REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

First Division

AIR LIQUIDE PHILIPPINES, INC.,	**CTA Case No. 8052**
Petitioner,	Members:
-versus-	**DEL ROSARIO**, *P.J., Chairperson,* **MANAHAN**, *and* **REYES-FAJARDO**, *JJ.*
	Promulgated:
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	OCT 25 2021 ; 2:00 p.m.

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DECISION

DEL ROSARIO, P.J.:

This case involves a Petition for Review filed by petitioner Air Liquide Philippines, Inc. on March 30, 2010, praying for the refund or issuance of a tax credit certificate in the total amount of Twenty-One Million Four Hundred Sixty Thousand Four Hundred Thirty-One Pesos and Forty-Eight Centavos (₱21,460,431.48) representing its alleged unutilized input Value-Added Tax (VAT) for the 1st quarter of 2008.

THE PARTIES

Petitioner Air Liquide Philippines, Inc. is registered with the Bureau of Internal Revenue (BIR) as a value-added tax (VAT) entity under Certificate of Registration Number OCN 9RC000057089, effective March 9, 2006.[1]

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[1] Par. I.3, Stipulation of Facts, *Joint Stipulation of Facts & Issues* (JSFI), Docket – Vol. II, p. 897.

Respondent is the Commissioner of the BIR, with principal office at the 5th Floor, BIR National Office Building, Agham Road, Diliman, Quezon City.[2] He is vested with the power to decide tax cases, including claims for refunds and/or tax credits pursuant to Section 4 of 1997 National Internal Revenue Code (NIRC), as amended.[3]

ANTECEDENTS

On December 23, 2009, petitioner filed with the BIR – Revenue District Office No. 121, an application for tax credit/refunds of its unutilized input VAT for the 1st Quarter of 2008.[4]

Alleging inaction on the part of respondent, petitioner filed a *Petition for Review* before the Court in Division on March 30, 2010,[5] praying that the latter: (1) declare petitioner entitled to the issuance of a tax credit certificate in the total amount of ₱21,460,431.48, representing unutilized input VAT paid for the 1st quarter of 2008; and (2) order respondent to issue the tax credit certificate in favor of petitioner in the same amount.

On May 20, 2010, respondent filed his *Motion to Dismiss.*[6] Petitioner then posted its *Comment/Opposition (To Motion to Dismiss dated 13 May 2010)* on June 9, 2010.[7]

In the Resolution dated September 1, 2010,[8] this Court granted respondent's *Motion to Dismiss.*

On September 20, 2010, petitioner filed its *Motion for Reconsideration (Re: Resolution dated 1 September 2010).*[9]

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[2] Par. 1.1, Stipulation of Facts, JSFI, Docket – Vol. II, p. 897.
[3] Par. 1.2, Stipulation of Facts, JSFI, Docket – Vol. II, p. 897.
[4] Par. 10, *Petition for Review* (Docket – Vol. I, pp. 4 to 5) vis-à-vis Par. 2, *Answer* (Docket – Vol. II, p. 807).
[5] Docket – Vol. I, pp. 1 to 13.
[6] Docket – Vol. I, pp. 98 to 101.
[7] Docket – Vol. I, pp. 117 to 124.
[8] Docket – Vol. I, pp. 129 to 140.
[9] Docket – Vol. I, pp. 146 to 159.

Respondent then posted his *Comment/Opposition To Petitioner's Motion for Reconsideration* on October 14, 2010.[10] Thereafter, petitioner filed its *Reply (Re: Respondent's Comment/Opposition to Petitioner's Motion for Reconsideration dated 13 October 2010)* on October 29, 2010.[11]

In the Resolution dated November 12, 2010,[12] this Court denied petitioner's *Motion for Reconsideration.*

Petitioner then filed a *Petition for Review* on December 6, 2010 before this Court *En Banc.*[13] The case was docketed as CTA EB No. 704.

On February 27, 2012, this Court *En Banc* rendered a Decision,[14] the dispositive portion of which reads:

> "**WHEREFORE,** on the basis of the foregoing considerations, the Petition for Review is **DISMISSED**. Accordingly, the Resolutions dated 1 September 2010 and 12 November 2010 of the Court in Division are hereby **AFFIRMED**. Petitioner's claim for refund in the amount of ₱21,460,431.48 is **DENIED** on the ground that the judicial claim for the first quarter of 2008 was prematurely filed.
>
> **SO ORDERED.**"

Dissatisfied, petitioner filed its *Motion for Reconsideration (Decision of 27 February)* on March 23, 2012.[15]

In the Resolution dated June 28, 2012,[16] this Court *En Banc* denied petitioner's *Motion for Reconsideration* as follows:

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[10] Docket – Vol. I, pp. 164 to 167.
[11] Docket – Vol. I, pp. 169 to 176.
[12] Docket – Vol. I, pp. 179 to 189.
[13] Docket – Vol. I, pp. 190 to 212.
[14] Docket – Vol. I, pp. 424 to 447.
[15] Docket – Vol. I, pp. 455 to 470.
[16] Docket – Vol. I, pp. 478 to 482.

> "**WHEREFORE,** finding no reversible error committed by this Court in the assailed Decision promulgated on February 27, 2012, petitioner's 'Motion for Reconsideration (Decision of 27 February)' is hereby **DENIED** for utter lack of merit.
>
> **SO ORDERED.**"

Petitioner then filed a *Petition for Review on Certiorari* before the Supreme Court on July 23, 2012.[17] The case was docketed as G.R. No. 202507.

Subsequently, the Supreme Court issued a Resolution dated October 11, 2017[18] in G.R. No. 202507,[19] entitled *"Air Liquide Philippines, Inc. vs. Commissioner of Internal Revenue"*, remanding the case to this Court, and directing the latter to give course to petitioner's *Petition for Review*, and to conduct further proceedings. The dispositive portion of said Resolution reads:

> "**WHEREFORE,** the petition is **GRANTED**. The Decision dated February 27, 2012 and Resolution dated June 28, 2012 of the Court of Tax Appeals *en banc* in CTA EB Case No. 704 are **REVERSED** and **SET ASIDE**. The case is **REMANDED** to the Court of Tax Appeals, which is **DIRECTED** to give due course to petitioner Air Liquide Philippines, Inc.'s petition for review and conduct further proceedings.
>
> **SO ORDERED.**"

The aforesaid Resolution became final and executory on December 22, 2017 and was entered in the High Court's Book of Entries of Judgment.[20]

Correspondingly, this Court *En Banc*, in CTA EB No. 704, issued the Resolution dated June 21, 2018,[21] the dispositive portion of which reads:

[17] Docket – Vol. I, pp. 490 to 536.
[18] Docket – Vol. I, pp. 778 to 784.
[19] Docket – Vol. I, pp. 778 to 784.
[20] Docket – Vol. I, p. 787.

on

"**WHEREFORE,** premises considered, the case 'Air Liquide Philippines, Inc. vs. Commissioner of Internal Revenue,' docketed as CTA Case No. 8052 is **REMANDED** to the CTA Special First Division for further proceedings.

SO ORDERED."

Thus, this Court in Division issued the Resolution dated December 4, 2018,[22] granting respondent a period of fifteen (15) days from notice, within which to file his *Answer* to the present *Petition for Review*, pursuant to the *Summons* dated April 12, 2010.

Respondent filed his *Motion To Admit Answer (with Profuse Apology)* on January 9, 2019,[23] attaching therewith his *Answer*.[24] Petitioner then filed a *Comment (Re: BIR's Motion to Admit dated 08 January 2019)* on February 8, 2019.[25] In the Resolution dated March 11, 2019,[26] the Court granted respondent's *Motion To Admit Answer (with Profuse Apology)*, and admitted respondent's *Answer* to form part of the record of the case.

The Pre-Trial Conference was set and held on May 9, 2019.[27] Prior thereto, petitioner filed its *Pre-Trial Brief* posted on May 6, 2019,[28] while *Respondent's Pre-Trial Brief* was filed on May 8, 2019.[29]

On May 17, 2019, the parties submitted their *Joint Stipulation of Facts and Issues*.[30] Subsequently, the Pre-Trial Order dated

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[21] Docket – Vol. I, pp. 797 to 800.
[22] Docket – Vol. II, p. 802.
[23] Docket – Vol. I, pp. 803 to 806.
[24] Docket – Vol. I, pp. 807 to 810.
[25] Docket – Vol. I, pp. 813 to 815.
[26] Docket – Vol. I, pp. 820 to 822.
[27] *Notice of Pre-Trial Conference* dated April 4, 2019, Docket – Vol. II, pp. 825 to 826; Minutes of the hearing held on, and Order dated, May 9, 2019, Docket – Vol. II, pp. 857 to 859, and 861 to 862, respectively.
[28] Docket – Vol. II, pp. 832 to 847.
[29] Docket – Vol. II, pp. 854 to 856.
[30] Docket – Vol. II, pp. 897 to 905.

August 30, 2019 was issued,[31] wherein this Court, *inter alia*, deemed the termination of the Pre-Trial.

During trial, petitioner presented its testimonial and documentary evidence. It offered the testimonies of the following individuals, namely: (1) Mr. Frederic Andre Girault,[32] petitioner's Chief Financial Officer; and (2) Ms. Cindy C. Torralba,[33] petitioner's Manager for Finance; and (3) Mr. Edward D. Roguel,[34] Court-commissioned Independent Certified Public Accountant (ICPA).[35]

The ICPA *Report* was submitted, through registered mail, on October 31, 2019.[36]

During the hearing held on February 13, 2020, respondent's counsel manifested that she would no longer present any evidence.[37]

Petitioner filed its *Formal Offer of Evidence* on February 18, 2020.[38] Respondent then filed his *Comment/Opposition (To Petitioner's Formal Offer of Evidence dated February 17, 2020)* on March 9, 2020.[39]

In the Resolution dated July 30, 2020,[40] the Court admitted petitioner's exhibits, *except* for the following:

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[31] Docket – Vol. III, pp. 1442 to 1456.
[32] Exhibit "P-77", Docket – Vol. II, pp. 1061 to 1069; Minutes of the hearing held on, and Order dated, September 10, 2019, Docket – Vol. III, pp. 1457 to 1461.
[33] Exhibit "P-78", Docket – Vol. II, pp. 923 to 936; Minutes of the hearing held on, and Order dated, September 10, 2019, Docket – Vol. III, pp. 1457 to 1461.
[34] Exhibit "P-81", Docket – Vol. III, pp 1609 to 1619; Minutes of the hearing held on, and Order dated, February 13, 2020, Docket – Vol. III, pp. 1622 to 1627; *Oath of Commission* dated October 1, 2019, Docket – Vol. III, p. 1486.
[35] *Oath of Commission* dated October 1, 2019, Docket – Vol. III, p. 1486; Minutes of the hearing held on, and Order dated, October 1, 2019, Docket – Vol. III, pp. 1483 to 1485, and 1487 to 1488, respectively.
[36] Exhibit "P-80", Docket – Vol. III, pp. 1509 to 1592.
[37] Refer to the Minutes of the hearing held on, and Order dated, February 13, 2020, Docket – Vol. III, pp. 1622 to 1627.
[38] Docket – Vol. III, pp. 1629 to 1646.
[39] Docket – Vol. III, pp. 1653 to 1660.
[40] Docket – Vol. III, pp. 1664 to 1667.

1. Exhibits "P-1", "P-6", "P-11", "P-11-a", "P-13", "P-13-a", "P-29", "P-30", "P-31", "P-32", "P-33", "P-34", "P-35", "P-36", "P-37", "P-38", "P-39", "P-41", "P-42", "P-43", "P-45", "P-46", "P-47", "P-49", "P-51", "P-53", "P-54", "P-59", "P-60", "P-61", "P-62", "P-63", "P-65", "P-66", "P-67", "P-68", "P-69", "P-70", "P-71", "P-72", "P-73", and "P-75", for failure to submit the duly-marked exhibits;

2. Exhibits "P-2", "P-3", "P-5", "P-12", "P-14", "P-15", "P-16", "P-17", "P-18", "P-19", "P-20", "P-21", "P-22", "P-28", "P-40", "P-44", "P-48", "P-50", "P-52", "P-55", "P-56", "P-57", "P-58", "P-64", "P-74", "P-76" and submarkings, "P-26-24", "P-26-87", "P-82" and submarkings, "P-86", "P-87", and "P-88", for failure to present the originals for comparison;

3. Exhibit "P-4", for not being found in the records of the case and for not being identified; and

4. Exhibits "P-26-5", "P-26-6", "P-26-9", "P-26-11", "P-26-20", "P-26-138", "P-26-240", "P-26-247", "P-26-315", "P-26-322", "P-26-393", "P-26-394", "P-26-408", "P-26-409", "P-26-410", "P-26-411", "P-26-412", "P-26-413", "P-26-414", "P-26-415", "P-26-416", "P-26-417", "P-26-418", "P-26-419", "P-26-420", "P-26-421", "P-26-422", "P-26-423", "P-26-424", "P-26-425", "P-26-426", "P-26-427", "P-26-428", "P-26-429", "P-26-430", "P-26-431", "P-26-432", "P-26-433", "P-26-434", "P-26-435", "P-26-436", "P-26-437", "P-26-438", "P-26-439", "P-26-440", "P-26-441", "P-26-442", "P-26-443", "P-26-444", "P-26-445", "P-26-446", "P-26-447", "P-26-451", "P-26-453", "P-26-454", "P-26-455", "P-26-490", "P-26-502", "P-26-507", "P-26-512", "P-26-522", "P-26-528", "P-26-530", "P-26-546", "P-26-556", "P-26-564", "P-26-575", "P-26-576", "P-26-579", "P-26-580", "P-26-581", "P-26-582", "P-26-631", "P-26-632", "P-26-633", "P-26-634", "P-26-635", "P-26-636", "P-26-637", "P-26-638", "P-26-643", "P-26-646", "P-26-649", "P-26-653", "P-26-655", "P-26-656", "P-26-685", "P-26-701", "P-26-761", "P-26-762", and "P-83" and submarkings, for not being found in the records of the case.

Thus, on September 10, 2020, petitioner filed its *Motion for Reconsideration (Re: Resolution dated 30 July 2020)* on the denied exhibits.[41] Respondent failed to file his comment thereon.[42]

In the Resolution dated February 23, 2021,[43] the Court partially granted the said *Motion for Reconsideration (Re: Resolution dated 30 July 2020)* of petitioner, and admitted Exhibits "P-1", "P-2", "P-3", "P-5", "P-6", "P-11", "P-11-a", "P-13", "P-13-a", "P-26-5", "P-26-6", "P-26-9", "P-26-11", "P-26-20", "P-26-240", "P-26-247", "P-26-315", "P-26-322", "P-26-502", "P-26-507", "P-26-556", "P-26-579", "P-26-631", "P-26-632", "P-26-633", "P-26-634", "P-26-635", "P-26-636", "P-26-637", "P-26-638", "P-26-643", "P-26-646", "P-26-649", "P-26-653", "P-26-761", "P-26-762", "P-29", "P-30", "P-31", "P-32", "P-33", "P-34", "P-35", "P-36", "P-37", "P-38", "P-39", "P-41", "P-42", "P-43", "P-45", "P-46", "P-47", "P-49", "P-51", "P-53", "P-54", "P-59", "P-60", "P-61", "P-62", "P-63", "P-65", "P-66", "P-67", "P-68", "P-69", "P-70", "P-71", "P-72", "P-73", "P-75", and "P-83" and submarkings; but the following exhibits were still denied, for not being found in the records, to wit: Exhibits "P-26-138", "P-26-393", "P-26-394", "P-26-408", "P-26-409", "P-26-410", "P-26-411", "P-26-412", "P-26-413", "P-26-414", "P-26-415", "P-26-416", "P-26-417", "P-26-418", "P-26-419", "P-26-420", "P-26-421", "P-26-422", "P-26-423", "P-26-424", "P-26-425", "P-26-426", "P-26-427", "P-26-428", "P-26-429", "P-26-430", "P-26-431", "P-26-432", "P-26-433", "P-26-434", "P-26-435", "P-26-436", "P-26-437", "P-26-438", "P-26-439", "P-26-440", "P-26-441", "P-26-442", "P-26-443", "P-26-444", "P-26-445", "P-26-446", "P-26-447", "P-26-451", "P-26-453", "P-26-454", "P-26-455", "P-26-490", "P-26-512", "P-26-522", "P-26-528", "P-26-530", "P-26-546", "P-26-564", "P-26-575", "P-26-576", "P-26-580", "P-26-581", "P-26-582", "P-26-655", "P-26-656", "P-26-685", and "P-26-701".

On May 21, 2021, petitioner filed its *Memorandum*,[44] while the *Memorandum* of respondent was posted on May 15, 2021.[45]

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[41] Docket – Vol. III, pp. 1673 to 1677.
[42] Records Verification dated October 21, 2020 issued by the Judicial Records Division of this Court, Docket – Vol. IV, p. 2161.
[43] Docket – Vol. IV, pp. 2185 to 2188.
[44] Docket – Vol. IV, pp. 2189 to 2210.
[45] Docket – Vol. IV, pp. 2215 to 2222.

The case was considered submitted for decision on June 17, 2021.[46]

THE ISSUE

As stipulated, the sole issue for the Court's determination is as follows:

> "*...Whether or not Petitioner is entitled to a refund/ tax credit of excess or unutilized input VAT payments for the first quarter of calendar year 2008 in the amount of Twenty-One Million Four Hundred Sixty Thousand Four Hundred Thirty-One Pesos and Forty-Eight Centavos (₱21,460,431.48).*"[47]

Petitioner's arguments:

Petitioner argues that the administrative and judicial claims were seasonably filed; that it is a VAT-registered entity, and is engaged in VAT zero-rated sales; that it incurred and paid input VAT during the 1st quarter of 2008 from its domestic purchases of goods and services; that its input VAT for the 1st quarter of 2008 has not been applied against output taxes; and that its input VAT is directly attributable to its effectively zero-rated sales for the 1st quarter of 2008.

