REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL SECOND DIVISION

NCH CUSTOMER SUPPORT SERVICES, INC., Petitioner,	**CTA CASE NO. 10933**
	Members:
- versus -	**RINGPIS-LIBAN,** *P.J. Chairperson,* **MODESTO-SAN PEDRO,** *and* **FERRER-FLORES,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, Respondent.	Promulgated: 4:17 pm

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RESOLUTION

FERRER-FLORES, J.:

Submitted before the Court is respondent's **Motion for Partial Reconsideration (Re: Decision promulgated 26 November 2025)** filed on December 22, 2025, with petitioner's **Comment/Opposition** filed on January 19, 2026.

On November 26, 2025, the Court promulgated a Decision partially granting, in a reduced amount, petitioner's claim for refund of unutilized input value-added tax (VAT) attributable to its zero-rated sale of services the four quarters of taxable year (TY) 2020, for failure to faithfully comply with the substantiation and invoicing requirements, the dispositive portion of which reads as follows:

> **WHEREFORE**, in light of the foregoing considerations, the present *Petition for Review* is **PARTIALLY GRANTED.**
>
> Accordingly, respondent is **ORDERED TO REFUND** or **ISSUE A TAX CREDIT CERTIFICATE** in favor of petitioner, the amount of **₱29,671,246.80**, representing the latter's excess and unutilized input VAT for the four quarters of taxable year 2020.
>
> **SO ORDERED.**

In his *Motion*, respondent reiterates that petitioner completely failed to substantiate its claim for refund. Respondent insists that petitioner's failure to comply, during the administrative proceeding, with the condition precedent prior to the institution of its *Petition for Review* with the Court, renders it dismissible for lack of jurisdiction. Citing the case of *Pilipinas Total Gas, Inc. v. Commissioner of Internal Revenue* (*Pilipinas Total Gas*),[1] respondent asserts that since a decision was rendered in the administrative level, this Court's jurisdiction shifts from a trial court to an appellate tribunal. As such, respondent argues that the Court should confine itself to a more limited issue of whether the denial was proper given the evidence submitted therein, and also whether the findings of respondent are consistent with law. Respondent continues that since an administrative decision has been rendered in this case –denying the administrative claim for refund for failure to substantiate the same– petitioner cannot submit new documents during trial which it did not submit during the administrative proceedings. Lastly, respondent submits that tax refunds are in the nature of tax exemptions which are considered as a derogation of sovereign authority and to be construed *strictissimi juris* against the claimant and liberally in favor of the taxing authority.

On the other hand, in its *Comment*, petitioner points out that respondent's *Motion for Partial Reconsideration* is merely dilatory and the arguments piecemeal, raising no issues or any palpable error. Petitioner argues that respondent's insistence on prematurity is mere rehash of his previous arguments and that the timeliness of its administrative and judicial claims has already been settled by the Court, which rests squarely on established jurisprudence. Petitioner further asserts that respondent's claim that its administrative application was *pro forma* since it has no basis in fact and in law was likewise already addressed by the Court based on factual findings, and its entitlement to the refund sought has been sufficiently supported by evidence.

After due consideration, the Court finds respondent's *Motion for Partial Reconsideration* bereft of merit.

Notably, the arguments proffered by respondent in the present *Motion* are mere reiterations of the contentions he advanced in his *Answer*[2] filed on September 7, 2022 and *Memorandum*[3] filed on November 11, 2024.

While the Court reconsiders respondent's arguments, the evidence, however, have clearly shown that petitioner was able to sufficiently prove its entitlement, under substantive law, to the claimed refund –albeit in a reduced

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1 G.R. No. 207112, December 8, 2015.
2 Docket – Vol. I, pp. 199 to 206.
3 Docket – Vol. II, pp. 710 to 716.

amount. Petitioner has satisfied all the documentary and evidentiary requirements for it to be entitled to a refund in the amount of ₱29,671,246.80.

As to the case of *Philipinas Total Gas* cited by respondent, the Court again emphasizes that Section 8 of Republic Act No. 1125,[4] as amended, declares this Court as a *"court of record"*. Being such, it is required to conduct a formal litigation (trial *de novo*), where the parties must present their evidence accordingly if they desire the Court to take such evidence into consideration.[5] The appealing party must establish that it is entitled to the refund being sought under substantive law. Correspondingly, the Court is authorized to conduct trial *de novo*, and consistent with this principle, parties who come to court are required to prove every aspect of their case if they want the Court to take such evidence into consideration.[6]

Furthermore, the power of the Court to exercise its appellate jurisdiction does not preclude it from considering evidence that was not presented in the administrative claim in the BIR.[7] The question of whether the evidence submitted by a party is sufficient to warrant the granting of its prayer lies within the sound discretion and judgment of the Court. As cases filed before this Court are litigated *de novo*, the Court is not governed strictly by technical rules of evidence; thus, it is not precluded from considering evidence not presented at the administrative level for the paramount consideration remains the ascertainment of truth.[8]

In view of the foregoing disquisitions, there being no new matter or substantial issue raised by respondent in his *Motion for Partial Reconsideration*, the Court finds no compelling reason to reverse or modify the conclusions reached in the Decision promulgated on November 26, 2025.

ACCORDINGLY, respondent's **Motion for Partial Reconsideration (Re: Decision promulgated 26 November 2025)** is **DENIED** for lack of merit.

SO ORDERED.

CORAZON G. FERRER-FLORES
Associate Justice

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4 An Act Creating the Court of Tax Appeals.

5 *Commissioner of Internal Revenue v. Manila Mining Corporation*, G.R. No. 153204, August 31, 2005.

6 *Philippine Airlines, Inc. (PAL) v. Commissioner of Internal Revenue*, G.R. Nos. 206079-80, January 17, 2018; *Commissioner of Internal Revenue v. Philippine National Bank*, G.R. no. 180290, September 29, 2014.

7 *Philippine Airlines, Inc. v. Commissioner of Internal Revenue* and *Commissioner of Internal Revenue v. Philippine Airlines, Inc.*, G.R. Nos. 206079-80 and 206309, January 17, 2018.

8 *Commissioner of Internal Revenue v. Univation Motor Philippines, Inc. (formerly Nissan Motor Philippines, Inc.)*, G.R. No. 231581, April 10, 2019.

We Concur:

MA. BELEN M. RINGPIS-LIBAN
Presiding Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice