REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

****

KEPCO PHILIPPINES CORPORATION,
Petitioner,

- versus -

C.T.A. CASE NO. 6100

Members:

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

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

Promulgated:
FEB 09 2005

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DECISION

ACOSTA, E., P.J.:

This is a Petition for Review claiming for the refund or issuance of a tax credit certificate in the amount of P37,250,307.39 allegedly representing the input value-added-tax incurred for the calendar year 1998 from petitioner's sales of electricity to the National Power Corporation.

The facts as adduced from the records are as follows:

Petitioner is a domestic corporation duly organized and existing under the laws of the Republic of the Philippines, with its principal place of business located at Suite 2501-A, 25th Floor, Tektite Tower 1, Exchange Road, Ortigas Center, City of Pasig. It is a Value-Added Tax (VAT) registered taxpayer engaged in the production and sale of electricity (as an independent power producer), and sells electricity to the National

Power Corporation (NPC) (*Joint Stipulation of Facts, pars. 1 & 2*). Petitioner has filed the appropriate Application for Effective Zero-Rating of its sales of electricity to the NPC with the respondent (*ibid., par. 4*).

For the four quarters of the calendar year 1998, petitioner allegedly incurred VAT on its importation and domestic purchases of goods and services (including capital goods) in the total amount of P37,250,307.39 allegedly attributable to the production and sale of electricity to the NPC.

On March 30, 2000, petitioner filed with the respondent, through the Revenue District Office (RDO) No. 42, a claim for refund of the input VAT incurred for the calendar year 1998 (*ibid., par. 5*). It likewise filed a request for a ruling with the respondent relative to its claim for refund.

On April 24, 2000, due to the inaction of respondent, this instant Petition for Review was filed.

On June 08, 2000, respondent filed an Answer to the instant Petition for Review, and raised therein the following Special and Affirmative Defenses:

> 1. In an action for refund, the taxpayer has the burden to show that the taxes paid were erroneously or illegally collected and failure to do so is fatal to the action;
>
> 2. Claims for refund are strictly construed against the taxpayer. Petitioner has no cause of action.

In a Resolution promulgated on November 19, 2001, this Court granted petitioner's "Motion for Leave of Court to Admit Attached Amended Petition for Review" filed on October 12, 2001 to include another cause of action in pursuing its claim for refund; that is, the input VAT being claimed were incurred in the procurement of capital goods which is allowed under the (then) Section 106 (b) of the 1995 Tax Code. The prayer of the instant petition was also amended to include the issuance of a tax credit certificate as an alternative to the claim for refund.

The issues to be resolved in the case at bar are as follows:

1. Whether or not the sale of electricity by a VAT-registered entity to the National Power Corporation qualifies as a sale of services subject to VAT rate of zero percent (0%) or otherwise called a zero-rated VAT transaction; and

2. Whether the petitioner, as a VAT-registered entity, did, for the calendar year 1998, actually incur input VAT on its domestic purchases of goods and services (including capital goods) in the amount of P37,250,307.39, attributable to its production and sale of electricity to the NPC

Anent the first issue, We rule in favor of the petitioner.

Section 13 of Republic Act No. 6395, which is the charter of the National Power Corporation, as amended by Presidential Decree No. 938, provides:

> "**Section 13. Non-profit Character of the Corporation: Exemption from All Taxes, Duties, Fees, Imposts and Other Charges by the Government and Government Instrumentalities.-** The Corporation shall be non-profit and shall devote all its returns from its capital investment as well as excess revenues from its operation, for expansion. To enable the Corporation to pay its indebtedness and obligations and in furtherance of effective implementation of the policy enunciated in Section One of this Act, the Corporation including its subsidiaries is hereby declared **exempt from the payment of all forms of taxes,** duties, fees, imposts, as well as the costs and service fees including filing fees, appeal bonds, supersedeas bonds, in any court or administrative proceedings." (*Emphasis and underlining supplied*)

