CD"	Southbend Security & Investigative Services, Inc.	7,680.31	Nature of the service not indicated/specified in the OR.
"P-38-CE"	U-Bix Corporation	2,827.62	Nature of the service not indicated/specified in the OR.
"P-38-CG"	Fire Solutions Inc.	320,244.57	Nature of the service not indicated/specified in the OR.
"P-38-CH"	I3 Technologies Corporation	22,363.72	Nature of the service not indicated/specified in the OR.
"P-38-CM"	TGServices, Inc.	6,556.51	Nature of the service not indicated/specified in the OR.
"P-38-CN"	TGServices, Inc.	10,665.49	Nature of the service not indicated/specified in the OR.
"P-38-CO"	TGServices, Inc.	4,225.89	Nature of the service not indicated/specified in the OR.
"P-38-CP"	TGServices, Inc.	4,088.56	Nature of the service not indicated/specified in the OR.
"P-38-CQ"	TGServices, Inc.	38,652.03	Nature of the service not indicated/specified in the OR.
"P-38-CW"	U-Bix Corporation	4,662.73	Nature of the service not indicated/specified in the OR.
"P-38-DH"	Center for Leadership and Change, Inc.	4,320.00	Nature of the service not indicated/specified in the OR.
"P-38-DP"	Bayan Telecommunications, Inc.	3,000.00	Nature of the service not indicated/specified in the OR.
"P-38-DQ"	Bayan Telecommunications, Inc.	4,032.00	Nature of the service not

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			indicated/specified in the OR.
"P-38-DR"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-38-DS"	Trends and Technologies, Inc.	25,156.56	Nature of the service not indicated/specified in the OR.
"P-38-DT"	TGServices, Inc.	30,000.00	Nature of the service not indicated/specified in the OR.
"P-38-EC"	Southbend Security & Investigative Services, Inc.		Nature of the service not indicated/specified in the OR.
"P-38-ED"	Southbend Security & Investigative Services, Inc.		Nature of the service not indicated/specified in the OR.
"P-38-EE"	Southbend Security & Investigative Services, Inc.		Nature of the service not indicated/specified in the OR.
"P-38-EF"	Southbend Security & Investigative Services, Inc.	7,273.49	Nature of the service not indicated/specified in the OR.
"P-38-EI"	TGServices, Inc.	4,068.00	Nature of the service not indicated/specified in the OR.
"P-38-EJ"	Center for Reliability Excellence Laboratories Corporation	5,478.00	Nature of the service not indicated/specified in the OR.
"P-38-EK"	Manila North Tollways Corp.	974.77	Nature of the service not indicated/specified in the OR.
"P-38-EL"	Easytrip Services Corporation	84.00	Nature of the service not indicated/specified in the OR.
"P-38-EM"	TGServices, Inc.	5,812.64	Incorrect TIN of petitioner.
"P-38-EN"	TGServices, Inc.	788.35	Nature of the service not indicated/specified in the OR.
"P-38-EO"	TGServices, Inc.	3,841.35	Incorrect TIN of petitioner.
"P-38-EP"	TGServices, Inc.	4,068.00	Nature of the service not indicated/specified in the OR.
"P-38-ER"	TGServices, Inc.	11,564.05	Nature of the service not indicated/specified in the OR.
"P-38-ES"	TGServices, Inc.	5,465.77	Nature of the service not indicated/specified in the OR.
"P-38-ET"	TGServices, Inc.	34,270.36	Nature of the service not indicated/specified in the OR.
"P-38-EV"	Jardine Schindler Elevator Corporation	25,260.00	Nature of the service not indicated/specified in the OR.
"P-38-FA"	Hospitality International, Inc.	1,907.09	Nature of the service not indicated/specified in the OR.
"P-38-FB"	SAP Philippines, Inc.	37,707.12	Nature of the service not indicated/specified in the OR.
"P-38-FC"	SAP Philippines, Inc.	21,722.58	Nature of the service not indicated/specified in the OR.
"P-38-FD"	B. M. Domingo Motor Sales, Inc.	593.36	Nature of the service not indicated/specified in the OR.
"P-38-FG"	SGV & Co.	6,585.00	Nature of the service not indicated/specified in the OR.
"P-38-FI"	TGServices, Inc.	5,284.17	Nature of the service not indicated/specified in the OR.
"P-38-FJ"	TGServices, Inc.	3,618.82	Nature of the service not indicated/specified in the OR.
"P-38-FK"	TGServices, Inc.	9,971.56	Nature of the service not indicated/specified in the OR.
"P-38-FL"	TGServices, Inc.	6,000.00	Nature of the service not indicated/specified in the OR.
"P-38-FM"	TGServices, Inc.	5,113.31	Nature of the service not indicated/specified in the OR.
"P-38-FN"	TGServices, Inc.	32,477.01	Nature of the service not indicated/specified in the OR.
"P-38-FO"	Hospitality International, Inc.	317.85	Nature of the service not indicated/specified in the OR.

"P-38-FX"	Southbend Security & Investigative Services, Inc.	1,033.42	Nature of the service not indicated/specified in the OR.
"P-38-FY"	Southbend Security & Investigative Services, Inc.	7,758.83	Nature of the service not indicated/specified in the OR.
"P-38-GH"	Indra Philippines, Inc.	35,392.20	Nature of the service not indicated/specified in the OR.
"P-38-GI"	Indra Philippines, Inc.	33,933.60	Nature of the service not indicated/specified in the OR.
"P-38-GJ"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-38-GK"	Indra Philippines, Inc.	27,334.80	Nature of the service not indicated/specified in the OR.
"P-38-GN"	Indra Philippines, Inc.	25,236.00	Nature of the service not indicated/specified in the OR.
"P-38-GO"	Rockwell Hotels And Leisure Management Corp.	1,789.00	Nature of the service not indicated/specified in the OR.
"P-38-GP"	Bayan Telecommunications, Inc.	3,000.00	Nature of the service not indicated/specified in the OR.
"P-38-GQ"	Bayan Telecommunications, Inc.	4,032.00	Nature of the service not indicated/specified in the OR.
"P-38-GS"	Microbase, Incorporated	2,517.86	Nature of the service not indicated/specified in the OR.
"P-38-GU"	Globe Telecom, Inc.	5,259.83	Nature of the service not indicated/specified in the OR.
"P-39-A" to "P-39-C"	Forrestry Suppliers Inc.	6,142.00	Without proof that VAT was actually paid.
"P-40-A" to "P-40-B"	ABS Quality Evaluations, Inc.	7,144.50	Without proof that VAT was actually paid.
"P-46-A"	Business Process Outsourcing International	14,400.00	Nature of the service not indicated/specified in the OR.
"P-46-B"	Southbound Security & Investigating Services, Inc.	893.70	Nature of the service not indicated/specified in the OR.
"P-46-C"	Southbound Security & Investigating Services, Inc.	6,702.19	Nature of the service not indicated/specified in the OR.
"P-46-D"	Prudential Guarantee and Assurance, Inc.	2,430.00	Nature of the service not indicated/specified in the OR.
"P-46-E"	Manila North Tollways Corp.	1,279.20	Nature of the service not indicated/specified in the OR.
"P-46-F"	IC 888 Transits, Inc.	3,052.28	Nature of the service not indicated/specified in the OR.
"P-46-G"	American Technologies, Inc.	22,767.86	Nature of the service not indicated/specified in the OR.
"P-46-H"	American Technologies, Inc.	22,767.86	Nature of the service not indicated/specified in the OR.
"P-46-I"	American Technologies, Inc.	12,738.67	Nature of the service not indicated/specified in the OR.
"P-46-J"	American Technologies, Inc.	12,738.67	Nature of the service not indicated/specified in the OR.
"P-46-K"	Microbase, Incorporated	2,357.14	Nature of the service not indicated/specified in the OR.
"P-46-S"	GG & G Distributors Inc.	1,919.45	Issued not in the name of petitioner.
"P-46-V"	Hospitality International, Inc.	635.70	Nature of the service not indicated/specified in the OR.
"P-46-AF"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-46-AG"	Southbend Security & Investigative Services, Inc.	968.83	Nature of the service not indicated/specified in the OR.
"P-46-AH"	Southbend Security & Investigative Services, Inc.	7,258.98	Nature of the service not indicated/specified in the OR.
"P-46-AM"	Indra Philippines, Inc.	25,457.40	Nature of the service not indicated/specified in the OR.

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"P-46-AQ"	TGServices, Inc.	4,491.33	Nature of the service not indicated/specified in the OR.
"P-46-AU"	Lancaster Hotels, Land And Properties, Inc.	1,182.17	Nature of the service not indicated/specified in the OR.
"P-46-AX"	The Mercantile Insurance Co., Inc.	484.49	Nature of the service not indicated/specified in the OR.
"P-46-AZ"	Southbend Security & Investigative Services, Inc.	1,107.74	Nature of the service not indicated/specified in the OR.
"P-46-BA"	Southbend Security & Investigative Services, Inc.	8,015.31	Nature of the service not indicated/specified in the OR.
"P-46-BD"	Center For Reliability Excellence Laboratories Corporation	5,478.00	Nature of the service not indicated/specified in the OR.
"P-46-BG"	Tantoco Villanueva De Guzman And Llamas Law Offices	360.00	Nature of the service not indicated/specified in the OR.
"P-46-BH"	TGServices, Inc.	9,226.45	Nature of the service not indicated/specified in the OR.
"P-46-BM"	Microbase, Incorporated	2,579.31	Nature of the service not indicated/specified in the OR.
"P-46-BN"	Solutions Experts And Enablers Inc.	110.56	Nature of the service not indicated/specified in the OR.
"P-46-BP"	Globe Telecom, Inc.	137.98	Nature of the service not indicated/specified in the OR.
"P-46-BR"	Hospitality International, Inc.	322.74	Nature of the service not indicated/specified in the OR.
"P-46-BS"	TGServices, Inc.	5,663.84	Nature of the service not indicated/specified in the OR.
"P-46-BT"	TGServices, Inc.	4,068.00	Nature of the service not indicated/specified in the OR.
"P-46-BU"	TGServices, Inc.	788.35	Nature of the service not indicated/specified in the OR.
"P-46-BV"	Lane Moving And Storage, Inc.	14,897.79	Nature of the service not indicated/specified in the OR.
"P-46-BW"	TGServices, Inc.	3,008.56	Nature of the service not indicated/specified in the OR.
"P-46-BX"	TGServices, Inc.	5,172.78	Nature of the service not indicated/specified in the OR.
"P-46-BY"	TGServices, Inc.	4,999.64	Nature of the service not indicated/specified in the OR.
"P-46-BZ"	TGServices, Inc.	5,406.11	Nature of the service not indicated/specified in the OR.
"P-46-CA"	TGServices, Inc.	9,204.85	Nature of the service not indicated/specified in the OR.
"P-46-CD"	Manila North Tollways Corp	2,023.82	Nature of the service not indicated/specified in the OR.
"P-46-CE"	Continental Rental & Tours Inc.	2,577.60	Nature of the service not indicated/specified in the OR.
"P-46-CF"	U-Bix Corporation	2,141.44	Nature of the service not indicated/specified in the OR.
"P-46-CG"	IC 888 Transits, Inc.	1,518.21	Nature of the service not indicated/specified in the OR.
"P-46-CH"	IC 888 Transits, Inc.	2,027.36	Nature of the service not indicated/specified in the OR.
"P-46-CI"	TGServices, Inc.	4,519.33	Nature of the service not indicated/specified in the OR.
"P-46-CM"	Southbend Security & Investigative Services, Inc.	979.00	Nature of the service not indicated/specified in the OR.
"P-46-CN"	Southbend Security & Investigative Services, Inc.	7,260.07	Nature of the service not indicated/specified in the OR.
"P-46-CO"	Stern Real Estate And Dev'T Corporation (Hotel Rembrandt)	337.92	Nature of the service not indicated/specified in the OR.
"P-46-CP"	Center For Leadership And Change, Inc.	2,736.00	Nature of the service not indicated/specified in the OR.

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"P-46-CQ"	Tantoco Villanueva De Guzman And Llamas Law Offices	756.00	Nature of the service not indicated/specified in the OR.
"P-46-CV"	TGServices, Inc.	5,284.17	Nature of the service not indicated/specified in the OR.
"P-46-CW"	TGServices, Inc.	6,000.00	Nature of the service not indicated/specified in the OR.
"P-46-CX"	TGServices, Inc.	4,068.00	Nature of the service not indicated/specified in the OR.
"P-46-CY"	TGServices, Inc.	6,625.64	Nature of the service not indicated/specified in the OR.
"P-46-CZ"	Mckenzie Industrial Painting Services	23,166.96	Nature of the service not indicated/specified in the OR.
"P-46-DB"	TGServices, Inc.	9,174.06	Nature of the service not indicated/specified in the OR.
"P-46-DC"	TGServices, Inc.	3,712.85	Nature of the service not indicated/specified in the OR.
"P-46-DD"	TGServices, Inc.	5,597.78	Nature of the service not indicated/specified in the OR.
"P-46-DE"	TGServices, Inc.	34,794.49	Nature of the service not indicated/specified in the OR.
"P-46-DF"	TGServices, Inc.	4,191.49	Nature of the service not indicated/specified in the OR.
"P-46-DG"	TGServices, Inc.	11,432.25	Nature of the service not indicated/specified in the OR.
"P-46-DH"	TGServices, Inc.	5,763.49	Nature of the service not indicated/specified in the OR.
"P-46-DI"	Pixa Corporation	5,900.00	Incorrect TIN of petitioner.
"P-46-DQ"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-46-EA"	Business Process Outsourcing International, Inc.	2,520.00	Nature of the service not indicated/specified in the OR.
"P-46-EF"	U-Bix Corporation	1,891.20	Nature of the service not indicated/specified in the OR.
"P-46-EJ"	TGServices, Inc.	37,758.38	Nature of the service not indicated/specified in the OR.
"P-46-EU"	TGServices, Inc.	29,562.59	Nature of the service not indicated/specified in the OR.
"P-46-EV"	TGServices, Inc.	788.35	Nature of the service not indicated/specified in the OR.
"P-46-EW"	Trends & Technologies, Inc.	15,955.91	Nature of the service not indicated/specified in the OR.
"P-46-EX"	Southbend Security & Investigative Services, Inc.	962.35	Nature of the service not indicated/specified in the OR.
"P-46-EY"	Southbend Security & Investigative Services, Inc.	7,280.00	Nature of the service not indicated/specified in the OR.
"P-46-EZ"	Atlas Copco (Philippines), Inc.	7,733.76	Nature of the service not indicated/specified in the OR.
"P-46-FA"	U-Bix Corporation	1,632.82	Nature of the service not indicated/specified in the OR.
"P-46-FB"	U-Bix Corporation	698.97	Nature of the service not indicated/specified in the OR.
"P-46-FR"	TGServices, Inc.	5,128.53	Nature of the service not indicated/specified in the OR.
"P-46-FW"	TGServices, Inc.	5,690.69	Nature of the service not indicated/specified in the OR.
"P-46-FY"	TGServices, Inc.	6,310.86	Nature of the service not indicated/specified in the OR.
"P-46-FZ"	TGServices, Inc.	35,596.15	Nature of the service not indicated/specified in the OR.
"P-46-GA"	TGServices, Inc.	3,806.32	Nature of the service not indicated/specified in the OR.

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"P-46-GB"	TGServices, Inc.	7,714.60	Nature of the service not indicated/specified in the OR.
"P-46-GE"	TGServices, Inc.	6,000.00	Nature of the service not indicated/specified in the OR.
"P-46-GF"	SGV & Co.	6,592.32	Nature of the service not indicated/specified in the OR.
"P-46-GH"	TGServices, Inc.	5,284.17	Nature of the service not indicated/specified in the OR.
"P-46-GI"	TGServices, Inc.	3,704.81	Nature of the service not indicated/specified in the OR.
"P-46-GJ"	TGServices, Inc.	4,068.00	Nature of the service not indicated/specified in the OR.
"P-46-GK"	TGServices, Inc.	788.35	Nature of the service not indicated/specified in the OR.
"P-46-GM"	Southbend Security & Investigative Services, Inc.	989.65	Nature of the service not indicated/specified in the OR.
"P-46-GN"	TGServices, Inc.	15,810.72	Nature of the service not indicated/specified in the OR.
"P-46-GO"	TGServices, Inc.	5,152.11	Nature of the service not indicated/specified in the OR.
"P-46-GP"	Microbase, Incorporated	2,115.43	Nature of the service not indicated/specified in the OR.
"P-46-GT"	Manila North Tollways Corp	1,891.58	Nature of the service not indicated/specified in the OR.
"P-46-GU"	TGServices, Inc.	30,648.43	Nature of the service not indicated/specified in the OR.
"P-46-GX"	Southbend Security & Investigative Services, Inc.	7,567.62	Nature of the service not indicated/specified in the OR.
"P-46-HC"	Hospitality International, Inc.	317.85	Nature of the service not indicated/specified in the OR.
"P-46-HD"	Business Process Outsourcing International, Inc.	2,520.00	Nature of the service not indicated/specified in the OR.
"P-46-HE"	Center For Leadership And Change, Inc.	44,793.00	Nature of the service not indicated/specified in the OR.
"P-46-HG"	Powerlink Security And Investigative Services Inc.	1,613.65	Nature of the service not indicated/specified in the OR.
"P-46-HH"	Business Process Outsourcing International, Inc.	2,520.00	Nature of the service not indicated/specified in the OR.
"P-46-HJ"	Sim Computer Sales, Inc.	12,385.72	Incomplete/Incorrect name of petitioner.
"P-46-HR"	Easy Trip Services Corporation	84.00	Nature of the service not indicated/specified in the OR.
"P-46-HS"	Manila North Tollways Corp.	2,356.71	Nature of the service not indicated/specified in the OR.
"P-46-HT"	IC 888 Transits, Inc.	888.96	Nature of the service not indicated/specified in the OR.
"P-46-HV"	MHE-Demag (P) Inc	90,182.08	Nature of the service not indicated/specified in the OR.
"P-46-IB"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-46-IC"	American Technologies, Inc.	35,506.53	Nature of the service not indicated/specified in the OR.
"P-46-ID"	The Law Firm of Quiason Makalintal Barot Torres Ibarra & Sison	55.70	Incorrect TIN of petitioner.
"P-46-IQ"	Southbend Security & Investigative Services, Inc.	182.12	Nature of the service not indicated/specified in the OR.
"P-46-IR"	Southbend Security & Investigative Services, Inc.	1,171.96	Nature of the service not indicated/specified in the OR.
"P-46-IT"	Microbase Incorporated	2,196.43	Nature of the service not indicated/specified in the OR.
"P-46-IU"	Center for Reliability Excellence Laboratories Corporation	5,478.00	Nature of the service not indicated/specified in the OR.

