REPUBLIC OF THE PHILIPPINES
Court of Tax Appeals
QUEZON CITY

Special Third Division

FORD GROUP PHILIPPINES, INC.	**CTA CASE NO. 10288**
Petitioner,	Members: **RINGPIS-LIBAN,** *Chairperson, and* **MODESTO-SAN PEDRO,** *JJ.*
-versus-	
COMMISSIONER OF INTERNAL REVENUE,	Promulgated:
Respondent.	JUN 16 2023 4:02 p.m.

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DECISION

MODESTO-SAN PEDRO, J.:

The Case

Before the Court is a Petition for Review,[1] filed by petitioner Ford Group Philippines, Inc. against respondent Commissioner of Internal Revenue ("CIR"), seeking the review of the claims for tax refund filed with the Bureau of Internal Revenue ("BIR"), through inaction by the CIR regarding the claim for refund representing excess and unutilized creditable withholding taxes for the taxable year 2017 in the amount of ₱380,382,132.00.

The Parties

Petitioner, Ford Group Philippines, Inc., is a corporation duly registered with the Securities and Exchange Commission ("SEC") as the Philippine Branch Office of Ford Group Philippines, Inc., a foreign corporation organized and existing under the laws of the State of Delaware, United States of America. Petitioner's principal place of business is located at the 8th Floor, Filinvest One Building, Northgate Cyberzone, Filinvest City, Alabang, Muntinlupa City. It is primarily engaged in the wholesale distribution and importation of automotive vehicles, parts, and components, and in providing services relating to the same.[2] Petitioner is likewise registered with the BIR

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1 *See* Petition for Review, Records Vol. 1, pp. 6-17.
2 *Ibid*; Pre-Trial Order, dated 23 November 2021, *id.*, pp. 386-391.

with BIR Certificate of Registration No. OCN 8RC0000356759 dated 8 June 2000 and with Tax Identification No. 206-377-654-000.[3]

Respondent CIR is tasked with the assessment and collection of all national internal revenue taxes, fees, and charges, and the enforcement of all forfeitures, penalties, and fines connected therewith. Respondent may be served with summons and other Court processes at the BIR National Office Building, Agham Road, Diliman, Quezon City.[4]

The Facts

On 13 April 2018, petitioner filed its Annual Income Tax Return[5] with attached Audited Financial Statements for the taxable year 2017. Petitioner's 2017 Annual ITR reflected that it had creditable withholding taxes ("CWT") in 2016 and 2017 in the amounts of ₱271,138,903.00 and ₱380,382,132.00, respectively, or a total amount of ₱651,521,035.00.

Petitioner alleged that it expressly indicated its intent to refund the amount of ₱380,382,132.00, representing the excess and unutilized CWT for the year 2017. Petitioner did not carry over the said excess and unutilized CWT credits in its Quarterly[6] and Annual[7] ITR for the taxable year 2018.

On 1 August 2019, Petitioner filed an Administrative Claim for Refund[8] before the BIR in relation to its excess and unutilized creditable withholding tax for the taxable year 2017, which was not acted upon by the BIR.

On 30 June 2020, since the two (2)-year prescriptive period was about to lapse, petitioner filed the instant Petition for Review praying for the refund of its excess and unutilized creditable withholding taxes for the year 2017, amounting to ₱380,382,132.00.

Summons was served upon respondent on 21 July 2020[9] and received by him on 26 August 2020.[10]

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[3] Petition for Review, *id.*, pp. 6-17.
[4] *Ibid.*
[5] Exhibit "P-6", *id.*
[6] Exhibit "P-7" to "P-9", *id.*
[7] Exhibit "P-10", *id.*
[8] Exhibit "P-11", *id.*
[9] Petition for Review, *id.*, pp. 95.
[10] *Id.*, p. 191.

On 20 October 2020, within the extended period,[11] respondent filed his Answer,[12] interposing the following defenses:

(1) Petitioner failed to show in the return that income from which withholding tax was withheld formed part of its gross income;
(2) Petitioner failed to provide supporting documents to show that income from which creditable withholding tax being claimed was declared in its Annual Income Tax Return;
(3) Petitioner failed to comply with the requirement that gross income as reported in the Annual Income Tax Return must include the portion of income to which respondent is requesting the refund of creditable withholding tax;
(4) Petitioner failed to comply with the prescribed checklist of requirements to be submitted pursuant to Revenue Memorandum Order ("RMO") No. 53-98;
(5) Petitioner failed to present evidence to prove actual remittance of the alleged withheld taxes to the BIR;
(6) Petitioner must prove compliance with Revenue Regulations ("RR") No. 2-2006 and RR 53-98;
(7) Petitioner miserably failed to substantiate its administrative claim for refund with the respondent; and
(8) Petitioner failed to prove that there was administrative compliance in pursuing the administrative claim leading to the appellate proceedings.

Meanwhile, on 1 February 2021, respondent transmitted the BIR Records of the case consisting of three hundred forty-nine (349) pages contained in one (1) folder and filed the corresponding Compliance,[13] of which the Court took note in a Minute Resolution 3 February 2021.

Petitioner and respondent filed their Pre-Trial Briefs on 12 March 2021[14] and 16 March 2021,[15] respectively. Following this, the Pre-Trial Conference was held on 6 October 2021.[16]

The parties filed their Joint Stipulation of Facts and Issues ("JSFI") on 29 October 2021,[17] which the Court admitted and approved in its Resolution[18] dated 12 November 2021. Thus, on 23 November 2021, the Pre-Trial Order was rendered.

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[11] *See* Motion for Extension of Time to File Answer, *id.*, pp. 97-98; Resolution dated 7 October 2020, *id.*, pp. 103; Answer dated 20 October 2020, *id*, pp. 104-111; Resolution dated 15 January 2021, *id.*, pp. 121-122.
[12] *Id.*, pp. 203-223.
[13] *Id.*, pp. 123-124.
[14] *Id.*, pp. 131-141.
[15] *Id.*, pp. 127-129.
[16] *Id.*, pp. 334-336.
[17] *Id.*, pp. 340-346.
[18] *Id.*, p. 362.

Meanwhile, on 25 October 2021, petitioner filed a Motion to Commission an Independent Certified Public Accountant,[19] which the Court granted in its Resolution[20] dated 24 November 2021.

During trial, petitioner presented the following witnesses:

(1) Jo-Anne T. Matas, petitioner's General Manager and Corporate Secretary, who testified and identified her Judicial Affidavit[21] during the hearing on 24 February 2021;[22] and
(2) Atty. Conrado M. Briones, Independent Certified Public Accountant, who testified and identified his Judicial Affidavit[23] during the hearing on 24 February 2021.[24]

Petitioner formally offered its documentary evidence on 2 March 2022.[25] Respondent filed his comment on 7 March 2022.[26]

In a Resolution dated 23 March 2022,[27] the Court admitted all of petitioner's formally offered documentary evidence and took note that Exhibits "P-15" and "P-15-A", offered as "Judicial Affidavit of Atty. Conrado M. Briones dated 10 November 2021" and "Signature of Conrado M. Briones", respectively, have no exhibit number markings.

On 18 April 2022, respondent manifested that he would no longer present any witness in the instant case.[28] The Court then issued a Resolution,[29] dated 22 April 2022, canceling the scheduled presentation of evidence for respondent and granting the parties thirty (30) days from notice to submit their respective memoranda.

Thus, on 8 June 2022, petitioner filed its Memorandum.[30] Meanwhile respondent filed his Memorandum[31] on 10 June 2022.

With the filing of both parties' respective memoranda, the case was submitted for decision on 17 June 2022.[32]

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[19] *Id.*, pp. 364-365.
[20] *Id.*, pp. 393-394.
[21] Exhibits "P-16" and "P-16-a", *id.*, pp. 143- 154.
[22] Division Records Vol. 2, pp. 503- 504.
[23] Exhibit "P-39" and Exhibit "P-39-1", *id.*, pp. 453-466.
[24] *Id.*, pp. 503-504.
[25] *Id.*, pp. 504-515.
[26] *Id.*, pp. 901-902.
[27] *Id.*, pp. 906-907.
[28] *Id.*, pp. 908-910.
[29] *Id.*, p. 913.
[30] *Id.*, pp. 914-938.
[31] *Id.*, pp. 941-950.
[32] *Id.*, p. 954.

