REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL SECOND DIVISION

PHILIPPINE MINING SERVICE CORPORATION, Petitioner,	CTA Case No. **10494**
	Members:
- versus -	**BACORRO-VILLENA,** *Acting Chairperson, and* **CUI-DAVID,** ***JJ.***
COMMISSIONER OF INTERNAL REVENUE, Respondent.	Promulgated: JUN 04 2025 3:30 pm

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RESOLUTION

***BACORRO-VILLENA, J.*:**

For the Court's resolution are:

1. Respondent Commissioner of Internal Revenue's (**respondent**'s/**CIR**'s) "Motion for Partial Reconsideration (Re: Amended Decision promulgated 4 February 2025)"[1] (**MPR**) filed on 18 February 2025, with "Comment/Opposition (to Respondent's [MPR] dated 14 February 2025"[2] (**Comment**) filed by petitioner Philippine Mining Service Corporation (**petitioner/PMSC**) on 18 March 2025; and

2. Respondent's "Opposition (Re: Motion for Reconsideration of the Amended Decision dated 4 February 2025)"[3] (**Opposition**) filed on 14 March 2025.

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1 Division Docket, Volume II, pp. 782-796.
2 Id., pp. 809-820.
3 Id., pp. 802-805.

Respondent's MPR and Opposition questions the Amended Decision of 04 February 2025[4] (**assailed Amended Decision**) that modified the partial grant of petitioner's claim for value-added tax (**VAT**) refund for calendar year (**CY**) 2019.

In the MPR, respondent insists that this Court, being an appellate court, should confine itself to the Bureau of Internal Revenue's (**BIR**'s) findings of denial and only consider pieces of evidence which were submitted in the administrative level. Citing *Pilipinas Total Gas, Inc. v. Commissioner of Internal Revenue*[5], respondent points out that this Court's judicial review should not be considered as trial *de novo* in the sense that its inquiry should be restricted to the previous administrative findings only.

Respondent adds that under the doctrine of conclusiveness of administrative findings of fact, decisions of the administrative body which handled the investigation and examination of the claim of refund should be given weight and credence by the Court.

Lastly, respondent vehemently argues that petitioner is not entitled to the VAT refund. He or she maintains that based on the Memorandum Report of 15 February 2021, petitioner's application for refund must be denied for its failure to substantiate its claim both in fact and in law. Explaining one aspect, respondent avers that the indirect sales made to companies registered with the Philippine Economic Zone Authority (**PEZA**) should be denied due to the absence of delivery receipts as proof of actual delivery of the goods inside the PEZA.

Likewise, in respondent's Opposition, addressing the alterations made in the invoices and receipts which petitioner submitted, he or she echoes that tax refunds are in the nature of tax exemptions and are, thus, strictly construed against the claimant. Any doubt must be resolved in favor of the government. In this respect, respondent does not see any error in the Court's decision to uphold the denial of VAT refund related to the altered invoices and receipts.

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4 Id., pp. 754-780.
5 G.R. No. 207112, 08 December 2015.

In the Comment to respondent's MPR, petitioner asserts that most of the former's arguments were already addressed in both the Decision of 08 July 2024 and the assailed Amended Decision of 04 February 2025.

As to the supposed absence of delivery receipts, petitioner contends that a taxpayer only needs to prove that the sale is made by a VAT-registered person to a PEZA-registered entity and duly supported with the appropriate invoices, to be considered as effectively zero-rated sales. Thus, lack of delivery receipt is not fatal to the refund claim.

We resolve.

After a careful consideration and evaluation of the parties' arguments, this Court is constrained to deny respondent's MPR and Opposition.

To address respondent's insistence that this Court should confine itself to issues tackled and documents submitted in the administrative level, in the case of *Commissioner of Internal Revenue v. Philippine Bank of Communications*[6], although of a different tax, the Supreme Court held that cases before Us are litigated *de novo* and, thus, the parties should prove every minute aspect of their case, *viz*:

> ...
>
> We agree with the CTA *en banc*'s ruling that the failure of PBCOM to comply with the requirements of its administrative claim for CWT refund/credit does not preclude its judicial claim.
>
> In the case of *Commissioner of Internal Revenue v. Manila Mining Corporation*, this Court held that cases before the CTA are litigated *de novo* where party litigants should prove every minute aspect of their cases, to wit:
>
>> Under Section 8 of Republic Act No. 1125 (RA 1125), the CTA is described as a court of record. As cases filed before it are litigated *de novo*, party litigants should prove every minute aspect of their cases. <u>No evidentiary value can be given the purchase invoices or receipts submitted to the BIR as the rules on documentary evidence require that these documents must be formally offered before the CTA.</u>

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6 G.R. No. 211348, 23 February 2022; Citations omitted, emphasis supplied, italics and underscoring in the original text.