Respondent's counter-arguments:

Respondent counters that petitioner failed to prove that their sales of goods and services to Philippine Economic Zone Authority (PEZA)-registered enterprises qualified as effectively zero-rated sales; that the burden of proving entitlement to a refund lies with the claimant; and that the exhibits of petitioner should not be given any probative value for being hearsay evidence.

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[46] Resolution dated June 17, 2021, Docket – Vol. IV, p. 2230.
[47] Stipulation of Issues, JSFI, Docket – Vol. II, p. 898.

THE COURT'S RULING

The present *Petition for Review* is denied.

Requisites for the grant of the refund or issuance of a tax credit certificate under the NIRC

Section 112(A) and (C) of the NIRC of 1997, as amended by Republic Act No. 9337,[48] provides 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 of 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: xxx.
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> xxx xxx xxx

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[48] AN ACT AMENDING SECTIONS 27, 28, 34, 106, 107, 108, 109, 110, 111, 112, 113, 114, 116, 117, 119, 121, 148, 151, 236, 237 AND 288 OF THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED, AND FOR OTHER PURPOSES.

(C) *Period within which Refund or Tax Credit of Input Taxes shall be Made.* — In proper cases, the Commissioner shall grant a refund or issue a tax credit certificate for creditable input taxes within one hundred twenty (120) days from the date of submission of complete documents in support of the application filed in accordance with Subsection (A) hereof.

In case of full or partial denial of the claim for tax refund or tax credit, or the failure on the part of the Commissioner to act on the application within the period prescribed above, the taxpayer affected may, within thirty (30) days from the receipt of the decision denying the claim or after the expiration of the one hundred twenty day-period, appeal the decision or the unacted claim with the Court of Tax Appeals."

Based on the foregoing provisions, jurisprudence has laid down nine (9) requisites which must be complied with by the taxpayer-claimant to successfully obtain a credit/refund of input VAT. Said requisites may be classified into certain categories, to wit:

Timeliness of the filing of the administrative and judicial claims:

1. the claim is filed with the BIR within two years after the close of the taxable quarter when the sales were made;[49]

2. that in case of full or partial denial of the refund claim, or the failure on the part of the Commissioner to act on the said claim within a period of 120 days, the judicial claim is filed with this Court, within 30 days from receipt of the decision or after the expiration of the said 120-day period;[50]

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[49] *Intel Technology Philippines, Inc. vs. Commissioner of Internal Revenue*, G.R. No. 155732, April 27, 2007; *San Roque Power Corporation vs. Commissioner of Internal Revenue*, G.R. No. 180345, November 25, 2009; and *AT&T Communications Services Philippines, Inc.*, G.R. No. 182364, August 3, 2010.

[50] *Steag State Power, Inc. (Formerly State Power Development Corporation) vs. Commissioner of Internal Revenue*, G.R. No. 205282, January 14, 2019; *Rohm Apollo*

With reference to the taxpayer's registration with the BIR:

3. the taxpayer is a VAT-registered person;[51]

In relation to the taxpayer's output VAT:

4. the taxpayer is engaged in zero-rated or effectively zero-rated sales;[52]

5. for zero-rated sales under Sections 106(A)(2)(a)(1) and (2); 106(B); and 108(B)(1) and (2) of the NIRC of 1997, as amended, the acceptable foreign currency exchange proceeds have been duly accounted for in accordance with BSP rules and regulations;[53]

As regards the taxpayer's input VAT being refunded:

6. the input taxes are not transitional input taxes;[54]

7. the input taxes are due or paid;[55]

8. the input taxes claimed are attributable to zero-rated or effectively zero-rated sales. However, where there are both zero-rated or effectively zero-rated sales and taxable or exempt sales, and the input taxes cannot be directly and entirely attributed to any of these sales, the input taxes shall be proportionately allocated on the basis of sales volume;[56] and

9. the input taxes have not been applied against output

Semiconductor Philippines vs. Commissioner of Internal Revenue, G.R. No. 168950, January 14, 2015.

[51] *Intel Technology Philippines, Inc. vs. Commissioner of Internal Revenue*, supra; *San Roque Power Corporation vs. Commissioner of Internal Revenue*, supra; and *AT&T Communications Services Philippines, Inc.*, supra.

[52] *Id.*

[53] *Id.*

[54] *Id.*

[55] *Id.*

[56] *Intel Technology Philippines, Inc. vs. Commissioner of Internal Revenue*, supra; and *San Roque Power Corporation vs. Commissioner of Internal Revenue*, supra.

taxes during and in the succeeding quarters.[57]

On the basis of afore-enumerated requisites, the Court shall now determine whether petitioner is entitled to a refund or tax credit of input tax on VAT zero-rated sales.

Petitioner's administrative and judicial claims were timely filed

Anent the *first* requisite, this Court has already ruled that petitioner's administrative claim was seasonably filed on December 23, 2009, per its Resolution dated September 1, 2010.[58]

With regard to the *second* requisite, which is directly related to this Court's jurisdiction over the present *Petition for Review*, the Supreme Court has decreed that this Court has acquired jurisdiction over the case. In its Resolution dated October 11, 2017 rendered in G.R. No. 202507,[59] the High Court ruled in this wise:

> "The CTA erred in ruling that the petitioner's judicial claim was prematurely filed. In dismissing the petition for review filed before the tax court, the CTA First Division imposed strict compliance with the 120+30-day periods applied in claims for refunds or tax credit of input tax, as required under Section 112 of the NIRC xxx.
>
> xxx xxx xxx
>
> In *CIR v. San Roque Power Corporation*,[60] the Court indeed reiterated the need for parties to satisfy the foregoing provisions on the 120+30-day periods. Non-compliance therewith constitutes a violation of the doctrine of exhaustion of administrative remedies, which then renders the immediate filing of a CTA petition

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[57] *Intel Technology Philippines, Inc. vs. Commissioner of Internal Revenue*, supra; *San Roque Power Corporation vs. Commissioner of Internal Revenue*, supra; and *AT&T Communications Services Philippines, Inc.*, supra.
[58] Docket – Vol. I, pp. 129 to 140, at p. 134.
[59] Docket – Vol. I, pp. 778 to 784.
[60] 703 Phil. 310 (2013).

premature and without a cause of action. The CTA does not acquire jurisdiction over the petition; the dismissal of the petition becomes a necessary consequence.

It should however be emphasized that in the same case of *San Roque*, the Court provided an exception to the general rule that mandates strict compliance, as it considered jurisprudence and a BIR issuance in effect prior to the Court's promulgation of its decision in *Aichi*. The Court clarified:

> [S]trict compliance with the 120+30[-]day periods is necessary for such a claim to prosper, whether before, during, or after the effectivity of the *Atlas* doctrine, **except for the period from the issuance of BIR Ruling No. DA-489-03 on 10 December 2003 to 6 October 2010 when the *Aichi* doctrine was adopted**, which again reinstated the 120+30[-]day periods as mandatory and jurisdictional. (Emphasis supplied)

It is pertinent that the petitioner's administrative and judicial claims for its unutilized input VAT payments were filed on December 23, 2009 and March 30, 2009, respectively. The petition for review filed with the CTA was brought during the effectivity of BIR Ruling No. DA-489-03, by which the BIR expressly declared that '*the taxpayer-claimant need not wait for the lapse of the 120-day period before it could seek judicial relief with the CTA by way of Petition for Review.*' From the time BIR Ruling No. DA-489-03 was issued on December 10, 2003, taxpayers could rely on its provisions until the Court's issuance of its decision in *Aichi* on October 6, 2010, where the Court held that the 120+30-day periods in Section 112 of the NIRC are mandatory and jurisdictional. This doctrine was reiterated by the Court in the recent case of *Visayas Geothermal Power Company v. Commissioner of Internal Revenue.*

Given the circumstances, **the petitioner's filing of the CTA petition on March 30, 2010, and**

On

> **without waiting for the CIR's action on its administrative claim, was acceptable. The tax court validly acquired jurisdiction over the case**; its ground for the dismissal of the petition was without legal basis." *(Emphases and underscoring added)*

Clearly, petitioner has complied with the *first* and *second* requisites, *i.e.,* that the administrative and judicial claims were both timely filed.

Petitioner is a VAT-registered taxpayer

As stipulated by the parties,[61] petitioner is registered with the BIR as a VAT entity under Certificate of Registration Number OCN 9RC000057089. Thus, petitioner has likewise shown compliance with the *third* requisite.

Petitioner had zero-rated sales during the 1st quarter of 2008, but only in the amount of ₱123,908,965.20

Anent the *fourth* requisite, the applicable provisions are Sections 106(A)(2)(a)(5) and 108(B)(3) of the NIRC of 1997, as amended, which respectively provide as follows:

> "SEC. 106. *Value-added Tax on Sale of Goods or Properties.* –
>
> (A) *Rate and Base of Tax.* – xxx
>
> xxx xxx xxx
>
> (2) **The following sales by VAT-registered persons shall be subject to zero percent (0%) rate:**

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[61] Par. 1.3, Stipulation of Facts, JSFI, Docket – Vol. II, p. 897.

of

(a) ***Export Sales.*** –The term **'export sales'** means:

xxx xxx xxx

(5) **Those considered export sales under** Executive Order No. 226, otherwise known as the Omnibus Investment Code of 1987, and **other special laws**;" *(Emphases added)*

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

xxx xxx 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:**

xxx xxx xxx

(3) **Services rendered to persons or entities whose exception 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**;" *(Emphases added)*

Relative to the foregoing provisions, Sections 4.106-5 and 4.108-5 of Revenue Regulations (RR) No. 16-2005,[62] as amended by RR No. 04-2007,[63] which implements the aforecited provisions of the NIRC of 1997, as amended, also respectively provide as follows:

"SEC. 4.106-5. *Zero-Rated Sales of Goods or Properties.* – xxx

The following sales by VAT-registered persons shall be subject to zero percent (0%) rate:

[62] SUBJECT: Consolidated Value-Added Tax Regulations of 2005

[63] SUBJECT: Amending Certain Provisions of Revenue Regulations No. 16-2005, As Amended, Otherwise Known as the Consolidated Value-Added Tax Regulations of 2005

(a) ***Export sales***. – *'Export Sales'* shall mean:

xxx xxx xxx

(5) Transactions considered export sales under Executive Order No. 226, otherwise known as the Omnibus Investments Code of 1987, and **other special laws.**

'Considered export sales under Executive Order No. 226' shall mean the Philippine port F.O.B. value determined from invoices, bills of lading, inward letters of credit, landing certificates, and other commercial documents, of export products exported directly by a registered export producer, or the net selling price of export products sold by a registered export producer to another export producer, or to an export trader that subsequently exports the same; *Provided*, That sales of export products to another producer or to an export trader shall only be deemed export sales when actually exported by the latter, as evidenced by landing certificates or similar commercial documents; *Provided, further*, **That pursuant to** EO 226 and **other special laws, even without actual exportation, the following shall be considered constructively exported:** (1) sales to bonded manufacturing warehouses of export-oriented manufacturers; (2) **sales to export processing zones pursuant to Republic Act (RA) Nos. 7916, as amended, 7903, 7922 and other similar export processing zones;** (3) **sale to enterprises duly registered and accredited with the Subic Bay Metropolitan Authority pursuant to RA 7227;** (4) sales to registered export traders operating bonded trading warehouses supplying raw materials in the manufacture of export products under guidelines to be set by the Board in consultation with the Bureau of Internal Revenue (BIR) and the Bureau of Customs (BOC); (5) sales to diplomatic missions and other agencies and/or instrumentalities granted tax immunities, of locally manufactured, assembled or repacked products whether paid for in foreign currency or not." *(Emphases added)*

"SEC. 4.108-5. *Zero-Rated Sale of Services.* –

xxx xxx xxx

(b) *Transactions Subject to Zero Percent (0%) VAT Rate.* – **The following services performed in the Philippines by a VAT-registered person shall be subject to zero percent (0%) VAT rate:**

xxx xxx 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**;" *(Emphases added)*

One of the special laws mentioned in the above provision, which specifically applies to this case, is Republic Act (RA) No. 7916, as amended by RA No. 8748, otherwise known as *"The Special Economic Zone Act of 1995"*. Sections 8 and 24 thereof respectively provide as follows:

"SECTION 8. *ECOZONE to be Operated and Managed as Separate Customs Territory.* – **The ECOZONE shall be managed and operated by the PEZA as separate customs territory.**

The PEZA is hereby vested with the authority to issue certificates of origin for products manufactured or processed in each ECOZONE in accordance with the prevailing rules of origin, and the pertinent regulations of the Department of Trade and Industry and/or the Department of Finance." *(Emphases supplied)*

"SECTION 24. *Exemption form National and Local Taxes.* – Except for real property taxes on land owned by developers, **no taxes, local and national, shall be imposed on business establishments operating within the ECOZONE**. xxx." *(Emphases supplied)*

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On the basis of the aforecited provisions, since the Ecozone is viewed as a foreign territory by legal fiction, sales of goods and services made by a VAT-registered person in the Philippine customs territory to an entity registered and operating within the Ecozone are considered exports to a foreign country subject to zero percent (0%) VAT. This was elucidated by the Supreme Court in *Commissioner of Internal Revenue vs. Toshiba Information Equipment (Phils.), Inc.*,[64] to wit:

> "This Court agrees, however, that **PEZA-registered enterprises, which would necessarily be located within ECOZONES, are VAT-exempt entities**, not because of Section 24 of Rep. Act No. 7916, as amended, which imposes the five percent (5%) preferential tax rate on gross income of PEZA-registered enterprises, in lieu of all taxes; but, rather, because of **Section 8 of the same statute which establishes the fiction that ECOZONES are foreign territory**.
>
> xxx An ECOZONE or a Special Economic Zone has been described as –
>
> ...[S]elected areas with highly developed or which have the potential to be developed into agro-industrial, industrial, tourist, recreational, commercial, banking, investment and financial centers whose metes and bounds arc fixed or delimited by Presidential Proclamations. An ECOZONE may contain any or all of the following: industrial estates (IEs), export processing zones (EPZs), free trade zones and tourist/ recreational centers.
>
> The national territory of the Philippines outside of the proclaimed borders of the ECOZONE shall be referred to as the Customs Territory.
>
> Section 8 of Rep. Act No. 7916, as amended, mandates that the PEZA shall manage and operate the ECOZONES as a separate customs territory; thus, creating

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[64] G.R. No. 150154, August 9, 2005.

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> the fiction that the ECOZONE is a foreign territory. As a result, sales made by a supplier in the Customs Territory to a purchaser in the ECOZONE shall be treated as an exportation from the Customs Territory. Conversely, sales made by a supplier from the ECOZONE to a purchaser in the Customs Territory shall be considered as an importation into the Customs Territory.
>
> Given the preceding discussion, what would be the VAT implication of sales made by a supplier from the Customs Territory to an ECOZONE enterprise?
>
> **The Philippine VAT system adheres to the Cross Border Doctrine, according to which, no VAT shall be imposed to form part of the cost of goods destined for consumption outside of the territorial border of the taxing authority. Hence, actual export of goods and services from the Philippines to a foreign country must be free of VAT**; while, those destined for use or consumption within the Philippines shall be imposed with ten percent (10%) VAT." *(Emphases supplied)*

In other words, while an ecozone is geographically within the Philippines, it is deemed a separate customs territory and is regarded in law as foreign soil. Sales by suppliers from outside the borders of the ecozone to this separate customs territory are deemed exports and treated as export sales. These sales are zero-rated or subject to tax rate of zero percent.[65]

Based on Sections 106(A)(2)(a)(5) and 108(B)(3) of the NIRC of 1997, as amended, the following essential elements must be present in order for an export sale to qualify for VAT zero-rating under:

1. the sale was made by a VAT registered person; and

2. there was sale of goods or services to an entity entitled to incentives under Executive Order No. 226,

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[65] *Commissioner of Internal Revenue vs. Sekisui Jushi Philippines, Inc.*, G.R. No. 149671, July 21, 2006.

otherwise known as the Omnibus Investment Code of 1987 ("OIC"), and other special laws.

As regards the *first* essential element, petitioner is a VAT-registered entity, as already established earlier.

Relative to the *second* essential element, any VAT registered person claiming VAT zero-rated sales, such as petitioner, must present, among others, the following documents:

1. the sales invoice or official receipt as proof of sale of goods or services; and

2. any proof of the buyer's entitlement to tax incentives under other special laws *(i.e.,* Certificates of Registration with the PEZA pursuant to RA No. 7916, as amended, for the pertinent period/taxable year).

For the first type of document, in proving its zero-rated sales, petitioner must comply with the pertinent invoicing requirements, containing all the required information under Section 113(A) and (B) of the NIRC of 1997, as amended, to wit:

> "SEC. 113. *Invoicing and Accounting Requirements for VAT-registered Persons.* –
>
> (A) *Invoicing Requirements.* – A VAT-registered person shall issue:
>
> (1) A VAT invoice for every sale, barter or exchange of goods or properties; and
>
> (2) A VAT official receipt for every lease of goods or properties, and for every sale, barter or exchange of services.
>
> (B) *Information Contained in the VAT Invoice or VAT Official Receipt.* – The following information shall be indicated in the VAT invoice or VAT official receipt:

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(1) A statement that the seller is a VAT-registered person, followed by his Taxpayer's Identification Number (TIN);

(2) The total amount which the purchaser pays or is obligated to pay to the seller with the indication that such amount includes the value-added tax: *Provided*, That:

(a) The amount of the tax shall be shown as a separate item in the invoice or receipt;

(b) If the sale is exempt from value-added tax, the term **'VAT-exempt sale'** shall be written or printed prominently on the invoice or receipt;

(c) If the sale is subject to zero percent (0%) value-added tax, the term **'zero-rated sale'** shall be written or printed prominently on the invoice or receipt;

(d) If the sale involves goods, properties or services some of which are subject to and some of which are VAT zero-rated or VAT-exempt, the invoice or receipt shall clearly indicate the break-down of the sale price between its taxable, exempt and zero-rated components, and the calculation of the value-added tax on each portion of the sale shall be shown on the invoice or receipt: *Provided*, That the seller may issue separate invoices or receipts for the taxable, exempt, and zero-rated components of the sale.

(3) The date of transaction, quantity, unit cost and description of the goods or properties or nature of the service; and

(4) In the case of sales in the amount of One thousand pesos (P1,000) or more where the sale or transfer is made to a VAT-registered person, the name, business style, if any, address and Taxpayer Identification Number (TIN) of the purchaser, customer or client."

The foregoing provisions are further implemented by Section 4.113-1(A) and (B) of RR No. 16-05, as amended, to wit –

"SEC. 4.113-1. *Invoicing Requirements.* —

(A) A VAT-registered person shall issue: —

(1) A VAT invoice for every sale, barter or exchange of goods or properties; and

(2) A VAT official receipt for every lease of goods or properties, and for every sale, barter or exchange of services.

Only VAT-registered persons are required to print their TIN followed by the word 'VAT' in their invoice or official receipts. Said documents shall be considered as a 'VAT Invoice' or 'VAT official receipt'. All purchases covered by invoices/receipts other than VAT Invoice/VAT Official Receipt shall not give rise to any input tax.

VAT invoice/official receipt shall be prepared at least in duplicate, the original to be given to the buyer and the duplicate to be retained by the seller as part of his accounting records.

(B) *Information contained in VAT invoice or VAT official receipt.* — The following information shall be indicated in VAT invoice or VAT official receipt:

(1) A statement that the seller is a VAT-registered person, followed by his TIN;

(2) The total amount which the purchaser pays or is obligated to pay to the seller with the indication that such amount includes the VAT; *Provided*, That:

(a) The amount of tax shall be shown as a separate item in the invoice or receipt;

(b) If the sale is exempt from VAT, the term 'VAT-exempt sale' shall be written or printed prominently on the invoice or receipt;

ǿ

(c) If the sale is subject to zero percent (0%) VAT, the term 'zero-rated sale' shall be written or printed prominently on the invoice or receipt;

(d) If the sale involves goods, properties or services some of which are subject to and some of which are VAT zero-rated or VAT-exempt, the invoice or receipt shall clearly indicate the break-down of the sale price between its taxable, exempt and zero-rated components, and the calculation of the VAT on each portion of the sale shall be shown on the invoice or receipt. The seller has the option to issue separate invoices or receipts for the taxable, exempt, and zero-rated components of the sale.

(3) In the case of sales in the amount of one thousand peso (₱1,000.00) or more where the sale or transfer is made to a VAT-registered person, the name, business style, if any, address and TIN of the purchaser, customer or client, shall be indicated in addition to the information required in (1) and (2) of this Section."

In addition to the above requirements, the invoices and official receipts must be duly registered with the BIR as prescribed under Section 237 in relation to Section 238 of the NIRC of 1997, as amended, to wit:

"SEC. 237. *Issuance of Receipts or Sales or Commercial Invoices.* — All persons subject to an internal revenue tax shall, for each sale or transfer of merchandise or for services rendered valued at Twenty-five pesos (P25.00) or more, issue duly registered receipts or sales or commercial invoices, prepared at least in duplicate, showing the date of transaction, quantity, unit cost and description of merchandise or nature of service: xxx"

"SEC. 238. *Printing of Receipts or Sales or Commercial Invoices.* — All persons who are engaged in business shall secure from the Bureau of Internal

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> Revenue an authority to print receipts or sales or commercial invoices before a printer can print the same.
>
> No authority to print receipts or sales or commercial invoices shall be granted unless the receipts or invoices to be printed are serially numbered and shall show, among other things, the name, business style, Taxpayer Identification Number (TIN) and business address of the person or entity to use the same, and such other information that may be required by rules and regulations to be promulgated by the Secretary of Finance, upon recommendation of the Commissioner."

In *Eastern Telecommunications Philippines, Inc. vs. Commissioner of Internal Revenue*,[66] the Supreme Court held:

> "An applicant for a claim for tax refund or tax credit must not only prove entitlement to the claim but also compliance with all the documentary and evidentiary requirements. Consequently, the old CTA, as affirmed by the CTA *en banc*, correctly ruled that **a claim for the refund of creditable input taxes must be evidenced by a VAT invoice or official receipt in accordance with Section 110(A)(1) of the NIRC. Sections 237 and 238 of the same Code as well as Section 4.108-1 of RR No. 7-95 provide for the invoicing requirements that all VAT-registered taxpayers should observe**, such as: (a) the BIR Permit to Print; (b) the Tax Identification Number of the VAT-registered purchaser; and (c) the word 'zero-rated' imprinted thereon. Thus, the failure to indicate the words 'zero-rated' on the invoices and receipts issued by a taxpayer would result in the denial of the claim for refund or tax credit. xxx." *(Emphasis added)*

Based on the foregoing jurisprudential pronouncements, it is vital for a taxpayer claiming tax refund/credit on its input taxes attributable to its zero-rated sales to prove that it had followed the invoicing requirements under the law.

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[66] G.R. No. 183531, March 25, 2015.

In its Quarterly VAT Return for the 1st quarter of 2008,[67] petitioner declared total sales amounting to ₱257,254,403.16, which included zero-rated sales/receipts of ₱199,197,257.57, as shown as follows:

Vatable Sales/Receipts	₱57,054,748.75
Zero-Rated Sales/Receipts	**199,197,257.57**
Exempt Sales/Receipts	1,002,396.84
Total Sales/Receipts	₱ 257,254,403.16

Petitioner submitted the invoices and official receipts in support of its declared zero-rated sales, which were sequentially enumerated in petitioner's *Schedule of Zero-rated Sales*.[68] After examining the sum of the amounts in the said *Schedule*, this Court observes that there is a discrepancy in the amount of ₱235,556.93, which should be disallowed outright on the ground that the same is without supporting zero-rated invoice or official receipt, *viz:*

	Zero-Rated Sales for the 1st Quarter of 2008
Total Zero-Rated Sales per VAT Return	**₱ 199,197,257.57**
Total Zero-Rated Sales per Schedule	
For the month of January 2008 (Exhibit "P-86")	69,967,257.15
For the month of February 2008 (Exhibit "P-87")	68,398,247.35
For the month of March 2008 (Exhibit "P-88")	60,596,196.14
Total	**₱ 198,961,700.64**
Difference	**₱ 235,556.93**

Upon further examination of the invoices and official receipts supporting its claimed zero-rated sales, in addition to the above disallowance, the sales in the total amount of ₱42,541,710.08 should likewise be disallowed since the invoices related to the pertinent sale of goods are not stamped or printed with the phrase "zero-rated sales", and some of its sale of services are without supporting VAT "zero-rated" official receipts, the details of which are as follows:

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67 Exhibit "P-9", Docket - Vol. III, pp. 1749 to 1750.
68 Exhibits "P-86", "P-87", and "P-88".

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Name of Customer	Invoice Date[69]	Amount of Sales	Exhibit No.
Supported by invoice not stamped/printed with the phrase "zero-rated sales"			
Franke Foodservice Systems Phils Inc	1/3/2008	₱ 16,000.00	"P-23-42"
Franke Foodservice Systems Phils Inc	1/3/2008	1,900.00	"P-23-43"
Franke Foodservice Systems Phils Inc	1/8/2008	12,800.00	"P-23-108"
Franke Foodservice Systems Phils Inc	1/8/2008	1,900.00	"P-23-109"
Franke Foodservice Systems Phils Inc	1/10/2008	16,000.00	"P-23-162"
Franke Foodservice Systems Phils Inc	1/10/2008	9,600.00	"P-23-163"
Franke Foodservice Systems Phils Inc	1/11/2008	9,600.00	"P-23-203"
Franke Foodservice Systems Phils Inc	1/14/2008	12,800.00	"P-23-221"
Franke Foodservice Systems Phils Inc	1/21/2008	19,200.00	"P-23-344"
Franke Foodservice Systems Phils Inc	1/21/2008	16,000.00	"P-23-345"
Franke Foodservice Systems Phils Inc	1/21/2008	1,900.00	"P-23-346"
Hitachi Global Storage Technologies Philippines	1/22/2008	54,683.02	"P-23-369"
Franke Foodservice Systems Phils Inc	1/23/2008	950.00	"P-23-384"
Franke Foodservice Systems Phils Inc	1/23/2008	12,800.00	"P-23-385"
Franke Foodservice Systems Phils Inc	1/23/2008	950.00	"P-23-386"
Franke Foodservice Systems Phils Inc	1/25/2008	12,800.00	"P-23-417"
Franke Foodservice Systems Phils Inc	1/25/2008	9,600.00	"P-23-418"
Franke Foodservice Systems Phils Inc	1/25/2008	13,200.00	"P-23-419"
Franke Foodservice Systems Phils Inc	1/30/2008	9,600.00	"P-23-496"
Franke Foodservice Systems Phils Inc	1/30/2008	16,000.00	"P-23-497"
Franke Foodservice Systems Phils Inc	1/30/2008	2,850.00	"P-23-498"
Hitachi Global Storage Technologies Philippines	1/30/2008	18,413.55	"P-23-505"
AGC Flat Glass Phils., Inc.	1/31/2008	5,050,406.92	"P-23-552"
AGC Flat Glass Phils., Inc.	1/31/2008	6,400,501.38	"P-23-553"
Alplus-Sunpower Bldg.2	1/31/2008	1,617,915.53	"P-23-574"
Imasen Philippine Manufacturing Corp	1/31/2008	140,930.00	"P-23-581"
AGC Flat Glass Phils., Inc.	1/31/2008	518,541.72	"P-23-594"
AGC Flat Glass Phils., Inc.	1/31/2008	200.00	"P-23-617"
Alplus-Samsung C120	2/2/2008	203,130.00	"P-23-628"
AGC Flat Glass Phils., Inc.	2/2/2008	58,855.70	"P-23-648"
Franke Foodservice Systems Phils Inc	2/7/2008	16,000.00	"P-23-743"
Franke Foodservice Systems Phils Inc	2/7/2008	12,800.00	"P-23-744"
Franke Foodservice Systems Phils Inc	2/7/2008	950.00	"P-23-745"
Franke Foodservice Systems Phils Inc	2/8/2008	22,400.00	"P-23-747"
Franke Foodservice Systems Phils Inc	2/8/2008	1,900.00	"P-23-748"
Franke Foodservice Systems Phils Inc	2/11/2008	12,800.00	"P-23-782"
AMI Semiconductor Philippines, Inc.	2/12/2008	556,672.50	"P-23-803"
Franke Foodservice Systems Phils Inc	2/13/2008	12,800.00	"P-23-832"
Franke Foodservice Systems Phils Inc	2/13/2008	2,850.00	"P-23-833"
Franke Foodservice Systems Phils Inc	2/18/2018	16,000.00	"P-23-881"
ISPL (Phils.) Inc.	2/18/2018	45,600.00	"P-23-886"
Franke Foodservice Systems Phils Inc	2/21/2008	9,600.00	"P-23-937"

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[69] Date format: Month/Day/Year

Name of Customer	Invoice Date[69]	Amount of Sales	Exhibit No.
Franke Foodservice Systems Phils Inc	2/21/2008	1,900.00	"P-23-938"
Franke Foodservice Systems Phils Inc	2/22/2008	9,600.00	"P-23-957"
Franke Foodservice Systems Phils Inc	2/22/2008	1,900.00	"P-23-958"
ISPL Phils Inc	2/22/2008	45,600.00	"P-23-971"
Fastech Electronique Inc	2/22/2008	5,000.00	"P-23-978"
Franke Foodservice Systems Phils Inc	2/27/2008	19,200.00	"P-23-995"
Franke Foodservice Systems Phils Inc	2/27/2008	9,600.00	"P-23-996"
Franke Foodservice Systems Phils Inc	2/27/2008	3,200.00	"P-23-997"
Franke Foodservice Systems Phils Inc	2/27/2008	19,800.00	"P-23-998"
Franke Foodservice Systems Phils Inc	2/27/2008	19,800.00	"P-23-999"
Franke Foodservice Systems Phils Inc	2/27/2008	1,900.00	"P-23-1000"
Franke Foodservice Systems Phils Inc	2/27/2008	1,900.00	"P-23-1001"
Franke Foodservice Systems Phils Inc	2/27/2008	2,400.00	"P-23-1002"
ISPL Phils Inc	2/27/2008	45,600.00	"P-23-1003"
AMI Semiconductor Philippines, Inc.	2/28/2008	185,557.50	"P-23-1016"
AMI Semiconductor Philippines, Inc.	2/29/2008	43,045.00	"P-23-1116"
AMI Semiconductor Philippines, Inc.	2/29/2008	5,104.00	"P-23-1117"
AGC Flat Glass Phils., Inc.	2/29/2008	4,799,692.30	"P-23-1128"
AGC Flat Glass Phils., Inc.	2/29/2008	5,715,507.38	"P-23-1129"
Alplus-Sunpower Bldg 2	2/29/2008	1,039,574.72	"P-23-1143"
Imasen Philippine Manufacturing Corp	2/29/2008	105,060.00	"P-23-1150"
AGC Flat Glass Phils., Inc.	2/29/2008	425,776.75	"P-23-1162"
Shi Mfg & Services (Phils) Inc	2/29/2008	222,383.60	"P-23-1164"
AMI Semiconductor Philippines, Inc.	2/29/2008	400.00	"P-23-1170"
AGC Flat Glass Phils., Inc.	2/29/2008	200.00	"P-23-1185"
Alplus Samsung C120	3/1/2008	201,800.00	"P-23-1201"
AGC Flat Glass Phils., Inc.	3/1/2008	58,470.34	"P-23-1220"
Franke Foodservice Systems Phils Inc	3/3/2008	1,900.00	"P-23-1236"
ISPL Phil Inc	3/3/2008	45,600.00	"P-23-1237"
Franke Foodservice Systems Phils Inc	3/4/2008	9,600.00	"P-23-1278"
ISPL Phil Inc	3/5/2008	45,600.00	"P-23-1285"
Franke Foodservice Systems Phils Inc	3/5/2008	1,600.00	"P-23-1286"
Franke Foodservice Systems Phils Inc	3/5/2008	9,600.00	"P-23-1293"
Franke Foodservice Systems Phils Inc	3/6/2008	1,600.00	"P-23-1303"
Franke Foodservice Systems Phils Inc	3/7/2008	9,600.00	"P-23-1323"
Franke Foodservice Systems Phils Inc	3/7/2008	6,400.00	"P-23-1324"
Franke Foodservice Systems Phils Inc	3/7/2008	1,900.00	"P-23-1325"
Franke Foodservice Systems Phils Inc	3/7/2008	1,900.00	"P-23-1326"
ISPL Phil Inc	3/10/2008	45,600.00	"P-23-1349"
ISPL Phil Inc	3/10/2008	45,600.00	"P-23-1350"
Franke Foodservice Systems Phils Inc	3/10/2008	12,800.00	"P-23-1351"
Franke Foodservice Systems Phils Inc	3/10/2008	9,600.00	"P-23-1352"
Franke Foodservice Systems Phils Inc	3/13/2008	28,800.00	"P-23-1422"
Franke Foodservice Systems Phils Inc	3/13/2008	1,900.00	"P-23-1423"
Franke Foodservice Systems Phils Inc	3/17/2008	22,400.00	"P-23-1460"
Franke Foodservice Systems Phils Inc	3/17/2008	1,900.00	"P-23-1461"
ISPL Phil Inc	3/17/2008	45,600.00	"P-23-1463"

Name of Customer	Invoice Date[69]	Amount of Sales	Exhibit No.
ISPL Phil Inc	3/19/2008	45,600.00	"P-23-1508"
ISPL Phil Inc	3/19/2008	45,600.00	"P-23-1509"
Franke Foodservice Systems Phils Inc.	3/24/2008	16,000.00	"P-23-1549"
Franke Foodservice Systems Phils Inc.	3/24/2008	16,000.00	"P-23-1550"
Franke Foodservice Systems Phils Inc.	3/24/2008	9,600.00	"P-23-1551"
Franke Foodservice Systems Phils Inc.	3/24/2008	1,200.00	"P-23-1552"
Franke Foodservice Systems Phils Inc.	3/24/2008	800.00	"P-23-1553"
Franke Foodservice Systems Phils Inc.	3/24/2008	3,000.00	"P-23-1554"
Franke Foodservice Systems Phils Inc.	3/27/2008	9,600.00	"P-23-1605"
Franke Foodservice Systems Phils Inc.	3/27/2008	1,900.00	"P-23-1606"
Franke Foodservice Systems Phils Inc.	3/27/2008	12,800.00	"P-23-1607"
ISPL (Phils.) Inc.	3/27/2008	45,600.00	"P-23-1610"
Franke Foodservice Systems Phils Inc.	3/31/2008	16,500.00	"P-23-1657"
Franke Foodservice Systems Phils Inc.	3/31/2008	12,800.00	"P-23-1658"
Franke Foodservice Systems Phils Inc.	3/31/2008	9,600.00	"P-23-1659"
Franke Foodservice Systems Phils Inc.	3/31/2008	1,900.00	"P-23-1660"
Shi Mfg. & Services (Phils.), Inc.	3/31/2008	6,500.00	"P-23-1702"
Shi Mfg. & Services (Phils.), Inc.	3/31/2008	6,500.00	"P-23-1703"
AGC Flat Glass Phils. Inc.	3/31/2008	4,807,314.46	"P-23-1731"
AGC Flat Glass Phils. Inc.	3/31/2008	5,903,710.89	"P-23-1732"
Alplus-Sunpower Bldg. 2	3/31/2008	1,184,102.40	"P-23-1747"
Imasen Philippine Manufacturing Corp.	3/31/2008	150,450.00	"P-23-1753"
AGC Flat Glass Phils. Inc.	3/31/2008	516,513.71	"P-23-1765"
Shi Mfg. & Services (Phils.), Inc.	3/31/2008	843,849.54	"P-23-1767"
AMI Semiconductor Philippines Inc.	3/31/2008	400.00	"P-23-1774"
AGC Flat Glass Phils. Inc.	3/31/2008	200.00	"P-23-1789"
	Sub-total	***41,977,912.91***	
Sales of service not supported by "zero-rated" official receipts			
Samsung Electro-Mechanic Philippines	1/2/2008	4,500.00	"P-23-27"
Amkor Technology Philippines Inc.	1/31/2008	36,400.00	"P-23-601"
Analog Devices Gen. Trias	1/31/2008	5,040.00	"P-23-603"
Cirtek Electronics Corporation	1/31/2008	2,050.00	"P-23-607"
Continental Temic Electronics Phils.	1/31/2008	4,200.00	"P-23-608"
Continental Temic Electronics Phils.	1/31/2008	2,500.00	"P-23-609"
Integrated Microelectronics Inc.-Isahaya	1/31/2008	5,400.00	"P-23-610"
Kyocera Kinseki Philippines, Inc.	1/31/2008	1,650.00	"P-23-612"
MSM Manila Inc.	1/31/2008	5,000.00	"P-23-614"
ON Semiconductor Phils., Inc.	1/31/2008	700.00	"P-23-619"
Ibiden Philippines, Inc.	1/31/2008	5,200.00	"P-23-621"
TANN Philippines	1/31/2008	375.00	"P-23-622"
Temic Automotive Philippines	1/31/2008	2,500.00	"P-23-623"
Yutaka Manufacturing Philippines Inc	1/31/2008	12,500.00	"P-23-625"
Samsung Electro-Mechanic Philippines	2/2/2008	4,500.00	"P-23-649"
Air Water Philippines Inc	2/29/2008	3,632.40	"P-23-1167"
Amkor Technology Philippines Inc	2/29/2008	36,400.00	"P-23-1168"
Analog Devices Gen Trias	2/29/2008	5,040.00	"P-23-1171"

