REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

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DA-REGION O2 MULTI PURPOSE COOPERATIVE,
Petitioner,

C.T.A. CASE NO. 6781

Members:

- versus -

ACOSTA, *Chairman*
BAUTISTA, and
CASANOVA, *JJ.*

COMMISSIONER OF INTERNAL REVENUE and Virginia P. Tomas OIC REGIONAL DIRECTOR BIR REGION 2,
Respondents.

Promulgated:

JUN 29 2005
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DECISION

BAUTISTA, L., J.:

This is a Petition for Review questioning the validity of the Final Decision on Disputed Assessment issued by respondent Virginia P. Tomas, OIC-Regional Director, BIR Region 2, on petitioner's protest against deficiency value-added tax liability for its canteen and catering sales/services as well as deficiency withholding taxes on compensation and professional fees in the aggregate amount of **THREE MILLION THREE HUNDRED FIFTY THOUSAND EIGHT HUNDRED SEVENTY TWO AND 80/100 PESOS (P3,350,872.80)** including interest and surcharges for the taxable year 1999.

The undisputed facts are as follows:

Petitioner, DA-Region 02 Multipurpose Cooperative, Inc., is a duly registered cooperative with the Cooperative Development Authority, exclusive to the officials and employees of the Department of Agriculture Region 2, Tuguegarao City, Cagayan (*par. 1, Joint Stipulations of Facts and Issues*). It was formerly registered as the Ministry of Agriculture Region 02 Credit Cooperation, Inc. under the Cooperative Development Authority Certificate of Registration No. R-II-FF-15 dated August 27, 1981 and confirmed under CDA Confirmation Number 1549 issued on September 30, 1991. On August 8, 1989, the Bureau of Internal Revenue registered petitioner as a non-vat taxpayer, as evidenced by Non-Vat Registration Certificate No. NV-2-9-001148 (*par. 4, Joint Stipulations of Facts and Issues*).

On November 5, 1992, the Cooperative Development Authority issued a Certificate of Registration of the Amendments to the Articles of Cooperation and By- Laws duly registering the amended name of the cooperative to read now as the Department of Agriculture Region 02 Multi Purpose Cooperative, Inc. *(p. 174, BIR Records).*

In a letter dated July 10, 2000, the Bureau of Internal Revenue's Revenue District Officer of RDO No. 13, requested from petitioner its Information/Income Tax Return of Exempt Organization/Annual Income Tax Return covering the taxable year ending December 31, 1999 (*par. 3, Joint Stipulations of Facts and Issues*).

On March 17, 2003, petitioner received a Notice for an Informal Conference from the office of respondent Regional Director Virginia P. Tomas. Thereafter, a Preliminary Assessment Notice dated March 28, 2003 *(p. 107, BIR Records*) was issued against petitioner in the amount of P3,334,750.00 representing deficiency tax liabilities on petitioner's (a) failure to remit withholding tax on compensation; (b) failure to withhold and remit expanded withholding tax; and (c) failure to file VAT returns and pay VAT due *(par. 5, Joint Stipulations of Facts and Issues)* with breakdown as follows:

Deficiency Withholding Tax on Compensation

Withholding Tax Per Audit		P 122,501.96
Add:	25% Surcharge	30,625.49
	20% Interest from 1-27-000 to 3-28-03	77,584.57
TOTAL		**P 230,712.02**

18

Deficiency Withholding Tax – Expanded

Professional Fees Paid		P 29,815.15
10% Withholding Tax Per Audit		P 2,981.52
Add:	25% Surcharge	745.38
	20% Interest from 1-27-00 to 3-28-03	1,888.30
TOTAL		**P 5,615.20**

Deficiency VAT – 1st Quarter

Gross Receipts		P4,080,856.86
Multiply by		10%
Output Tax		P 408,085.68
Add:	25% Surcharge	102,021.42
	20% Interest from 4-21-99 to 3-28-03	319,667.12
TOTAL		**P 829,774.22**

Deficiency VAT – 2nd Quarter

Gross Receipts		P3,771,748.53
Multiply by		10%
Output Tax		P 377,174.85
Add:	25% Surcharge	94,293.71
	20% Interest from 7-21-99 to 3-28-03	276,594.89
TOTAL		**P 748,063.45**