In the case of *Maceda vs. Macaraig, Jr., G.R. No. 88291, May 31, 1991,* the Supreme Court affirmed the National Power Corporation's tax exemption, thus:

> "The NPC is a non-profit public corporation created for the general good and welfare, wholly owned by the government of the Republic of the Philippines. From the very beginning of its corporate existence, the NPC enjoyed preferential tax treatment, to enable the Corporation to pay the indebtedness and obligation and in furtherance and effective implementation of the policy enunciated in Section one of "Republic Act No. 6395" which provides:

> **Section 1. Declaration of Policy.** - Congress hereby declares that (1) the comprehensive development, utilization and conservation of Philippine water resources for all beneficial uses, including power generation, and (2) the total electrification of the Philippines through the development of power from all sources to meet the need of rural electrification are primary objectives of the nation which shall be pursued coordinately and supported by all instrumentalities and agencies of the government including its financial institutions.

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It is noted that in the earlier law, R.A. No. 358 the exemption was worded in general terms, as to cover "all taxes, duties, fees, imposts, charges, etc. x x x" However, the amendment under Republic Act No. 6395 enumerated the details covered by the exemptions. Subsequently, P.D. No. 380, made ever more specific the details of the exemption of NPC to cover, among others, both direct and indirect taxes on all petroleum products used in its operation. Presidential Decree No. 938 amended the tax exemption by simplifying the same law in general terms. It succinctly exempts NPC from *"all forms of taxes,* duties, fees, imposts, as well as costs and service fees including filing fees, appeal bonds, supersedeas bonds, in any court or administrative proceedings."

The use of the phrase "all forms" of taxes demonstrate the intention of the law to give NPC all the tax exemptions it has been enjoying before. The rationale for this exemption is that being non-profit the NPC "shall devote all its returns from its capital investment as well as excess revenues of its operation, for expansion. x x x

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It is evident from the provisions of P.D. No. 938 that its purpose of to maintain the tax exemption of NPC from all form of taxes including indirect taxes as provided for under R.A. No. 6395 and P.D. No. 380 if it is to attain its goals."

Corollary thereto, Section 108(B)(3) provides that services rendered by a VAT-registered person to a tax-exempt entity is subject to VAT at zero percent (0%). To quote:

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

(A) Rate and base of tax. - 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:

(1) xxx

(2) xxx

(3) Services rendered to persons or entities whose exemption under special laws or international agreements to which the Philippines is a signatory effectively subjects the supply of such services to zero percent (0%) rate."

In view of the above law and jurisprudence, services rendered by a VAT - registered entity to the NPC, an entity exempt from the payment of all taxes whether direct or indirect, including VAT, are effectively zero-rated **(*Kepco Philippines Corporation vs. Commissioner of Internal Revenue, CTA Case No. 5761, July 14, 2003 citing Mirant Navotas Corporation vs. Commissioner of Internal Revenue, CTA Case No. 6044, October 16, 2002*).**

As regards the second issue of whether or not petitioner incurred input VAT on its importation and domestic purchases of goods and services, including capital goods, directly attributable to its production and sale of electricity to NPC, petitioner cites as legal basis the provisions of Section 112 of the 1997 Tax Code, 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."

> (B) *Capital Goods.*- **A VAT- registered person** may apply for the issuance of a tax credit certificate or refund of input taxes **paid on capital goods** imported or locally purchased, to the extent that such **input taxes have not been applied against output taxes**. The application may be made only within two (2) years after the close of the taxable quarter when the importation or purchase was made. (*Emphasis Supplied*)

To bolster its claim for refund of input VAT on its purchases of goods and services attributable to zero-rated sales and on capital goods, petitioner presented the following documents:

	DOCUMENT	**EXHIBIT**
1.	Schedules of input VAT from January to December 1998	U, U-1 to U-5
2.	Invoices and/or official receipts of goods and services purchased in 1998	
	a. January 1998	Pre marked 1-1 to 1-20
	b. February 1998	Pre marked 2-1 to 2-79
	c. March 1998	Pre marked 3-1 to 3-392
	d. April 1998	Pre marked 4-1 to 4-168
	e. May 1998	Pre marked 5-1 to 5-127
	f. June 1998	Pre marked 6-1 to 6-83
	g. July 1998	Pre marked 7-1 to 7-112
	h. August 1998	Pre marked 8-1 to 8-119
	i. September 1998	Pre marked 9-1 to 9-131
	j. October 1998	Pre marked 10-1 to 10-143
	k. November 1998	Pre marked 11-1 to 11-109
	l. December 1998	Pre marked 12-1 to 12-2313.
3.	Report of the commissioned Independent CPA	L (incl. of submarkings) to T (incl. of submarkings)
4.	Official Receipts issued by KEPCO to NAPOCOR	Y-1 to Y-12
5.	Rehabilitation, Operation Maintenance & Management Agreement	W (incl. of submarkings)
6.	Quarterly VAT Return for the 1st quarter of 2001	X (incl. of submarkings)
7.	Audited Financial Statements	V (incl. of submarking)

Petitioner offered in evidence the various official receipts (*Exhibits Y-1 to Y-12*) sans the Quarterly VAT Returns for the first to the fourth quarters of taxable year 1998 to prove its zero-rated sales. However, a close scrutiny of the official receipts shows that they are not in sequential order, to wit:

EXHIBIT	DATE	OFFICIAL RECEIPT NO.
Y-1	March 6, 1998	077
Y-2	April 6, 1998	082
Y-3	May 9, 1998	086
Y-4	June 10, 1998	094
Y-5	July 8, 1998	098
Y-6	August 7, 1998	099
Y-7	September 14, 1998	105
Y-8	October 6, 1998	108
Y-9	November 4, 1998	112
Y-10	December 17, 1998	117
Y-11	January 14, 1999	118
Y-12	February 5, 1999	119

Two possibilities come to Our minds. First, the "missing" or "unaccounted for" official receipts were cancelled. Second, petitioner may have used the other official receipts for its sales to other entities. It must be pointed out, however, that petitioner admitted in its written claim for refund to the Bureau of Internal Revenue dated March 30, 2000 *(CTA Records, p. 10)* that it also sells electricity to other entities. Thus, the input VAT on the purchases of goods and services may not be wholly attributable to petitioner's zero-rated sales since its other sales might be subject to VAT at ten percent (10%).

We cannot, therefore, grant petitioner's claim for refund of input VAT on the purchases of goods and services allegedly attributable to its zero-rated sales absent sufficient proofs that indeed its input VAT on purchases of goods and services are solely attributable to zero-rated sales. Due to petitioner's failure to present its 1998 quarterly VAT returns and all its official receipts relative to the subject transactions, this Court cannot ascertain the accuracy of its claim. Moreover, the commissioned independent CPA only verified the accuracy of petitioner's claimed input VAT. Petitioner's zero-rated sales were not examined.

It is a well-established rule that in an action for refund, the taxpayer has the burden of proof to show that the taxes paid were erroneously or illegally collected and failure to do so is fatal to the action. Further, a claim for refund is in the nature of a claim for exemption and should therefore, be construed in *strictissimi juris* against the taxpayer ***(Commissioner of Internal Revenue vs. Tokyo Shipping Co., Ltd., 244 SCRA 332).***

With respect to petitioner's claim of input VAT on capital goods, Section 112 (B) of the Tax Code in relation to Section 4.106-1 of Revenue Regulations No. 7-95 provides for requisites in order for a refund therefor be granted. Pertinent portions of the said Revenue Regulations are hereunder reproduced for easy reference:

> "**SEC. 4.106-1. Refunds or tax credits of input tax** (a) Zero-rated sales of goods and properties or services – xxx
>
> xxx xxx xxx
>
> (b) Capital Goods - Only a VAT registered person may apply for the issuance of a tax credit certificate or refund of input taxes paid on capital goods imported or locally purchased. The refund shall be allowed to the extent that such input taxes have not been applied against output taxes. The application should be made within the two (2) years after the close of the taxable quarter when the importation or purchase was made.
>
> Refund of input taxes on capital goods shall be allowed only to the extent that such capital goods are used in VAT taxable business. If it is also used in exempt operations, the input tax refundable shall only be the ratable portion corresponding to the taxable operations.
>
> *"Capital goods or properties" refer to goods or properties with estimated useful life greater than one year and which are treated as depreciable assets under Section 29(f)[now34(f)], used directly or indirectly in the production or sale of taxable goods and services."*