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Name of Customer	Invoice Date[69]	Amount of Sales	Exhibit No.
Austria Microsystems Phils Inc	2/29/2008	2,500.00	"P-23-1172"
Cirtek Electronics Corporation	2/29/2008	2,050.00	"P-23-1175"
Continental Temic Electronics Phils	2/29/2008	4,000.00	"P-23-1176"
Continental Temic Electronics Phils	2/29/2008	2,500.00	"P-23-1177"
Integrated Microelectronics Inc - Isahaya	2/29/2008	5,400.00	"P-23-1178"
Ju-Young Electronics Phils Inc	2/29/2008	200.00	"P-23-1179"
Kyocera Kinseki Philippines Inc	2/29/2008	1,950.00	"P-23-1180"
Littlefuse Philippines Inc	2/29/2008	3,300.00	"P-23-1181"
MSM Manila Inc	2/29/2008	5,000.00	"P-23-1182"
Orient Semiconductor Electronics	2/29/2008	2,670.00	"P-23-1183"
Samsung Electro-Mechanic Philippines	2/29/2008	28,500.00	"P-23-1186"
ON Semiconductor Phils Inc	2/29/2008	700.00	"P-23-1188"
Ibiden Philippines Inc	2/29/2008	5,200.00	"P-23-1190"
TANN Philippines	2/29/2008	375.00	"P-23-1191"
Temic Automotive Philippines	2/29/2008	2,500.00	"P-23-1192"
Yutaka Manufacturing Philippines Inc	2/29/2008	7,500.00	"P-23-1195"
Samsung Electro Mechanic Philippines	3/1/2008	4,500.00	"P-23-1221"
Ionics Ems Inc. Plant 3	3/18/2008	77,500.00	"P-23-1494"
NSG Micro Optics Phils., Inc.	3/31/2008	152,301.65	"P-23-1705"
Air Water Philippines Inc.	3/31/2008	3,768.12	"P-23-1771"
Amkor Technology Philippines Inc.	3/31/2008	36,400.00	"P-23-1772"
Analog Devices Gen. Trias	3/31/2008	5,040.00	"P-23-1775"
Cirtek Electronics Corporation	3/31/2008	2,410.00	"P-23-1778"
Continental Temic Electronics Phils.	3/31/2008	6,000.00	"P-23-1779"
Continental Temic Electronics Phils.	3/31/2008	2,500.00	"P-23-1780"
Integrated Microelectronics Inc. - Isahaya	3/31/2008	5,400.00	"P-23-1781"
Ju-Young Electronics Phils. Inc.	3/31/2008	200.00	"P-23-1782"
Kyocera Kinseki Philippines Inc.	3/31/2008	1,500.00	"P-23-1783"
Littlefuse Philippines Inc.	3/31/2008	3,600.00	"P-23-1784"
MSM Manila, Inc.	3/31/2008	5,000.00	"P-23-1785"
Orient Semiconductor Electronics	3/31/2008	2,670.00	"P-23-1786"
PASAR	3/31/2008	800.00	"P-23-1787"
Samsung Electro-Mechanic Philippines	3/31/2008	23,500.00	"P-23-1790"
ON Semiconductor Phils, Inc.	3/31/2008	700.00	"P-23-1792"
Ibiden Philippines Inc.	3/31/2008	5,200.00	"P-23-1794"
TANN Philippines	3/31/2008	375.00	"P-23-1795"
Temic Automotive Philippines	3/31/2008	2,500.00	"P-23-1796"
Yutaka Manufacturing Philippines Inc.	3/31/2008	10,000.00	"P-23-1799"
	Sub-total	***563,797.17***	
	GRAND TOTAL	**₱ 42,541,710.08**	

Moreover, for the second type of document in proving zero-rated sales, it must further be established that petitioner's customers are indeed PEZA-registered entities subject to zero-rated VAT.

Relative thereto, petitioner submitted the Letter of the then PEZA Director General, Lilia B. De Lima dated November 30, 2010,[70] confirming the issuance of VAT zero-rating certifications to the following clients of petitioner, to wit:

No.	Enterprise	PEZA Reg. No.	PEZA Reg. Date	2008 VAT Zero Rating No.	2008 VAT Zero Rating Date Issued
1	2PI MIRCROWAVE TECHNOLOGY	04-35	17 May 2004	-	-
2	AGC FLAT GLASS PHILIPPINES, INC.	07-33	28 May 2007, as amended on 29 June 2007	2008-561	31 January 2008
3	AICHI FORGING COMPANY OF ASIA, INC.	04-17	03 March 2004	2008-076	18 December 2007
4	AIR LIQUIDE PIPELINE UTILITIES SERVICES (ALPLUS), INC. Formerly Gateway Air Liquide Industrial Gas Co., Inc.	99-045	15 March 06 15 July 99	2008-417	22 January 2008
5	AIR WATER PHILIPPINES, INC.	02-055	23 October 2002	2008-298	16 January 2008
6	AMI SEMICONDUCTOR	04-83	22 December 2004	2008-741	7 February 2008
7	AMCOR ANAM ADVANCED PACKING, INC.	95-132	6 December 1995	-	-
8	AMKOR TECHNOLOGY PHILIPPINES, INC. Formerly Amkor Technology Philippines	00-092	3 September 2003	2008-284	15 January 2008
9	AMPLUS TECHNOLOGIES, INC.	07-13-L	9 August 2007	2008-367	21 January 2008
10	ANALOG DEVICES GE TRIAS, INC.	95-117	6 November 1995	2008-018	12 December 2007
11	AUSTRIAMICROSYSTEM, INC.	06-10	30 January 2006	2008-629	1 February 2008
12	BELL ELECTRONICS CORPORATION	00-058	7 July 2000	-	-
13	CAM MECHATRONIC (PHILS.), INC.	95-106	4 October 1995	2008-1254	21 July 2008
14	CARDINAL MRI CENTER, INC.	-	-	-	-
15	CASTEM PHILIPPINES CORPORATION	95-113	27 October 1995, as amended on	2008-531	29 January 2008

[70] Exhibit "P-85".

No.	Enterprise	PEZA Reg. No.	PEZA Reg. Date	2008 VAT Zero Rating No.	2008 VAT Zero Rating Date Issued
			25 June 2002		
16	CEBU MICROELECTRONICS, INC.	93-40	23 August 1993	2008-807	13 February 2008
17	CIRTEK ELECTRONICS CORP.	98-022	24 March 1998	2008-442	28 January 2008
18	CONTINENTAL TEMIC ELECTRONICS INC.	04-70	10 November 2004	2008-439	23 January 2008
19	CPL PACKAGING, INC.	01-055	11 September 2001, as amended on 17 July 2007	2008-1410	3 September 2008
20	CRL ENVIRONMENTAL CORPORATION	-	-	-	-
21	EIGHTECH MANUFACTURING CORPORATION	00-102	19 December 2000	2008-280	15 January 2008
22	ESSILOR MFG. PHILIPPINES, INC. Formerly Bataan Optical, Inc.	79-04	3 April 1979, as amended on 25 January 1994	2008-257	11 January 2008
23	EUROWOOD PRODUCTS AND TECHNIQUE MFG CORPORATION	-	-	-	-
24	FASTECH ELECTRONIQUE, INC.	96-004	15 January 96, as amended on 2 October 1998	2008-762	8 February 2008
25	FRANKE FOODSERVICE SYSTEM PHILS., INC.	00-082	16 October 2000	2008-027	12 December 2007
26	FUJIELASTOMERS MANILA CORP.	03-065	1 September 2003	2008-998	-
27	FUJITSU TEN CORPORATION OF THE PHILIPPINES	01-063	29 October 2001	2008-025	12 December 2007
28	HEREAUS ELECTRONIC MATERIALS PHILS., INC.	97-026	21 March 1997	2008-105	21 December 2007
29	HITACHI GLOBAL STORAGE TECHNOLOGIES PHILS., CORP.	94-28	11 May 1994	2008-112	27 December 2007
30	HITACHI INDUSTRIAL MACHINERY PHILIPPINES CORP.	95-59	31 May 2008	2008-342	17 January 2008

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No.	Enterprise	PEZA Reg. No.	PEZA Reg. Date	2008 VAT Zero Rating	
				No.	Date Issued
31	HOYA GLASS DISK PHILIPPINES, INC.	97-010	6 February 1997	2008-203	8 January 2008
32	IBIDEN PHILS., INC.	00-061	20 July 2000	2008-129	27 December 2007
33	IMASEND PHILIPPINES MFG., CORP.	96-114	11 January 1996	2008-159	2 January 2008
34	INTEGRATED FLOW SYSTEMS LLC.	06-72	27 November 2006	2008-1294	24 July 2008
35	INTEGRATED MICROELECTRONICS, INC.	94-59	15 August 1994, as amended on 19 September 2007	2008-266	14 January 2008
36	I-OMNI PRECISION, INC.	00-085	17 October 2000	2008-805	13 February 2008
37	IONICS EMS, INC.	00-039	17 April 2000	2008-083	19 December 2007
38	IONICS EMS, INC.	05-01-IT	6 January 2005	2008-084	19 December 2007
39	ISPL INC.	96-068	4 June 1996, as amended on 1 July 2005	2008-816	13 February 2008
40	JGC PHILIPPINES, INC.	07-14-IT	27 February 2007	2008-291	15 January 2008
41	JU-YOUNG ELECTRONICS (PHILS.), INC.	91-044	29 November 1991	2008-605	1 February 2008
42	KATOLEC PHILIPPINES CORPORATION	96-108	17 October 1996	2008-324	17 January 2008
43	KEC-ASTRON PHILS., CORP.	96-091	2 August 1996	2008-099	21 December 2007
44	KEDICA PHILIPPINES CORPORATION	03-039	3 June 2003	2008-592	31 January 2008
45	KOMYO PHILIPPINE LOGISTIC SERVICE CORPORATION	98-010	3 February 1998	2008-277	15 January 2008
46	KYOCERA KINSEKI PHILS, INC.	97-016	12 December 2007	2008-007	12 December 2007
47	LAGUNA ELECTRONICS, INC.	93-02	17 October 1998	2008-235	10 January 2008

No.	Enterprise	PEZA Reg. No.	PEZA Reg. Date	2008 VAT Zero Rating	
				No.	Date Issued
48	LEXMARK RESEARCH & DEVELOPMENT CORPORATION	01-009-IT	17 July 2001	2008-837	14 February 2008
49	LITTELFUSE PHILS., INC.	00-060	14 July 2000	2008-691	5 February 2008
50	LUZON ELECTRONICS TECHNOLOGY, INC.	95-121	14 November 1995	2008-236	10 January 2008
51	MAENO GIKEN, INC.	01-051	21 August 2001	2008-427	23 January 2008
52	MASUDA PHILIPPINES, INC.	93-66	28 December 1993	2008-265	14 January 2008
53	MINDANAO SILICON METAL CORPORATION	-	-	-	-
54	MITSUBA MANUFACTURING BATANGAS CORPORATION	99-081	23 December 1999, as amended on 12 April 2007	2008-349	18 January 2008
55	MITSUBA PHILIPPINES CORP.	96-107	14 October 1996, as amended on 12 January 1998	2008-694	5 February 2008
56	MME TECHNOLOGIES, INC.	99-071	25 November 1999	-	-
57	MSM MANILA, INC. Formerly Precision Springs Manila Incorporated	97-009	29 January 1997, as amended on 29 June 2004	2008-384	21 January 2008
58	NIDEC PHILIPPINES CORP.	2008-C-93	20 December 2007	2008-093	20 December 2007
59	NIDEC PHILIPPINES CORP.	01-028	4 April 2001	2008-207	8 January 2008
60	NIKKO MATERIALS PHILIPPINES, INC.	96-080	3 July 1996	2008-231	10 January 2008
61	NSG MICRO OPTICS PHILS., INC.	03-068	10 September 2003	2008-109	21 December 2007
62	NT PHILIPPINES, INC.	93-68	29 December 1993, as amended on 27 November 1996	2008-0594	31 January 2008

No.	Enterprise	PEZA Reg. No.	PEZA Reg. Date	2008 VAT Zero Rating No.	2008 VAT Zero Rating Date Issued
63	NXP SEMICONDUCTORS PHILIPPINES, INC.	94-77	28 September 1994, as amended on 3 January 2007	2008-476	28 January 2008
64	ON SEMICONDUCTOR PHILS., INC.	07-36	2 July 2007	2008-217	8 January 2008
65	OPTODEV, INC.	97-051	10 July 1997	2008-232	10 January 2008
66	ORIENT SEMICONDUCTOR ELECTRONICS PHILIPPINES, INC.	96-102	3 October 1996	2008-950	29 February 2008
67	PHILIPPINES ASSOCIATED SMELTING & REFINING CORP.	82-40	23 September 1982	2008-218	9 January 2008
68	PHILIPPINE TOEI CHEMICAL CORPORATION	95-135	12 December 1995	2008-1119	2 May 2008
69	PRICON MICROELECTRONICS, INC.	96-058	14 May 1996, as amended on 10 May 2005	2008-672	4 February 2008
70	PSI TECHNOLOGIES, INC.	04-34	17 May 2004	2008-1015	24 March 2008
71	ROHM ELECTRONICS PHILS., INC.	00-081	09 October 2000	2008-170	3 January 2008
72	SAMSUNG ELECTRO-MECHANICS PHILS., CORP.	97-074	16 October 1997	2008-138	27 December 2007
73	SAN TECHNOLOGY, INC.	89-08	03 February 1989	2008-537	7 January 2008
74	SANRITSU GREAT INTERNATIONAL CORP.	95-76	3 August 1995, as amended on 26 July 2006	2008-800	13 February 2008
75	SHELL GAS EASTERN, INC. Formerly Shell Gas Phils., Inc.	81-07	23 September 1981, as amended on 29 March 2007	2008-0925	27 February 2008
76	SHI MANUFACTURING & SERVICES (PHILS.), INC.	01-008	26 January 2001	2008-254	11 January 2008
77	SHIDENGEN PHILIPPINES CORPORATION	95-41	6 April 1995	2008-445	28 January 2008
78	SHIN-ETSU MAGNETIC PHILS., INC.	99-048	05 August 1999	2008-150	28 December 2007

No.	Enterprise	PEZA Reg. No.	PEZA Reg. Date	2008 VAT Zero Rating	
				No.	Date Issued
79	SHINKOZAN CORP. (MEGASTAMP)	-	-	-	-
80	SHOWA ALUMINUM MANUFACTURING PHILS., CORPORATION	96-007	15 January 1996	2008-438	23 January 2008
81	SUNPOWER PHILIPPINES MANUFACTURING LTD. (BRANCH OFFICE)	03-055	20 October 2006	2008-457	28 January 2008
82	TANN PHILIPPINES	02-016	16 April 2002	2008-0252	11 January 2008
83	TEAL PACIFIC, LLC	-	-	-	-
84	TEAM PACIFIC CORP.	28-Oct	18 March 2010	-	-
85	TECHNOL EIGHT PHILS. CORPORATION	05-52	1 September 2005	2008-043	13 December 2007
86	TEMIC AUTOMOTIVE (PHILS.), INC.	04-33	17 May 2004	2008-435	23 January 2008
87	TI (PHILIPPINES), INC. Formerly Texas Instruments Clark	01-010	1 March 2001, as amended on 07 June 2007	2008-0451	28 January 2008
88	TOKYO STEEAL PHILIPPINES CORP.	97-036	07 May 1997	2008-1032	27 March 2008
89	TONG HSING ELECTRONICS (PHILIPPINES), INC.	94-72	19 September 1994	2008-490	28 January 2008
90	TST, INC.	-	-	-	-
91	VISHAY (PHILS.), INC.	04-32	17 May 2004	2008-215	8 January 2008
92	WU KONG SINGAPORE PTE., LTD.	95-21	17 February 1995	2008-096	20 December 2007
93	YAMAHA MOTORS PHILS., INC.	07-01-DM	5 September 2007		
94	YKY PARTS CORPORATION	03-040	3 June 2003	2008-0614	1 February 2008
95	YOKOMAHA TIRE PHILIPPINES	-	-	-	-
96	YUTAKA MANUFACTURING (PHILIPPINES), INC.	94-31	23 May 1994	2008-394	21 January 2008

Notably, in the said November 30, 2010 Letter of Director General De Lima, the PEZA indicated that the following entities are: (1) with no certification issued, (2) with cancelled certification, (3) not PEZA-registered, (4) registered only in year 2010, or (5) not entitled to VAT zero-rating, to wit:

1. No Certification Issued:
2PI Microwave Technology
Bell Electronics Corporation
Fujielastomers Manila Corp.
MME Technologies, Inc.
2. Cancelled dated July 11, 2002 (Taken over Amkor Tech):
Amcor Anam Advanced Packing, Inc.
3. Not registered with PEZA:
Cardinal MRI Center, Inc.
CRL Environmentl Corporation
Eurowood Products and Technique Mfg Corporation
Mindanao Silicon Metal Corporation
Shinkozan Corp. (Megastamp)
Teal Pacific, LLC
TST, Inc.
Yokohama Tire Philippines
4. Registered with PEZA only in 2010:
Team Pacific Corp.
5. Not entitled to VAT zero-rating:
Yamaha Motors Phils., Inc.