Deficiency VAT – 3rd Quarter

Gross Receipts		P4,148,933.37
Multiply by		10%
Output Tax		P 414,893.33
Add:	25% Surcharge	103,723.33
	20% Interest from 10-21-99 to 3-28-03	283,510.44
TOTAL		**P 802,127.10**

Deficiency VAT – 4th Quarter

Gross Receipts		P3,814,821.36
Multiply by		10%
Output Tax		P 381,482.13
Add:	25% Surcharge	95,370.53
	20% Interest from 1-21-00 to 3-28-03	241,605.35
TOTAL		**P 718,458.01**

(BIR Records, pp. 105-107)

Likewise in the said notice, respondent Regional Director Virginia P. Tomas suggested that in lieu of legal action for violation of the provisions of Revenue Regulations 2-98 and Section 57, 84 and 114A of the National Internal Revenue Code of 1997, petitioner pay the amount of P81,000.00 representing compromise penalties, detailed as follows:

Failure to remit Withholding Tax - Compensation	P	16,000.00
Failure to withhold and remit Withholding Tax - Expanded		1,000.00
Failure to file VAT return and pay VAT due		64,000.00
TOTAL	P	81,000.00

Subsequently, respondent issued Formal Assessment Notices and a covering letter, all dated April 14, 2003 (*BIR Records, pp. 108-110*), demanding for the payment of petitioner's alleged deficiency tax liabilities for taxable year 1999 but this time in the aggregate amount of P3,350,872.80 due to the re-computation of the 20% deficiency interest until April 14, 2003, detailed hereunder:

<u>Deficiency Withholding Tax on Compensation</u>

Withholding Tax Per Audit		P 122,501.96
Add:	25% Surcharge	30,625.49
	20% Interest from 1-27-000 to 4-14-03	78,741.53
TOTAL		P 231,868.98

<u>Deficiency Withholding Tax – Expanded</u>

Professional Fees Paid		P 29,815.15
10% Withholding Tax Per Audit		P 2,981.52
Add:	25% Surcharge	745.38
	20% Interest from 1-27-00 to 4-14-03	1,916.46
TOTAL		P 5,643.36

<u>Deficiency VAT – 1st Quarter</u>

Gross Receipts		P4,080,856.86
Multiply by		10%
Output Tax		P 408,085.68
Add:	25% Surcharge	102,021.42
	20% Interest from 4-21-99 to 4-14-03	323,521.26
TOTAL		P 833,628.36

<u>Deficiency VAT – 2nd Quarter</u>

Gross Receipts		P3,771,748.53
Multiply by		10%
Output Tax		P 377,174.85
Add:	25% Surcharge	94,293.71
	20% Interest from 7-21-99 to 4-14-03	280,157.10
TOTAL		P 751,625.66

<u>Deficiency VAT – 3rd Quarter</u>

Gross Receipts		P4,148,933.37
Multiply by		10%
Output Tax		P 414,893.33
Add:	25% Surcharge	103,723.33
	20% Interest from 10-21-99 to 4-14-03	287,428.88

182

TOTAL	**P 806,045.54**

Deficiency VAT – 4th Quarter

Gross Receipts		P3,814,821.36
Multiply by		10%
Output Tax		P 381,482.13
Add:	25% Surcharge	95,370.53
	20% Interest from 1-21-00 to 4-14-03	245,208.24
TOTAL		**P 722,060.90**

The suggested compromise penalties in the sum of P81,000.00 was likewise reiterated.

On April 29, 2003, petitioner filed its Motion for Reconsideration/Reinvestigation with to the OIC-Regional Director of the Bureau of Internal Revenue's (BIR) Revenue Region No. 3, Ms. Virginia P. Tomas, seeking therein a favorable response with regard to its alleged deficiency value-added tax liabilities and in effect to declare petitioner a VAT-Exempt cooperative. In the same motion, petitioner admitted to its failure to deduct the correct withholding taxes from the compensation income of its employees as well as the professional fees paid. However, it requested for a re-computation of the correct amount due as deficiency withholding taxes to be based on the cash disbursement voucher receipt and other documents submitted in support of its claim.

On August 25, 2003, petitioner received a copy of the Final Decision on Disputed Assessment issued by Ms. Virginia P. Tomas, OIC-Regional Director of the BIR's Revenue Region No. 3, denying its Motion for Reconsideration/Reinvestigation, and ordering petitioner to remit the amount of P3,350,872.80 as deficiency taxes (*Annex "A", Petition for Review*).

Hence, this petition.

On November 28, 2003, respondent Commissioner of Internal Revenue filed his Answer raising the following as his Special and Affirmative Defenses:

> 6. The mere fact that petitioner is an agricultural cooperative does not exempt it from the Value-Added Tax system. Section 109 (r) exempts only "sales by agricultural cooperatives duly registered

183

with the Cooperative Development Authority to their members as well as sales of their produce, whether in its original or processed form, to non-members". It is thus clear that the law did not give an absolute exemption to agricultural cooperatives from VAT.

7. Petitioner itself admitted that it is into canteen and catering services. These are not sales by agricultural cooperatives to their members as contemplated by law.

8. Nonetheless, assuming *in gratia arguenti* that these kinds of sales are within the ambit of exempt transactions, the records of the BIR will show that petitioner has failed, and continuously fails, to provide that the sales of their canteen and catering services were made exclusively to their members.

9. Respondent did not err in the interpretation of Section 109 (u) of R.A. 7716. As the party claiming an exemption, it is incumbent upon herein petitioner to show that it has complied with the requisites laid down by law. This, the petitioner failed to do. Surely, exemption will not lie on the basis of mere chants of exemption mantra. Clear and convincing proof must be presented to justify exemption, especially one that is transaction based.

10. Section 109 (u) of R.A. 7716 clearly refers to sales of non-agricultural, non-electric and non-credit cooperatives. Since admittedly petitioner is an agricultural cooperative as registered, it must comply with the requisites laid down by Section 109 (r) of the same law. The citing of Section 109 (u) in the assessment notice is merely to highlight the inavailability (sic) even of the said provision to petitioner.

11. BIR Ruling 34-01 did not go beyond what is in Section 109(u). It merely implemented what is in R.A. 7716. Absent clear and convincing proof that the ruling went beyond the provisions of the law, the presumption of regularity and legality of the ruling of the administrative body must not be disturbed. Moreover, grave abuse of discretion is not lightly to be inferred. It must be shown by clear and convincing evidence.

12. Questions on the applicability of VAT on Cooperatives otherwise not exempted under Section 109 have already been settled and laid to rest in Tolentino vs. Secretary of Finance (G.R. No. 115455, 25 August 1995). The passing of the EVAT law, a latter statute, amended the provisions of the Cooperative Development Act. Otherwise, the list of exemptions under Section 109 of R.A. 7716 will be a moot provision. It is rather surprising how petitioner can conveniently invoke Section 109 as basis for its exemption, and moot it at the same breath. Under certain conditions, one cannot have his cake and eat it too.

13. As a withholding agent, the petitioner failed to exercise its duty under the law of deducting correct withholding taxes. Indubitably, it is not the duty of the petitioner, at this latter stage, to argue for

the personal exemptions of its employees. The exemptions being of personal nature, they can only be invoked by those who are entitled to it.

14. The assessments were issued in accordance with law and regulations.

15. All presumptions are in favor of the correctness of the tax assessment.

Upon the submission by both parties of their respective memorandum, this case was submitted for decision on March 9, 2005.

The lone issue agreeably stipulated by both parties is **"Whether or not petitioner's canteen and catering revenues are subject to VAT under the provisions of Section 109 par u."**

It may be that the parties only stipulated on the sole issue of VAT liability of petitioner. Nonetheless, it cannot be denied that petitioner came to this Court questioning the Final Decision on Disputed Assessment which also covers the deficiency assessments on withholding tax on compensation and expanded withholding tax.[1] As prayed for, We will tackle the issues of whether petitioner is exempt from expanded withholding tax and whether the assessment on withholding tax on compensation is proper.

Anent the assessment for deficiency withholding tax on compensation in the amount of P231,868.98, petitioner does not dispute the same but rather insists that the computation arrived at by respondents failed to consider the personal exemptions of its employees in the amount of P794,000.00. However, petitioner avers that the issue on the deficiency withholding tax on compensation has now become moot considering that on March 1, 2004, petitioner paid the Basic Withholding Tax on Compensation Income of its employees.

This Court finds petitioner to have actually paid the assessment for deficiency ***basic*** withholding tax on compensation in the amount of P122,501.96 as evidenced by the copies of the machine validated BIR Tax Payment Deposit Slip and BIR Payment Form No. 0605

[1] Records, page 12

dated March 1, 2004 (*pages 139-140, Records*), which fact was categorically admitted by respondent in his Memorandum dated October 19, 2004. Nevertheless, pursuant to Sections 248(3) and 249(B) and (C) of the NIRC of 1997, petitioner is still liable to pay the deficiency increments, *i.e.,* 25% surcharge, 20% deficiency and delinquency interests in the amount of P126,805.82, broken down as follows:

Deficiency Increments	
25% Surcharge	P 30,625.49
20% Deficiency Interest from 1-27-00 to 4-14-03	78,741.53
20% Delinquency Interest from 5-15-03 to 03-1-04	17,438.80
	P 126,805.82

As to the deficiency expanded withholding tax in the amount of P5,643.36, respondent maintains that petitioner failed to withhold and remit the 10% expanded withholding tax due on its payment of professional/legal fees in the amount of P9,815.50 and audit fees in the amount of P20,000.00 totaling P29,815.50 in violation of Sections 57 and 58 of the National Internal Revenue Code of 1997 as implemented by Revenue Regulations No. 2-98.

Petitioner concurs with the respondents on this matter. In paragraph 3.h of the parties' Joint Stipulation of Facts,[2] petitioner admitted that:

> h.) Withholding tax expanded on its income payments (Professional Fees) of P29,815.15 was not withheld in violation of Section 57 of the same code as implemented by Revenue Regulations 2-98.

Section 2.57.2 of Revenue Regulations No. 2-98 which prescribes the withholding of 10% creditable tax on payments of professional fees reads as follows:

> ***Sec. 2.57.2 Income payment subject to creditable withholding tax and rates prescribed thereon*** – Except as herein otherwise provided, there shall be withheld a creditable income tax at the rates herein specified for each class of payee from the following items of income payments to persons residing in the Philippines:
>
> **(A) Professional fees, talent fees, etc., for services rendered by individuals**
> On the gross professional, promotional and talent fees or any other form of remuneration for the services of the following individuals – Ten

[2] Records, page 111

186

percent (10%);

(1) Those individually engaged in the practice of professions or callings: **lawyers**; **certified public accountants**; doctors of medicine; architects; civil, electrical, chemical, mechanical, structural, industrial, mining, sanitary, metallurgical and geodetic engineers; marine surveyors; doctors of veterinary science; dentist; professional appraisers; connoisseurs of tobacco; actuaries; and interior decorators. *(Emphasis supplied).*

Evidently from the foregoing, the legal and audit fees paid by petitioner in the total amount of P29,815.50 for taxable year 1999 should have been subjected to 10% withholding tax. Thus, petitioner is liable to pay for the deficiency expanded withholding tax in the amount of P5,643.36 computed as follows:

Professional Fees Paid	P 29,815.15
10% Withholding Tax Per Audit	P 2,981.52
Add: 25% Surcharge	745.38
20% Interest from 1-27-00 to 4-14-03	1,916.46
TOTAL	**P 5,643.36**

We now proceed to the sole stipulated issue which is purely legal.

It is petitioner's contention that the provision of Section 109 (u) of the 1997 National Internal Revenue Code, made as a basis by respondents in assessing it of the deficiency value-added taxes, does not apply to petitioner. Petitioner rationalizes that when the law used the word "each" in the said provision, it meant that for "a non-agricultural, non-electric and non-credit cooperative to be made liable for the payment of the value-added tax, the share capital of all the members must exceed P15,000.00."

Petitioner further argues that when it was assessed of deficiency value-added tax for the taxable year 1999, there were yet no rules and regulations implementing Sections 61 and 62 of the Cooperative Code of the Philippines in relation to R.A. Nos. 7716, 8241 and 8424 since Revenue Regulations No. 20-2001 was only issued on November 12, 2001.

As an agricultural cooperative, petitioner avers that it is VAT-exempt relying mainly on the provision of Section 109 (r) of the 1997 National Internal Revenue Code. Although it admittedly maintains a canteen and catering service, it accommodates solely and exclusively to its members and does not in any way transact business with non-members or the public.

Moreso, petitioner claims that the products and items sold through its canteen and catering services are all in its "processed form of agriculture produce."

