REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
Quezon City

Third Division

GINEBRA SAN MIGUEL, INC.,
Petitioner,

- versus -

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA CASE NOS. 8953 & 8954

Members:

UY, *Chairperson*
RINGPIS-LIBAN, *and*
MODESTO-SAN PEDRO, *JJ.*

Promulgated:
FEB 01 2021
11:52 a.m.

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AMENDED DECISION

RINGPIS-LIBAN, J.:

Before this Court is petitioner's **Motion for Reconsideration** filed on September 02, 2020, with respondent's **Opposition (Re: Motion for Reconsideration)** filed through registered mail on October 08, 2020, and received by the Court on October 16, 2020.

On July 28, 2020, this Court rendered a Decision denying petitioner's claim for refund of erroneously assessed excise taxes on removals of its distilled spirits or finished products, the dispositive portion of which reads as follows:

> "**WHEREFORE,** in light of the foregoing, the instant *Petition for Review* is **DENIED** for insufficiency of evidence.
>
> **SO ORDERED.**"

In its Motion, petitioner maintains that the court-commissioned Independent Certified Public Accountant ("ICPA") has sufficiently proven the quantity of finished goods that were produced using tax-paid raw materials. It insist that the use of the "First-In, First-Out" ("FIFO") method of accounting, which summarizes the proof of liters of alcohol utilized or processed from the

2012 year-end inventory and January 08, 2013 to February 15, 2013 alcohol purchases, readily matched the proof of liters with the corresponding proof of liters of alcohol produced/transferred for packing. As such, petitioner asserts that it simply needs to show that the finished goods were "produced exclusively" from ethyl alcohol on which the excise taxes had already been paid and need not anymore show "how many units of raw alcohol is required to produce one unit of finished goods". Lastly, petitioner also points out that respondent did not object to the ICPA's procedure and report when offered and admitted by the Court, thus, the same should be conclusive upon this Court.

On the other hand, respondent claims that petitioner must prove its entitlement to the refund sought. He asserts that claims for refund partake the nature of exemptions and are strictly construed against the claimant and cannot be allowed unless granted in the most explicit and categorical language.

Accordingly, this Court finds the present Motion for Reconsideration partially meritorious.

To recall, the Court based its findings on the statement in the ICPA *Supplemental Report*[1] dated March 20, 2017, that the raw alcohol inventory of 41,625,364.78 proof liters with corresponding excise tax payments of Php611,060,354.84 were with "complete documentation" and "supported by Excise Tax Removal Declaration (ETRDs)". Petitioner, now, argues the 15,055,756 proof liters with excise tax payment of Php221,018,510.00, and 744,997 proof liters with excise tax payment of Php10,936,556.14, raw alcohol inventory which were disallowed by the Court are supported by competent documents, such as supplier's sales invoice for alcohol purchases, supplier's official receipts for payment of reimbursement of excise tax, bills of lading, and the January Official Registry Books (ORBs).

To clarify, the following items per ICPA's *Supplemental Report*, are the subject of this argument, *viz.*:

2. Partially supported	**Proof Liters**	**Excise Tax**
c. Supported by supplier's sales invoice for alcohol purchases, supplier's official receipts for payment of reimbursement of excise tax and bill of lading but with **missing IEIRD, SAD and SSDT.**	7,861,125.77	Php115,401,326.23
d. Supported by supplier's sales invoice for alcohol purchases, bill of lading but with **missing IEIRD, SAD and SSDT.**	7,070,303.31	103,792,052.60

[1] Exhibit No. "P-6.a", electronic exhibit.

e. Supported by supplier's billing statements for reimbursement of excise taxes and supplier's official receipt for payment of reimbursement of excise tax but with **missing excise tax returns for alcohol products (BIR Form No. 2200-A) and payment confirmation.**	124,327.74	Php1,825,131.17
Sub-total	15,055,756.81	221,018,510.00
Compounded Alcohol		
5.Supporting documents not available for verification**	744,997.01	10,936,556.14

As to the 744,997.01 proof liters with equivalent excise taxes of Php10,936,556.14, these shall remain disallowed since petitioner did not present supporting documents to prove otherwise.