Moreover, the following entities were neither listed in the November 30, 2010 Letter of Director General De Lima, nor have PEZA certification for VAT zero-rating, to wit:

1. Amkor Anam Technology-P1
2. Eightech Tectron Phils. Inc.
3. HHIC-Phil Inc.
4. Nidec Subic Philippines Corporation
5. Pilipinas Shell Petroleum Corp- Shell Gas Eas
6. PSI Technologies Laguna Inc
7. Tong Hsing
8. Walk-In Customers

In view the above findings, the sales made to the foregoing entities in the total amount of ₱20,899,537.41 shall not be accorded VAT zero-rating, detailed as follows:

Name of Customer	Invoice Date[71]	Amount of Sales	Exhibit No.
1. No Certification Issued by PEZA			
2PI Microwave Technology Inc.	2/29/2008	₱ 400.00	"P-23-1184"
2PI Microwave Technology, Inc.	1/31/2008	400.00	"P-23-616"
2PI Microwave Technology Inc.	3/31/2008	400.00	"P-23-1788"
Bell Electronics Corporation	1/2/2008	20,000.00	"P-23-10"
Bell Electronics Corporation	1/31/2008	52,344.96	"P-23-576"
Bell Electronics Corporation	1/31/2008	480.00	"P-23-605"
Bell Electronics Corporation	2/2/2008	(2,250.00)	"P-23-627"
Bell Electronics Corporation	2/2/2008	20,000.00	"P-23-632"
Bell Electronics Corporation	2/29/2008	3,600.00	"P-23-1115"
Bell Electronics Corporation	2/29/2008	26,873.44	"P-23-1145"
Bell Electronics Corporation	2/29/2008	480.00	"P-23-1173"
Bell Electronics Corporation	3/1/2008	20,000.00	"P-23-1205"
Bell Electronics Corporation	3/31/2008	37,355.02	"P-23-1749"
Bell Electronics Corporation	3/31/2008	480.00	"P-23-1776"
Fujielastomers Manila Corp.	1/7/2008	45,839.74	"P-23-90"
Fujielastomers Manila Corp.	1/15/2008	44,498.60	"P-23-254"
Fujielastomers Manila Corp.	1/21/2008	53,459.32	"P-23-347"
Fujielastomers Manila Corp.	1/25/2008	58,339.44	"P-23-436"
Fujielastomers Manila Corp.	2/4/2008	88,626.25	"P-23-676"
Fujielastomers Manila Corp.	2/8/2008	37,758.68	"P-23-770"
Fujielastomers Manila Corp.	2/18/2018	64,561.26	"P-23-902"
Fujielastomers Manila Corp.	2/28/2008	60,309.75	"P-23-1064"
Fujielastomers Manila Corp.	2/29/2008	40,406.73	"P-23-1118"
Fujielastomers Manila Corp.	3/7/2008	40,358.27	"P-23-1344"
Fujielastomers Manila Corp.	3/13/2008	56,173.73	"P-23-1444"
Fujielastomers Manila Corp.	3/26/2008	91,251.56	"P-23-1592"
Fujielastomers Manila Corp.	3/31/2008	36,262.87	"P-23-1691"
MME Technologies, Inc.	1/2/2008	20,705.50	"P-23-17"
MME Technologies, Inc.	1/4/2008	16,750.11	"P-23-71"
MME Technologies, Inc.	1/7/2008	18,276.31	"P-23-94"
MME Technologies, Inc.	1/7/2008	16,313.18	"P-23-99"
MME Technologies, Inc.	1/7/2008	22,503.52	"P-23-101"
MME Technologies, Inc.	1/9/2008	18,336.50	"P-23-149"
MME Technologies, Inc.	1/10/2008	13,945.88	"P-23-169"
MME Technologies, Inc.	1/14/2008	31,895.50	"P-23-237"
MME Technologies, Inc.	1/15/2008	20,746.18	"P-23-255"
MME Technologies, Inc.	1/15/2008	12,589.20	"P-23-261"
MME Technologies, Inc.	1/15/2008	10,294.96	"P-23-264"
MME Technologies, Inc.	1/16/2008	21,780.72	"P-23-297"
MME Technologies, Inc.	1/17/2008	11,884.34	"P-23-305"
MME Technologies, Inc.	1/18/2019	19,316.05	"P-23-329"
MME Technologies, Inc.	1/21/2008	18,764.85	"P-23-352"
MME Technologies, Inc.	1/21/2008	9,381.71	"P-23-356"
MME Technologies, Inc.	1/22/2008	4,025.19	"P-23-380"

[71] Date format: Month/Day/Year

Name of Customer	Invoice Date[71]	Amount of Sales	Exhibit No.
MME Technologies, Inc.	1/23/2008	10,426.00	"P-23-394"
MME Technologies, Inc.	1/25/2008	17,815.33	"P-23-434"
MME Technologies, Inc.	1/25/2008	18,266.69	"P-23-437"
MME Technologies, Inc.	1/28/2008	25,116.78	"P-23-457"
MME Technologies, Inc.	1/28/2008	23,789.61	"P-23-461"
MME Technologies, Inc.	1/28/2008	23,801.18	"P-23-464"
MME Technologies, Inc.	1/29/2008	9,774.83	"P-23-483"
MME Technologies, Inc.	1/30/2008	16,325.14	"P-23-506"
MME Technologies, Inc.	1/31/2008	18,316.09	"P-23-527"
MME Technologies, Inc.	1/31/2008	15,697.11	"P-23-540"
MME Technologies, Inc.	2/2/2008	20,313.00	"P-23-639"
MME Technologies, Inc.	2/4/2008	14,155.05	"P-23-675"
MME Technologies, Inc.	2/4/2008	17,888.78	"P-23-680"
MME Technologies, Inc.	2/4/2008	25,478.83	"P-23-681"
MME Technologies, Inc.	2/5/2008	26,926.38	"P-23-699"
MME Technologies, Inc.	2/6/2008	15,110.68	"P-23-728"
MME Technologies, Inc.	2/8/2008	14,862.12	"P-23-765"
MME Technologies, Inc.	2/8/2008	14,496.43	"P-23-771"
MME Technologies, Inc.	2/11/2008	21,794.89	"P-23-793"
MME Technologies, Inc.	2/11/2008	24,143.08	"P-23-799"
MME Technologies, Inc.	2/12/2008	19,001.71	"P-23-815"
MME Technologies, Inc.	2/13/2008	19,294.60	"P-23-844"
MME Technologies, Inc.	2/18/2018	12,987.26	"P-23-893"
MME Technologies, Inc.	2/18/2018	14,557.01	"P-23-897"
MME Technologies, Inc.	2/18/2018	15,995.59	"P-23-903"
MME Technologies, Inc.	2/18/2018	20,423.00	"P-23-905"
MME Technologies, Inc.	2/18/2018	21,324.68	"P-23-907"
MME Technologies Inc	2/21/2008	9,819.29	"P-23-946"
MME Technologies Inc	2/21/2008	20,644.65	"P-23-948"
MME Technologies Inc	2/28/2008	13,724.88	"P-23-1045"
MME Technologies Inc	2/28/2008	15,700.62	"P-23-1056"
MME Technologies Inc	2/28/2008	27,647.49	"P-23-1061"
MME Technologies Inc	2/28/2008	15,317.64	"P-23-1065"
MME Technologies Inc	2/28/2008	23,413.00	"P-23-1069"
MME Technologies Inc	2/28/2008	14,292.20	"P-23-1072"
MME Technologies Inc	2/28/2008	25,432.55	"P-23-1077"
MME Technologies Inc	2/29/2008	5,185.57	"P-23-1105"
MME Technologies Inc	2/29/2008	19,255.21	"P-23-1120"
MME Technologies Inc	3/1/2008	20,180.00	"P-23-1211"
MME Technologies Inc	3/3/2008	15,194.27	"P-23-1251"
MME Technologies Inc	3/3/2008	13,817.31	"P-23-1254"
MME Technologies Inc	3/4/2008	13,866.06	"P-23-1271"
MME Technologies Inc	3/5/2008	13,412.36	"P-23-1294"
MME Technologies Inc	3/6/2008	13,784.68	"P-23-1319"
MME Technologies Inc	3/7/2008	13,876.85	"P-23-1345"
MME Technologies Inc	3/10/2008	15,972.84	"P-23-1368"
MME Technologies Inc	3/10/2008	17,909.58	"P-23-1370"

Name of Customer	Invoice Date[71]	Amount of Sales	Exhibit No.
MME Technologies Inc	3/10/2008	17,958.20	"P-23-1371"
MME Technologies Inc	3/11/2008	14,347.45	"P-23-1391"
MME Technologies Inc	3/12/2008	21,225.23	"P-23-1417"
MME Technologies Inc	3/13/2008	12,518.87	"P-23-1445"
MME Technologies Inc	3/13/2008	15,215.85	"P-23-1449"
MME Technologies Inc	3/17/2008	13,756.08	"P-23-1467"
MME Technologies Inc	3/17/2008	17,508.01	"P-23-1469"
MME Technologies Inc	3/19/2008	12,553.45	"P-23-1500"
MME Technologies Inc	3/19/2008	22,652.11	"P-23-1505"
MME Technologies Inc.	3/19/2008	17,036.76	"P-23-1532"
MME Technologies Inc.	3/24/2008	17,168.19	"P-23-1557"
MME Technologies Inc.	3/24/2008	19,826.17	"P-23-1565"
MME Technologies Inc.	3/26/2008	9,851.14	"P-23-1589"
MME Technologies Inc.	3/26/2008	10,366.98	"P-23-1594"
MME Technologies Inc.	3/27/2008	23,482.03	"P-23-1625"
MME Technologies Inc.	3/28/2008	20,562.49	"P-23-1651"
MME Technologies, Inc.	3/31/2008	23,125.70	"P-23-1683"
MME Technologies, Inc.	3/31/2008	27,208.48	"P-23-1690"
MME Technologies, Inc.	3/31/2008	28,137.46	"P-23-1695"
	Sub-total	***2,356,948.87***	
2. Cancelled dated July 11, 2002 (Taken over Amkor Tech)			
Amkor Anam Advanced Packaging, Inc-P3	1/9/2008	20,700.00	"P-23-136"
Amkor Anam Advanced Packaging, Inc-P3	2/11/2008	13,800.00	"P-23-775"
Amkor Anam Advanced Packaging, Inc-P3	2/13/2008	20,700.00	"P-23-826"
Amkor Anam Advanced Packaging, Inc-P3	2/13/2008	27,600.00	"P-23-851"
Amkor Anam Advanced Packaging Inc P3	2/19/2008	20,700.00	"P-23-917"
Amkor Anam Advanced Packaging Inc P3	2/28/2008	62,100.00	"P-23-1032"
Amkor Anam Advanced Packaging Inc - P3	2/29/2008	6,900.00	"P-23-1093"
Amkor Anam Advanced Packaging Inc	3/11/2008	20,700.00	"P-23-1380"
Amkor Anam Advanced Packaging Inc. - P3	3/25/2008	34,500.00	"P-23-1570"
Amkor Anam Advanced Packaging, Inc. - P1	3/31/2008	8,500.00	"P-23-1709"
Amkor Anam Advanced Packaging, Inc. - P3	3/31/2008	20,700.00	"P-23-1708"
	Sub-total	***256,900.00***	
3. Not registered with PEZA			
Cardinal MRI Center Inc.	1/22/2008	350,000.00	"P-23-367"
Cardinal MRI Center Inc.	1/22/2008	350,000.00	"P-23-368"
CRL Environmental Corporation	2/22/2008	34,400.00	"P-23-990"
Shinkozan Corp. (Megastamp)	1/11/2008	5,100.00	"P-23-216"
Shinkozan Corp. (Megastamp)	1/16/2008	5,100.00	"P-23-298"
Shinkozan Corp. (Megastamp)	1/29/2008	5,100.00	"P-23-487"
Shinkozan Corp. (Megastamp)	1/31/2008	3,000.00	"P-23-620"
Shinkozan Corp (Megastamp)	2/29/2008	3,000.00	"P-23-1189"
Shinkozan Corp. (Megastamp)	3/31/2008	3,000.00	"P-23-1793"
TEAL Pacific LLC	2/29/2008	1,493,320.00	"P-23-1112"
TST Inc. (Tank B)	1/2/2008	24,846.60	"P-23-39"
TST, Inc.	1/31/2008	549,724.12	"P-23-599"
TST, Inc.	1/31/2008	32,200.00	"P-23-624"

Name of Customer	Invoice Date[71]	Amount of Sales	Exhibit No.
TST Inc. (Tank B)	2/2/2008	24,375.60	"P-23-660"
TST INC	2/29/2008	510,866.05	"P-23-1166"
TST INC	2/29/2008	32,200.00	"P-23-1194"
TST Inc Tank B	3/1/2008	24,216.00	"P-23-1232"
TST Inc.	3/31/2008	580,370.30	"P-23-1770"
TST Inc.	3/31/2008	30,800.00	"P-23-1798"
Yokohama Tire Philippines Inc.	1/25/2008	423,605.00	"P-23-438"
Yokohama Tire Philippines Inc	3/1/2008	190,000.00	"P-23-1234"
Yokohama Tire Philippines Inc.	3/19/2008	321,615.18	"P-23-1533"
	Sub-total	***4,996,838.85***	
4. Registered with PEZA in 2010 only			
Team Pacific Corporation	1/2/2008	8,150.00	"P-23-33"
Team Pacific Corporation	1/2/2008	18,000.00	"P-23-34"
Team Pacific Corporation	1/8/2008	12,000.00	"P-23-107"
Team Pacific Corporation	1/16/2008	12,000.00	"P-23-272"
Team Pacific Corporation	1/31/2008	265,419.42	"P-23-550"
Team Pacific Corporation	1/31/2008	298,182.24	"P-23-551"
Team Pacific Corporation	1/31/2008	172,676.32	"P-23-555"
Team Pacific Corporation	1/31/2008	142,710.77	"P-23-556"
Team Pacific Corporation	2/2/2008	8,150.00	"P-23-654"
Team Pacific Corporation	2/2/2008	18,000.00	"P-23-655"
Team Pacific Corporation	2/4/2008	12,000.00	"P-23-667"
Team Pacific Corporation	2/4/2008	12,000.00	"P-23-668"
Team Pacific Corporation	2/21/2008	12,000.00	"P-23-931"
Team Pacific Corporation	2/29/2008	257,289.15	"P-23-1110"
Team Pacific Corp	2/29/2008	301,737.61	"P-23-1111"
Team Pacific Corporation	2/29/2008	155,633.00	"P-23-1124"
Team Pacific Corp	2/29/2008	143,382.13	"P-23-1125"
Team Pacific Corporation	3/1/2008	8,150.00	"P-23-1226"
Team Pacific Corporation	3/1/2008	18,000.00	"P-23-1227"
Team Pacific Corporation	3/18/2008	(16,363.50)	"P-23-1196"
Team Pacific Corporation	3/31/2008	211,730.19	"P-23-1699"
Team Pacific Corporation	3/31/2008	269,856.49	"P-23-1701"
Team Pacific Corporation	3/31/2008	24,000.00	"P-23-1710"
Team Pacific Corp.	3/31/2008	141,896.93	"P-23-1727"
Team Pacific Corp.	3/31/2008	133,023.85	"P-23-1728"
	Sub-total	***2,639,624.60***	
5. Not enlisted in the PEZA confirmation letter/Not certified by PEZA			
Amkor Anam Technology-P1	1/29/2008	(33,750.00)	"P-23-4"
Amkor Anam Technology-P1	1/4/2008	3,500.00	"P-23-66"
Amkor Anam Technology-P1	1/4/2008	1,500.00	"P-23-67"
Amkor Anam Technology-P1	1/9/2008	41,400.00	"P-23-135"
Amkor Anam Technology-P1	1/11/2008	11,250.00	"P-23-187"
Amkor Anam Technology-P1	1/11/2008	6,000.00	"P-23-206"
Amkor Anam Technology-P1	1/11/2008	3,750.00	"P-23-207"
Amkor Anam Technology-P1	1/11/2008	3,750.00	"P-23-208"
Amkor Anam Technology-P1	1/15/2008	7,500.00	"P-23-248"