Thus, petitioner must show compliance with the following requisites:

1) That it is a VAT registered entity;

2) That input taxes claimed were paid on capital goods duly supported by VAT invoices and official receipts;

3) That it did not offset or apply the claimed input VAT payments on capital goods against any output VAT liability; and

4) That the claim for refund was filed within the two year prescriptive period both in the administrative and judicial levels (*Telecommunications Technologies Philippines, Inc. vs. Commissioner of Internal Revenue, CTA Case No. 6018, November 24, 2003*).

Petitioner complied with the first requisite as jointly stipulated by the parties (*Joint Stipulation of Facts, par. 2*).

Petitioner also complied with the second requirement. It has presented various invoices and official receipts. However, only the following purchases are paid on capital goods and are supported by evidence:

EXHIBIT	DATE	SUPPLIER'S NAME	DESCRIPTION	INVOICE AMOUNT	INPUT VAT
1-2	1/15/98	Newton Industrial Sales	Rewinding of 3050 KW Boiler	P 437,437.00	P 39,767.00
1-3	1/16/98	NAR Power System	Calibration & Testing of CT	862,331.47	78,302.95
1-8	1/23/98	Jeong Poong	Boiler Overhaul	17,600,973.72	1,600,088.52
1-12	1/26/98	Tri-Ohms Engineering	Regasketing, hot-oil purification	902,500.00	82,045.45
1-17	12/5/97	DNL Construction	Water Disposal pit tank	29,325.00	2,665.91
2-13	2/13/98	Korea Cottrell Co.	Dust Collector & Ash Handling System	19,204,411.12	1,745,855.56
2-65	2/23/98	Maddem Industrial	Rehab of trash bar/rack	2,482,200.00	225,654.55
3-05	3/2/98	Newton Industrial Sale	Rewinding of HSCC Pump Motor	94,325.00	8,575.00
3-09	3/3/98	BNJ Sash Corp	Warehouse Renovation	215,600.00	19,600.00
3-38,incl.	3/10/98	Nittobo Marketing	Thermal Patch Refractory Coating	1,442,560.00	131,141.82
3-50	3/11/98	Jeong Poong	Boiler Overhaul	6,749,584.38	613,598.58
3-59	3/13/98	Arkay Energy & Ind'l	Y-Anchor Twisted Type	1,537,887.50	139,807.95
3-63	3/13/98	Rurban Planners, Inc	IEE for Wharf extension	37,400.00	3,400.00
3-100	3/20/98	BNJ Sash Corp	Installation cost of wooden shelves	58,861.00	5,351.00
3-108	3/20/98	Golden Harvest Const.	Downpayment for K-1 FDF	653,400.00	59,400.00
3-112	3/26/98	Radium Engineering	Impeller Spencer Vortex	159,636.12	14,512.37
3-121	3/27/98	Final Payment Calibration	NAR Power System	861,332.47	78,302.95
4-30	4/6/98	Advance Surface Protect	Installation of Chem. Pumps	288,605.02	26,236.82
4-31	4/6/98	Tri-Ohms Engineering	Rep. Of High Voltage bushing	197,500.05	17,954.55
4-32	4/6/98	Tri-Ohms Engineering	Generator Neutral Ground Transformer	403,750.05	36,704.55
4-34	4/8/98	JAKOFS Corp.	Maint control RM rehab	1,144,950.51	104,086.41
4-45	3/30/98	Sunkyong Engineering	Final payment for spillboon installation	75,999.99	6,909.09
4-76	4/20/98	Priam Inc.	Compt overhaul of overhead crane	856,350.00	77,850.00
4-92	4/24/98	Instrumentation & Control	U-Tube Manometer	35,519.99	3,229.09
4-93	4/24/98	TCU Aircon Sales	Supply & Installation of A/C	108,749.96	9,886.36
4-122	4/30/98	Precision Development	Final payment of install of power house	1,301,973.42	118,361.22