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"P-46-IX"	Switch Industrial Sales Corporation	4,639.29	Nature of the service not indicated/specified in the OR.
"P-53-B"	Globe Telecom, Inc.	214.80	Nature of the service not indicated/specified in the OR.
"P-53-C"	Powerlink Security & Investigate Services, Inc.	527.37	Nature of the service not indicated/specified in the OR.
"P-53-D"	U-BIX Corporation	2,288.97	Nature of the service not indicated/specified in the OR.
"P-53-I"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-53-J"	Solutions Experts and Enablers, Inc.	10,992.74	Nature of the service not indicated/specified in the OR.
"P-53-K"	Solutions Experts and Enablers, Inc.	107.36	Nature of the service not indicated/specified in the OR.
"P-53-O"	ISUZU - B.M. Domingo Motor Sales, Inc.	174.85	Nature of the service not indicated/specified in the OR.
"P-53-R"	Step Asia, Inc.	2,037,259.10	Nature of the service not indicated/specified in the OR.
"P-53-U"	Southbend Security & Investigative Services, Inc.	1,019.74	Nature of the service not indicated/specified in the OR.
"P-53-Y"	People's International Enterprises Company	19,285.71	Nature of the service not indicated/specified in the OR.
"P-53-Z"	Continental Rental & Tours, Inc.	972.00	Nature of the service not indicated/specified in the OR.
"P-53-AE"	TGServices, Inc.	6,000.00	Nature of the service not indicated/specified in the OR.
"P-53-AF"	Southbend Security & Investigative Services, Inc.	1,055.69	Nature of the service not indicated/specified in the OR.
"P-53-AG"	Southbend Security & Investigative Services, Inc.	7,891.17	Nature of the service not indicated/specified in the OR.
"P-53-AL"	WifiCity, Inc.	232.48	Nature of the service not indicated/specified in the OR.
"P-53-AM"	WifiCity, Inc.	754.58	Nature of the service not indicated/specified in the OR.
"P-53-AO"	IC 888 Transits, Inc.	1,478.89	Nature of the service not indicated/specified in the OR.
"P-53-AP"	Southbend Security & Investigative Services, Inc.	993.60	Nature of the service not indicated/specified in the OR.
"P-53-AS"	New Capitol Tire Trading Corp.	1,050.00	Nature of the service not indicated/specified in the OR.
"P-53-AV"	Fire Solutions, Inc.	146,600.34	Nature of the service not indicated/specified in the OR.
"P-53-AX"	Forgems Plus Technologies Corporation	1,339.26	Nature of the service not indicated/specified in the OR.
"P-53-AY"	TGServices, Inc.	6,000.00	Nature of the service not indicated/specified in the OR.
"P-53-AZ"	TGServices, Inc.	788.35	Nature of the service not indicated/specified in the OR.
"P-53-BA"	TGServices, Inc.	4,068.00	Nature of the service not indicated/specified in the OR.
"P-53-BB"	Business Process Outsourcing International	2,520.00	Nature of the service not indicated/specified in the OR.
"P-53-BL"	Fil-Chin Engineering	43,928.57	Nature of the service not indicated/specified in the OR.
"P-53-BU"	TGServices, Inc.	5,518.43	Nature of the service not indicated/specified in the OR.
"P-53-BV"	Easy Trip Services Corporation	84.00	Not dated.
"P-53-BW"	Manila North Tollways Corp.	2,103.54	Nature of the service not indicated/specified in the OR.
"P-53-BX"	Powerlink Security & Investigate Services, Inc.	2,954.22	Nature of the service not indicated/specified in the OR.
"P-53-BY"	TGServices, Inc.		Nature of the service not

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		4,068.00	indicated/specified in the OR.
"P-53-BZ"	TGServices, Inc.	788.35	Nature of the service not indicated/specified in the OR.
"P-53-CA"	Solarnrg Philippines Inc.	14,400.00	Nature of the service not indicated/specified in the OR.
"P-53-CD"	Accent Micro Technologies, Inc.	396.43	Incorrect TIN of petitioner.
"P-53-CE"	TGServices, Inc.	4,527.48	Nature of the service not indicated/specified in the OR.
"P-53-CF"	TGServices, Inc.	6,022.88	Nature of the service not indicated/specified in the OR.
"P-53-CG"	TGServices, Inc.	3,601.69	Nature of the service not indicated/specified in the OR.
"P-53-CH"	TGServices, Inc.	4,857.22	Nature of the service not indicated/specified in the OR.
"P-53-CI"	TGServices, Inc.	3,066.27	Nature of the service not indicated/specified in the OR.
"P-53-CJ"	TGServices, Inc.	3,729.27	Nature of the service not indicated/specified in the OR.
"P-53-CK"	TGServices, Inc.	2,969.67	Nature of the service not indicated/specified in the OR.
"P-53-CL"	TGServices, Inc.	6,348.07	Nature of the service not indicated/specified in the OR.
"P-53-CM"	TGServices, Inc.	2,650.11	Nature of the service not indicated/specified in the OR.
"P-53-CN"	TGServices, Inc.	6,000.00	Nature of the service not indicated/specified in the OR.
"P-53-CO"	TGServices, Inc.	2,129.12	Nature of the service not indicated/specified in the OR.
"P-53-CP"	TGServices, Inc.	28,923.90	Nature of the service not indicated/specified in the OR.
"P-53-CQ"	TGServices, Inc.	24,985.55	Nature of the service not indicated/specified in the OR.
"P-53-CR"	TGServices, Inc.	1,013.86	Nature of the service not indicated/specified in the OR.
"P-53-CS"	TGServices, Inc.	689.66	Nature of the service not indicated/specified in the OR.
"P-53-CT"	TGServices, Inc.	1,600.65	Nature of the service not indicated/specified in the OR.
"P-53-CU"	TGServices, Inc.	36,942.66	Nature of the service not indicated/specified in the OR.
"P-53-CV"	TGServices, Inc.	34,513.39	Nature of the service not indicated/specified in the OR.
"P-53-DC"	Center For Leadership And Change, Inc.	13,680.00	Nature of the service not indicated/specified in the OR.
"P-53-DF"	Indra Philippines, Inc. (For: Soluziona Phils., Inc.)	23,388.30	Nature of the service not indicated/specified in the OR.
"P-53-DG"	SGV & Co.	27,984.00	Nature of the service not indicated/specified in the OR.
"P-53-DK"	Globe Telecom, Inc.	5,431.54	Nature of the service not indicated/specified in the OR.
"P-53-DM"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-53-DO"	Wificity, Inc.	232.48	Nature of the service not indicated/specified in the OR.
"P-53-DP"	Southbend Security & Investigative Services, Inc.	7,513.69	Nature of the service not indicated/specified in the OR.
"P-53-DW"	Microbase, Incorporated	2,116.07	Nature of the service not indicated/specified in the OR.
"P-53-DX"	TGServices, Inc.	37,500.39	Nature of the service not indicated/specified in the OR.
"P-53-EA"	Trends & Technologies, Inc.	56,142.12	Nature of the service not indicated/specified in the OR.