Name of Customer	Invoice Date[71]	Amount of Sales	Exhibit No.
Amkor Anam Technology-P1	1/15/2008	3,750.00	"P-23-249"
Amkor Anam Technology-P1	1/16/2008	7,500.00	"P-23-269"
Amkor Anam Technology-P1	1/16/2008	7,500.00	"P-23-270"
Amkor Anam Technology-P1	1/16/2008	7,500.00	"P-23-271"
Amkor Anam Technology-P1	1/18/2019	7,500.00	"P-23-314"
Amkor Anam Technology-P1	1/18/2019	7,500.00	"P-23-320"
Amkor Anam Technology-P1	1/18/2019	7,500.00	"P-23-327"
Amkor Anam Technology - P1	1/21/2008	7,500.00	"P-23-335"
Amkor Anam Technology - P1	1/23/2008	3,750.00	"P-23-390"
Amkor Anam Technology - P1	1/24/2008	7,500.00	"P-23-407"
Amkor Anam Technology-P1	1/25/2008	1,500.00	"P-23-426"
Amkor Anam Technology - P1	1/30/2008	8,500.00	"P-23-494"
Amkor Anam Technology - P1	1/30/2008	13,800.00	"P-23-500"
Amkor Anam Technology - P1	1/30/2008	48,300.00	"P-23-501"
Amkor Anam Technology - P1	1/30/2008	20,700.00	"P-23-502"
Amkor Anam Technology-P1	1/31/2008	6,800.00	"P-23-530"
Amkor Anam Technology-P1	1/31/2008	8,500.00	"P-23-531"
Amkor Anam Technology-P1	1/31/2008	8,500.00	"P-23-532"
Amkor Anam Technology-P1	1/31/2008	8,500.00	"P-23-533"
Amkor Anam Technology - P1	2/4/2008	8,500.00	"P-23-672"
Amkor Anam Technology - P1	2/4/2008	12,750.00	"P-23-673"
Amkor Anam Technology - P1	2/6/2008	28,694.78	"P-23-719"
Amkor Anam Technology - P1	2/6/2008	8,500.00	"P-23-720"
Amkor Anam Technology - P1	2/8/2008	8,500.00	"P-23-758"
Amkor Anam Technology - P1	2/8/2008	8,500.00	"P-23-759"
Amkor Anam Technology - P1	2/11/2008	8,500.00	"P-23-784"
Amkor Anam Technology - P1	2/11/2008	5,950.00	"P-23-785"
Amkor Anam Techonology - P1	2/12/2008	8,500.00	"P-23-806"
Amkor Anam Technology - P1	2/13/2008	69,000.00	"P-23-827"
Amkor Anam Technology - P1	2/13/2008	8,500.00	"P-23-842"
Amkor Anam Technology P1	2/14/2018	1,700.00	"P-23-864"
Amkor Anam Technology P1	2/14/2018	15,300.00	"P-23-865"
Amkor Anam Technology - P1	2/15/2018	8,500.00	"P-23-873"
Amkor Anam Technology - P1	2/15/2018	8,500.00	"P-23-874"
Amkor Anam Technology - P1	2/18/2018	2,550.00	"P-23-882"
Amkor Anam Technology - P1	2/18/2018	5,950.00	"P-23-883"
Amkor Anam Technology P1	2/19/2008	8,500.00	"P-23-914"
Amkor Anam Technology P1	2/19/2008	11,900.00	"P-23-915"
Amkor Anam Technology P1	2/21/2008	8,500.00	"P-23-930"
Amkor Anam Technology P1	2/21/2008	4,250.00	"P-23-941"
Amkor Anam Technology P1	2/22/2008	8,500.00	"P-23-974"
Amkor Anam Technology P1	2/22/2008	8,500.00	"P-23-975"
Amkor Anam Technology P1	2/27/2008	8,500.00	"P-23-1004"
Amkor Anam Technology P1	2/27/2008	6,800.00	"P-23-1005"
Amkor Anam Technology P1	2/28/2008	8,500.00	"P-23-1037"
Amkor Anam Technology - P1	2/29/2008	5,950.00	"P-23-1087"
Amkor Anam Technology - P1	2/29/2008	2,550.00	"P-23-1088"

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Name of Customer	Invoice Date[71]	Amount of Sales	Exhibit No.
Amkor Anam Technology - P1	2/29/2008	8,500.00	"P-23-1089"
Amkor Anam Technology - P1	2/29/2008	6,900.00	"P-23-1090"
Amkor Anam Technology - P1	2/29/2008	62,100.00	"P-23-1091"
Amkor Anam Technology P1	3/4/2008	9,350.00	"P-23-1261"
Amkor Anam Technology P1	3/5/2008	7,650.00	"P-23-1280"
Amkor Anam Technology P1	3/5/2008	5,950.00	"P-23-1281"
Amkor Anam Technology P1	3/5/2008	69,000.00	"P-23-1282"
Amkor Anam Technology P1	3/6/2008	69,000.00	"P-23-1304"
Amkor Anam Technology P1	3/6/2008	8,500.00	"P-23-1305"
Amkor Anam Technology P1	3/7/2008	8,500.00	"P-23-1334"
Amkor Anam Technology P1	3/7/2008	8,500.00	"P-23-1335"
Amkor Anam Technology P1	3/7/2008	8,500.00	"P-23-1343"
Amkor Anam Technology P1	3/10/2008	8,500.00	"P-23-1362"
Amkor Anam Technology P1	3/11/2008	8,500.00	"P-23-1378"
Amkor Anam Technology P1	3/11/2008	5,100.00	"P-23-1379"
Amkor Anam Technology P1	3/12/2008	8,500.00	"P-23-1407"
Amkor Anam Technology P1	3/12/2008	4,250.00	"P-23-1408"
Amkor Anam Technology P1	3/12/2008	4,250.00	"P-23-1409"
Amkor Anam Technology P1	3/13/2008	8,500.00	"P-23-1435"
Amkor Anam Technology P1	3/13/2008	8,500.00	"P-23-1436"
Amkor Anam Technology P1	3/13/2008	4,250.00	"P-23-1437"
Amkor Anam Technology P1	3/13/2008	4,250.00	"P-23-1438"
Amkor Anam Technology P1	3/18/2008	8,500.00	"P-23-1482"
Amkor Anam Technology P1	3/18/2008	8,500.00	"P-23-1483"
Amkor Anam Technology P1	3/18/2008	8,500.00	"P-23-1484"
Amkor Anam Technology P1	3/18/2008	8,500.00	"P-23-1485"
Amkor Anam Technology P1	3/18/2008	8,500.00	"P-23-1486"
Amkor Anam Technology P1	3/18/2008	8,500.00	"P-23-1487"
Amkor Anam Technology P1	3/19/2008	8,500.00	"P-23-1512"
Amkor Anam Technology - P1	3/24/2008	27,600.00	"P-23-1538"
Amkor Anam Technology - P1	3/24/2008	8,500.00	"P-23-1541"
Amkor Anam Technology - P1	3/25/2008	8,500.00	"P-23-1567"
Amkor Anam Technology - P1	3/26/2008	8,500.00	"P-23-1578"
Amkor Anam Technology - P1	3/26/2008	5,100.00	"P-23-1579"
Amkor Anam Technology - P1	3/27/2008	8,500.00	"P-23-1612"
Amkor Anam Technology - P1	3/28/2008	8,500.00	"P-23-1643"
Amkor Anam Technology - P1	3/28/2008	8,500.00	"P-23-1644"
Amkor Anam Technology - P1	3/28/2008	28,740.25	"P-23-1652"
Amkor Anam Technology - P1	3/31/2008	8,500.00	"P-23-1663"
Amkor Anam Technology - P1	3/31/2008	10,200.00	"P-23-1664"
Eightech Tectron Phils., Inc.	1/7/2008	16,000.00	"P-23-76"
Eightech Tectron Phils., Inc.	1/7/2008	6,300.00	"P-23-77"
Eightech Tectron Phils., Inc.	1/7/2008	3,150.00	"P-23-78"
Eightech Tectron Phils., Inc.	1/11/2008	16,000.00	"P-23-186"
Eightech Tectron Phils., Inc.	1/18/2019	22,300.00	"P-23-328"
Eightech Tectron Phils., Inc.	1/29/2008	6,300.00	"P-23-471"
Eightech Tectron Phils., Inc.	1/31/2008	16,000.00	"P-23-521"

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Name of Customer	Invoice Date[71]	Amount of Sales	Exhibit No.
Eightech Tectron Phils., Inc.	2/8/2008	6,300.00	"P-23-749"
Eightech Tectron Phils., Inc.	2/8/2008	16,000.00	"P-23-750"
Eightech Tectron Phils., Inc.	2/18/2018	6,300.00	"P-23-880"
Eightech Tectron Phils Inc	2/19/2008	16,000.00	"P-23-916"
Eightech Tectron Phils Inc	2/21/2008	16,000.00	"P-23-936"
Eightech Tectron Phils Inc	2/29/2008	6,300.00	"P-23-1086"
Eightech Tectron Phils Inc	3/4/2008	16,000.00	"P-23-1257"
Eightech Tectron Phils Inc	3/10/2008	16,000.00	"P-23-1360"
Eightech Tectron Phils Inc	3/11/2008	6,300.00	"P-23-1377"
Eightech Tectron Phils Inc	3/17/2008	6,300.00	"P-23-1453"
Eightech Tectron Phils. Inc.	3/25/2008	16,000.00	"P-23-1568"
Eightech Tectron Phils. Inc.	3/26/2008	6,300.00	"P-23-1580"
HHIC-Phil Inc.	1/11/2008	(361,380.00)	"P-23-1"
HHIC-Phil Inc.	1/31/2008	4,672,038.30	"P-23-579"
HHIC-Phil Inc.	2/29/2008	2,379,310.00	"P-23-1148"
Nidec Subic Philippines Corp	1/2/2008	16,564.40	"P-23-29"
Nidec Subic Philippines Corp	1/22/2008	35,021.43	"P-23-371"
Nidec Subic Philippines Corp	1/22/2008	8,000.00	"P-23-383"
Nidec Subic Philippines Corp	1/31/2008	3,500.00	"P-23-618"
Nidec Subic Philippines Corp	2/2/2008	16,250.40	"P-23-651"
Nidec Subic Philippines Corp	2/4/2008	41,524.73	"P-23-679"
Nidec Subic Philippines Corp.	2/28/2008	45,475.01	"P-23-1018"
Nidec Subic Philippines Corp	2/29/2008	3,500.00	"P-23-1187"
Nidec Subic Philippines Corp	3/1/2008	16,144.00	"P-23-1223"
Nidec Subic Philippines Corp	3/17/2008	43,284.41	"P-23-1468"
Nidec Subic Philippines Corp	3/19/2008	201,600.00	"P-23-1514"
Nidec Subic Philippines Corporation	3/31/2008	170,000.00	"P-23-1715"
Nidec Subic Philippines Corporation	3/31/2008	3,500.00	"P-23-1791"
Pilipinas Shell Petroleum Corp- Shell Gas Eas	1/22/2008	18,931.10	"P-23-375"
PSI Technologies Laguna Inc. (USD)	1/31/2008	621,945.00	"P-23-593"
PSI Technologies Laguna Inc (USD)	2/29/2008	552,124.80	"P-23-1161"
PSI Technologies Laguna Inc	3/1/2008	6,000.00	"P-23-1219"
PSI Technologies Laguna Inc. (USD)	3/31/2008	580,290.48	"P-23-1764"
Tong Hsing	1/3/2008	12,500.00	"P-23-41"
Tong Hsing	1/4/2008	12,500.00	"P-23-58"
Tong Hsing	1/10/2008	25,000.00	"P-23-161"
Tong Hsing	1/17/2008	25,000.00	"P-23-303"
Tong Hsing	1/25/2008	12,500.00	"P-23-424"
Tong Hsing	1/25/2008	12,500.00	"P-23-425"
Tong Hsing	1/30/2008	12,500.00	"P-23-499"
Tong Hsing	2/4/2008	25,000.00	"P-23-663"
Tong Hsing	2/8/2008	12,500.00	"P-23-757"
Tong Hsing	2/22/2008	12,500.00	"P-23-956"
Tong Hsing	2/28/2008	12,500.00	"P-23-1033"
Tong Hsing	2/28/2008	12,500.00	"P-23-1034"
Tong Hsing	2/29/2008	1,400.00	"P-23-1193"
Tong Hsing	3/18/2008	(1,568.00)	"P-23-1197"

Name of Customer	Invoice Date[71]	Amount of Sales	Exhibit No.
Tong Hsing	3/18/2008	(1,400.00)	"P-23-1198"
Tong Hsing	3/18/2008	(1,400.00)	"P-23-1199"
Tong Hsing	3/5/2008	37,500.00	"P-23-1291"
Tong Hsing	3/18/2008	12,500.00	"P-23-1490"
Tong Hsing	3/18/2008	12,500.00	"P-23-1491"
Tong Hsing	3/18/2008	1,600.00	"P-23-1495"
Tong Hsing	3/18/2008	1,600.00	"P-23-1496"
Tong Hsing	3/18/2008	2,400.00	"P-23-1497"
Tong Hsing	3/25/2008	25,000.00	"P-23-1569"
Tong Hsing	3/31/2008	1,400.00	"P-23-1797"
Walk-In Customers	3/31/2008	10,684.00	"P-23-1704"
	Sub-total	***10,649,225.09***	
	Grand Total	**₱ 20,899,537.41**	

In addition, the sales in the total amount of ₱11,611,487.95 generated by petitioner from its PEZA-registered customers prior to the issuance of their respective PEZA certifications, as presented below, shall also be disallowed for VAT zero-rating, to wit:

Name of Customer	Invoice Date[72]	Amount of Sales	Exhibit No.
PEZA Certificate for VAT-zero rating was issued only on January 31, 2008			
AGC Flat Glass Phils., Inc.	1/2/2008	₱ 59,992.94	"P-23-26"
PEZA Certificate for VAT-zero rating was issued only on February 1, 2008			
Austria Microsystems Phils. Inc	1/4/2008	21,000.00	"P-23-52"
Austria Microsystems Phils. Inc	1/8/2008	28,000.00	"P-23-103"
Austria Microsystems Phils. Inc	1/8/2008	14,000.00	"P-23-104"
Austria Microsystems Phils. Inc	1/8/2008	21,000.00	"P-23-118"
Austria Microsystems Phils. Inc	1/8/2008	21,000.00	"P-23-119"
Austria Microsystems Phils. Inc	1/8/2008	35,000.00	"P-23-120"
Austria Microsystems Phils. Inc	1/8/2008	28,000.00	"P-23-121"
Austria Microsystems Phils. Inc	1/10/2008	42,000.00	"P-23-150"
Austria Microsystems Phils. Inc	1/10/2008	14,000.00	"P-23-151"
Austria Microsystems Phils. Inc	1/10/2008	21,000.00	"P-23-152"
Austria Microsystems Phils. Inc	1/10/2008	14,000.00	"P-23-153"
Austria Microsystems Phils. Inc	1/11/2008	14,000.00	"P-23-178"
Austria Microsystems Phils. Inc	1/11/2008	7,000.00	"P-23-179"
Austria Microsystems Phils. Inc	1/11/2008	7,000.00	"P-23-180"
Austria Microsystems Phils. Inc	1/14/2008	14,000.00	"P-23-227"
Austria Microsystems Phils. Inc	1/14/2008	14,000.00	"P-23-228"
Austria Microsystems Phils. Inc	1/15/2008	28,000.00	"P-23-242"
Austria Microsystems Phils. Inc	1/16/2008	21,000.00	"P-23-274"
Austria Microsystems Phils. Inc	1/16/2008	7,000.00	"P-23-275"

[72] Date format: Month/Day/Year

Name of Customer	Invoice Date[72]	Amount of Sales	Exhibit No.
Austria Microsystems Phils. Inc	1/16/2008	14,000.00	"P-23-276"
Austria Microsystems Phils. Inc	1/16/2008	14,000.00	"P-23-277"
Austria Microsystems Phils. Inc	1/18/2019	14,000.00	"P-23-311"
Austria Microsystems Phils. Inc	1/18/2019	14,000.00	"P-23-312"
Austria Microsystems Phils. Inc	1/18/2019	21,000.00	"P-23-317"
Austria Microsystems Phils. Inc	1/18/2019	7,000.00	"P-23-318"
Austria Microsystems Phils. Inc	1/18/2019	14,000.00	"P-23-325"
Austria Microsystems Phils. Inc	1/31/2008	35,000.00	"P-23-522"
Austria Microsystems Phils. Inc	1/31/2008	5,000.00	"P-23-604"
PEZA Certificate for VAT-zero rating was issued only on July 21, 2008			
Cam Mechatronics (Phils) Inc	1/23/2008	12,500.00	"P-23-397"
Cam Mechatronics (Phils) Inc	1/31/2008	600.00	"P-23-606"
CAM MECHATRONICS (PHILS) INC	2/29/2008	600.00	"P-23-1174"
Cam Mechatronics (Phils) Inc.	3/31/2008	600.00	"P-23-1777"
PEZA Certificate for VAT-zero rating was issued only on January 29, 2008			
Castem Philippines Corporation	1/4/2008	11,600.00	"P-23-64"
Castem Philippines Corporation	1/11/2008	14,500.00	"P-23-195"
Castem Philippines Corporation	1/16/2008	14,500.00	"P-23-284"
Castem Philippines Corporation	1/23/2008	14,500.00	"P-23-392"
PEZA Certificate for VAT-zero rating was issued only on January 28, 2008			
Cirtek Electronics Corporation	1/2/2008	25,000.00	"P-23-11"
Cirtek Electronics Corporation	1/8/2008	5,590.00	"P-23-129"
Cirtek Electronics Corporation	1/15/2008	5,590.00	"P-23-268"
PEZA Certificate for VAT-zero rating was issued only on January 23, 2008			
Continental Temic Electronics Phils.	1/2/2008	46,587.37	"P-23-12"
Continental Temic Electronics Phils.	1/11/2008	1,500.00	"P-23-212"
Continental Temic Electronics Phils.	1/16/2008	42,500.00	"P-23-293"
Continental Temic Electronics Phils.	1/17/2008	7,500.00	"P-23-304"
PEZA Certificate for VAT-zero rating was issued only on September 3, 2008			
CPL Packaging, Inc.	1/29/2008	1,900.00	"P-23-489"
CPL Packaging, Inc.	1/31/2008	800.00	"P-23-602"
CPL Packaging, Inc.	2/29/2008	800.00	"P-23-1169"
CPL Packaging Inc.	3/31/2008	800.00	"P-23-1773"
PEZA Certificate for VAT-zero rating was issued only on February 8, 2008			
Fastech Electronique, Inc	1/8/2008	2,850.00	"P-23-128"
PEZA Certificate for VAT-zero rating was issued only on January 8, 2008			
Hoya Glass Disk Philippines, Inc.	1/2/2008	24,846.60	"P-23-18"
PEZA Certificate for VAT-zero rating was issued only on February 13, 2008			
ISPL (Phil.) Inc. (Formerly ATEC)	1/2/2008	37,000.00	"P-23-9"
ISPL (Phil.) Inc. (Formerly ATEC)	1/7/2008	45,600.00	"P-23-75"
ISPL (Phils.) Inc.	1/11/2008	45,600.00	"P-23-181"
ISPL (Phils.) Inc.	1/15/2008	45,600.00	"P-23-250"
ISPL (Phils.) Inc.	1/24/2008	45,600.00	"P-23-408"
ISPL (Phils.) Inc.	1/24/2008	45,600.00	"P-23-409"
ISPL (Phils.) Inc.	1/31/2008	91,200.00	"P-23-515"
ISPL (Phils.) Inc. (Formerly ATEC)	1/31/2008	650,395.23	"P-23-575"
ISPL (Phil.) Inc. (Formerly ATEC)	2/2/2008	37,000.00	"P-23-631"