The Issue[33]

The sole issue submitted for this Court's resolution is:

> Whether petitioner is entitled for tax refund of its excess and unutilized creditable withholding tax (CWT) for the year 2017 amounting to ₱380,382,132.00.

Arguments of the Parties

Petitioner's Arguments[34]

The claim for refund should be granted because all the necessary elements are present.

As to the *first* requirement on prescriptive periods, petitioner claims that it filed both the administrative and judicial claim for refund within the two (2) year prescriptive period provided for in ***Section 229 of the Tax Code, as amended.***

Second, according to petitioner, the fact of withholding can be established from the Certificates of Creditable Tax Withheld at Source (BIR Form No. 2307) as issued by different payors showing the total amount of taxes withheld in the amount of ₱380,382,132.00.

Third, the CWT in the amount of ₱380,382,132.00 were withheld from income payments to petitioner in the total amount of ₱38,036,255,594.81 which were declared in petitioner's annual ITR for taxable year 2017 as part of its gross income.

Petitioner likewise argues that when the CWT exceeds the income tax due on the ITR, such as in the present case, the taxpayer is given the option to refund or carry-over the excess CWT to the next period. Petitioner points out that the ICPA recommended the refund of petitioner be partially granted.

Finally, petitioner avers that it indicated its intention to refund the excess and unutilized CWT for taxable year 2017 in its 2017 Annual ITR.

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[33] *See* Issue, Pre-Trial Order dated 23 November 2021, Division Records Vol. 1, p. 387.
[34] Memorandum for Petitioner, Division Records Vol. 2, pp. 921-939.

Respondent's Arguments[35]

Meanwhile, respondent argues that petitioner failed to prove that the income from which the withholding taxes was withheld from formed part of his gross income. Respondent claims that petitioner failed to prove actual remittance of the alleged withholding taxes to the BIR. He reiterates that statutes that grant tax exemptions are construed *strictissimi juris* against the taxpayer and liberally in favor of the taxing authority.

The Ruling of the Court

The instant Petition for Review is partly meritorious.

Section 76 of the Tax Code, as amended, provides the options given to a taxpayer in the event that the sum of quarterly income tax payments during a taxable year is not equal to the total tax due on the entire taxable income for that year:

> "SECTION 76. *Final Adjustment Return.* - Every corporation liable to tax under Section 27 shall file a final adjustment return covering the total taxable income for the preceding calendar or fiscal year. **If the sum of the quarterly tax payments made during the said taxable year is not equal to the total tax due on the entire taxable income of that year, the corporation shall *either***:
>
> (A) Pay the balance of tax still due; or
> (B) **Carry-over the excess credit**; or
> (C) Be **credited or refunded with the excess amount paid**, as the case may be.
>
> In case the corporation is entitled to a tax credit or refund of the excess estimated quarterly income taxes paid, the excess amount shown on its final adjustment return may be carried over and credited against the estimated quarterly income tax liabilities for the taxable quarters of the succeeding taxable years. **Once the option to carry-over and apply the excess quarterly income tax against income tax due for the taxable quarters of the succeeding taxable years has been made, such option shall be considered irrevocable for that taxable period and no application for cash refund or issuance of a tax credit certificate shall be allowed therefor.**"
> (Emphasis, Ours.)

From the foregoing, when a corporation overpays its income tax liability as adjusted at the close of the taxable year, it has two options: (1) to be refunded or issued a tax credit certificate; or (2) to carry over such overpayment to the succeeding taxable quarters to be applied as tax credit

[35] Memorandum for Respondent, *id.*, pp. 941-952.

against income tax due.[36] Such overpayment of income tax is usually occasioned by the over-withholding of taxes on the income payments to the corporate taxpayer.[37]

