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

## FIRST DIVISION

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**MINDANAO I GEOTHERMAL PARTNERSHIP,**
Petitioner,

- versus -

**COMMISSIONER OF INTERNAL REVENUE,**
Respondent.

**C.T.A. CASE NO. 6788**

Members:

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

**Promulgated:**
SEP 23 2008, 11:00 am

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## AMENDED DECISION

**BAUTISTA, *J.*:**

The instant *Petition for Review* involves a claim for the issuance of tax credit certificate in the amount of P4,417,437.97, allegedly representing excess and/or unutilized input value-added tax (VAT) for the period covering July 1, 2001 to December 31, 2001.

A Decision was promulgated on October 13, 2005 denying the Petition for Review for insufficiency of evidence; thus, petitioner filed a Motion for New Trial to further substantiate its claim.

Petitioner is a partnership duly registered with the Securities and Exchange Commission (SEC), with principal address at 26th Floor, Citibank Tower, Valero St., Salcedo Village, Makati City.[1] It is registered with the Bureau of Internal Revenue (BIR) as a VAT

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[1] Petition for Review, par. 1; Respondent's Pre-trial Brief

taxpayer engaged in the business of generation, collection, and distribution of electricity, steam, and hot water supply.[2]

Sometime in December 1994, petitioner entered into a Build-Operate-Transfer (BOT) contract with the Philippine National Oil Corporation-Energy Development Corporation (PNOC-EDC) for the finance, design, construction, testing, commissioning, operation, maintenance, and repair of a 47-megawatt geothermal plant. By virtue of the BOT contract, PNOC-EDC shall supply and deliver steam to petitioner at no cost. In turn, petitioner will convert the steam into electric capacity and energy for PNOC-EDC and shall subsequently supply and deliver the same to National Power Corporation (NPC) for and in behalf of PNOC-EDC.[3]

Respondent is the duly appointed Commissioner of the BIR empowered to perform the duties of his office, including among others, the duty to act upon and approve claims for refund or tax credit as provided by law. He holds office at 4th Floor, BIR National Office Building, Agham Road, Quezon City.

Petitioner's 47-megawatt geothermal power plant project has been accredited by the Department of Energy (DOE) as a Private Sector Generation Facility, pursuant to the provisions of Executive Order No. 215 as early as June 15, 1995.[4]

On June 26, 2001, Republic Act (R.A.) No. 9136 took effect, and the relevant provisions of the National Internal Revenue Code (NIRC) of 1997 were deemed modified. R.A. No. 9136, also known as the "Electric Power Industry Reform Act of 2001" (EPIRA), was enacted by Congress to ordain reforms in the electric power industry, highlighting, among others, the importance of ensuring the reliability, security and affordability of the supply of electric power to end-users. Under the provisions of this Republic Act and its implementing rules and regulations, the delivery and supply of electric energy by generation

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[2] Exhibit "G"
[3] Transcript of Stenographic Notes (TSN), March 2, 2004, page 7; Exhibit "F"
[4] Exhibits "F-4" and "F-5"

companies became VAT zero-rated, which previously were subject to ten percent (10%) VAT. In relation thereto, Section 6 of Chapter II and Section 6 of Rule 5 of its Implementing Rules and Regulations state that:

**"Republic Act No. 9136**

**Electric Power Industry Reform Act of 2001 (EPIRA)**

**CHAPTER II**

**Organization and Operation of the Electric Power Industry**

xxx xxx xxx

**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.

Any law to the contrary notwithstanding, power generation shall not be considered a public utility operation. For this purpose, any person or entity engaged or which shall engage in power generation and supply of electricity shall not be required to secure a national franchise.

Upon the implementation of retail competition and open access, the prices charged by a generation company for the supply of electricity shall not be subject to regulation by the ERC except as otherwise provided in this Act.