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Name of Customer	Invoice Date[72]	Amount of Sales	Exhibit No.
ISPL (Phils.) Inc.	2/6/2008	45,600.00	"P-23-726"
ISPL (Phils.) Inc.	2/11/2008	91,200.00	"P-23-786"
PEZA Certificate for VAT-zero rating was issued only on February 1, 2008			
Ju-Young Electronics Phils., Inc.	1/31/2008	200.00	"P-23-611"
PEZA Certificate for VAT-zero rating was issued only on January 17, 2008			
Katolec Phils. Corp	1/2/2008	37,269.90	"P-23-15"
PEZA Certificate for VAT-zero rating was issued only on January 15, 2008			
Komyo Phil. Logistics Service Corp.	1/3/2008	6,144.80	"P-23-47"
Komyo Phil. Logistics Service Corp.	1/7/2008	9,217.20	"P-23-79"
Komyo Phil. Logistics Service Corp.	1/10/2008	9,217.20	"P-23-160"
PEZA Certificate for VAT-zero rating was issued only on February 5, 2008			
Littelfuse Philippines, Inc.	1/7/2008	23,700.00	"P-23-80"
Littelfuse Philippines, Inc.	1/7/2008	15,800.00	"P-23-81"
Littelfuse Philippines, Inc.	1/10/2008	39,500.00	"P-23-157"
Littelfuse Philippines, Inc.	1/14/2008	15,800.00	"P-23-219"
Littelfuse Philippines, Inc.	1/21/2008	15,800.00	"P-23-338"
Littelfuse Philippines, Inc.	1/24/2008	15,800.00	"P-23-403"
Littelfuse Philippines, Inc.	1/24/2008	15,800.00	"P-23-404"
Littelfuse Philippines, Inc.	1/24/2008	7,900.00	"P-23-412"
Littelfuse Philippines, Inc.	1/31/2008	47,400.00	"P-23-514"
Littelfuse Philippines, Inc.	1/31/2008	3,300.00	"P-23-613"
PEZA Certificate for VAT-zero rating was issued only on January 10, 2008			
Luzon Electronics Technology, Inc	1/2/2008	31,058.25	"P-23-16"
PEZA Certificate for VAT-zero rating was issued only on January 23, 2008			
Maeno Giken, Inc.	1/4/2008	5,700.00	"P-23-72"
Maeno Giken, Inc.	1/10/2008	9,120.00	"P-23-170"
Maeno Giken, Inc.	1/11/2008	5,700.00	"P-23-213"
Maeno Giken, Inc.	1/15/2008	5,700.00	"P-23-265"
Maeno Giken, Inc.	1/15/2008	8,420.00	"P-23-267"
Maeno Giken, Inc.	1/18/2019	5,700.00	"P-23-333"
Maeno Giken, Inc.	1/22/2008	5,700.00	"P-23-373"
PEZA Certificate for VAT-zero rating was issued only on January 14, 2008			
Masuda Philippines, Inc.	1/4/2008	29,730.80	"P-23-73"
Masuda Philippines, Inc.	1/4/2008	24,000.00	"P-23-74"
Masuda Philippines, Inc.	1/8/2008	20,811.56	"P-23-125"
Masuda Philippines, Inc.	1/10/2008	14,400.00	"P-23-166"
Masuda Philippines, Inc.	1/10/2008	14,865.40	"P-23-167"
Masuda Philippines, Inc.	1/11/2008	19,200.00	"P-23-214"
Masuda Philippines, Inc.	1/11/2008	17,838.48	"P-23-215"
Masuda Philippines, Inc.	1/11/2008	23,784.64	"P-23-217"
PEZA Certificate for VAT-zero rating was issued only on January 21, 2008			
MSM Manila Inc.	1/4/2008	7,500.00	"P-23-53"
MSM Manila Inc.	1/18/2019	7,500.00	"P-23-309"
MSM Manila Inc.	1/18/2019	7,500.00	"P-23-310"
PEZA Certificate for VAT-zero rating was issued only on January 28, 2008			
NXP Semiconductors Philippines Inc.	1/4/2008	18,000.00	"P-23-65"
NXP Semiconductors Philippines Inc.	1/7/2008	24,000.00	"P-23-85"

Name of Customer	Invoice Date[72]	Amount of Sales	Exhibit No.
NXP Semiconductors Philippines Inc.	1/7/2008	18,000.00	"P-23-86"
NXP Semiconductors Philippines Inc.	1/7/2008	12,000.00	"P-23-87"
NXP Semiconductors Philippines Inc.	1/8/2008	24,000.00	"P-23-112"
NXP Semiconductors Philippines Inc.	1/8/2008	12,000.00	"P-23-113"
NXP Semiconductors Philippines Inc.	1/9/2008	2,600.00	"P-23-131"
NXP Semiconductors Philippines Inc.	1/9/2008	24,000.00	"P-23-132"
NXP Semiconductors Philippines Inc.	1/9/2008	12,000.00	"P-23-133"
NXP Semiconductors Philippines Inc.	1/9/2008	6,000.00	"P-23-134"
NXP Semiconductors Philippines Inc.	1/11/2008	1,300.00	"P-23-183"
NXP Semiconductors Philippines Inc.	1/11/2008	24,000.00	"P-23-184"
NXP Semiconductors Philippines Inc.	1/11/2008	24,000.00	"P-23-191"
NXP Semiconductors Philippines Inc.	1/11/2008	18,000.00	"P-23-192"
NXP Semiconductors Philippines Inc.	1/11/2008	12,000.00	"P-23-193"
NXP Semiconductors Philippines Inc.	1/11/2008	6,000.00	"P-23-194"
NXP Semiconductors Philippines Inc.	1/11/2008	24,000.00	"P-23-199"
NXP Semiconductors Philippines Inc.	1/11/2008	18,000.00	"P-23-200"
NXP Semiconductors Philippines Inc.	1/11/2008	12,000.00	"P-23-201"
NXP Semiconductors Philippines Inc.	1/11/2008	6,000.00	"P-23-202"
NXP Semiconductors Philippines Inc.	1/11/2008	6,000.00	"P-23-209"
NXP Semiconductors Philippines Inc.	1/14/2008	18,000.00	"P-23-222"
NXP Semiconductors Philippines Inc.	1/14/2008	12,000.00	"P-23-223"
NXP Semiconductors Philippines Inc.	1/14/2008	6,000.00	"P-23-224"
NXP Semiconductors Philippines Inc.	1/14/2008	6,000.00	"P-23-225"
NXP Semiconductors Philippines Inc.	1/21/2008	4,000.00	"P-23-343"
NXP Semiconductors Philippines Inc.	1/24/2008	3,900.00	"P-23-401"
NXP Semiconductors Philippines Inc.	1/25/2008	12,000.00	"P-23-420"
NXP Semiconductors Philippines Inc.	1/25/2008	12,000.00	"P-23-421"
NXP Semiconductors Philippines Inc.	1/25/2008	24,000.00	"P-23-422"
PEZA Certificate for VAT-zero rating was issued only on January 8, 2008			
ON Semiconductor Phils., Inc.	1/2/2008	798,000.00	"P-23-30"
ON Semiconductor Phils., Inc.	1/2/2008	65,000.00	"P-23-31"
ON Semiconductor Phils., Inc.	1/3/2008	90,403.01	"P-23-48"
ON Semiconductor Phils., Inc.	1/3/2008	37,935.61	"P-23-50"
ON Semiconductor Phils., Inc.	1/4/2008	67,348.77	"P-23-69"
ON Semiconductor Phils., Inc.	1/7/2008	37,646.86	"P-23-89"
ON Semiconductor Phils., Inc.	1/7/2008	36,755.83	"P-23-91"
ON Semiconductor Phils., Inc.	1/7/2008	69,392.83	"P-23-92"
PEZA Certificate for VAT-zero rating was issued only on February 29, 2008			
Orient Semiconductor Electronics	1/2/2008	24,000.00	"P-23-19"
Orient Semiconductor Electronics	1/16/2008	11,000.00	"P-23-273"
Orient Semiconductor Electronics	1/24/2008	3,500.00	"P-23-405"
Orient Semiconductor Electronics	1/31/2008	379,432.62	"P-23-589"
Orient Semiconductor Electronics	1/31/2008	2,670.00	"P-23-615"
Orient Semiconductor Electronics	2/2/2008	24,000.00	"P-23-641"
Orient Semiconductor Electronics	2/5/2008	11,000.00	"P-23-707"
Orient Semiconductor Electronics	2/6/2008	3,500.00	"P-23-721"
Orient Semiconductor Electronics	2/14/2018	11,000.00	"P-23-855"

Name of Customer	Invoice Date[72]	Amount of Sales	Exhibit No.
Orient Semiconductor Electronics	2/21/2008	16,500.00	"P-23-939"
Orient Semiconductor Electronics	2/27/2008	11,000.00	"P-23-993"
PEZA Certificate for VAT-zero rating was issued only on May 2, 2008			
Philippine Toei Chemical Corporation	1/2/2008	18,000.00	"P-23-20"
Philippine Toei Chemical Corporation	1/31/2008	206,762.30	"P-23-590"
Philippine Toei Chemical Corporation	2/2/2008	18,000.00	"P-23-642"
Philippine Toei Chemical Corporation	2/29/2008	146,639.20	"P-23-1158"
Philippine Toei Chemical Corporation	3/1/2008	18,000.00	"P-23-1214"
Philippine Toei Chemical Corporation	3/31/2008	183,250.00	"P-23-1761"
PEZA Certificate for VAT-zero rating was issued only on February 4, 2008			
Pricon Microelectronics, Inc.	1/2/2008	24,846.60	"P-23-21"
Pricon Microelectronics, Inc.	1/3/2008	26,695.84	"P-23-51"
Pricon Microelectronics, Inc.	1/4/2008	27,128.63	"P-23-70"
Pricon Microelectronics, Inc.	1/7/2008	29,159.98	"P-23-97"
Pricon Microelectronics, Inc.	1/7/2008	30,758.15	"P-23-98"
Pricon Microelectronics, Inc.	1/8/2008	36,029.92	"P-23-126"
Pricon Microelectronics, Inc.	1/9/2008	33,440.44	"P-23-145"
Pricon Microelectronics, Inc.	1/10/2008	41,172.57	"P-23-175"
Pricon Microelectronics, Inc.	1/14/2008	39,886.58	"P-23-233"
Pricon Microelectronics, Inc.	1/14/2008	35,983.95	"P-23-235"
Pricon Microelectronics, Inc.	1/15/2008	27,276.40	"P-23-258"
Pricon Microelectronics, Inc.	1/15/2008	29,235.75	"P-23-263"
Pricon Microelectronics, Inc.	1/16/2008	30,137.48	"P-23-294"
Pricon Microelectronics, Inc.	1/17/2008	36,018.19	"P-23-308"
Pricon Microelectronics, Inc.	1/21/2008	58,670.73	"P-23-351"
Pricon Microelectronics, Inc.	1/21/2008	39,504.58	"P-23-355"
Pricon Microelectronics, Inc.	1/22/2008	27,611.85	"P-23-377"
Pricon Microelectronics, Inc.	1/25/2008	28,842.03	"P-23-427"
Pricon Microelectronics, Inc.	1/25/2008	54,977.64	"P-23-428"
Pricon Microelectronics, Inc.	1/28/2008	28,567.78	"P-23-455"
Pricon Microelectronics, Inc.	1/28/2008	29,652.28	"P-23-460"
Pricon Microelectronics, Inc.	1/29/2008	36,700.64	"P-23-482"
Pricon Microelectronics, Inc.	1/30/2008	34,698.33	"P-23-507"
Pricon Microelectronics, Inc.	1/31/2008	29,809.88	"P-23-526"
Pricon Microelectronics, Inc.	1/31/2008	41,670.26	"P-23-537"
Pricon Microelectronics, Inc.	2/2/2008	24,375.60	"P-23-643"
PEZA Certificate for VAT-zero rating was issued only on March 24, 2008			
PSI Technologies Inc.	1/2/2008	9,000.00	"P-23-22"
PSI Technologies Inc.	1/2/2008	8,100.00	"P-23-23"
PSI Technologies Inc.	1/2/2008	3,000.00	"P-23-24"
PSI Technologies Inc.	1/2/2008	6,000.00	"P-23-25"
PSI Technologies Inc.	1/31/2008	1,657,609.03	"P-23-554"
PSI Technologies Inc.	1/31/2008	498,185.26	"P-23-591"
PSI Technologies Inc.	1/31/2008	21,951.00	"P-23-592"
PSI Technologies Inc.	2/2/2008	9,000.00	"P-23-644"
PSI Technologies Inc.	2/2/2008	8,100.00	"P-23-645"
PSI Technologies Inc.	2/2/2008	3,000.00	"P-23-646"

Name of Customer	Invoice Date[72]	Amount of Sales	Exhibit No.
PSI Technologies Inc.	2/2/2008	6,000.00	"P-23-647"
PSI Technologies (USD)	2/29/2008	521,967.81	"P-23-1159"
PSI Technologies Inc	2/29/2008	1,656,415.97	"P-23-1123"
PSI Technologies Inc	2/29/2008	21,794.40	"P-23-1160"
PSI Technologies Inc	3/1/2008	9,000.00	"P-23-1216"
PSI Technologies Inc	3/1/2008	8,100.00	"P-23-1217"
PSI Technologies Inc	3/1/2008	3,000.00	"P-23-1218"
PEZA Certificate for VAT-zero rating was issued only on February 13, 2008			
Sanritsu Great International	1/4/2008	15,000.00	"P-23-56"
Sanritsu Great International	1/4/2008	6,000.00	"P-23-57"
Sanritsu Great International	1/17/2008	6,000.00	"P-23-300"
Sanritsu Great International	1/22/2008	15,000.00	"P-23-374"
Sanritsu Great International	2/5/2008	15,000.00	"P-23-690"
Sanritsu Great International	2/5/2008	2,850.00	"P-23-691"
PEZA Certificate for VAT-zero rating was issued only on January 11, 2008			
Shi Mfg. & Services (Phils.), Inc.	1/2/2008	18,700.00	"P-23-32"
Shi Mfg. & Services (Phils.), Inc.	1/10/2008	6,500.00	"P-23-173"
PEZA Certificate for VAT-zero rating was issued only on January 28, 2008			
Shindengen Philippiens Corp.	1/8/2008	10,340.00	"P-23-130"
Shindengen Philippiens Corp.	1/16/2008	10,340.00	"P-23-299"
PEZA Certificate for VAT-zero rating was issued only on January 23, 2008			
Showa Aluminum Mfg., Phils. C Corp	1/8/2008	26,000.00	"P-23-123"
Showa Aluminum Mfg., Phils. C Corp	1/10/2008	20,800.00	"P-23-172"
Showa Aluminum Mfg., Phils. C Corp	1/11/2008	39,000.00	"P-23-211"
Showa Aluminum Mfg., Phils. C Corp	1/16/2008	65,000.00	"P-23-292"
Showa Aluminum Mfg., Phils. C Corp	1/18/2008	20,800.00	"P-23-334"
Showa Aluminum Mfg., Phils. C Corp	1/22/2008	16,000.00	"P-23-370"
PEZA Certificate for VAT-zero rating was issued only on January 23, 2008			
Temic Automotive Philippines	1/2/2008	14,000.00	"P-23-35"
PEZA Certificate for VAT-zero rating was issued only on March 27, 2008			
Tokyo Steel Philippines Corp	1/2/2008	38,250.00	"P-23-37"
Tokyo Steel Philippines Corp	1/2/2008	6,300.00	"P-23-38
Tokyo Steel Philippines Corp	2/2/2008	38,250.00	"P-23-658"
Tokyo Steel Philippines Corp	2/2/2008	6,300.00	"P-23-659"
Tokyo Steel Philippines Corp	3/1/2008	38,250.00	"P-23-1230"
Tokyo Steel Philippines Corp	3/1/2008	6,300.00	"P-23-1231"
PEZA Certificate for VAT-zero rating was issued only on January 8, 2008			
Vishay Philippines Inc.	1/2/2008	13,500.00	"P-23-40"
PEZA Certificate for VAT-zero rating was issued only on February 1, 2008			
YKY Parts Corporation	1/8/2008	31,000.00	"P-23-116"
YKY Parts Corporation	1/8/2008	31,000.00	"P-23-117"
YKY Parts Corporation	1/11/2008	31,000.00	"P-23-204"
YKY Parts Corporation	1/11/2008	31,000.00	"P-23-205"
YKY Parts Corporation	1/16/2008	31,000.00	"P-23-278"
YKY Parts Corporation	1/18/2019	31,000.00	"P-23-313"
YKY Parts Corporation	1/21/2008	31,000.00	"P-23-336"
YKY Parts Corporation	1/21/2008	31,000.00	"P-23-337"

