THIRD DIVISION

BJ WELL SERVICES COMPANY (PHILIPPINES), INC.,
Petitioner,

-versus-

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA Case No. 8859

Members:
BAUTISTA, Chairperson
FABON-VICTORINO, *and*
RINGPIS-LIBAN, *JJ.*

Promulgated:

FEB 08 2017
11:50 a.m.

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DECISION

RINGPIS-LIBAN, *J.*:

This is a Petition for Review filed by BJ Well Services Company (Philippines), Inc. involving a claim for refund or issuance of tax credit certificate in the aggregate amount of ₱7,332,514.81, allegedly representing unutilized input value-added tax (VAT) arising from its domestic purchases of goods and services and importation of goods (other than capital goods) attributable to its zero-rated transactions for the second (2nd), (3rd), and fourth (4th) quarters of taxable year 2012.

THE FACTS

Petitioner BJ Well Services Company (Philippines), Inc. is a corporation organized and existing under the laws of the Philippines, with principal office

address at 803 One Corporate Center, Meralco corner Julia Vargas, Ortigas Centre, Pasig City.[1]

Petitioner was duly registered with the Securities and Exchange Commission on January 6, 2009. It is primarily engaged in the business of rendering services and supplying equipment, chemicals, tools, products and processes to geothermal and oil exploration or drilling companies or in relation to geothermal and oil exploration or drilling projects, and to do all acts necessary, implied or incidental for the accomplishment of these purposes.[2]

Petitioner is also registered with the Bureau of Internal Revenue (BIR) as a VAT taxpayer, with Taxpayer Identification Number (TIN) 007-203-649-000 and BIR Certificate of Registration No. OCN3RC0000600055.[3]

On the other hand, respondent is the duly appointed Commissioner of Internal Revenue (CIR), empowered, among others, to act upon and approve claims for refund or tax credit. He holds office at the 5th Floor, BIR National Office Building, Agham Road, Diliman, Quezon City.

On November 26, 2013, petitioner filed with the BIR Revenue District Office (RDO) No. 43A an administrative claim for refund or issuance of tax credit certificate for its alleged unutilized input VAT for the period covering May 1, 2012 to December 31, 2012 in the aggregate amount of ₱7,332,514.81.[4]

On March 11, 2014, petitioner received from RDO No. 43A a copy of the Letter of Authority (LA) No. eLA 201100068170 dated February 20, 2014, authorizing Revenue Officer Benedict Bacani and Group Supervisor Alfredo M. Santos to conduct an examination on the administrative claim for refund of petitioner. On even date, petitioner also received from RDO No. 43A a checklist of documentary requirements necessary for the examination of petitioner's claim.[5]

On March 12, 2014, petitioner submitted its last supporting documents to RDO No. 43A.[6]

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[1] Par. 1, Summary of Admitted Facts, Joint Stipulation of Facts and Issues (JSFI), *docket*, p. 230.
[2] Exhibit "P-1".
[3] Exhibit "P-2".
[4] Exhibit "P-5".
[5] Par. 3, Summary of Admitted Facts, JSFI, *docket*, p. 231; Exhibit "P-6".
[6] Exhibit "P-7".

Respondent failed to rule on petitioner's application for issuance of tax credit certificate or refund of input VAT for 2nd to 4th quarters of 2012.[7] As a result, petitioner filed the instant Petition for Review on August 8, 2014.

Respondent filed an Answer[8] on September 26, 2014, praying that the instant Petition for Review be dismissed for failure of petitioner to substantiate its claim for refund of its alleged excess and unutilized input taxes for the 2nd, 3rd and 4th quarters of taxable year 2012 and raising the following defenses:

> xxx the taxpayer has the burden of proof in proving his claim involving claims for refund and should be able to present the foregoing documents stated therein. The burden of proof is on the taxpayer to establish its right to refund, and failure to sustain the burden is fatal to the claim for refund;
>
> Petitioner must prove that its export sale qualified as VAT zero-rated pursuant to Section 106(A)(2)(a)(1) of the NIRC of 1997, as amended;
>
> Petitioner must prove that it complied with the invoicing requirements provided in Section 113 of the NIRC of 1997, as amended;
>
> Petitioner must also prove that it complied with the provisions of Section 4.110-8 of Revenue Regulations No. 16-05, as amended, as to the substantiation of Input Tax Credits;
>
> Lastly, Petitioner must comply with the requirements provided under Revenue Memorandum Order No. 53-98;
>
> Well-established is the rule that tax refunds/tax credits are construed strictly against the taxpayer as they partake the nature of tax exemptions.