With regard to the partially supported raw alcohol inventory, since these are composed of the different sources of raw materials (*i.e.*, local importer, molasses tolling and importations), the Court finds that the lack of Import Entry Internal Revenue Declarations ("IEIRDs"), Single Administrative Documents ("SADs"), and Statements of Settlement of Duties and Taxes ("SSDTs") are only relevant to importations. As such, based on Annex 11 of the ICPA *Supplemental Report*, the remaining partially supported proof liters of 15,055,756.81 are broken down as follows:

I. RAW ALCOHOL	**PARTIALLY SUPPORTED**	
	PROOF LITER (PL)	**EXCISE TAX**
1. **Damortis, La Union**		
A. Molasses tolling		
Sub-total	-	-
2. **Sta. Barbara**		
A. Molasses tolling		
B. Local Importer		
C. Importation	67,357.49	988,808.01
Sub-total	**67,357.49**	**988,808.01**
3. **EPSBPI-Cauayan**		
A. Molasses tolling		
Sub-total	-	-
4. **SNFI-Polo Brewery**		
A. Molasses tolling		
B. Local Importer		
C. Importation		
Sub-total	-	-
5. **Cabuyao Plant**		
A. Molasses tolling		
B. Local Importer		
C. Importation	127,080.08	1,865,535.62
Sub-total	**127,080.08**	**1,865,535.62**

6. **HBO-Makiling**			
	A. Molasses tolling		
Sub-total		**-**	**-**
7. **BBTI-Bauan**			
	A. Molasses tolling		
	B. Local Importer		
Sub-total		**-**	**-**
8. **SBTI-Calaca**			
	A. Local Importer		
	B. Importation	6,875,865.73	100,937,708.98
Sub-total		**6,875,865.73**	**100,937,708.98**
9. **Lucena**			
	A. Molasses tolling		
	B. Local Importer		
	C. Importation		
Sub-total		**-**	**-**
10. **Cotta**			
	A. Molasses tolling		
	B. Local Importer		
	C. Importation		
Sub-total		**-**	**-**
11. **EPSBPI-Ligao**			
	A. Molasses tolling		
	B. Importation		
Sub-total		**-**	**-**
12. **Tabangao**			
	A. Molasses tolling		
Sub-total		**-**	**-**
13. **Mandanue**			
	A. Molasses tolling	124,327.74	1,825,131.17
	B. Importation		
Sub-total		**124,327.74**	**1,825,131.17**
14. **Ouano**			
	A. Molasses tolling		
Sub-total		**-**	**-**
15. **DBI**			
	A. Local Importer	7,861,125.77	115,401,326.23
	B. Importation		
Sub-total		**7,861,125.77**	**115,401,326.23**
SUB-TOTAL (RAW ALCOHOL)		**15,055,756.81**	**221,018,510.00**
II. COMPOUNDED ALCOHOL *			
1. Sta. Barbara Plant			
2. EPSBPI-Cauayan			
3. SNFI-Polo Brewery			
4. Cabuyao Plant			
5. HBO-Makiling			
6. Lucena Plant			

7. EPSBPI-Ligao		
8. Mandaue Plant		
SUB-TOTAL (COMPOUNDED ALCOHOL)	**-**	**-**
GRAND TOTAL	**15,055,756.81**	**221,018,510.00**

From the foregoing, with the exception of raw materials in Mandaue and DBI Plants, all the rest of the partially supported raw materials are importations that require IEIRDs, SADs and SSDTs in order to prove receipt of goods and payment of corresponding excise taxes.

Meanwhile, Mandaue and DBI Plant's purchases from local importers of 124,327.74 and 7,861,125.77 proof liters of raw alcohol with paid excise taxes of Php1,825,131.17 and Php115,401,326.23, respectively, are found to be properly supported.