**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.**

The ERC shall, in determining the existence of market power abuse or anti-competitive behavior, require from generation companies the submission of their financial statements." (*Emphasis supplied*)

**"Rules and Regulations to Implement Republic Act No. 9136, entitled 'Electric Power Industry Reform Act of 2001'**

**RULE 5**
**Generation Sector**

xxx xxx xxx

> **SECTION 6**. *Generation Charges and VAT.* —
>
> xxx xxx xxx
>
> (b) **Pursuant to the policy of reducing electricity rates to End-users, sales of generated power by a Generation Company shall, from the effectivity of the Act, be zero-rated for the purpose of imposition of value-added tax.** Towards this end, the imposition of zero percent (0%) VAT shall apply to the sale of generated power by a Generation Company through all stages of sale until it reaches the End-user. The DOE, through the BIR, shall issue the necessary revenue regulation within sixty (60) calendar days from effectivity of these rules." (*Emphasis supplied*)

The amendment of the NIRC of 1997 modified the VAT rate applicable to sales of generated power by generation companies from ten (10%) percent to zero percent (0%). Thus, petitioner adopted the VAT zero-rating of the EPIRA in computing for its VAT payable when it filed its VAT Returns, on the belief that its sales qualify for VAT zero-rating.

For the third and fourth quarters of taxable year 2001, petitioner filed its VAT Returns on October 24, 2001 and January 24, 2002, respectively,[5] declaring accumulated unutilized excess input VAT in the amount of P4,417,437.97 as of the fourth quarter of taxable year 2001, allegedly attributable to its zero-rated sales to PNOC-EDC for the same period.

On June 24, 2002, petitioner filed an administrative claim for the issuance of a tax credit certificate in the amount of P4,417,437.97, corresponding to its alleged unutilized excess input taxes as of the fourth quarter of 2001.[6]

Alleging inaction on the part of respondent, petitioner elevated its claim before this Court on September 30, 2003.

Respondent filed his *Answer* on November 17, 2003.

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[5] Exhibits "A" and "B"
[6] Exhibit "F"

After trial on the merits, this case was submitted for decision on July 19, 2005, considering petitioner's Memorandum *sans* respondent's Memorandum.

The Court in a *Decision* dated October 13, 2005 denied the *Petition for Review* for insufficiency of evidence, particularly, for petitioner's failure to submit Certificates of Creditable Tax Withheld at Source and machine validated Monthly VAT Declarations showing its VAT payments for the months of July and August 2001. The Court declared that without these supporting documents, the VAT credits/payments in the amount of P4,603,669.24 and P2,569,962.08 cannot be applied against the output VAT liability of P8,417,414.07. Hence, there would be no excess input VAT to refund.

On November 17, 2005, petitioner filed a *Motion for New Trial* to further substantiate its claim for issuance of tax credit certificate, which the Court granted in open court during the hearing on February 24, 2006.

Petitioner made a *Supplemental Offer of Documentary Evidence*[7]; while respondent, through counsel, submitted the case for decision based on the pleadings[8].

The case was submitted for decision on November 13, 2007, without the respective Memorandum of the parties.

The parties stipulated the following issues[9] for this Court's resolution:

"1. Whether or not Petitioner's Sales are zero-rated within the meaning of VAT Law;

2. Whether or not the amount of P4,417,437.97 represents excess input VAT paid on domestic purchases of taxable goods and services directly attributable to its zero-rated sales of Petitioner for the 3rd and 4th quarters of 2001;

3. Whether or not Petitioner's excess input VAT for the taxable year 2001 was applied or utilized against its output VAT in the 1st quarter of 2002;

4. Whether or not the excess input VAT arising from Petitioner's purchases of goods and services for the taxable year 2001 are duly supported by pertinent documents, such as VAT invoices and receipts;

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[7] Docket, pp. 313-321
[8] Minutes of Hearing, June 22, 2007
[9] Docket, pp. 79-80

5. Whether or not Petitioner is entitled to the claim for refund in the amount of P4,417,437.97 representing unutilized and/or unapplied input VAT of Petitioner for the taxable year 2001."

The issues stipulated by the parties may be summed up into one issue:

"Whether or not, based on the evidence presented, petitioner is entitled to the issuance of a tax credit certificate worth P4,417,437.97, representing unutilized input VAT for the third and fourth quarters of taxable year 2001.