In exercising its option, the corporation must signify in its annual corporate adjustment return (by marking the option box provided in the BIR form) its intention either to carry over the excess credit or to claim a refund.[38] To facilitate tax collection, these remedies are in the alternative and the choice of one precludes the other.[39] Hence, once the carry-over option is taken, it becomes irrevocable such that the taxpayer cannot later on change its mind in order to claim a cash refund or the issuance of a tax credit certificate of the very same amount of overpayment or excess income tax credit.[40]

In the present case, petitioner's Annual ITR shows that it had total income tax credits in the total amount of ₱651,521,035.00[41] consisting of:

Prior year's excess credits		₱ 271,138,903.00[42]
CWT Accumulated during the four (4) quarters of 2017		
CWT from 1st to 3rd quarters	₱ 276,753,795.00[43]	
CWT from the 4th quarter	103,628,337.00[44]	₱ 380,382,132.00
Total income tax credits		₱ 651,521,035.00[45]

Petitioner utilized its "prior year's excess credits" for TY 2017 in the amount of ₱271,138,903.00 to pay for its income tax liability for TY 2017 in the amount of ₱42,446,425.00,[46] thus leaving a balance of its "prior year's excess credits" in the amount of ₱228,692,478.00 and CWT accumulated during CY 2017 in the amount of ₱380,382,132.00.

Petitioner indicated on the face of its Annual ITR for TY 2017 its option to claim for refund of its accumulated CWT for TY 2017 in the amount of ₱380,382,132.00. Since only the balance of its "prior year's excess credits" in the amount of ₱228,692,478.00 was carried over as "prior year's excess

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36 University Physicians Services, Inc.-Management, Inc. v. Commissioner of Internal Revenue, G.R. No. 205955, 7 March 2018 *citing* Section 76 of the Tax Code, as amended.
37 University Physicians Services, Inc.-Management, Inc. v. Commissioner of Internal Revenue, G.R. No. 205955, 7 March 2018.
38 Systra Philippines, Inc. v. Commissioner of Internal Revenue, G.R. No. 176290 (Resolution) 21 September 2007.
39 Systra Philippines, Inc. v. Commissioner of Internal Revenue, G.R. No. 176290 (Resolution) 21 September 2007 *citing* Philippine Bank of Communications v. Commissioner of Internal Revenue, G.R. No. 112024, 28 January 1999.
40 University Physicians Services, Inc.-Management, Inc. v. Commissioner of Internal Revenue, G.R. No. 205955, 7 March 2018 *citing* Section 76 of the Tax Code, as amended.
41 Exhibit "P-6-B", Line 17, Division Records Vol. 2, p. 585.
42 Exhibit "P-6-A", Line 1, *id.*, p. 590.
43 Exhibit "P-6-A", Line 5, *id.*, p. 590.
44 Exhibit "P-6-A", Line 6, *id.*, p. 590.
45 Exhibit "P-6-A", Line 12, *id.*, p. 590
46 Exhibit "P-6-B", Line 16, *id.*, p. 585.

credits" in TY 2018,[47] the amount of ₱380,382,132.00 may be the subject of a claim for refund or tax credit pursuant to ***Section 76(C) of the Tax Code.***

<u>Requisites for the refund of claim for refund of CWT</u>

In claiming for refund or tax credit pursuant to ***Section 76(C) of the Tax Code,*** the claimant must show compliance with the following:[48]

(1) The claim for refund must be filed within the two (2)-year prescriptive period provided under ***Section 229 of the Tax Code, as amended***;
(2) The fact of withholding is established by a copy of a statement duly issued by the payor (withholding agent) to the payee, showing the amount paid and the amount of tax withheld therefrom;[49]
(3) The income upon which the taxes were withheld were included in the return of the recipient (*i.e.* declared as part of the gross income).