However, it needs to be emphasized that petitioner's claim is the excise tax paid upon removal of Finished Goods that were produced using the above raw materials inventory. Therefore, the excise taxes on finished goods related to the disallowed raw materials of 7,070,303.30 proof liters (15,055,756.81 proof liters less 124,327.74 and 7,861,125.77 proof liters) shall therefore be disallowed.

Also, in **Part V** of petitioner's Motion, petitioner pointed out that the assailed Decision stated that the differences between the "total amount of goods transferred to packing" and "the finished goods that are subject of the present claim" based on tables which it had prepared, "were not explained by petitioner". For this reason, petitioner claims that the differences noted by the Court are due to the fact that in the tables prepared by the Court, the respective beginning inventory balances for raw alcohol and compounded alcohol of the plants in question were not included. These balances are reflected in the Annexes utilized by the Court. If these inventory balances are included in the tables, the alleged differences noted by the Court will be accounted for or reconciled.

The Court finds petitioner's explanation tenable.

Notably, in the assailed Decision, the Court compared the utilization of raw alcohol into the production of finished goods, the Court traced the proof liters of "Alcohol Received" per Annex 5 of the ICPA Report representing the raw alcohol that each plant received from one or several depots, to "Alcohol Utilized" found in Annex 6. The following table was made to ascertain that the raw alcohol from the 2012 ending inventory of depots that were subsequently transferred to plants for compounding, tolling and packing in 2013 are the same raw alcohol that went into the finished goods produced during the period of claim (*i.e.*, January 01, 2013 to May 31, 2013):

Alcohol Received from Plant			Alcohol Utilized				Reconciliation	
Annex	Location	Proof Liters	Annex	Location	Proof Liters	Difference	Beginning Inventory of Raw and Compounded Alcohol Within the Plant	Actual Production Difference
5.1	Cabuyao Plant	11,864,136	6.1	Cabuyao Plant	13,521,440	(1,657,304)	1,657,304	-
5.2	Mandaue, Cebu	2,364,744	6.2	Mandaue, Cebu	3,537,680	(1,172,936)	1,172,936	-
5.3	Sta. Barbara, Pangasinan	11,819,766	6.3	Sta. Barbara, Pangasinan	14,301,758	(2,481,992)	2,481,992	-
5.4	Calamba, Laguna	6,091,250	6.4	Calamba, Laguna	6,362,202	(270,952)	270,952	-
5.5	Polo Brewery, Valenzuela	*	6.5	Polo Brewery, Valenzuela	28,168	(28,168)		
5.6	Cauayan, Isabela	4,467,960	6.6	Cauayan, Isabela	4,637,077	(169,117)	169,117	-
5.7	Ligao, Albay	1,842,750	6.7	Ligao, Albay	2,242,458.00	(399,708)	399,708	-
5.8	Lucena City	**						
TOTAL		38,450,606	TOTAL		44,630,783	(6,180,177)		

**This plant did not receive raw alcohol but already compounded alcohol.*

*** No longer included since Lucena Plant does not produce FG.*

In the Motion, petitioner elucidated that the differences noted by the Court are from the beginning inventory balances for raw alcohol and the compounded alcohol of petitioner's plants were not included. Thus, the resulting actual production difference based on the above table shows that the alcohol received from the Plants are also the Alcohol Utilized by petitioner in producing its finished goods for the given period of January 1, 2013 to May 31, 2013.

Moreover, in **Part VI** of the Motion, petitioner brings up the ruling of the Court that *"petitioner has the responsibility to show the utilization of the raw material alcohol into the production of finished goods by way of showing how many units of raw alcohol is required to produce one unit of finished goods."*

Petitioner states that there is a procedure to determine how many units of raw alcohol is required to produce one unit of finished goods, to wit: Divide proof liters ("PL") by the number of cases to arrive at the PL per case, and to find the alcohol per unit of finished goods, divide the PL per case by the number of units/bottles per case. The resulting quotients after performing the above procedure are in fact consistent with the PL declared in the respective bottle labels and case box cartons of GSMI, which had been approved by and registered with the BIR.