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Name of Customer	Invoice Date[72]	Amount of Sales	Exhibit No.
YKY Parts Corporation	1/25/2008	31,000.00	"P-23-413"
YKY Parts Corporation	1/25/2008	31,000.00	"P-23-414"
PEZA Certificate for VAT-zero rating was issued only on January 21, 2008			
Yutaka Manufacturing Philippines Inc	1/4/2008	17,600.00	"P-23-62"
Yutaka Manufacturing Philippines Inc	1/4/2008	17,600.00	"P-23-63"
Yutaka Manufacturing Philippines Inc	1/4/2008	6,710.00	"P-23-68"
Yutaka Manufacturing Philippines Inc	1/7/2008	26,400.00	"P-23-82"
Yutaka Manufacturing Philippines Inc	1/7/2008	3,355.00	"P-23-83"
Yutaka Manufacturing Philippines Inc	1/8/2008	26,400.00	"P-23-114"
Yutaka Manufacturing Philippines Inc	1/9/2008	17,600.00	"P-23-137"
Yutaka Manufacturing Philippines Inc	1/9/2008	8,800.00	"P-23-138"
Yutaka Manufacturing Philippines Inc	1/10/2008	17,600.00	"P-23-164"
Yutaka Manufacturing Philippines Inc	1/11/2008	17,600.00	"P-23-188"
Yutaka Manufacturing Philippines Inc	1/11/2008	8,800.00	"P-23-189"
Yutaka Manufacturing Philippines Inc	1/11/2008	17,600.00	"P-23-198"
Yutaka Manufacturing Philippines Inc	1/14/2008	26,400.00	"P-23-220"
Yutaka Manufacturing Philippines Inc	1/15/2008	17,600.00	"P-23-251"
Yutaka Manufacturing Philippines Inc	1/16/2008	8,800.00	"P-23-279"
Yutaka Manufacturing Philippines Inc	1/16/2008	17,600.00	"P-23-280"
Yutaka Manufacturing Philippines Inc	1/16/2008	8,800.00	"P-23-281"
Yutaka Manufacturing Philippines Inc	1/18/2019	26,400.00	"P-23-315"
Yutaka Manufacturing Philippines Inc	1/18/2019	17,600.00	"P-23-324"
	TOTAL	**₱ 11,611,487.95**	

In sum, out of the total declared zero-rated sales of ₱199,197,257.57 in the 1st quarter of 2008, the Court finds that only the amount of ₱123,908,965.20 are valid zero-rated sales, computed as follows:

Zero-rated Sales declared per Quarterly VAT Return		₱ 199,197,257.57
Less: Disallowances		
	1. Zero-rated Sales without supporting documents *(Difference between the amount declared and the total amount per schedule)*	235,556.93
	2. Sales not duly supported by VAT "zero-rated" sales invoices and official receipts	42,541,710.08
	3. Sales related to entities not certified by PEZA as entitled for VAT zero-rating	20,899,537.41
	4. Sales generated prior to the issuance of the PEZA certification for VAT zero-rating	11,611,487.95
	Total Disallowances	75,288,292.37
Valid zero-rated sales		**₱ 123,908,965.20**

of

Such being the case, petitioner complied with the *fourth* requisite to successfully obtain a credit/refund of input VAT, but only insofar as the amount of ₱123,908,965.20, representing its zero-rated sales for the 1st quarter of 2008, is concerned.

For the *fifth* requisite, the same is not applicable to petitioner, since the basis for its VAT zero-rating is Sections 106(A)(2)(a)(5) and 108(B)(3) of the NIRC of 1997, as amended, as earlier shown, and not Sections 106(A)(2)(a)(1) and (2); 106(B); and 108(B)(1) and (2) thereof. Thus, petitioner need not comply with the said requisite.

The input taxes being claimed are not transitional input taxes

The present claim in the total amount of ₱21,460,431.48 pertains to the input VAT incurred from domestic purchases and importation of goods and services during the 1st quarter of 2008. The said amount is broken down as follows:

Particulars	Input VAT
Purchases of Capital Goods not exceeding ₱1Million	₱ 75,779.54
Purchases of Capital Goods exceeding ₱1Million	404,880.13
Domestic Purchase of Goods other than Capital Goods	6,970,808.31
Importation of Goods other than Capital Goods	2,843,716.00
Domestic Purchase of Services	11,165,247.50
Total	**₱ 21,460,431.48**

The above input taxes apparently are not transitional input taxes, as referred to under Section 111(A) of the NIRC of 1997, as amended, to wit:

> "SEC. 111. *Transitional/Presumptive Input Tax Credits.* –
>
> (A) *Transitional Input Tax Credits.* – A person who becomes liable to value-added tax or any person who elects to be a VAT-registered person shall, subject to the filing of an inventory according to rules and regulations prescribed by the Secretary of Finance, upon recommendation of the Commissioner, be allowed input

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> tax on his beginning inventory of goods, materials and supplies equivalent for two percent (2%) of the value of such inventory or the actual value-added tax paid on such goods, materials and supplies, whichever is higher, which shall be creditable against the output tax."

Transitional input tax credit operates to benefit newly VAT-registered persons, whether or not they previously paid taxes in the acquisitions of their beginning inventory of goods, materials and supplies. During the period of transition from non-VAT to VAT status, the transitional input tax credit serves to alleviate the impact of the VAT on the taxpayer.[73]

Since the input taxes being claimed are not transitional input VAT, petitioner thus complied with the *sixth* requisite.

Petitioner's input VAT was due or paid, but only in the amount of ₱440,570.35

In support of the input VAT claim of ₱21,460,431.48, petitioner submitted various invoices, official receipts, import entry and internal revenue declarations and Bureau of Customs Confirmation[74] which were examined by the ICPA.

Apropos, in the same way that there must be compliance with the invoicing requirements for its zero-rated sales, petitioner must likewise show compliance therewith as regards its purchases. Petitioner's compliance with all the VAT invoicing requirements is required to be able to file a claim for input taxes attributable to zero-rated sales.[75] The invoicing and substantiation requirements should be followed because it is the only way to determine the veracity of the taxpayer's claims.[76] More importantly, it must be emphasized

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[73] *Fort Bonifacio Development Corporation vs. Commissioner of Internal Revenue*, G.R. Nos. 158885 and 170680, April 2, 2008.

[74] Exhibits "P-26" and its submarkings, and "P-27" and its submarkings.

[75] *JRA Philippines, Inc. vs. Commissioner of Internal Revenue*, G.R. No. 171307, August 28, 2013.

[76] *Nippon Express (Philippines) Corporation vs. Commissioner of Internal Revenue*, G.R. No. 191495, July 23, 2018.

that compliance with all the VAT invoicing requirements provided by tax laws and regulations is mandatory.[77]

Out of the ₱21,460,431.48, the ICPA noted that the total input VAT of ₱20,711,373.79[78] is supported by documents, but with the following noted exceptions, to wit:

	Noted Exceptions	Input VAT	Exhibit
A	Certain local purchases of goods and services were not supported by VAT invoices and ORs	₱ 1,499,193.55	"P-26A"
B	Certain invoices and official receipts without original copies	82,559.75	"P-26B"
C	Certain invoices and official receipts did not show the TIN of the Company	4,032,389.28	"P-26C"
D	Certain invoices and official receipts did not show the correct address of the Company	26,729.02	"P-26D"
E	Certain invoices and official receipts were dated outside the year and period of claim or did not indicate any date at all	2,847,809.98	"P-26E"
F	Certain invoices and official receipts did not separately indicate the VAT	138,697.17	"P-26F"
G	Certain invoices and official receipts with alterations on the required information (i.e., date, TIN and address) pursuant to Section 4.113(B) of RR No. 16-2005 were without countersignature by an authorized representative of the supplier	171,605.34	"P-26G"
H	No supporting documents	10,174,518.97	"P-26H"; "P-27H"
I	Amount claimed is higher than the amount per documents	1,735,330.57	"P-26I"; "P-27I"
J	Over-claimed input VAT from purchase of capital goods exceeding 1M for the month of March 2008	2,540.17	"P-26J"
	Total	**₱20,711,373.80**	

The Court finds the ICPA findings on the input VAT with noted exceptions proper. Thus, the total amount of ₱20,711,373.80 should already be disallowed for not being properly substantiated by VAT invoices and official receipts as prescribed under Sections 110(A) and

[77] *Eastern Telecommunications Philippines, Inc. vs. Commissioner of Internal Revenue*, G.R. No. 183531, March 25, 2015.
[78] With P0.01 difference due to rounding off.

113(A) and (B), 237 and 238 of the NIRC, as amended, in relation to Sections 4.110-2, 4.110-8 and 4.113-1 of RR No. 16-05, as amended.

In addition, upon verification of the remaining input VAT of ₱749,057.69 (₱21,460,431.48 less ₱20,711,373.79), the Court notes a discrepancy of ₱17,337.48. This discrepancy should be disallowed as well from petitioner's claim on the ground that the same is likewise without proper supporting document, to wit:

Particulars	**Input VAT**	**Exhibit**
Input VAT with no noted exception per ICPA Report	₱ 749,057.69	
Compared against amount shown per Exhibit:		
Input VAT on Purchases of Goods and Services	618,585.21	"P-26K"
Importation of Goods other than Capital Goods	113,135.00	"P-27K"
Total	731,720.21	
Difference	**₱ 17,337.48**	

Upon further examination of the documents supporting the input VAT with no noted exceptions under Exhibits "P-26K" and "P-27K", the Court observes that included therein was a purchase of capital goods in the amount of ₱2,426,413.92 where the corresponding input VAT of ₱291,169.67 was claimed by petitioner. However, the supporting sales invoice revealed that the amount of purchase was only ₱185.00, with ₱19.82 input VAT. Thus, the difference of ₱291,149.85, as computed below, should likewise be disallowed, *viz.*:

Details		**Amount of Purchase (Net of VAT)**	**Input VAT**
Superior Gas & Equipment Co., Inc. Sales Invoice No. 605707 Date: January 9, 2008	Per Schedule *(Exhibit "P-26K")*	₱ 2,426,413.92	₱291,169.67
	Per Sales Invoice *(Exhibit "P-26-7")*	185.00	19.82
	Difference	**₱2,426,228.92**	**₱291,149.85**

Correspondingly, out of the total input VAT claim of ₱21,460,431.48 for the 1st quarter of 2008, only the amount of ₱440,570.35, as computed below, represents petitioner's valid input VAT for the same period:

Total Input VAT claim for refund/TCC	₱ 21,460,431.48
Less: Disallowances	
Per ICPA Report	
Per this Court's further verification	20,711,373.80
a. Difference between the total amount of input VAT with no noted exception per ICPA report against the total sum as shown in Exhibits "P26K" and "P-27K"	17,337.48
b. Difference between the amount per Schedule (Exhibit "P-26") and the amount actually reflected in the supporting Sales Invoice (Exhibit "P-26-7")	291,149.85
Total Disallowances	21,019,861.13
Valid Input VAT	**₱ 440,570.35**

Such being the case, for the purpose of the *seventh* requisite to successfully obtain a credit/refund of input VAT (*i.e.*, that the input VAT was due or paid), petitioner has complied therewith, but only in the amount of ₱440,570.35.

A portion of petitioner's valid input taxes due or paid may be attributed to its zero-rated or effectively zero-rated sales

To reiterate, the *eight* requisite is to the effect that the input taxes claimed are attributable to zero-rated or effectively zero-rated sales. However, where there are both zero-rated or effectively zero-rated sales and taxable or exempt sales, and the input taxes cannot be directly and entirely attributed to any of these sales, the input taxes shall be proportionately allocated on the basis of sales volume.

Considering that petitioner is engaged in taxable sales subject to zero percent (0%), and twelve percent (12%) rates, as well as exempt sales, and its input VAT cannot be directly or entirely attributed to any of the transactions, this Court shall allocate the valid input VAT proportionately on the basis of the volume of its sales. Thus, the following computations:

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Zero-Rated Sales per Quarterly VAT Return	₱ 199,197,257.57
Divided by the Reported Total Sales per Quarterly VAT Return	₱ 257,254,403.16
Multiplied by Total Valid Input VAT	₱ 440,570.35
Valid input VAT allocated to total zero-rated sales	**₱ 341,142.48**

Taxable Sales subject to 12% VAT per Quarterly VAT Return	₱ 57,054,748.75
Divided by the Reported Total Sales per Quarterly VAT Return	₱ 257,254,403.16
Multiplied by Total Valid Input VAT	₱ 440,570.35
Valid input VAT allocated to total sales subject to 12% VAT	**₱ 97,711.18**

Exempt Sales per Quarterly VAT Return	₱ 1,002,396.84
Divided by the Reported Total Sales per Quarterly VAT Return	₱ 257,254,403.16
Multiplied by Total Valid Input VAT	₱ 440,570.35
Valid input VAT allocated to total exempt sales	**₱ 1,716.69**

Correspondingly, for purposes of, and with regard to petitioner's compliance with, the *eighth* requisite, only the amount of ₱341,142.48 represents valid input VAT attributable to petitioner's total reported zero-rated sales.

Petitioner had no unutilized input taxes available for refund

Having settled that petitioner had valid input VAT attributable to its zero-rated sales, this Court shall now determine whether the same was not applied against its output VAT liability during the subject quarter, and in the succeeding quarters, relative to the *ninth* requisite for the successful prosecution of an input VAT refund claim.

For the 1st quarter of 2008, petitioner has output VAT liability in the amount of ₱6,846,569.85.[79] Since petitioner's valid input VAT allocated to sales subject to the 12% VAT in the amount of ₱97,711.18 is not enough to cover the said output VAT liability, the output VAT still due against petitioner is computed as follows:

Output VAT	₱ 6,846,569.85
Input VAT allocated to VATable sales	97,711.18
Output VAT still due	**₱ 6,748,858.67**

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[79] Exhibit "P-9", Line 19B.

The valid input VAT attributable to total reported zero-rated sales shall then be utilized against the said remaining output VAT liability of petitioner.

Apparently, the input VAT attributable to zero-rated sales of ₱341,142.48 is lower than the net output VAT payable of ₱6,748,858.67. Consequently, petitioner still has a net output VAT due of ₱6,407,716.19, as shown below:

Output VAT still due	₱ 6,748,858.67
Input VAT allocated to zero-rated sales	341,142.48
Net Output VAT still due	**₱ 6,407,716.19**

Although petitioner's Quarterly VAT Return for the 1st quarter of 2008 reflected the amount of ₱131,225,119.85[80] as *"Input Tax Carried Over from Previous Period"*, petitioner failed to substantiate the same, and thus, cannot be used to pay the net output VAT still due of ₱6,407,716.19. In this connection, it must be emphasized that in cases filed before this Court, which are litigated *de novo*, party-litigants must prove <u>every minute aspect</u> of their case.[81]

Verily, in claiming excess or unutilized input VAT from zero-rated transactions, it is the excess over the output VAT which should be refunded to the taxpayer or credited against other internal revenue taxes. Hence, it is important for the taxpayer to prove that it has enough prior year's excess input VAT credits to cover its output VAT liability for a particular period. Failing which, the *"Input Tax Carried Over from Previous Period"* cannot be used to pay, or applied against, the output VAT.

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[80] Exhibit "P-9" (Line 20A).

[81] *Edison (Bataan) Cogeneration Corporation vs. Commissioner of Internal Revenue, etseq.*, G.R. Nos. 201665 and 201668, August 30, 2017; *Commissioner of Internal Revenue vs. Philippine National Bank*, G.R. No. 180290, September 29, 2014; *Commissioner of Internal Revenue vs. United Salvage and Towage (Phils.), Inc.*, G.R. No. 197515, July 2, 2014; *Dizon vs. Court of Tax Appeals, et al.*, G.R. No. 140944, April 30, 2008; *Atlas Consolidated Mining and Development Corporation vs. Commissioner of Internal Revenue*, G.R. No. 145526, March 16, 2007; and *Commissioner of Internal Revenue vs. Manila Mining Corporation*, G.R. No. 153204, August 31, 2005.

Consequently, petitioner *cannot* be said to have fulfilled the *ninth* requisite. More importantly, considering that there is no excess input VAT which may be the subject of a claim for refund or tax credit certificate under Section 112(A) of the NIRC of 1997, as amended, the present claim must necessarily fail.

Well-settled is the rule that tax refunds are in the nature of tax exemptions. As such, they are regarded as derogation of sovereign authority and to be construed *strictissimi juris* against the person or entity claiming the refund.[82] The claimant has the burden of proof to establish the factual basis of his or her claim for tax credit or refund.[83] Petitioner, unfortunately, failed to discharge this burden.

WHEREFORE, in light of the foregoing considerations, the *Petition for Review* filed by Air Liquide Philippines, Inc. on March 30, 2010, praying for the refund or issuance of a tax credit certificate in the total amount of Twenty-One Million Four Hundred Sixty Thousand Four Hundred Thirty-One Pesos and Forty-Eight Centavos (₱21,460,431.48) representing its alleged unutilized input Value-Added Tax (VAT) for the 1st quarter of 2008 is hereby **DENIED** for lack of merit.

SO ORDERED.

ROMAN G. DEL ROSARIO
Presiding Justice

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[82] *Commissioner of Internal Revenue vs. S.C. Johnson & Son, Inc.*, G.R. No 127105, June 25, 1999.

[83] *Citibank N.A. vs. Court of Appeals and the Commissioner of Internal Revenue*, G.R. No. 107434, October 10, 1997.

WE CONCUR:

CATHERINE T. MANAHAN
Associate Justice

MARIAN IVY F. REYES-FAJARDO
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.

ROMAN G. DEL ROSARIO
Presiding Justice