1st Requirement: Timeliness of the Claim for Refund

For a claim for refund or tax credit to prosper, ***Section 204(C) of the Tax Code*** in relation to ***Section 229 of the Tax Code*** provides that within two (2) years from the date of payment of tax, the claimant must first file an administrative claim with the CIR before filing its judicial claim with the courts of law. Both claims must be filed within a two (2)-year reglementary period. The timeliness of the filing of the claim is mandatory and jurisdictional: the Court cannot take cognizance of a judicial claim for refund filed either prematurely or out of time. ***Sections 204(C) and 229 of the Tax Code*** pertinently provide:

> "SECTION 204. *Authority of the Commissioner to Compromise, Abate and Refund or Credit Taxes.* - The Commissioner may –
>
> ...
>
> (C) Credit or refund of taxes erroneously or illegally received or penalties imposed without authority, refund the value of internal revenue stamps when they are returned in good condition by the purchaser, and, in his discretion, redeem or change unused stamps that have been rendered unfit for use and refund their value upon proof of destruction. **No credit or refund of taxes or penalties shall be allowed unless the taxpayer files in**

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47 Exhibit "P-10", Schedule 7, Line 1, *id.*, p. 664.

48 Banco Filipino Savings and Mortgage Bank v. Commissioner of Internal Revenue, G.R. No. 155682, 27 March 2007; United International Pictures AB v. Commissioner of Internal Revenue, G.R. No. 168331, 11 October 2012; and Republic of the Philippines, represented by the Commissioner of Internal Revenue v. Team (Phils.) Energy Corporation (formerly Mirant (Phils.) Energy Corporation), G.R. No. 188016, 14 January 2015

49 Section 2.58.3(B), Revenue Regulations No. 2-98.

> **writing with the Commissioner a claim for credit or refund within two (2) years after the payment of the tax or penalty**; *Provided, however*, That a return filed showing an overpayment shall be considered as a written claim for credit or refund."
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> "SECTION 229. *Recovery of Tax Erroneously or Illegally Collected.* – No suit or proceeding shall be maintained in any court for the recovery of any national internal revenue tax hereafter alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been collected without authority, of any sum alleged to have been excessively or in any manner wrongfully collected without authority, or of any sum alleged to have been excessively or in any manner wrongfully collected, until a claim for refund or credit has been duly filed with the Commissioner; but such suit or proceeding may be maintained, whether or not such tax, penalty, or sum has been paid under protest or duress.
>
> In any case, **no such suit or proceeding shall be filed after the expiration of two (2) years from the date of payment of the tax or penalty regardless of any supervening cause that may arise after payment**: Provided, however, That the Commissioner may, even without a written claim therefor, refund or credit any tax, where on the face of the return upon which payment was made, such payment appears clearly to have been erroneously paid."
> (Emphasis, Ours.)

In the present case, records show that petitioner filed its Annual ITR for TY 2017 through the electronic filing and payment system (eFPS) on 13 April 2018.[50] Counting two (2) years therefrom, petitioner had until 13 April 2020 within which to file both its administrative claim with the CIR and its judicial claim with the court. Records further show that petitioner filed its administrative claim with the CIR on 1 August 2019[51] and the present judicial claim on 30 June 2020.[52] Thus, both administrative and judicial claims for refund were timely filed.

2nd and 3rd Requirements: Establish the fact of withholding; Income from which taxes were withheld are declared as part of the gross income

At the onset, the Court will settle respondent's argument that petitioner's claim should not prosper due to its failure to prove *actual remittance* of the alleged withholding taxes to the BIR.

Respondent is mistaken.

[50] Exhibit "P-6", Division Records Vol. 2, pp. 585-592.
[51] Exhibit "P-11", Division Records Vol. 1, pp. 667-669.
[52] *See* Petition for Review, *id.*, pp. 6-17.

The claimant only needs to establish the *fact of withholding*. Proof of *actual remittance* is not a condition to claim for refund.

Revenue Regulations ("Rev. Regs.") No. 2-98,[53] as amended, which is respondent's own issuance, expressly belies his claim. ***Section 2.58.3 (B) of Rev. Regs. No. 2-98*** states that proof of remittance is the responsibility of the withholding agent, not the payee-refund claimant. The fact of withholding is sufficiently established by a copy of the withholding tax statement duly issued by the withholding agent to the payee, showing the amount paid and the amount of tax withheld therefrom. ***Section 2.58.3(B)*** is reproduced below:

> "(B) Claims for tax credit or refund of any creditable income tax which was deducted and withheld on income payments shall be **given due course only when it** is shown that the **income payment has been declared as part of the gross income** and the **fact of withholding is established by a copy of the withholding tax statement duly issued by the payor to the payee** showing the amount paid and the amount of tax withheld therefrom.
>
> **Proof of remittance is the responsibility of the withholding agent.**"
> (Emphasis, Ours.)