However, upon scrutiny, the Court notes that the number of bottles per case was not provided by petitioner. The number of bottles per case can neither be assumed nor ascertained for other products of spirits or liquor.

Nonetheless, petitioner points out that during the audit, examination and verification, the ICPA considered this procedure when he matched the proof liters of the tax-paid alcohol with the corresponding proof liters of the alcohol produced/transferred for packing.

In **Part VII** of the Motion, petitioner explains that the segregation of finished goods between those produced by raw alcohol purchased before the effectivity of Republic Act ("RA") No. 10351[2] and those produced by alcohol purchased after is shown in Annex 6 of the ICPA Report. Petitioner states that it is essential to follow the tracing of the composition of the outstanding balance of the alcohol inventory of a particular manufacturing plant prior to the receipt of the alcohol volume in question.

Petitioner claims that in the assailed Decision, the Court provided the following example, a portion of Annex 6.3, to show why it was unable to ascertain the basis of the segregation of finished goods, to wit:

FINISHED GOODS PRODUCED									FINISHED GOODS PRODUCED FROM 2012 YEAR-END INVENTORY AND JANUARY 8, 2013 TO FEBRUARY 15, 2013 ALCOHOL PURCHASES (PL)	FINISHED GOODS PRODUCED FROM 2013 ALCOHOL PURCHASES AFTER RA 10351** (PL)	TOTAL PL
EXHIBIT	DATE	EXHIBIT	ETRD DATE	ETRD NO.	PRODUCT DESCRIPTION	NO. OF CASES	GL	PL			
P-20-9-B	2/5/2013	P-12-1304	2/5/2013	432905	GSM Round	22,725	190,893	152,714	105,214	47,500	152,714

Petitioner explains that in the above example, it is shown that prior to the receipts of the 41,580 PL of alcohol from the Damortis (La Union) depot, the Sta. Barbara Plant already had an outstanding balance of 130,870 PL of alcohol, with origin and other details as follows: Berbacs Chemical Inc., 1/17/13, 11,550 [PL]; Berbacs Chemical Inc., 1/18/13, 47,500; Damortis La Union, 1/18/[13], 35910; and Damortis, La Union, 1/21/13, 35,910. The outstanding balance can be traced back using the preceding lines on page 3 of Annex 6.3. It will be noted that the ICPA indicated an asterisk ("*") to specific lines to emphasize that this outstanding balance of alcohol represents alcohol purchased in 2013 after RA No. 10351 took effect.

Perforce, petitioner's explanations can be seen in the replication of the same portion of Annex 6.3:

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2 "AN ACT RESTRUCTURING THE EXCISE TAX ON ALCOHOL AND TOBACCO PRODUCTS BY AMENDING SECTIONS 141, 142, 143, 144, 145, 8, 131 AND 288 OF REPUBLIC ACT NO. 8424. OTHERWISE KNOWN AS THE NATIONAL INTERNAL REVENUE CODE OF 1997, AS AMENDED BY REPUBLIC ACT NO. 9334, AND FOR OTHER PURPOSES", approved on December 19, 2012.