In order to resolve the initial question of whether petitioner generated zero-rated sales for the third and fourth quarters of taxable year 2001, petitioner must first qualify for VAT zero-rating under R.A. No. 9136 by proving that: (1) it is a generation company; and (2) it derived sales from power generation.

Records show that pursuant to its BOT contract with PNOC-EDC involving a 47-megawatt geothermal power plant, the primary operation of petitioner is to convert the steam delivered or supplied to it by PNOC-EDC into electric energy which will in turn be delivered or supplied to NPC for and in behalf of PNOC-EDC. Petitioner's 47-megawatt geothermal power plant has been accredited by the Department of Energy as a Private Sector Generation Facility since June 15, 1995.[10] In its letter dated August 30, 2001 to the PNOC-EDC, the Department of Energy once again recognized that the said facility of petitioner is one of the generating companies duly accredited by it.[11]

Likewise it was established that for the third and fourth quarters of taxable year 2001, petitioner's reported gross receipts in the respective amounts of P142,779,603.88 and P217,714,313.32 were derived from its sales of generated power to PNOC-EDC for the period from June 26, 2001 to November 27, 2001.[12]

Clearly, petitioner satisfied these two requirements.

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[10] Exhibit "F-5"
[11] Exhibit "F-4"
[12] Exhibits "A", "B", "H-4", "J" to "J-12"

Having satisfied the twin requirements for VAT zero-rating under R.A. No. 9136, the Court will now determine whether petitioner is entitled to the issuance of tax credit certificate, in accordance with Section 112(A) of the NIRC of 1997; which states as follows:

> "**SEC. 112. *Refunds or Tax Credits of Input Tax.* –**
>
> **(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 or 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."

From the foregoing, petitioner must comply with the following requisites to be entitled to a claim for refund or issuance of tax credit certificate:

1. there must be zero-rated or effectively zero-rated sales;
2. that input taxes were incurred or paid;
3. that such input VAT payments are directly attributable to zero-rated sales or effectively zero-rated sales;
4. that the input VAT payments were not applied against any output VAT liability; and
5. that the claim for refund was filed within the two-year prescriptive period.

Anent the first requisite, it was established that for the third and fourth quarters of taxable year 2001, petitioner's reported gross receipts in the respective amounts of P142,779,603.88 and P217,714,313.32 were derived from its sales of generated power to PNOC-EDC for the period from June 26, 2001 to November 27, 2001.[13] The said amounts qualify for zero percent VAT and considered as zero-rated sales, pursuant to R.A. 9136.

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[13] Exhibits "A", "B", "H-4", "J" to "J-12"

Concerning the second and third requisites, after petitioner's *Motion for New Trial* was granted by this Court, petitioner submitted its Monthly Value-added Tax Declaration for July 2001[14], DBP machine validated Official Receipt with the indicated amount of P2,569,962.08[15], Certificate of Creditable Tax Withheld At Source for July 2001 worth P4,519,769.98[16], and Certificate of Creditable Tax Withheld At Source for September 2001 indicating an amount of P83,899.40[17]. With the presentation of the aforesaid documents proving actual payment and withholding of VAT in the respective amounts of P2,569,962.08 and P4,603,669.16[18], petitioner appears to have excess input VAT for the third and fourth quarters of taxable year 2001 in the amount of P4,417,437.97, computed as follows:

| | | |
|---|---|---|
| Total Output VAT | P | 8,417,414.07 |
| Less: Creditable Output VAT withheld at Source | | 4,603,669.16 |
| Monthly VAT payments for July and August 2001 | | 2,569,962.08 |
| Net Output VAT | P | 1,243,782.83 |
| Less: Input VAT | | 5,661,220.80 |
| **Excess Input VAT per VAT Return** | **P** | **4,417,437.97** |

As to the question of whether or not the reported excess input VAT for the third and fourth quarters of taxable year 2001 in the amount of P4,417,437.97 was duly supported by VAT invoices or official receipts, the Court-commissioned Independent CPA, Mr. Eliseo A. Aurellado, stated the following in his Report[19]:

"**Summary of Findings:**

Based on the procedures performed, I noted the following:

1) xxx

2) The total input VAT being claimed as refund/credit with exceptions (Schedule B) are as follows:

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[14] Exhibit "L"
[15] Exhibit "M"
[16] Exhibit "N"
[17] Exhibit "O"
[18] Amount declared per VAT Return for the 3rd Quarter of 2001, Exhibit "A"
[19] Docket, pages 108-109

| | | |
|---|---|---|
| Sales Invoices dated other than the period claim (Schedule B-1) | Php | 70,663.39 |
| Sales invoices in the name other than "M1GP" (Schedule B-2) | | 132,331.92 |
| | | **Php202,995.31** |

It was ascertained that the Sales Invoices dated other than period July 1, 2001 to December 31, 2001 were purchases of goods and not services.

**Conclusion:**

In performing the above procedures, I believe that the total zero-rated sales of the Company for the period July 1, 2001 which amounts to **P360,493,917.20** (Annex C) which were sold to PNOC-EDC are properly recorded and supported by sales invoices and official receipts.

I believe that the amount of **P4,214,442.98** (Annex A) represents a valid claim for input VAT refund. This is net of exceptions amounting to **P202,995.31** (Annex B) which were excluded from my evaluation for reasons previously mentioned.

This report relates only to the application VAT refund/credit of Mindanao 1 Geothermal Partnership, for the period July 1, 2001 to December 31, 2001, taken as a whole and does not extend to the Financial Statements for any period where the aforementioned tax refund is presented."

The Court agrees with the foregoing Report. However, upon verification of petitioner's supporting documents, the Court found that in addition to the exceptions of P202,995.31 noted by the Independent CPA, the following input taxes in the amount of P146,566.13[20] should be disallowed for improper substantiation and for failure to comply with the invoicing requirements under Sections 110(A) and 113(A) of the NIRC of 1997:

| Month | Disallowed Input VAT | |
|---|---|---|
| July | P | 8,454.95 |
| August | | 2,820.97 |
| September | | 24,994.98 |
| October | | 5,395.17 |
| November | | 7,027.61 |
| December | | 97,872.45 |
| **Total** | **P** | **146,566.13** |

[20] See Annex (Schedule 1) for details

The Court proceeds to the fourth requirement. In the Quarterly VAT Return[21] for first quarter of taxable year 2002, petitioner partially applied the excess input tax credits for taxable year 2001 worth P4,417,437.47, which is the amount claimed for issuance of tax credit certificate, against its output VAT; but it was later amended on July 1, 2003, canceling the previously applied excess input tax credits, as shown below:

| | Output VAT (A) | Input from Previous Qtr. (B) | Input from Purchases (C) | VAT payable/Excess Input A – (B+C)=D | Advance payment (E) | Creditable VAT withheld (F) | Total payable / overpayment D - (E+F) | Exh |
|---|---|---|---|---|---|---|---|---|
| 2001 | | | | | | | | |
| 3rd Qtr | 8,052,898.37 | - | 2,065,625.54 | 5,987,272.83 | 2,569,962.08 | 4,603,669.16 | (1,186,358.41) | A |
| 4th Qtr | 364,515.7 | 1,186,354.41 | 3,595,595.26 | (4,417,437.97) | - | - | **(4,417,437.97)** | B |
| 2002 | | | | | | | | |
| 1st Qtr | 375,636.17 | **4,417,437.97** | 3,020,841.98 | (7,062,643.78) | - | - | (7,062,643.78) | C |
| 2nd Qtr | | | | | | | | |
| 3rd Qtr | | | | | | | | |
| 4th Qtr | | | | | | | | |
| 2003 | | | | | | | | |
| 1st Qtr | | | | | | | | |
| 2nd Qtr | | | | | | | | |
| Jul 1 | **375,636.17** | **-** | **3,020,841.98** | **(2,645,205.81)** | **-** | **-** | **(2,645,205.81)** | D |

In the case at bar, petitioner did not submit the succeeding Quarterly VAT Returns from second quarter of taxable year 2002 to second quarter of taxable year 2003, save for the Amended Quarterly VAT Return for the first quarter of taxable year 2002 on July 1, 2003. In the absence of those documents the Court cannot conclude whether the excess input tax credits for taxable year 2001 was not actually applied against output VAT in the succeeding quarters of taxable years 2002 and 2003.