On the other hand, respondents submit that the canteen and catering services rendered by petitioner in the taxable year 1999 are not the "sales by agricultural cooperatives" as contemplated by law. Canteen and catering services are non-agricultural sales considering that the cooperative members of the DA-Region 02 are not agricultural workers. Respondents posit that the appendage of the word "agriculture" in the place of employment of the cooperative members does not make them agriculture workers. Consequently, Section 109 (r) of the 1997 National Internal Revenue Code exempts only "sales by agricultural cooperatives duly registered by the Cooperative Development Authority to their members x x x". And as petitioner's records would reveal that the it is an agricultural cooperative by name only, its failure to present evidence to prove that the goods being sold in the canteen and in the catering services are agricultural produce of the members of the cooperative, it may well be said that the revenues derived from the same are not agricultural sales by petitioner.

Generally, a cooperative is exempt from the payment of the value-added tax pursuant to the provisions of Section 109 (r), (s), (t) and (u) of the 1997 National Internal Revenue Code, which provide that:

> (r) Sales by agricultural cooperatives duly registered with the Cooperative Development Authority to their members as well as sale of their produce, whether in its original state or processed form, to non-members; their importation of direct farm inputs, machineries and equipment, including spare parts thereof, to be used directly and exclusively in the production and/or processing of their produce;
>
> (s) Sales by electric cooperatives duly registered with the Cooperative Development Authority or National Electrification Administration, relative to the generation and distribution of electricity as well as their importation of machineries and equipment, including spare parts, which shall be directly used in the generation and distribution of electricity;
>
> (t) Gross receipts from lending activities by credit or multi-purpose cooperatives duly registered with the Cooperative Development Authority whose lending operation is limited to their members;

> (u) Sales by non-agricultural, non-electric and non-credit cooperative duly registered with the Cooperative Development Authority: *Provided,* That the share capital contribution of each member does not exceed Fifteen Thousand Pesos (P15,000.00) and regardless of the aggregate capital and net surplus ratably distributed among the members.

It has been openly and plainly admitted by the petitioner that there are members of its cooperative who exceed the fifteen thousand pesos (P15,000.00) share capitalization.[3] Thus, the exemptory provision of Section 109 (u) of the 1997 National Revenue Code states that: "Sales by non-agricultural, non-electric, non-credit cooperatives duly registered with the Cooperative Development Authority: **Provided, that the share capital contribution of each member does not exceed Fifteen thousand Pesos (P15,000.00)** and regardless of the aggregate and net surplus ratably distributed among the members" does not apply to it.

This Court agrees.

Based on the facts and records of this case, it is clear that petitioner is an agricultural multi-purpose cooperative duly registered with the Cooperative Development Authority (*par 1, Joint Stipulation of Facts and Issues*). Section 109 (u) of the 1997 National Internal Revenue Code specifically applies to "sales by non-agricultural, non-electric, non-credit cooperatives". The fact that some or most of its members' share in the capital contribution exceeds P15,000.00 is of no moment. The very fact that petitioner is an agricultural cooperative makes it outright outside the coverage of Section 109 (u). However, being an agricultural multi-purpose cooperative duly registered with the Cooperative Development Authority, petitioner is exempt from value-added tax under Section 109 (r) above quoted.

It is basic that the primary objective of every cooperative is to provide goods and services to its members and thus enable them to attain increased income and savings, investments, productivity, and purchasing power and promote among them equitable

189

distribution of net surplus through maximum utilization of economies of scale, cost-sharing and risk-sharing without, however, conducting the affairs of cooperative for eleemosynary or charitable purposes *(Art 7, Chapter II, Cooperative Code of the Philippines).* And consequently, one of the main objectives of petitioner, as stated in its Articles of Cooperation, is "to provide goods and services and other requirements to its members." In line with this, petitioner offers the canteen and catering services to its members. Admittedly, such services are maintained solely and directly catering and selling to the members of the cooperative (*par 3 [d], Joint Stipulation of Facts and Issues*). It must be emphasized that with this admission, respondents cannot argue that petitioner has failed and continuously fails to prove that its sales in the canteen and catering services were made exclusively to its member only. Further, it has also been admitted that the sales in the canteen and catering services are in the processed form of agricultural produce (*par 3 [e], Joint Stipulation of Facts and Issues*).