Further, in ***Commissioner of Internal Revenue v. Philippine National Bank***,[54] the Supreme Court categorically pronounced that proof of actual remittance is not a condition to claim for a refund of unutilized tax credits:

> "Petitioner's posture that respondent is required to establish actual remittance to the Bureau of Internal Revenue deserves scant consideration. **Proof of actual remittance is not a condition to claim for a refund of unutilized tax credits.** Under Sections 57 and 58 of the 1997 National Internal Revenue Code, as amended, **it is the payor-withholding agent, and not the payee-refund claimant such as respondent, who is vested with the responsibility of withholding and remitting income taxes.**"
> (Emphasis, Ours)

To prove the fact of withholding, petitioner presented various Certificates of Creditable Tax Withheld at Source (BIR Form No. 2307) issued by various payors and a schedule of CWT for TY 2017.

Meanwhile, in relation to the 3rd requirement, petitioner presented in evidence a schedule of taxes withheld per CTCs of BIR Form 2307 for the 1st, 2nd, 3rd, and 4th quarters of 2017,[55] its Annual ITR for TY 2017[56], Audited

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53 SUBJECT: Implementing Republic Act No. 8424, "An Act Amending the National Internal Revenue Code, as amended" relative to the Withholding on Income subject to the Expanded Withholding Tax and Final Withholding Tax, Withholding of Income Tax on Compensation, Withholding of Creditable Value-Added Tax and Other Percentage Taxes.
54 G.R. No. 180290, 29 September 2014.
55 Exhibits "P-12" to "P-12-C", Division Records Vol. 2, pp.670-673.
56 Exhibit "P-6", *id.*, pp. 585-592.

Financial Statements for 2017,[57] Summary Alphalist of Withholding Taxes (SAWT) for 2017,[58] and the General Ledger.[59]

The court-commissioned ICPA reviewed the foregoing documents and found the following:[60]

"Based on the above observations, the amount of CWTs for taxable year 2017 which may be refunded is computed as follows:

Particulars	**Exhibit No./Ref.**	**Amount**	
Creditable Withholding Taxes Generated in 2017	Part IV, Line Item No. 1 of this Report		Php 380,382,132
Creditable Withholding Tax Certificates where the Tax Identification Number and Signature of the Payor Signatory are Not Indicated and No Secretary's Certificate on the Authorized Payor Signatory provided	P-20-a to P-20-c	(11,473)	
Creditable Withholding Tax Certificates where the Tax Identification Number and Position of the Payor Signatory are Not Indicated and No Secretary's Certificate on the Authorized Payor Signatory Provided	P-31-a to P-21-b	(37,728)	
Creditable Withholding Tax Certificates where Stamp on the Tax Identification Number of the Payee Signatory is Faded	P-22-a	(4,851)	
Creditable Withholding Tax Certificates where Stamp on the Position of the Payee Signatory is Faded	P-23-a to P-23-b	(6,137)	
Difference between CWT amount declared in the Annual Income Tax Return/Petition for Review and amount supported by certificates *(lower amount per CWT certificates)*	Part IV, Line Item No. 2 of this Report	(56,796)	
Less: Total Adjustments			(116,985)
Amount of Excess CWTs in Taxable Year 2017 which may be Refunded			**380,265,147**

In relation to the excess CWTs in taxable year 2017 which may be refunded, the fact of withholding is established by withholding tax

[57] Exhibit "P-6-E", *id.*, pp. 593-652.
[58] Exhibits "P-26-a" to "P-26-d", ICPA USB marked as Exhibit "P-38".
[59] Exhibit "P-31", *id.*
[60] Exhibit "P-17", ICPA Report, Division Records Vol. 2, pp. 418-421.

certificates duly issued by the customers to the Petitioner showing the amount paid and the amount of tax withheld.

In the course of my review, I have also verified the following:

...