The Court notes, however, that in three separate cases filed by petitioner involving claims for refund of input taxes docketed as (1) CTA Case No. 6906 for the period from January to December 2002; (2) CTA Case No. 7228 for the period from January to March 2003; and (3) CTA Case No. 7286 for the period from April to June 2003, petitioner attached

[21] Exhibit "C"

to its *Petitions for Review* Quarterly VAT Returns for the second quarter of taxable year 2002 to the second quarter of taxable year 2003. The following are their entries:

| | Output VAT (A) | Input from Previous Qtr. (B) | Input from Purchases ( C ) | VAT Payable/Excess Input A-(B+C)=D | Input from Previous Qtr. (E) | Total Payable / Overpayment D - E | Case No. |
|---|---|---|---|---|---|---|---|
| 2002 | | | | | | | |
| 2nd Qtr | 372,713.93 | 2,645,205.81 | 2,237,230.00 | (4,509,721.88) | 2,645,205.81 | (1,864,516.07) | 6906 |
| 3rd Qtr | 384,288.74 | 1,864,516.07 | 3,390,523.87 | (4,870,751.20) | 1,864,516.07 | (3,006,235.13) | 6906 |
| 4th Qtr | 395,921.10 | 3,306,235.13 | 53,947,086,.88 | (56,557,400.91) | 3,006,235.13 | (53,551,165.78) | 6906 |
| 2003 | | | | | | | |
| 1st Qtr | 407,460.87 | 53,551,165.78 | 4,301,027.01 | (57,444,731.92) | 53,551,165.78 | (3,893,566.14) | 7228 |
| 2nd Qtr | 416,718.19 | 3,893,566.14 | 2,767,719.02 | (6,244,566.97) | 3,893,566.14 | (2,351,000.83) | 7286 |

In **Northern Luzon Drug Corporation vs. Commissioner of Internal Revenue**[22], this Court took judicial notice of documentary evidence in CTA Case No. 6940[23]. The same was done in **Mercury Drug Corporation vs. Commissioner of Internal Revenue**[24].

Further, in **AB Leasing and Finance Corporation vs. Commissioner of Internal Revenue**[25], the Supreme Court ruled:

> "But even assuming that there was a need for petitioner to present in evidence the 1995 income tax return or the breakdown of its excess taxes paid for the taxable year ending 1994, **the CTA could have taken judicial notice of the records of *C.T.A. Case No. 5513*, petitioner's claim for refund of P295,283.00 overpaid income taxes for taxable year 1994, which was already pending before it.** It is significant to note that petitioner's claim for refund in said case was granted by the CTA, as mentioned earlier, by Decision of February 10, 1999 and that out of the amount of P1,268,498.00 indicated in petitioner's income tax return, the *refund being claimed by petitioner in the same case was only P295,283.32.*" (*Emphasis supplied*)

Also in the case of **Philam Asset Management, Inc. vs. Commissioner of Internal Revenue**[26], the High Tribunal held:

[22] CTA Case No. 6667, October 19, 2005
[23] Northern Luzon Drug Corporation vs. Commissioner of Internal Revenue
[24] CTA Case No. 6663, March 27, 2006
[25] G.R. No. 138342, July 8, 2003
[26] G.R. Nos. 156637/162004, December 14, 2005

> "Fifth, **the CTA should have taken judicial notice of the fact of filing and the pendency of petitioner's subsequent claim for a refund of excess creditable taxes withheld for 1998.** The existence of the claim ought to be known by reason of its judicial functions. Furthermore, it is decisive to and will easily resolve the material issue in this case. **If only judicial notice were taken earlier, the fact that there was no carry-over of the excess creditable taxes withheld for 1997 would have already been crystal clear.**" (*Emphasis supplied*)

Thus, in the interest of justice, the Court takes judicial notice of the Quarterly VAT Returns filed by petitioner in other cases that are pending before it. And a perusals thereof appeared that petitioner could not have utilized the said input VAT in the succeeding quarters, as the entries showed that the input VAT in the amount of P4,417,437.97, subject of the present case, was not carried over to the second quarter of taxable year 2002 until the second quarter of taxable year 2003.