Section 109 (r) of the 1997 National Revenue Code provides that **sales by an agricultural cooperative duly registered with the Cooperative Development Authority to its members exclusively**, shall be exempt from the value-added tax. The law is clear. Where the law does not distinguish, no distinction shall be allowed. The law does not make a distinction as to what types of "sales" by agricultural cooperatives to its members are included in the law, not even sales to non-members of the cooperative are classified. The term "sales" is defined as "the selling of something; the exchanging of goods or services for an agreed amount of money, or a single transaction of this nature" *(Microsoft® Encarta® Reference Library 2003. © 1993-2002 Microsoft Corporation).* In other words, any exchange of goods or services for an agreed amount of money is considered a sale. The law merely made reference to "sales", without providing for any condition as to the kind of sale, so as to qualify under Section 109 (r) of the 1997 NIRC. By its very nature, the cooperative's "canteen and catering services" relate to the "exchanging

[3] Par. 3 c, Joint Stipulation of Facts and Issues

of goods, that is, food, and catering services, for an agreed amount of money." There is the presence of the exchanging of goods and services in the cooperative's canteen and catering business. In this regard, respondents argue that the sales from the canteen and catering services of the petitioner is not the sale that is contemplated by law. However, respondents failed to even point out the specific provision of law to support said argument.

Verily, it is evident that when the provision speaks of "sales of agricultural products to its members", it does not qualify as to the origin or the state or form of the agricultural produce. It is a basic principle that the term "agricultural products" is not limited only to vegetable substances directly resulting from the tillage of the soil, but included everything which serves to satisfy human needs and which is grown upon the land, whether it pertains to the vegetable kingdom or to the animal kingdom *(Molina vs. Rafferty, 38 Phil 167)*. The qualification as to the "sales of their own produce, whether in its original state or processed form" was only made applicable to "sales to non-members." In other words, a sale made to its members is not limited to the sale of the cooperative's "own produce" unlike when the law limited the sale to non-members with the qualification of "selling only the cooperative's own produce, whether in its original state or processed form".

In fine, it is clear from the provision of the law that no such distinction is made applicable to sales of the cooperative to their members. As the law does not distinguish the type of sales nor the state of the goods being sold, it is but commonsensical to include in the term "sales" the sales from the canteen and catering services of petitioner.

At this point, it is stressed that the law provides for a wider coverage when it covers the tax benefits or tax treatments extended to the cooperatives on their transactions to their members. This is just but logical considering that the law declares as a policy of the State to foster the creation and growth of cooperatives as practical vehicles for promoting self-reliance and harnessing people power towards the attainment of economic development and social justice. It has been the guiding principle of the government to ensure that technical and financial assistance is extended to develop such cooperatives into viable and responsive

91

economic enterprises. And one way to make these policies into reality is to provide for an extensive and preferential tax treatment or benefits to certain transactions and businesses of cooperatives, more particularly in its dealings with their members.

Finally, it has been ruled in a number of BIR rulings (006-01 February 22, 2001; 008-01 March 5, 2001) that multi-purpose cooperatives are exempt from the payment of the value-added taxes pursuant to Section 109 (r), (t) and (u) of the 1997 National Internal Revenue Code, when applicable. In the case at bar, it has been clearly shown that petitioner is not liable to pay the value-added tax pursuant to Section 109 (r) of the 1997 National Internal Revenue Code.

IN VIEW OF THE FOREGOING, the subject Petition for Review is **PARTIALLY GRANTED.** Petitioner's deficiency value-added tax assessments as stated in the Final Decision on Disputed Assessment dated July 10, 2003 is hereby **ANNULED and SET ASIDE**. However, petitioner is liable to pay deficiency increments on withholding tax – compensation amounting to P126,805.82 and deficiency expanded withholding tax in the amount of P5,643.36 for taxable year 1999. Accordingly, petitioner is **ORDERED TO PAY** the respondent the said amount of P126,805.82. In addition, petitioner is **ORDERED TO PAY** the respondent the amount of P5,643.36, plus 20% delinquency interest computed from May 15, 2003 until fully paid pursuant to Section 249(C) of the National Internal Revenue Code of 1997.

SO ORDERED.

LOVELL R. BAUTISTA
Associate Justice

WE CONCUR:

ERNESTO D. ACOSTA
Presiding Justice

CAESAR A. CASANOVA
Associate Justice

CERTIFICATION

I hereby certify that the above decision was reached after due consultation with the members of the Division of the Court of Tax Appeals in accordance with Section 13, Article VIII of the Constitution.

ERNESTO D. ACOSTA
Chairman, First Division
Presiding Justice

193