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"P-53-EB"	Fire Solutions, Inc.	84,638.90	Nature of the service not indicated/specified in the OR.
"P-53-EC"	U-Bix Corporation	1,010.58	Nature of the service not indicated/specified in the OR.
"P-53-ED"	Miescor Builders Inc.	113,035.71	Nature of the service not indicated/specified in the OR.
"P-53-EJ"	TGServices, Inc.	3,104.77	Nature of the service not indicated/specified in the OR.
"P-53-EK"	U-Bix Corporation	1,596.65	Nature of the service not indicated/specified in the OR.
"P-53-EO"	Southbend Security & Investigative Services, Inc.	7,549.45	Nature of the service not indicated/specified in the OR.
"P-53-EP"	Southbend Security & Investigative Services, Inc.	1,024.13	Nature of the service not indicated/specified in the OR.
"P-53-EQ"	Southbend Security & Investigative Services, Inc.	7,938.64	Nature of the service not indicated/specified in the OR.
"P-53-ER"	TGServices, Inc.	859.17	Nature of the service not indicated/specified in the OR.
"P-53-ES"	TGServices, Inc.	2,142.53	Nature of the service not indicated/specified in the OR.
"P-53-ET"	Southbend Security & Investigative Services, Inc.	1,070.93	Nature of the service not indicated/specified in the OR.
"P-53-EU"	Business Process Outsourcing International, Inc.	2,520.00	Nature of the service not indicated/specified in the OR.
"P-53-EW"	Hospitality International, Inc.	317.85	Nature of the service not indicated/specified in the OR.
"P-53-FI"	Microbase, Incorporated	2,196.43	Nature of the service not indicated/specified in the OR.
"P-53-FJ"	IC 888 Transits, Inc.	2,657.57	Nature of the service not indicated/specified in the OR.
"P-53-FK"	Solutions Experts And Enablers Inc.	136.70	Nature of the service not indicated/specified in the OR.
"P-53-FL"	Solutions Experts And Enablers Inc.	292.07	Nature of the service not indicated/specified in the OR.
"P-53-FN"	Infopro Business Solutions, Inc.	30,168.00	Nature of the service not indicated/specified in the OR.
"P-53-FO"	TGServices, Inc.	2,848.23	Nature of the service not indicated/specified in the OR.
"P-53-FP"	TGServices, Inc.	781.68	Nature of the service not indicated/specified in the OR.
"P-53-FQ"	TGServices, Inc.	2,989.72	Nature of the service not indicated/specified in the OR.
"P-53-FR"	U-Bix Corporation	905.64	Nature of the service not indicated/specified in the OR.
"P-53-FS"	Southbend Security & Investigative Services, Inc.	8,320.38	Nature of the service not indicated/specified in the OR.
"P-53-FT"	TGServices, Inc.	7,189.11	Nature of the service not indicated/specified in the OR.
"P-53-FU"	TGServices, Inc.	3,495.29	Nature of the service not indicated/specified in the OR.
"P-53-FV"	TGServices, Inc.	2,189.13	Nature of the service not indicated/specified in the OR.
"P-53-FW"	TGServices, Inc.	2,758.60	Nature of the service not indicated/specified in the OR.
"P-53-FZ"	Infopro Business Solutions, Inc.	15,084.00	Nature of the service not indicated/specified in the OR.
"P-53-GB"	Indra Philippines, Inc. (For: Soluziona Phils., Inc.)	23,177.70	Nature of the service not indicated/specified in the OR.
"P-53-GC"	Powerlink Security And Investigative Services Inc.	2,053.45	Nature of the service not indicated/specified in the OR.
"P-53-GD"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.

"P-53-GE"	Globe Telecom, Inc.	3,000.00	Nature of the service not indicated/specified in the OR.
"P-53-GF"	Globe Telecom, Inc.	4,032.00	Nature of the service not indicated/specified in the OR.
"P-53-GG"	Quiason Makalintal Barot Torres Ibarra & Sison Law Firm	11.70	Nature of the service not indicated/specified in the OR.
"P-53-GI"	Eduardo L. Enrile, Jr. (Eden Construction)	11,621.27	Nature of the service not indicated/specified in the OR.
"P-53-GN"	Globe Telecom, Inc.	15,000.00	Nature of the service not indicated/specified in the OR.
"P-53-GO"	Southbend Security & Investigative Services, Inc.	1,003.97	Nature of the service not indicated/specified in the OR.
"P-53-GP"	Southbend Security & Investigative Services, Inc.	7,534.71	Nature of the service not indicated/specified in the OR.
"P-53-GQ"	Fire Solutions, Inc.	18,987.39	Nature of the service not indicated/specified in the OR.
"P-53-GW"	Cejogua Sports Corporation	11,785.68	Nature of the service not indicated/specified in the OR.
"P-53-HA"	Globe Telecom, Inc.	5,464.82	Nature of the service not indicated/specified in the OR.
"P-53-HB"	Powerlink Security And Investigative Services Inc.	518.85	Nature of the service not indicated/specified in the OR.
"P-53-HC"	Globe Telecom, Inc.	205.27	Nature of the service not indicated/specified in the OR.
"P-53-HD"	Premiere Travel And Tours, Inc.	1,740.33	Nature of the service not indicated/specified in the OR.
"P-53-HI"	TGServices, Inc.	5,906.88	Nature of the service not indicated/specified in the OR.
"P-53-HY"	Atlas Copco (Philippines), Inc.	9,175.92	Nature of the service not indicated/specified in the OR.
"P-54-B"	ABS Quality Evaluations, Inc.	33,004.25	Without proof that VAT was actually paid.
"P-54-D/F"	National Fire Protection Association	25,189.87	Without proof that VAT was actually paid.
"P-54-D/F"	Hydroewlectric Corporation	139,816.37	Without proof that VAT was actually paid.
"P-59-A"	Manila North Tollways Corp	2,924.04	Nature of the service not indicated/specified in the OR.
"P-59-B"	Easytrip Services Corporation	84.00	Nature of the service not indicated/specified in the OR.
"P-59-C"	Globe Telecom Inc	5,578.41	Nature of the service not indicated/specified in the OR.
"P-59-D"	Trends & Technologies Inc	17,292.97	Nature of the service not indicated/specified in the OR.
"P-59-I"	Microbase Incorporated	2,116.07	Nature of the service not indicated/specified in the OR.
"P-59-J"	Shellsoft technology corporation	5,804.21	Nature of the service not indicated/specified in the OR.
"P-59-K"	Shellsoft technology corporation	2,321.88	Nature of the service not indicated/specified in the OR.
"P-59-L"	Indra Philippines Inc.	20,007.00	Nature of the service not indicated/specified in the OR.
"P-59-M"	IC888 Transits Inc.	1,890.86	Nature of the service not indicated/specified in the OR.
"P-59-N"	Continental Rental and Tours Inc.	588.00	Nature of the service not indicated/specified in the OR.
"P-59-O"	American Technologies Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-59-P"	Trends & Technologies Inc.	62,277.87	Nature of the service not indicated/specified in the OR.
"P-59-R"	TGServices Inc.	788.35	Nature of the service not indicated/specified in the OR.