- The Petitioner declared the equivalent value of the total income payments reflected on the CWT certificates as part of the total revenue in the filed Annual ITR for the taxable year 2017.

...

Below is the summary of comparison of the amount of unutilized CWT credits filed for refund in the Petition for Review and the result of the ICPA review:

Particulars	Amount
Per Petition for Review	Php 380,382,132
Per ICPA Review	**380,265,147**
Difference	**116,985**

However, further verification of petitioner's supporting documents shows that the CWT of ₱380,265,147.00 must be reduced by ₱14,754,981.80 for not being properly supported by BIR Forms No. 2307 as follows:

Exhibit	Payor/Withholding Agent	Income Payment	Tax Withheld
CWT unsupported by BIR Form No. 2307			
	Michigan Motors, Inc.	₱ 104,700,688.00	₱ 1,047,006.88
	Michigan Motors, Inc.	₱ 216,133.00	₱ 4,322.66
	Michigan Motors, Inc.	₱ 79,389,386.00	₱ 793,893.86
	Michigan Motors, Inc.	₱ 24,103.00	₱ 482.06
	WPP Marketing Communications, Inc.	₱ 1,809,984.15	₱ 36,199.68
	Michigan Motors, Inc.	₱ 128,191,843.00	₱ 1,281,918.43
	Michigan Motors, Inc.	₱ 94,333,348.00	₱ 943,333.48
	Michigan Motors, Inc.	₱ 51,711.00	₱ 1,034.22
	Michigan Motors, Inc.	₱ 157,315,383.00	₱ 1,573,153.83
	Michigan Motors, Inc.	₱ 121,924.50	₱ 2,438.49
	Michigan Motors, Inc.	₱ 178,125,119.00	₱ 1,781,251.19
	Michigan Motors, Inc.	₱ 429,669.50	₱ 8,593.39
	Sewells Group Philippines, Inc.	₱ 24,780.00	₱ 1,239.00
	Michigan Motors, Inc.	₱ 128,644,970.00	₱ 1,286,449.70
	Michigan Motors, Inc.	₱ 58,786.00	₱ 1,175.72
	Westcoast Automotive Corporation	₱ 82,375.00	₱ 4,118.75
	Michigan Motors, Inc.	₱ 165,012,520.00	₱ 1,650,125.20
	Michigan Motors, Inc.	₱ 132,219.50	₱ 2,644.39
	Sewells Group Philippines, Inc.	₱ 122,308.80	₱ 6,115.44
	Michigan Motors, Inc.	₱ 121,768,297.00	₱ 1,217,682.97

	Michigan Motors, Inc.	₱ 75,902.00	₱ 1,518.04
	Michigan Motors, Inc.	₱ 119,579,147.00	₱ 1,195,791.47
	Michigan Motors, Inc.	₱ 26,000.00	₱ 520.00
	Michigan Motors, Inc.	₱ 190,812,695.00	₱ 1,908,126.95
	Michigan Motors, Inc.	₱ 215,902.00	₱ 4,318.04
	WPP Marketing Communications, Inc.	₱ 76,398.16	₱ 1,527.96
Total		***₱1,471,341,592.61***	***₱ 14,754,981.80***

Considering the foregoing, petitioner proved compliance with the requirements for a CWT refund but only in the amount of ₱365,510,165.20 out of the total claim of ₱380,382,132.00:

Total CWT claim	₱ 380,382,132.00
Less: Discrepancies determined by the ICPA	116,985.00
CWT not supported by BIR Forms 2307	14,754,981.80
Total refundable claim	**₱ 365,510,165.20**

WHEREFORE, premises considered, the instant Petition for Review filed by Ford Group Philippines, Inc. is **PARTIALLY GRANTED.** Accordingly, the Commissioner of Internal Revenue is hereby **ORDERED TO REFUND OR ISSUE A TAX CREDIT CERTIFICATE** in favor of Ford Philippines, Inc., in the reduced amount of **₱365,510,165.20**, representing excess and unutilized CWT for taxable year 2017.

SO ORDERED.

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

I CONCUR:

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision were reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice
Chairperson

CERTIFICATION

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

ROMAN G. DEL ROSARIO
Presiding Justice