The pre-trial conference was initially set on November 6, 2014[9], but upon respondent's motion, was reset to February 5, 2015[10]. Respondent's Pre-Trial

[7] Par. 4, Summary of Admitted Facts, JSFI, *docket*, p. 231.
[8] *Docket*, pp. 90-93.
[9] Notice of Pre-Trial Conference, *docket*, p. 97.
[10] *Docket*, p. 119.

Brief[11] was filed on October 13, 2014; while petitioner's Pre-Trial Brief[12] was filed on October 31, 2014.

The parties submitted their Joint Stipulation of Facts and Issues[13] on February 16, 2015. Thereafter, the Court issued a Pre-Trial Order[14] on March 4, 2015.

On March 23, 2015, upon motion of petitioner, this Court commissioned Ms. Mary Ann C. Capuchino, partner of SyCip Gorres Velayo & Co., as Independent Certified Public Accountant (CPA) for the case.[15]

During trial, petitioner presented Ms. Hanalei T. Joyas[16], petitioner's Tax Specialist and Ms. Mary Ann C. Capuchino[17], the Independent CPA.

Petitioner formally offered its documentary evidence[18] on June 2, 2015, which were all admitted by this Court, except for Exhibits "P-3-16", "P-3-17", "P-4-3", "P-4-4", "P-4-5", "P-4-6", and "P-50", in the Resolutions[19] dated August 6, 2015 and October 28, 2015.

On the other hand, during the hearing held on February 1, 2016, respondent's counsel manifested that no report of investigation was submitted, hence, she will no longer present evidence for respondent.[20]

The case was declared submitted for decision on March 8, 2016, considering petitioner's Memorandum[21] and respondent's Memorandum[22], both filed on March 1, 2016.[23]

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[11] *Docket*, pp. 100-103.
[12] *Docket*, pp. 107-114.
[13] *Docket*, pp. 230-234.
[14] *Docket*, pp. 259-264.
[15] Minutes of the Hearing dated March 23, 2015, *docket*, p. 277.
[16] Minutes of the Hearing dated April 20, 2015, *docket*, p. 284; Exhibit "P-14".
[17] Minutes of the Hearing dated May 18, 2015, *docket*, p. 402; Exhibit "P-15", *docket*, pp. 389-399.
[18] Formal Offer of Evidence, *docket*, pp. 406-420.
[19] *Docket*, pp. 427-428 and 443-445, respectively.
[20] Minutes of the hearing dated February 1, 2016, *docket*, p. 446.
[21] *Docket*, pp. 450-481.
[22] *Docket*, pp. 484-494.
[23] Resolution dated March 8, 2016, *docket*, p. 496.

THE ISSUES

The parties submitted the following issues[24] for this Court's resolution:

1. Whether petitioner has complied with the procedural requirements for this Court to take cognizance of this Petition for Review; and

2. Whether petitioner is entitled to claim the unutilized input VAT attributable to its zero-rated sales to Energy Development Corporation (EDC) and the Maibarara Geothermal, Inc. (Maibarara).

THE RULING OF THE COURT

Petitioner argues that it is entitled to a refund of its unutilized input taxes attributable to its zero-rated sales pursuant to Section 112(A) in relation to Sections 106(A)(2)(c) and 108(B)(3) of the National Internal Revenue Code (NIRC) of 1997, as amended. Pertinent provisions state 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: *Provided, finally,* That for a person making sales that are zero-rated under Section 108(B)(6), the input taxes shall be allocated ratably between his zero-rated and non-zero-rated sales.

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[24] Stipulation of Issues, JSFI, *docket*, p. 231.

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:

xxx xxx xxx

(c) Sales to persons or entities whose exemption under special laws or international agreements to which the Philippines is a signatory effectively subjects such sales to zero rate.

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 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;

To claim refund or tax credit of unutilized input taxes based on Section 112(A) of the NIRC of 1997, as amended, the following requisites must be complied with:

1. the claimant must be a VAT-registered person;
2. there must be zero-rated or effectively zero-rated sales;

3. input taxes were incurred or paid;
4. such input taxes are attributable to zero-rated or effectively zero-rated sales;
5. said input taxes were not applied against any output VAT liability; and
6. the administrative and judicial claims for refund were seasonably filed.