DATE	ORIGIN	ALCOHOL UTILIZED PL	FINISHED GOODS PRODUCED				BALANCE (PL)	FINISHED GOODS PRODUCED FROM 2012 YEAR-END INVENTORY AND JANUARY 8, 2013 TO FEBRUARY 15, 2013 ALCOHOL PURCHASES (PL)	FINISHED GOODS PRODUCED FROM 2013 ALCOHOL PURCHASES AFTER RA 10351** (PL)	TOTAL PL
			PRODUCT DESCRIPTION	NO. OF CASES	GL	PL				
1/15/2013	Damortis, La Union	35,910					43,462			-
1/15/2013	Damortis, La Union	35,910					79,372			-
1/15/2013	Damortis, La Union	34,020	GSM Frasco	14,188	119,181	95,345	18,047	95,345		95,345
1/17/2013	Berbacs Chemical, Inc.	45,600	GSM Frasquito	7,753	65,122	52,098	**11,550**	6,498	45,600	52,098
1/18/2013	Berbacs Chemical, Inc.	**47,500**	*				59,050			-
1/18/2013	Damortis, La Union	**35,910**	*				94,960			-
1/21/2013	Damortis, La Union	35,910					130,870			-
1/21/2013	Damortis, La Union	41,580	GSM Round	22,725	190,893	152,714	19,735	105,214	**47,500**	152,714

Moreover, petitioner also points out that in the assailed Decision, the Court cannot ascertain the segregation made by the ICPA of the 152,714 proof liters of finished goods into 105,214 proof liters of finished goods produced from purchases of alcohol before RA No. 10351, and 47,500 proof liters of finished goods from purchases of alcohol after RA No. 10351.

Petitioner posits that the method utilized by the ICPA is based on a **prorating method**, as may be deduced or gleaned from a portion of the ICPA Report *(Table 3, at page 13; footnotes, at page 16, where the same method was used.)* Petitioner argues that the method of prorating utilized by the ICPA is an accepted method, is mathematically and logically sound, and is **<u>a logical consequence of the FIFO method which the ICPA employed</u>**.

This Court agrees.

As discussed earlier, "Alcohol Received" plus the beginning balances of both raw and compounded alcohol is equal to the "Alcohol Utilized". Therefore, looking into Annex 6.1 as an example, we find that this represents the movement of raw alcohol upon receipt to conversion into finished goods, to wit:

ALCOHOL UTILIZED	FINISHED GOODS PRODUCED				FINISHED GOODS PRODUCED FROM 2012 YEAR-END INVENTORY AND JANUARY 8, 2013 TO FEBRUARY 15, 2013 ALCOHOL	FINISHED GOODS PRODUCED FROM 2013 ALCOHOL PURCHASES AFTER RA 10351** (PL)	
PL	EXHIBIT REFERENCE	PRODUCT DESCRIPTION	PL	BALANCE (PL)			TOTAL PL

					PURCHASES (PL)		
45,360 *				105,651			-
46,408	P-12-1180	GSM Round 350ml wrap around	139,065	12,994	93,705	**45,360**	139,065
48,008	P-12-1180	GSM Blue 350ml x 24	1,814	59,188	1,814		1,814
48,340				107,354			-
	P-12-1181	GSM Round 350ml wrap around	85,025	22,329	85,025		85,025
	P-12-1181	GSM Blue 350ml x 24	11,726	10,603	11,726		11,726
48,370				58,973			-
47,250 *				106,223			-
45,360 *				151,583			-
45,360	P-12-1182	GSM Round 350ml wrap around	188,339	8,604	95,729	**92,610**	188,339
47,250				55,854			-

It can be gleaned above that the running balance column increases and decreases upon utilization of raw alcohol and upon determination of finished goods, respectively. This is where the FIFO method can be observed. Thus, when raw alcohol is utilized in production that is marked by an asterisk ("*") (see PL column under Alcohol Utilized), the corresponding Finished Goods is subsequently segregated under the "Finished Goods Produced From 2013 Alcohol Purchases After RA 10351** (PL)" column in the same volume of proof liters. Also, when raw alcohol with an "*" successively enters production, the corresponding finished goods are summed up and are exclusively found under the aforementioned column (i.e., 47,250 plus 45,360 equals 92,610).