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"P-59-S"	TGServices Inc.	4,068.00	Nature of the service not indicated/specified in the OR.
"P-59-T"	TGServices Inc.	6,000.00	Nature of the service not indicated/specified in the OR.
"P-59-U"	TGServices Inc.	1,647.72	Nature of the service not indicated/specified in the OR.
"P-59-V"	TGServices Inc.	4,033.06	Nature of the service not indicated/specified in the OR.
"P-59-W"	TGServices Inc.	1,770.43	Nature of the service not indicated/specified in the OR.
"P-59-Y"	TGServices, Inc.	2,930.61	Nature of the service not indicated/specified in the OR.
"P-59-Z"	TGServices, Inc.	1,622.89	Nature of the service not indicated/specified in the OR.
"P-59-H"	RockwellLandCorporation	2,304.00	Nature of the service not indicated/specified in the OR.
"P-59-AA"	TGServices, Inc.	3,495.29	Nature of the service not indicated/specified in the OR.
"P-59-AB"	TGServices, Inc.	3,408.25	Nature of the service not indicated/specified in the OR.
"P-59-AC"	TGServices, Inc.	6,638.47	Nature of the service not indicated/specified in the OR.
"P-59-AD"	TGServices, Inc.	1,476.57	Nature of the service not indicated/specified in the OR.
"P-59-AE"	TGServices, Inc.	2,972.49	Nature of the service not indicated/specified in the OR.
"P-59-AF"	TGServices, Inc.	2,883.54	Nature of the service not indicated/specified in the OR.
"P-59-AG"	TGServices, Inc.	2,919.02	Nature of the service not indicated/specified in the OR.
"P-59-AJ"	TGServices, Inc.	3,495.29	Nature of the service not indicated/specified in the OR.
"P-59-AK"	TGServices, Inc.	4,068.00	Nature of the service not indicated/specified in the OR.
"P-59-AL"	TGServices, Inc.	788.35	Nature of the service not indicated/specified in the OR.
"P-59-AM"	TGServices, Inc.	7,546.84	Nature of the service not indicated/specified in the OR.
"P-59-AN"	Southbend Security & Investigative Services, Inc.	1,098.71	Nature of the service not indicated/specified in the OR.
"P-59-AO"	Eden Construction	29,053.18	Nature of the service not indicated/specified in the OR.
"P-59-AT"	Baguio Country Club Corporation	1,088.07	Input VAT amount not indicated in the OR.
"P-59-AV"	TGServices, Inc.	33,020.36	Nature of the service not indicated/specified in the OR.
"P-59-AW"	TGServices, Inc.	33,155.85	Nature of the service not indicated/specified in the OR.
"P-59-AX"	Southbend Security & Investigative Services, Inc.	8,008.79	Nature of the service not indicated/specified in the OR.
"P-59-AY"	Manila North Tollways Corp	2,142.64	Nature of the service not indicated/specified in the OR.
"P-59-AZ"	Easytrip Services Corporation	84.00	Nature of the service not indicated/specified in the OR.
"P-59-BD"	Southbend Security & Investigative Services, Inc.	1,019.74	Nature of the service not indicated/specified in the OR.
"P-59-BE"	Lancaster Hotels, Land & Properties, Inc.	733.20	Nature of the service not indicated/specified in the OR.
"P-59-BF"	Center for Reliability Excellence Laboratories Corporation	5,478.00	Nature of the service not indicated/specified in the OR.
"P-59-BG"	Rockwell Hotels and Leisure Management Corp.	855.01	Nature of the service not indicated/specified in the OR.

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"P-59-BH"	Hospitality International Inc	317.85	Nature of the service not indicated/specified in the OR.
"P-59-BJ"	TGServices, Inc.	7,116.51	Nature of the service not indicated/specified in the OR.
"P-59-BK"	TGServices, Inc.	1,403.18	Nature of the service not indicated/specified in the OR.
"P-59-BL"	Business Process Outsourcing International, Inc.	2,520.00	Nature of the service not indicated/specified in the OR.
"P-59-BM"	Hospitality International Inc.	635.70	Nature of the service not indicated/specified in the OR.
"P-59-BO"	MHE-Demag(P),Inc.	90,182.08	Nature of the service not indicated/specified in the OR.
"P-59-BU"	Trends & Technologies, Inc.	126.32	Nature of the service not indicated/specified in the OR.
"P-59-BV"	Trends & Technologies, Inc.	252.64	Nature of the service not indicated/specified in the OR.
"P-59-BW"	SkyCable Corporation	3,503.37	Nature of the service not indicated/specified in the OR.
"P-59-BZ"	Southbend Security & Investigative Services, Inc.	7,636.72	Nature of the service not indicated/specified in the OR.
"P-59-CA"	Shellsoft Technology Corporation	39,882.00	Nature of the service not indicated/specified in the OR.
"P-59-CB"	TGServices, Inc.	2,733.56	Nature of the service not indicated/specified in the OR.
"P-59-CC"	TGServices, Inc.	3,083.63	Nature of the service not indicated/specified in the OR.
"P-59-CD"	TGServices, Inc.	33,713.21	Nature of the service not indicated/specified in the OR.
"P-59-CE"	Globe Telecom, Inc.	5,279.97	Nature of the service not indicated/specified in the OR.
"P-59-CF"	Globe Telecom, Inc.	136.41	Nature of the service not indicated/specified in the OR.
"P-59-CG"	Globe Telecom, Inc.	3,000.00	Nature of the service not indicated/specified in the OR.
"P-59-CH"	Globe Telecom, Inc.	4,032.00	Nature of the service not indicated/specified in the OR.
"P-59-CI"	TGServices, Inc.	8,159.39	Nature of the service not indicated/specified in the OR.
"P-59-CJ"	TGServices, Inc.	36,602.19	Nature of the service not indicated/specified in the OR.
"P-59-CK"	Southbend Security & Investigative Services, Inc.	1,001.38	Nature of the service not indicated/specified in the OR.
"P-59-CL"	Southbend Security & Investigative Services, Inc.	7,450.21	Nature of the service not indicated/specified in the OR.
"P-59-CM"	Rockwell Hotels and Leisure Management Corp.	196.50	Nature of the service not indicated/specified in the OR.
"P-59-CN"	Kontraktwerke, Inc.	9,786.24	Nature of the service not indicated/specified in the OR.
"P-59-CP"	U-Bix Corporation	1,515.83	Nature of the service not indicated/specified in the OR.
"P-59-CQ"	Fire Solutions, Inc.	7,125.00	Nature of the service not indicated/specified in the OR.
"P-59-DF"	TGServices, Inc.	2,903.09	Nature of the service not indicated/specified in the OR.
"P-59-DG"	TGServices, Inc.	6,000.00	Nature of the service not indicated/specified in the OR.
"P-59-DH"	TGServices, Inc.	2,777.60	Nature of the service not indicated/specified in the OR.
"P-59-DI"	Manila Execon Group, Inc.	3,750.00	Nature of the service not indicated/specified in the OR.
"P-59-DJ"	Cuervo Appraisers Inc.	6,085.71	Nature of the service not indicated/specified in the OR.