Finally, as to the fifth requisite, the reckoning of the two-year prescriptive period for the filing of a claim for input VAT refund starts from the date of filing of the corresponding Quarterly VAT Return.[27] Counting from October 24, 2001 and January 24, 2002, the dates when petitioner filed its Quarterly VAT Returns for the third and fourth quarters of taxable year 2001, respectively; both the administrative claim filed on June 14, 2002[28] and the judicial claim filed on September 30, 2003, fall within the two-year prescriptive period.

In sum, the Court finds petitioner entitled to the claim for issuance of tax credit certificate, representing unutilized input VAT for the third and fourth quarters of taxable year 2001, but in the reduced amount of P4,067,876.53, computed as follows:

| | | |
|---|---|---|
| Excess Input VAT Per Petitioner's Claim | P | 4,417,437.97 |
| Less: Disallowances | | |
| a) Per report of the Commissioned Independent CPA | | 202,995.31 |
| b) Per this Court's further verification | | 146,566.13 |
| **Refundable Excess Input VAT** | **P** | **4,067,876.53** |

[27] Atlas Consolidated Mining and Development Corporation vs. Commissioner of Internal Revenue, G.R. Nos. 141104 and 148763, June 8, 2007
[28] Exhibit "F"

**WHEREFORE**, the *Petition for Review* is hereby **PARTIALLY GRANTED** and this Court's Decision promulgated on October 13, 2005 in the instant case is hereby **MODIFIED**. Accordingly, respondent is hereby **ORDERED to ISSUE TAX CREDIT CERTIFICATE** in favor of petitioner in the reduced amount of **FOUR MILLION SIXTY SEVEN THOUSAND EIGHT HUNDRED SEVENTY SIX 53/100 PESOS (P4,067,876.53)**, representing unutilized input VAT incurred for the third and fourth quarters of taxable year 2001.

**SO ORDERED.**

**LOVELL R. BAUTISTA**
Associate Justice

WE CONCUR:

**ERNESTO D. ACOSTA**
Presiding Justice

**CAESAR A. CASANOVA**
Associate Justice

# CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, it is hereby certified that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