On the other hand, if we look at the second example below, whenever raw alcohol with an "*" and raw alcohol without the asterisk (*i.e.*, tax-paid raw alcohol) intermittently enters production, that is when the segregation or prorating into either columns of Finished Goods produced before or Finished Goods produced after RA 10351 takes place. This is an illustration of what petitioner has previously referred to as the "logical consequence of using the FIFO method", to wit:

ALCOHOL UTILIZED		**FINISHED GOODS PRODUCED**				**FINISHED GOODS PRODUCED FROM 2012 YEAR-END INVENTORY AND JANUARY 8, 2013 TO FEBRUARY 15, 2013 ALCOHOL PURCHASES (PL)**	**FINISHED GOODS PRODUCED FROM 2013 ALCOHOL PURCHASES AFTER RA 10351** (PL)**	
PL		**EXHIBIT REFERENCE**	**PRODUCT DESCRIPTION**	**PL**	**BALANCE (PL)**			**TOTAL PL**
47,250	*				52,996			-
47,250	*	P-12-1467	GSM Fco 700ml	92,857	7,389		92,857	92,857
47,250	*				54,639			-

47,250	*	P-12-1468	GSM Fqt 350ml	95,733	6,156		95,733	95,733
44,888					51,044			-
45,360	*	P-12-1469	GSM Fqt 350ml	77,549	18,855	**44,888**	32,662	77,549
45,266		P-12-1470	GSM Fqt 350ml	63,457	663	**45,266**	18,192	63,457
47,250	*				47,913			-
45,171		P-12-1471	GSM Fqt 350ml	67,529	25,555	20,279	47,250	67,529
46,967		P-12-1472	GSM Fqt 350ml	37,585	34,937	37,585		37,585

It can also be noted in the above table that when the tax-paid raw alcohol (*i.e.*, raw alcohol without the asterisk) is mixed with raw alcohol purchased after RA 10351 (*i.e.*, raw alcohol with the asterisk), these also go directly under the column "Finished Goods Produced From 2012 Year-End Inventory And January 8, 2013 to February 15, 2013 Alcohol Purchases (PL)".

Likewise, it was observed that the mixed raw alcohol purchases were only present in Cabuyao Plant (Annex 6.1), Sta. Barbara Plant (Annex 6.3), and Calamba Laguna Plant (HBO) (Annex 6.4). The rest of the Plants, summarized under Annexes 6.2, 6.5, 6.6 and 6.7, utilized the tax-paid raw alcohol fully, before introducing raw alcohol purchased after RA 10351 into production of Finished Goods.

Lastly, as to petitioner's additional assertion in its prayer that the Court further considers the ICPA's recommendation to include the additional amount of Php842,115,503.15 in its claim for refund, pertaining to:

1. Excise taxes on finished goods, in the amount of Php302,473,746.06 and with a total proof liters of 10,621,947 apparently not included in the claim for refund but which should have been part thereof, as the finished goods were produced exclusively from the 2012 year-end inventories and alcohol purchases from period January 8, 2013 to February 15, 2013; and

2. Excise taxes on ethyl alcohol in the amount of Php114,842,431.59 and with a total proof liters of 4,063,500, apparently not included in the claim for refund but which should have been part thereof, as the alcohol was already in transit during petitioner's 2012 year-end inventory count and was reflected in the January 2013 Official Registry Book.

Such relief cannot be granted by this Court.

It is well-settled that courts cannot grant a relief not prayed for in the pleadings or in excess of what is being sought by a party to a case.[3] The rationale for the rule was explained in *Development Bank of the Philippines v. Teston*,[4] to wit:

> "Due process considerations justify this requirement. It is improper to enter an order which exceeds the scope of relief sought by the pleadings, absent notice which affords the opposing party an opportunity to be heard with respect to the proposed relief. The fundamental purpose of the requirement that allegations of a complaint must provide the measure of recovery is to prevent surprise to the defendant."