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"P-59-DK"	TGServices, Inc.	7,641.47	Nature of the service not indicated/specified in the OR.
"P-59-DL"	TGServices, Inc.	1,550.88	Nature of the service not indicated/specified in the OR.
"P-59-DM"	Southbend Security & Investigative Services, Inc.	998.78	Nature of the service not indicated/specified in the OR.
"P-59-DN"	TGServices, Inc.	7,166.04	Nature of the service not indicated/specified in the OR.
"P-59-DO"	Southbend Security & Investigative Services, Inc.	7,390.66	Nature of the service not indicated/specified in the OR.
"P-59-DP"	TGServices, Inc.	32,017.16	Nature of the service not indicated/specified in the OR.
"P-59-DU"	GG & G Distributors Inc.	1,918.99	Nature of the service not indicated/specified in the OR.
"P-59-DY"	Business Process Outsourcing International, Inc.	2,520.00	Nature of the service not indicated/specified in the OR.
"P-59-DZ"	Business Process Outsourcing International, Inc.	1,260.00	Nature of the service not indicated/specified in the OR.
"P-59-EP"	GlobeTelecom, Inc.	5,108.71	Nature of the service not indicated/specified in the OR.
"P-59-ET"	Hospitality International, Inc.	1,589.24	Nature of the service not indicated/specified in the OR.
"P-59-EV"	American Technologies, Inc.	10,107.14	Nature of the service not indicated/specified in the OR.
"P-59-EW"	Microbase, Incorporated	2,357.14	Nature of the service not indicated/specified in the OR.
"P-59-EX"	SkyCable Corporation	321.41	Nature of the service not indicated/specified in the OR.
"P-59-EY"	Manila North Tollways Corp	2,363.25	Nature of the service not indicated/specified in the OR.
"P-59-EZ"	Easytrip Services Corporation	84.00	Nature of the service not indicated/specified in the OR.
"P-59-FB"	SGV & Co.	19,800.00	Nature of the service not indicated/specified in the OR.
"P-59-FC"	Inspire Leadership Consultancy Inc.	10,800.00	Nature of the service not indicated/specified in the OR.
"P-59-FG"	Infopro Business Solutions, Inc.	15,084.00	Nature of the service not indicated/specified in the OR.
"P-59-FT"	Royal Cargo, Inc.	1,095.54	Nature of the service not indicated/specified in the OR.
"P-59-FU"	Southbend Security & Investigative Services, Inc.	1,083.57	Nature of the service not indicated/specified in the OR.
"P-59-FV"	Southbend Security & Investigative Services, Inc.	8,007.57	Nature of the service not indicated/specified in the OR.
"P-59-FW"	TGServices, Inc.	3,151.77	Nature of the service not indicated/specified in the OR.
"P-59-FX"	TGServices, Inc.	4,308.67	Nature of the service not indicated/specified in the OR.
"P-59-FY"	TGServices, Inc.	1,476.72	Nature of the service not indicated/specified in the OR.
"P-59-FZ"	Roya lCargo, Inc.	1,800.00	Nature of the service not indicated/specified in the OR.
"P-59-GA"	TGServices, Inc.	6,611.31	Nature of the service not indicated/specified in the OR.
"P-59-GB"	TGServices, Inc.	602.90	Nature of the service not indicated/specified in the OR.
"P-59-GC"	TGServices, Inc.	252.15	Nature of the service not indicated/specified in the OR.
"P-59-GD"	TGServices, Inc.	32,710.83	Nature of the service not indicated/specified in the OR.
"P-59-GE"	Fire Solutions, Inc.	75,864.67	Nature of the service not indicated/specified in the OR.

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"P-59-GY"	Donpin Corporation	1,221,616.53	Nature of the service not indicated/specified in the OR.
"P-59-HA"	The Mercantile Insurance Co., Inc.	180.57	Nature of the service not indicated/specified in the OR.
"P-59-HB"	Continental Rental & Tours Inc.	1,891.20	Nature of the service not indicated/specified in the OR.
"P-59-HC"	TGServices, Inc.	12,261.67	Nature of the service not indicated/specified in the OR.
"P-59-HD"	Infopro Business Solutions, Inc.	49,050.00	Nature of the service not indicated/specified in the OR.
"P-59-HF"	SGV & Co.	13,200.00	Nature of the service not indicated/specified in the OR.
"P-59-HG"	Infopro Business Solutions, Inc.	15,084.00	Nature of the service not indicated/specified in the OR.
"P-73-A"	Trends & Technologies, Inc.	3,548.79	Nature of the service not indicated/specified in the OR.
"P-73-D"	Alstom Philippines Inc.	5,357.14	Nature of the service not indicated/specified in the OR.
"P-74-A"	Shellsoft technology corporation	1,633.93	Nature of the service not indicated/specified in the OR.
"P-76-C"	First Gen Energy Solutions, Inc.	31,510.48	Supported by unreadable document.
"P-80-L"	Asia Envirocon, Inc.	4,426.98	Nature of the service not indicated/specified in the OR.
"P-80-O"	Anaki Systems Sales	8,571.42	Purchase of services supported by document other than VAT OR.
"P-80-AD"	Klassik Motor Cars International Trading Corp.	15,000.00	Supported by unreadable document.
"P-80-AI"	Evolander Motor Corporation	15,000.00	Nature of the service not indicated/specified in the OR.
"P-80-AO"	247 Super Signs	7,315.72	Nature of the service not indicated/specified in the OR.
"P-80-AQ"	Trends & Technologies, Inc.	15,235.02	Nature of the service not indicated/specified in the OR.
"P-80-AT"	American Technologies Inc.	5,507.16	Nature of the service not indicated/specified in the OR.
"P-80-AU"	American Technologies Inc.	49,564.27	Purchase of services supported by document other than VAT OR.
"P-80-BA"	Solutions Experts and Enablers, Inc.	7,629.72	Nature of the service not indicated/specified in the OR.
"P-80-BE"	Solutions Experts and Enablers, Inc.	1,500.64	Nature of the service not indicated/specified in the OR.
"P-80-BF"	Solutions Experts and Enablers Inc.	750.30	Nature of the service not indicated/specified in the OR.
"P-80-BG"	Solutions Experts and Enablers, Inc.	3,001.26	Nature of the service not indicated/specified in the OR.
"P-80-BH"	Solutions Experts and Enablers, Inc.	1,500.64	Nature of the service not indicated/specified in the OR.
"P-80-BI"	Solutions Experts and Enablers, Inc.	750.30	Nature of the service not indicated/specified in the OR.
"P-80-BP"	Trends & Technologies, Inc.	11,714.28	Nature of the service not indicated/specified in the OR.
"P-80-BR"	SAP Philippines, Inc.	32,913.00	Nature of the service not indicated/specified in the OR.
"P-80-BV"	PHP Philippines Hydro Project, Inc.	19,248.36	Incorrect TIN of petitioner.
	TOTAL	P9,001,583.31	

Based on the foregoing, petitioner's input VAT directly attributable to its zero-rated sales which are duly substantiated by proper documents amounted only to ₱5,572,356.19, as computed below: *jr*

Input VAT claimed for Refund		₱ 15,950,720.98
Less: Disallowances		
Per ICPA Report	₱ 1,376,781.48	
Per this Court's further verification	9,001,583.31	10,378,364.79
Substantiated Input VAT attributable to zero-rated sales		₱ 5,572,356.19

It must be noted that, as represented by the petitioner's management, the allocation of input tax from its purchases is not applicable since the input tax from purchases directly attributable to zero-rated sales as well as to vatable sales can be clearly identified. Hence, it has no input tax from purchases that cannot be directly and entirely attributable to either its zero-rated sales or sales subject to 12% VAT.⁶³

Thus, for purposes of, and with regard to petitioner's compliance with, the *eighth* requisite, only the amount of ₱5,572,356.19, represents valid input VAT attributable to zero-rated or effectively zero-rated sales.