**ERNESTO D. ACOSTA**
Presiding Justice
Chairperson, First Division

**SCHEDULE 1**
**ADDITIONAL INPUT VAT DISALLOWANCES**
**PER THIS COURT'S VERIFICATION**
**CTA CASE NO. 6788**

| Supplier | | VAT Amount | Reason for Disallowance | Exhibit |
|---|---|---|---|---|
| **July-01** | | | | |
| DC TECH MICRO SERVICES INC. | P | 225.68 | Supported only by a Statement of Account | I - 31 |
| DC TECH MICRO SERVICES INC. | | 344.41 | Supported only by a Statement of Account | I - 32 |
| GLOBE TELECOM | | 567.67 | Supported only by a Statement of Account | I - 42 |
| GLOBE TELECOM | | 1,166.09 | Supported only by a Statement of Account | I - 41 |
| MEGAWHEELS CORPORATION | | 1,973.09 | Outside the period coverd - June 16,2001 | I - 50 |
| PACUBAS GENERAL SERVICES, INC. | | 1,827.24 | Supported only by a Statement of Account | I - 54 |
| PACUBAS GENERAL SERVICES, INC. | | 1,812.66 | Supported only by a Statement of Account | I - 55 |
| PILTEL | | 538.11 | Supported only by a Statement of Account | I - 56 |
| **sub-total** | **P** | **8,454.95** | | |
| **August-01** | | | | |
| DAVAO GOLDEN HARDWARE | P | 318.91 | Outside the period covered - May 25, 2001 | I - 93 |
| DAVAO GOLDEN HARDWARE | | 405.64 | Outside the period covered - May 25, 2001 | I - 94 |
| GLOBE TELECOM | | 204.63 | Supported only by a Statement of Account | I - 109 |
| GLOBE TELECOM | | 372.37 | Supported only by a Statement of Account | I - 110 |
| GLOBE TELECOM | | 189.36 | Supported only by a Statement of Account | I - 111 |
| GLOBE TELECOM | | 298.37 | Supported only by a Statement of Account | I - 112 |
| GLOBE TELECOM | | 298.37 | Supported only by a Statement of Account | I - 113 |
| PILTEL | | 140.40 | Supported only by a Statement of Account | I - 133 |
| PILTEL | | 28.08 | Supported only by a Statement of Account | I - 134 |
| PILTEL | | 140.40 | Supported only by a Statement of Account | I - 135 |
| PILTEL | | 28.08 | Supported only by a Statement of Account | I - 136 |
| PILTEL | | 8.15 | Supported only by a Statement of Account | I - 137 |
| PILTEL | | 5.57 | Supported only by a Statement of Account | I - 138 |
| PILTEL | | 5.60 | Supported only by a Statement of Account | I - 139 |
| PILTEL | | 171.30 | Supported only by a Statement of Account | I - 140 |
| PILTEL | | 46.13 | Supported only by a Statement of Account | I - 141 |
| PILTEL | | 45.63 | Supported only by a Statement of Account | I - 142 |
| PILTEL | | 6.20 | Supported only by a Statement of Account | I - 143 |
| PILTEL | | 46.52 | Supported only by a Statement of Account | I - 144 |
| PILTEL | | 12.26 | Supported only by a Statement of Account | I - 145 |
| PHILAM INSURANCE | | 49.00 | Supported only by a RENEWAL FORM | I - 146 |
| **sub-total** | **P** | **2,820.97** | | |
| **September-01** | | | | |
| DC TECH MICRO SERVICES INC. | P | 199.73 | Supported only by Statement of Account | I - 198 |
| DC TECH MICRO SERVICES INC. | | 516.49 | Supported only by Statement of Account | I - 199 |
| PACUBAS GENERAL SERVICES, INC. | | 1,832.09 | Supported only by Statement of Account | I - 244 |
| PACUBAS GENERAL SERVICES, INC. | | 1,827.24 | Supported only by Statement of Account | I - 245 |
| PACUBAS GENERAL SERVICES, INC. | | 19.43 | Supported only by Statement of Account | I - 246 |
| PHILAM INSURANCE | | 20,600.00 | Supported only by a RENEWAL FORM | I - 247 |
| **sub-total** | **P** | **24,994.98** | | |
| **October-01** | | | | |
| DC TECH MICRO SERVICES INC. | P | 448.33 | Supported only by a Statement of Account | I - 294 |
| DC TECH MICRO SERVICES INC. | | 644.88 | Supported only by a Statement of Account | I - 295 |
| GLOBE TELECOM | | 1,071.78 | Supported only by a Statement of Account | I - 305 |
| GLOBE TELECOM | | 784.66 | Supported only by a Statement of Account | I - 306 |
| GLOBE TELECOM | | 73.62 | Supported only by a Statement of Account | I - 307 |
| GLOBE TELECOM | | 53.42 | Supported only by a Statement of Account | I - 308 |
| GLOBE TELECOM | | 94.69 | Supported only by a Statement of Account | I - 309 |
| GLOBE TELECOM | | 162.97 | Supported only by a Statement of Account | I - 310 |
| GLOBE TELECOM | | 83.56 | Supported only by a Statement of Account | I - 311 |
| GLOBE TELECOM | | 111.68 | Supported only by a Statement of Account | I - 312 |
| PACUBAS GENERAL SERVICES, INC. | | 1,819.95 | Supported only by a Statement of Account | I - 335 |
| PILTEL | | 45.63 | Supported only by a Statement of Account | I - 337 |
| **sub-total** | **P** | **5,395.17** | | |