4-126	4/30/98	Bright Venture Builder	Fin. payment for cooling water channel	25,000.03	2,272.73
5-4	5/6/98	Scan Aire	HVAC Const. For Maint Control Room	662,736.09	60,248.73
5-5	5/6/98	Sunkyong Engineering	Downpayment for Water Treatment	6,652,800.00	604,800.00
5-6	5/7/98	Cotrell Network	Ash Handling portable cart	140,000.00	12,727.27
5-10	5/8/98	Pumpcraft Industrial	Horizontal Bench Lathe Machine	191,877.25	17,443.39
5-15	5/8/98	Power Pro Inc	Emergency Diesel Generator	642,702.66	58,427.51
5-20	5/8/98	NAR Power System	1st progress bill. K1 & K2 Construction	974,544.84	88,594.98
5-25	5/8/98	Environment First	30% Bal Payment for API	670,908.21	60,991.66
5-32	5/12/98	Urica Industrial Wire	Duplex Strainer	948,931.25	86,266.48
5-35	5/12/98	Jeong Poong	Boiler Overhaul	7,072,319.63	642,938.15
5-46	5/0/98	Pumpcraft Industrial	Floor Polisher	73,650.00	6,695.45
5-55	5/22/98	Sunkyong Engineering	Full payment for contract	17,296,067.88	1,572,369.81
5-72	5/26/98	Wise-Man Automation	Omron Power Supply	29,779.00	2,707.18
5-94	5/29/98	Newton Industrial Sale	Full payment rewinding of motor	187,473.00	17,043.00
6-30	6/19/98	Jeong Poong	Full payment boiler overhaul	2,840,261.49	258,205.59
6-31	6-19-98	TCU Aircon Sales	Koppel Aircon	76,500.00	6,954.55
6-34	6/19/98	FED Construction	Progress Bill for rehab of MFOT	1,840,775.94	167,343.27
6-51	6/19/98	LSA Builders	Boiler Waterwall tube replacement	316,389.23	28,762.66
7-1	7/1/98	Sunkyong Engineering	1st Progress bill for water treatment	1,730,393.28	157,308.48
7-6	7/1/98	Pumpcraft Industrial	Chemical Exhaust Fan	14,450.00	1,313.64
7-16	7/8/98	Atlas Copco Inc	Full payment for O/H of air compressor	88,708.62	8,064.42
7-41	7/17/98	Philippine Electrical	Full payment for Stator rewinding	95,000.00	8,636.36
7-42	7/17/98	Alpha Steel Marketing	Executive personal locker	17,550.00	1,595.45
8-3	8/6/98	TCU Aircon Sales	Supply 1 unit of aircon	151,000.00	13,727.27
8-40	8/13/98	Jeong Poong	1st progress bill for K2 Boiler	8,236,534.25	748,775.84
8-103	8/25/98	Filkor Devt & Const.	Downpayment for repair	520,364.93	47,305.90
9-14	9/3/98	Radium Engineering	Microscanner	40,500.00	3,681.82
9-23	9/4/98	Ruvyrich Trading	Labor & Mat. For Lilly Guard	89,551.00	8,141.00
9-53	9/15/98	Tri-Ohms Engineering	Full payment for 75MVAX	356,250.00	32,386.36
9-69	9/18/98	Jeong Poong	2nd progress bill for K2 boiler	81,158,566.56	741,687.87
9-77	9/18/98	Advance Surface Protect	Chem. Tankyard Rehab.	847,461.75	77,041.98
9-85	9/20/98	NAR Power System	K2 Transformer inspection & regasking	245,167.50	22,287.95
9-95	9/25/98	BNJ Sash Corp	Sampling Rack House repair	361,000.00	32,818.18
9-100	9/25/98	MV Jr. Industrial	Turbine, Boiler Discharge Motorize	511,863.80	46,533.07
9-122	9/29/98	Fed Const Corp	8th progress bill MFTOTI	2,133,485.04	193,953.19
10-27	10/7/98	Sunkyong Engineering	Install of foundation for water pump	180,026.00	16,366.00
10-32	10/9/98	Yellow Gold Construction	Labor & Mat for desiltation	1,424,000.00	129,454.55
10-57	10/16/98	Philippine Electrical	Rewinding of HSCCPIC Motor	60,689.97	5,517.27
10-93	10/28/98	BNJ Sash Corp	Full payment for addl works	208,670.00	18,970.00
10-95	10/28/98	Jeong Poong	K2 Boiler Overhaul	4,895,873.51	445,079.41
11-01	11/3/98	Hamwell Chem. Corp	Immersion Circulator	70,348.20	6,395.29
11-22	11/6/98	Filkor Devt & Const.	Repair of intake channel shoreline	638,324.87	58,029.53
11-31	11/16/98	Tri-Ohms Engineering	Protective & Metering Devices Testing	788,500.00	71,681.82
11-49	11/18/98	TCU Aircon Sales	Aircon unit	162,500.00	14,772.73
11-75	11/25/98	NAR Power System	Construction of metering structure	243,636.21	22,148.75
11-88	11/26/98	Sunkyong Engineering	Rehab works on intake discharge	25,341,470.00	2,303,770.00
12-08	12/4/98	Jeong Poong	Boiler Overhaul	38,007,779.48	3,455,252.68
12-09	12/4/98	Jeong Poong	Boiler Overhaul	20,607,597.01	1,873,417.91
12-197	12/29/98	FED Construction	MFOT Tank Rehab	2,316,654.00	210,604.91
	TOTAL			P 289,929,796.25	P19,720,799.74