For the same reason, this protection against surprises granted to defendants should also be available to petitioners. Verily, both parties to a suit are entitled to due process against unforeseen and arbitrary judgments. The very essence of due process is "the sporting idea of fair play" which forbids the grant of relief on matters where a party to the suit was not given an opportunity to be heard.[5]

WHEREFORE, premises considered, petitioner's Motion for Reconsideration is **PARTIALLY GRANTED**. Accordingly, the dispositive portion of the Decision dated July 28, 2020, is hereby **AMENDED** to read as follows:

> "**WHEREFORE**, in light of the foregoing, the instant *Petition for Review* is **PARTIALLY GRANTED**. Accordingly, that petitioner is entitled to a refund of its erroneously and excessively paid excise taxes for its finished goods removals from January 1, 2013 to May 31, 2013 that were produced using tax-paid raw materials, in the modified amount of **THREE HUNDRED NINETEEN MILLION SEVEN HUNDRED FIFTY-FIVE THOUSAND THREE HUNDRED TWENTY PESOS AND EIGHTY-TWO CENTAVOS (Php319,755,320.82)**, computed as follows:

	Proof Liters		**Excise Tax Amount**	
Excise tax on finished goods claimed by the Petitioner	25,375,105		Php 715,258,843.38	

[3] *Diona v. Balangue*, G.R. No. 173559, January 17, 2013.
[4] G.R. No. 174966, February 14, 2008.
[5] *Cherith A. Bucal v. Manny P. Bucal*, G.R. No. 206957, June 17, 2015.

Less: Excise tax claimed by the Petitioner on finished goods that were produced from ethyl alcohol after RA 10351. (see **Table 2 on page 12**)	5,808,619		164,548,611.59	
Ethyl alcohol and equivalent excise tax amount not included in the December 31, 2012 inventory under the Petition for review but reflected in the ORB. (see **Table 3 on page 13**)	4,063,500		114,842,431.59	
Compounded ethyl alcohol inventories and equivalent excise tax amount wherein the Petitioner has difficulty in identifying the related purchase documents. These were used to produce finished goods for the periods.				
January 1, 2013 to May 31, 2013.	391,639	a	11,068,474.19	b
As adjusted per ICPA report (Exhibit P-6, p. 16)	15,111,347		Php 424,799,326.01	
Less: Not properly supported raw materials on importation per this Court's verification	3,716,799.65	c	105,044,005.19	d
Refundable Excise Taxes	**11,394,547.35**		**Php319,755,320.82**	

[a] *Computed as: 744,997.10 alcohol proof liters divided by total alcohol proof liters of 57,426,118.60 (see* ***table on page 8, Exhibit P-6****) then multiplied by the corresponding proof liters produced using FIFO method based on movements in ORB of 30,188,433 (see* ***Table 1 page 12, Exhibit P-6****).*

[b] *Computed as: ₱10,936,556.14 divided by the total excise tax paid of ₱843,015,420.98 (see* ***table on page 8, Exhibit P-6****) then multiplied by the corresponding excise tax of the finished goods produced using FIFO method based on movements in ORB of ₱853,183,977.34 (see* ***Table 1 page 12, Exhibit P-6****).*

c *Computed as: 7,070,303.30 alcohol proof liters divided by total alcohol proof liters of 57,426,118.60 (see* ***table on page 8, Exhibit P-6****) then multiplied by the corresponding proof liters produced using FIFO method based on movements in ORB of 30,188,433 (see* ***Table 1 page 12, Exhibit P-6****).*

d *Computed as: Php103,792,052.60 divided by the total excise tax paid of ₱843,015,420.98 (see* ***table on page 8, Exhibit P-6****) then multiplied by the corresponding excise tax of the finished goods produced using FIFO method based on movements in ORB of ₱853,183,977.34 (see* ***Table 1 page 12, Exhibit P-6****).*

SO ORDERED."

SO ORDERED.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

WE CONCUR:

ERLINDA P. UY
Associate Justice

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

ATTESTATION

I attest that the conclusions in the above amended decision were reached in consultation before the cases were assigned to the writer of the opinion of the Court.

ERLINDA P. UY
Associate Justice
Chairperson

CERTIFICATION

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

ROMAN G. DEL ROSARIO
Presiding Justice