**SCHEDULE 1**
**ADDITIONAL INPUT VAT DISALLOWANCES**
**PER THIS COURT'S VERIFICATION**
**CTA CASE NO. 6788**

| | | | | |
|---|---|---|---|---|
| **November-01** | | | | |
| DHL WORLDWIDE EXPRESS | P | 590.05 | Supported only by a Statement of Account | I - 367 |
| DHL WORLDWIDE EXPRESS | | 40.81 | Supported only by a Statement of Account | I - 368 |
| DHL WORLDWIDE EXPRESS | | 54.85 | Supported only by a Statement of Account | I - 369 |
| DHL WORLDWIDE EXPRESS | | 468.35 | Supported only by a Statement of Account | I - 370 |
| DHL WORLDWIDE EXPRESS | | 44.55 | Supported only by a Statement of Account | I - 371 |
| GLOBE TELECOM | | 825.45 | Supported only by a Statement of Account | I - 378 |
| GLOBE TELECOM | | 1,141.56 | Supported only by a Statement of Account | I - 379 |
| MAUNSELL PHILIPPINES INC. | | 3,060.00 | Supported by a TIN-V not TIN VAT | I - 385 |
| MAUNSELL PHILIPPINES INC. | | 480.00 | Supported by a TIN-V not TIN VAT | I - 386 |
| PILTEL | | 45.63 | Supported only by a Statement of Account | I - 402 |
| SKY INTERNET | | 276.36 | Supported only by a Statement of Account | I - 416 |
| **sub-total** | **P** | **7,027.61** | | |
| **December-01** | | | | |
| DC TECH MICRO SERVICES INC. | P | 336.49 | Supported only by a Statement of Account | I - 425 |
| DC TECH MICRO SERVICES INC. | | 303.45 | Supported only by a Statement of Account | I - 426 |
| DHL WORLDWIDE EXPRESS | | 184.34 | Supported only by a Statement of Account | I - 451 |
| DHL WORLDWIDE EXPRESS | | 5,478.00 | Supported only by a Statement of Account | I - 452 |
| GLOBE TELECOM | | 63.54 | Supported only by a Statement of Account | I - 470 |
| GLOBE TELECOM | | 87.81 | Supported only by a Statement of Account | I - 471 |
| GLOBE TELECOM | | 929.26 | Supported only by a Statement of Account | I - 472 |
| GLOBE TELECOM | | 884.03 | Supported only by a Statement of Account | I - 473 |
| GLOBE TELECOM | | 209.18 | Supported only by a Statement of Account | I - 474 |
| GLOBE TELECOM | | 132.28 | Supported only by a Statement of Account | I - 475 |
| GLOBE TELECOM | | 29.78 | Supported only by a Statement of Account | I - 476 |
| GLOBE TELECOM | | 1,393.03 | Supported only by a Statement of Account | I - 477 |
| GLOBE TELECOM | | 1,293.05 | Supported only by a Statement of Account | I - 478 |
| GLOBE TELECOM | | 12,800.00 | Supported only by a Statement of Account | I - 479 |
| GLOBE TELECOM | | 54,200.00 | Supported only by a Statement of Account | I - 480 |
| GLOBE TELECOM | | 3,119.40 | Supported only by a Statement of Account | I - 481 |
| GLOBE TELECOM | | 12,491.40 | Supported only by a Statement of Account | I - 482 |
| PACUBAS GENERAL SERVICES INC. | | 1,827.24 | Supported only by a Statement of Account | I - 502 |
| PACUBAS GENERAL SERVICES INC. | | 1,819.95 | Supported only by a Statement of Account | I - 503 |
| PNOC ENERGY DEVELOPMENT | | 290.22 | Supported only by a LETTER | I - 508 |
| **sub-total** | **P** | **97,872.45** | | |
| **TOTAL** | **P** | **146,566.13** | | |