The balance of P14,932,627.09 cannot be considered because it covers purchases for (but not limited to) sulfuric acid, incandescent lamp, tape, vinyl embossing, oxygen, working gloves, caustic soda, G.I. sheet, steel brush, non-asbestos tape, clear glassware, flexible steel conduit, epoxy enamel, welding rod, angle bar, solvent degreaser as described in the invoices. These items do not fall within the purview of the term capital goods. While it may be argued that some of these items may have estimated useful life of more than one year, still, they are not depreciable assets.

Failure to meet any requirement provided by law is fatal to a claim for refund. Hence, only the purchases in the amount of P289,929,796.25, with the corresponding input VAT of P19,720,799.74 can be considered as capital goods.

The third requisite has also been complied with since petitioner did not offset or apply the claimed input VAT payments on capital goods against any output VAT liability. Petitioner's quarterly VAT return for the 1st quarter of 2001 showed that the input VAT in the amount of P107,468,940.30 was deducted from the total available input VAT. The amount of P37,250,307.39, being claimed by petitioner in the instant case was included in the said amount. This is enough proof to show that petitioner did not apply the input tax being claimed for refund against any output tax liability.

Petitioner filed the administrative claim for refund and the instant Petition for Review on March 30, 2000 and April 24, 2000, respectively, which are within the two (2)-year prescriptive period allowed by law, reckoned from the required filing of the quarterly VAT returns for the four quarters of 1998 in compliance with the last requisite.

In sum, petitioner complied with all the requisites for refund of input VAT on capital goods.

WHEREFORE, in the light of the foregoing, the Petition for Review is hereby **GRANTED** in a reduced amount of P19,720,799.74. Accordingly, the respondent is

ORDERED to REFUND or ISSUE a TAX CREDIT CERTIFCATE in favor of the petitioner in the amount of P19,720,799.74 representing input VAT paid on capital goods purchased during the calendar year 1998.

SO ORDERED.

ERNESTO D. ACOSTA
Presiding Justice

WE CONCUR:

LOVELL R. BAUTISTA
Associate 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