As applied in the instant case, since the claim for tax refund/credit was litigated anew before the CTA, **the latter's decision should be solely based on the evidence formally presented before it, notwithstanding any pieces of evidence that may have been submitted (or not submitted) to the CIR**. Thus, what is vital in the determination of a judicial claim for a tax credit/refund of CWT is the evidence presented before the CTA, regardless of the body of evidence found in the administrative claim.

In *Commissioner of Internal Revenue v. Univation Motor Philippines, Inc. (Formerly Nissan Motor Philippines, Inc.)*, this Court has explained that the CTA is not limited by the evidence presented in the administrative claim, to wit:

> The law creating the CTA specifically provides that proceedings before it shall not be governed strictly by the technical rules of evidence. The paramount consideration remains the ascertainment of truth. Thus, the CTA is not limited by the evidence presented in the administrative claim in the Bureau of Internal Revenue. The claimant may present new and additional evidence to the CTA to support its case for tax refund.
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> **Cases filed in the CTA are litigated *de novo* as such, respondent "should prove every minute aspect of its case by presenting, formally offering and submitting x x x to the Court of Tax Appeals all evidence x x x required for the successful prosecution of its administrative claim." Consequently, the CTA may give credence to all evidence presented by respondent, including those that may not have been submitted to the CIR as the case is being essentially decided in the first instance.**

...

Also, respondent's invocation of the doctrine of conclusiveness of administrative findings of fact is misplaced. In the case of *Primo C. Miro, in his capacity as Deputy Ombudsman for the Visayas v. Marilyn Mendoza Vda. De Erederos, et al.*[7], the Supreme Court clarified that this doctrine is inapplicable should the administrative agency failed to support its findings with substantial evidence, to wit –

> ...
>
> Doctrine of conclusiveness of administrative findings of fact is not absolute[.]
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> ...

[7] G.R. Nos. 172532 172544-45, 20 November 2013; Citation omitted and emphasis supplied.

> This rule on conclusiveness of factual findings, however, is not an absolute one. Despite the respect given to administrative findings of fact, **the CA may resolve factual issues, review and re-evaluate the evidence on record and reverse the administrative agency[']s findings if not supported by substantial evidence. Thus, when the findings of fact by the administrative or quasi-judicial agencies (like the Office of the Ombudsman/Deputy Ombudsman) are not adequately supported by substantial evidence, they shall not be binding upon the courts.**
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> ...

From the foregoing, We are not necessarily bound by the BIR's findings. We can proceed with Our own examination and verification of the documents submitted before Us.

As to petitioner's alleged failure to substantiate its claim based on the Memorandum Report of 15 February 2021, its non-submission of the delivery receipts relevant to the sales made to PEZA-registered entities, and the alterations made in the invoices and receipts, it is noted that these issues were already addressed and answered in both of Our Decisions. Thus, it is futile to tackle them again.

In *Licomcen Incorporated v. Foundation Specialists, Inc.*[8], the Supreme Court, citing *Ortigas and Company Limited Partnership v. Judge Tirso Velasco, et al.*[9], held that:

> ...
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> The filing of a motion for reconsideration, authorized by Rule 52 of the Rules of Court, does not impose on the Court the obligation to deal individually and specifically with the grounds relied upon therefor, in much the same way that the Court does in its judgment or final order as regards the issues raised and submitted for decision. This would be a useless formality or ritual invariably involving merely a reiteration of the reasons already set forth in the judgment or final order for rejecting the arguments advanced by the movant; and it would be a needless act, too, with respect to issues raised for the first time, these being, ... deemed waived because not asserted at the first opportunity. It suffices for the Court to deal generally and summarily with the motion for reconsideration, and merely state a legal ground for its denial (Sec. 14, Art. VIII, Constitution); *i.e.*, the motion contains merely a reiteration or rehash of arguments already submitted to and pronounced without merit by the Court in its judgment, or the basic

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8 G.R. No. 167022, 31 August 2007.

9 G.R. No. 109645 (Resolution), 04 March 1996.

> issues have already been passed upon, or the motion discloses no substantial argument or cogent reason to warrant reconsideration or modification of the judgment or final order; or the arguments in the motion are too unsubstantial to require consideration, etc.
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> ...

WHEREFORE, in view of the foregoing, respondent Commissioner of Internal Revenue's "Motion for Partial Reconsideration (Re: Amended Decision promulgated 4 February 2025)" filed on 18 February 2025 and "Opposition (Re: Motion for Reconsideration of the Amended Decision dated 4 February 2025)" filed on 14 March 2025 are hereby **DENIED** for lack of merit.

SO ORDERED.

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

I CONCUR:

LANEE S. CUI-DAVID
Associate Justice