Petitioner has no excess input VAT available for refund

Having determined that petitioner had valid input VAT which are attributable to its zero-rated sales, this Court shall now determine whether petitioner has excess input VAT attributable to zero-rated sales which was not applied against its output VAT liability.

A perusal of petitioner's Quarterly VAT returns for the four (4) quarters of CY 2016 shows that petitioner had total output VAT liability of ₱36,600,336.13, to wit:

Exhibit	CY 2016	Output VAT
"P-11"	1 st Quarter	₱ 196,104.07
"P-13"	2 nd Quarter	12,311,857.43
"P-15"	3 rd Quarter	10,611,351.68
"P-16"	4 th Quarter	13,481,022.95
	TOTAL	₱36,600,336.13

Since, petitioner was not able to present evidence to support its alleged input VAT directly attributable to its VATable sales in the *re*

⁶³ Exhibit "P-87", Docket – Vol. I, pp. 314 and 350.

amount of ₱17,910,468.35, as well as the input tax carried over from previous period as of the beginning of CY 2016 in the amount of ₱89,456,685.37,⁶⁴ the same cannot be validly applied against petitioner's output VAT, pursuant to Section 110(A) in relation to Section 110(B) of the NIRC of 1997, as amended, which respectively states:

"SEC. 110. *Tax Credits.* —

(A) *Creditable Input Tax.* —

(1) Any input tax evidenced by a VAT invoice or official receipt issued in accordance with Section 113 hereof on the following transactions shall be creditable against the output tax:

xxx

xxx

xxx

(B) *Excess Output or Input Tax.* — If at the end of any taxable quarter the output tax exceeds the input tax, the excess shall be paid by the VAT-registered person. If the input tax exceeds the output tax, the excess shall be carried over to the succeeding quarter or quarters: xxx."⁶⁵
(*Emphasis added*)

As such, petitioner's substantiated input VAT attributable to zero-rated sales in the amount of ₱5,572,356.19 shall be applied against its output VAT liability amounting to ₱36,600,336.13. Consequently, petitioner still has net output VAT still due of ₱31,027,979.94, computed as follows:

Output VAT	₱ 36,600,336.13
Less: Substantiated input VAT attributable to zero-rated sales	5,572,356.19
Net output VAT still due	₱ 31,027,979.94

It is worthy to stress that in claiming excess or unutilized input VAT from zero-rated transactions, it is the excess input tax over the output tax which should be refunded to the taxpayer or credited against other internal revenue taxes. Hence, it is important for the taxpayer to prove that it has enough prior year's excess input tax credits to cover its output tax liability for the current taxable year. *Je*

⁶⁴ Exhibit "P-11", Line 20A.

⁶⁵ As amended by RA 9361 (AN ACT AMENDING SECTION 110(B) OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED, AND FOR OTHER PURPOSES)

To reiterate, in cases filed before this Court, which are litigated *de novo*, party-litigants must prove every minute aspect of their case.⁶⁶

Consequently, there being no excess input VAT which may be the subject of a claim for refund or tax credit certificate, the present claim must be denied.

It is the taxpayer-claimant that has the burden of proof to establish the factual basis of his or her claim for tax credit or refund.⁶⁷ Tax refunds are in the nature of tax exemptions. As such, they are regarded as in derogation of sovereign authority and to be construed *strictissimi juris* against the person or entity claiming the refund.⁶⁸ Thus, an applicant for a claim for tax refund or tax credit must not only prove entitlement to the claim but also compliance with all the documentary and evidentiary requirements.⁶⁹ Strict adherence to the conditions prescribed by law is required of the taxpayer.⁷⁰

In sum, in this case, there is no showing: (1) that the administrative claim of petitioner should not have been denied by respondent; and (2) that petitioner fully complied with the requisites to successfully obtain a credit/refund of input VAT. Simply put, petitioner failed to sufficiently prove its entitlement to a refund of its input VAT for the four (4) quarters of CY 2016. Such being the case, the present claim for refund must perforce be denied.

WHEREFORE, the present *Petition for Review* is **DENIED** for lack of merit.

SO ORDERED. *je*

⁶⁶ *Edison (Bataan) Cogeneration Corporation vs. Commissioner of Internal Revenue, etseq.*, G.R. Nos. 201665 and 201668, August 30, 2017; *Commissioner of Internal Revenue vs. Philippine National Bank*, G.R. No. 180290, September 29, 2014; *Commissioner of Internal Revenue vs. United Salvage and Towage (Phils.), Inc.*, G.R. No. 197515, July 2, 2014; *Dizon vs. Court of Tax Appeals, et al.*, G.R. No. 140944, April 30, 2008; *Atlas Consolidated Mining and Development Corporation vs. Commissioner of Internal Revenue*, G.R. No. 145526, March 16, 2007; and *Commissioner of Internal Revenue vs. Manila Mining Corporation*, G.R. No. 153204, August 31, 2005.

⁶⁷ *Citibank N.A. vs. Court of Appeals and Commissioner of Internal Revenue*, G.R. No. 107434, October 10, 1997.

⁶⁸ *Commissioner of Internal Revenue v. S.C. Johnson and Son, Inc., et al.*, G.R. No. 127105, June 25, 1999.

⁶⁹ *Eastern Telecommunications Philippines, Inc. vs. Commissioner of Internal Revenue*, G.R. No. 183531, March 25, 2015, citing *J.R.A. Philippines, Inc. vs. CIR*, G.R. No. 171307, August 28, 2013.

⁷⁰ *Steag State Power, Inc. (Formerly State Power Development Corporation) vs. Commissioner of Internal Revenue*, G.R. No. 205282, January 14, 2019.

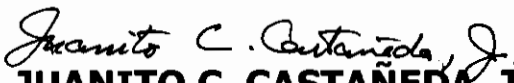

JUANITO C. CASTAÑEDA, JR.
Associate Justice

I CONCUR:


JEAN MARIE A. BACORRO-VILLENA
Associate Justice

ATTESTATION

I attest 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's Division.


JUANITO C. CASTAÑEDA, JR.
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, and the Division Chairperson's Attestation, 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.


ROMAN G. DEL ROSARIO
Presiding Justice