REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL THIRD DIVISION

SAMSUNG SDS GLOBAL SCL PHILIPPINES CO., LTD. INC., *Petitioner,*	**CTA Case No. 10890**
	Members:
-versus-	**REYES-FAJARDO,** *Chairperson,* and **ANGELES,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: JUL 0 9 2026 11:30 a.m.

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RESOLUTION

REYES-FAJARDO, *J.*:

Before the Court is petitioner Samsung SDS Global SCL Philippines Co., Ltd., Inc.'s *Motion for Reconsideration,*[1] seeking reconsideration of the Decision dated January 20, 2026,[2] which denied the Petition for Review for lack of merit.

In so ruling, the Court found that while petitioner timely filed its administrative and judicial claims for refund, validly exercised the option to claim refund of its excess and unutilized creditable withholding taxes (CWTs) for calendar year (CY) 2019, and established the fact of withholding to the extent of ₱38,129,660.78, it nevertheless failed to prove that the income payments subjected to CWTs were reported as part of its gross income in its Annual Income Tax Return (ITR).

Specifically, the Court held that petitioner's Annual ITR, Audited Financial Statements (AFS), Systems, Applications, and

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1 Docket - Vol. II, pp. 741 to 747; Filed through registered mail on February 13, 2026, received by the Court on February 19, 2026, and electronically filed on February 13, 2026.

2 Docket - Vol. II, pp. 719 to 739.

Products in Data Processing (SAP) records, Cello System data, and Independent Certified Public Accountant (ICPA) analysis merely showed aggregate reconciliation, but failed to clearly and specifically establish the required linkage between the income payments covered by the BIR Forms No. 2307 and the gross income declared in petitioner's return.

Petitioner moves for reconsideration, arguing that the Court allegedly misappreciated the evidence on record and erroneously applied the ruling in *Tullett Prebon (Philippines), Inc. v. Commissioner of Internal Revenue ("TPPI")*.[3] Petitioner maintains that there is no rigid or prescribed form of evidence to establish the third requisite for refund of excess and unutilized CWTs, and that its Annual ITR, AFS, SAP records, Cello System data, freight billing invoices, customer schedules, and the ICPA Report, taken together, sufficiently established that the income payments subjected to CWTs formed part of the gross income reported in its return.

The *Motion* lacks merit.

Petitioner's argument overlooks the substance of the Court's evaluation in the assailed Decision.

The Court did not reject petitioner's evidence wholesale. Neither did it deny the claim solely because petitioner failed to present a particular document in a preferred format. On the contrary, the Court considered petitioner's Annual ITR, amended Annual ITR, AFS, SAP-extracted trial balance, SAP-extracted income statement, SAP-extracted sales records, Cello System freight billing invoices, Cello System SEC/NSEC data, customer-provided schedules of income payments, Cello System withholding data, and the ICPA Report.

After evaluating these documents, the Court recognized the ICPA's explanation that petitioner uses the Cello Billing Management System (Cello System) for its logistics transactions; that freight billing invoices are generated from the Cello System; that these invoices are subsequently integrated into SAP; and that the income payments reflected in the Certificates of Creditable Tax Withheld at Source (BIR Forms No. 2307) are based on the month when the freight billing

[3] G.R. No. 257219 [Formerly UDK No. 16941], July 15, 2024.

invoices are charged or issued to the customer, *i.e.*, when the income is recorded as sales in petitioner's books.[4]

The Court likewise considered the reconciliation presented by the ICPA. It noted that petitioner's Annual ITR and AFS both reported total service revenue of ₱2,261,576,524.00. It also considered the comparison between revenues per Cello System amounting to ₱2,214,506,703.34 and revenues per SAP General Ledger (GL) amounting to ₱2,260,539,507.00, with the ₱46,032,803.66 difference explained as accrued revenues directly recorded in SAP. The Court further considered the reconciliation between SAP Books and the AFS, where the ₱1,037,017.00 difference was explained as "Others" in the AFS, pertaining to consulting services rendered to Samsung SDS Asia Pacific Pte. Ltd.[5]

Thus, the Court did not ignore petitioner's evidence. It examined the same and found that, at most, the documents established an aggregate reconciliation among the Cello System, SAP GL, AFS, and Annual ITR. What remained unproven was the specific and verifiable linkage between the income payments covered by the BIR Forms No. 2307 and the gross income declared in petitioner's Annual ITR. As the assailed Decision aptly held:[6]

> However, while the ICPA presented a comparative analysis of the Cello System, SAP GL, and the AFS and explained the discrepancy, **such analysis failed to clearly establish that the income payments on which the CWT was claimed were actually reported as part of petitioner's gross income. The Court cannot simply presume that** because the adjusted totals in the Cello System and SAP GL tally with the revenue reported in the AFS, **the income subject of the claimed CWT necessarily formed part of petitioner's gross income.** What is required is a clear and specific showing that such income payments were indeed included therein.
>
> Moreover, the tracing is rendered ineffective since petitioner's exhibits—namely, (1) Cello System - SEC, (2) Cello System - NSEC, (3) SAP extracted Sales—do not reflect itemized summations, preventing verification of whether their totals correspond to the ₱2,261,576,524.00 gross income reported in the AFS. Consequently, **petitioner failed to establish that the income upon which taxes were withheld was included in its return.**[7]

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4 Decision, Docket – Vol. II, pp. 733 to 736.
5 *Id.*
6 *Id.*, at p. 736.
7 Emphasis supplied.

The present case is materially different from *TPPI*. In that case, the Supreme Court found that the Court of Tax Appeals rejected the ICPA's analysis and made the taxpayer's claim rise and fall on the sole ground that the general ledger did not show the specific billing invoice numbers corresponding to the revenue amounts recorded therein. Here, the Court did not rely on a single documentary omission. It considered the totality of petitioner's evidence, including the ICPA Report and the reconciliation presented, but found that the same still failed to establish the required linkage between the CWT-subjected income payments and the gross income declared in the Annual ITR.

Accordingly, petitioner cannot successfully invoke *TPPI* to overturn the assailed Decision. To be sure, *TPPI* ordained that while no rigid standard exists as to the evidence required to prove entitlement to a CWT refund, taxpayers must still substantiate every material aspect of their claim. Thus, they must present evidence clearly linking the income payments subjected to withholding tax to the revenues reported in their ITRs.

In fine, the Court finds no cogent reason to disturb its findings and conclusions in the assailed Decision.

WHEREFORE, premises considered, petitioner's *Motion for Reconsideration* is **DENIED** for lack of merit. Accordingly, the Decision promulgated on January 20, 2026 is **SUSTAINED.**

SO ORDERED.

Marian Ivy F. Reyes-Fajardo
MARIAN IVY F. REYES-FAJARDO
Associate Justice

I CONCUR:

HENRY S. ANGELES
Associate Justice