Sixth Requisite:
Petitioner's administrative and judicial claims were seasonably filed

The instant claim for refund covers the 2nd to 4th taxable quarters of the year 2012, thus, the 2-year prescriptive period for filing of the corresponding administrative claim for refund pursuant to Section 112(A) of the NIRC of 1997, as amended, are as follows:

Period	End of Taxable Quarter	2-Year Prescriptive Period
2nd Qtr.	6/30/2012	6/30/2014
3rd Qtr.	9/30/2012	9/30/2014
4th Qtr.	12/31/2012	12/31/2014

Hence, the administrative claim for refund, specifically covering the periods from May 1, 2012 to December 31, 2012, was seasonably filed by petitioner on November 26, 2013.[25]

Corollary thereto, Section 112(C) of the NIRC of 1997, as amended, provides for the period within which respondent must act on the administrative claim and the corresponding remedy of the taxpayer in case of the former's denial or inaction on the claim, to wit:

SEC. 112. *Refunds or Tax Credits of Input Tax.* –

xxx xxx xxx

[25] Exhibit "P-5".

> (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 the 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**. (*Emphasis supplied*)

Petitioner made its last submission of supporting documents on March 12, 2014 and was received by Group Supervisor Alfredo M. Santos of Revenue District Office No. 43A.[26]

Applying the afore-mentioned provision, respondent had 120 days from March 12, 2014 to act on the administrative claim for refund or until July 10, 2014.

However, respondent failed to act on petitioner's claim. Consequently, the latter had 30 days from July 10, 2014 to appeal such inaction before this Court, or until August 9, 2014. Hence, the instant petition, filed on August 8, 2014, was filed within the reglementary period provided by law.

First Requisite: Petitioner is a VAT-Registered Entity

Petitioner is registered with the BIR as a VAT taxpayer in accordance with Section 236 of the Tax Code with TIN 007-203-649-000.[27]

Second Requisite: Petitioner had zero-rated sales

Based on Sections 106(A)(2)(c) and 108(B)(3) of the NIRC of 1997, as amended, quoted earlier, sales of goods/properties or services rendered to persons or entities whose exemption under special laws or international

[26] Exhibit "P-7".
[27] Exhibit "P-2".

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agreements to which the Philippines is a signatory effectively subjects the supply of such goods/properties or services to zero percent (0%) rate. The same was reiterated in Sections 4.106-5(c) and 4.108-5(b)(3) of Revenue Regulations (RR) No. 16-05, as amended by RR No. 04-07.

The special law applicable in petitioner's case is Republic Act (RA) No. 9513 or the Renewable Energy Act of 2008, which was approved on December 16, 2008. Among the incentives provided under the law is that all renewable energy (RE) Developers are entitled to zero-rated VAT on their purchases of local supply of goods, properties and services needed for the development, construction and installation of their plant facilities. Chapter VII, Section 15(g) of the law provides:

CHAPTER VII
GENERAL INCENTIVES

SECTION 15. *Incentives for Renewable Energy Projects and Activities.* – RE Developers of renewable energy facilities, including hybrid systems, in proportion to and to the extent of the RE component, for both power and non-power applications, as duly certified by the DOE, in consultation with the BOI, shall be entitled to the following incentives:

xxx xxx xxx

(g) Zero Percent Value-Added Tax Rate. – The sale of fuel or power generated from renewable sources of energy such as, but not limited to, biomass, solar, wind, hydropower, geothermal, ocean energy and other emerging energy sources using technologies such as fuel cells and hydrogen fuels, shall be subject to zero percent (0%) value-added tax (VAT), pursuant to the National Internal Revenue Code (NIRC) of 1997, as amended by Republic Act No. 9337.

All RE Developers shall be entitled to zero-rated value added tax on its purchases of local supply of goods, properties and services <u>needed for the development, construction and installation of its plant facilities.</u>

This provision shall **also apply to the whole process of exploring and developing renewable energy sources up to its conversion into power,** including but not limited to, the services

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performed by subcontractors and/or contractors. (*Emphasis and underscoring supplied*)

The same is implemented by Part III, Rule 5, Section 13(G)(b) of DOE Circular No. DC2009-05-0008 issued by the Department of Energy (DOE) on May 25, 2009, which provides as follows:

PART III.
Incentives for Renewable Energy Projects and Activities

RULE 5.
General Incentives and Privileges for Renewable Energy Development

SEC. 13. *Fiscal Incentives for Renewable Energy Projects and Activities*

DOE-certified existing and new RE Developers of RE facilities, including Hybrid Systems, in proportion to and to the extent of the RE component, for both Power and Non-Power Applications, shall be entitled to the following incentives:

xxx xxx xxx

G. *Zero Percent Value-Added Tax Rate*

The following transactions/activities shall be subject to zero percent (0%) value-added tax (VAT), pursuant to the National Internal Revenue Code (NIRC) of 1997, as amended by Republic Act No. 9337:

xxx xxx xxx

(b) Purchase of local goods, properties and services **needed for the development, construction, and installation of the plant facilities** of RE Developers; and

(c) **Whole process of exploration and development of RE sources up to its conversion into power**, including, but not limited to, the services performed by subcontractors and/or contractors. (*Emphasis supplied*)

Chapter VII, Section 25 of RA No. 9513, as implemented by Part VII, Rule 13, Section 39 of DOE Circular No. DC2009-05-008, further provides that RE Developers and local manufacturers, fabricators and suppliers of locally-produced renewable energy equipment shall register with the DOE, through the Renewable Energy Management Bureau. Upon registration, a certification shall be issued to each RE Developer and local manufacturer, fabricator and supplier of locally-produced renewable energy equipment to serve as the basis of its entitlement to incentives provided under Chapter VII of RA No. 9513.

Clearly, from the foregoing, to qualify for VAT zero-rating as contemplated in RA No. 9513 and DOE Circular No. DC2009-05-008, petitioner must prove by sufficient evidence that:

1. it is engaged in the sale of goods and services to RE Developers; and
2. the goods and services sold (a) are needed for the development, construction, and installation of the RE Developers' plant facilities; or (b) pertain to the whole process of exploration and development of RE sources up to its conversion into power.

But as far as the supply of locally-produced renewable energy equipment is concerned, petitioner must additionally show that it is also registered with the DOE, in order to qualify the sale of said equipment to VAT zero-rating.

Among petitioner's clients during taxable year 2012 were RE Developers of geothermal energy resources, namely, EDC and Maibarara, which are registered with the DOE, hence, are entitled to the incentives granted under RA No. 9513, as evidenced by the following:

	DOE Certificate of Registration No.	**Date of Issuance**	**Exhibit Nos.**
Energy Development Corporation:			
1) Tongonan, Leyte	GRESC 2009-10-001	October 23, 2009	P-8-1
2) Palinpinon, Negros Occidental	GRESC 2009-10-002	October 23, 2009	P-8-3
3) Bacon-Manito, Sorsogon/Albay	GRESC 2009-10-003	October 23, 2009	P-8-5
4) Kidapawan City, North Cotabato	GRESC 2009-10-003	October 23, 2009	P-8-7
Maibarara Geothermal Incorporated	GRESC 2011-01-025	January 05, 2011	P-9-1

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As such, all their purchases of goods and services from petitioner which are needed for the development, construction, and installation of plant facilities and those pertaining to the whole process of exploration and development of RE sources up to its conversion into power are entitled to VAT zero-rating, with the exception of locally produced RE equipment purchases from the latter, if any, since petitioner failed to show that it is registered with the DOE.

In its amended Quarterly VAT Returns for taxable year 2012, petitioner reported a total amount of ₱226,139,207.38 zero-rated sales from May 1 to December 31, 2012, broken down as follows:

Period	Zero-Rated Sales
2nd Qtr.[28]	₱ 83,484,198.55
Less: April 2012[29]	-
May to June 2012	83,484,198.55
3rd Qtr.[30]	91,297,017.06
4th Qtr.[31]	51,357,991.77
TOTAL	**₱226,139,207.38**

Petitioner presented its Schedule of Zero-Rated Sales[32] with the related invoices[33] and official receipts[34], which were examined by the Court-commissioned Independent CPA, Ms. Mary Ann C. Capuchino.

A perusal of the Independent CPA Report[35] shows that out of the reported zero-rated sales of ₱226,139,207.38, the amount of ₱49,935,076.29 must be disallowed for the reasons stated hereunder:

[28] Exhibit "P-3-4", line 17.
[29] Exhibit "P-19-1", line 14.
[30] Exhibit "P-3-10", line 17.
[31] Exhibit "P-3-15", line 17.
[32] Exhibit "P-21".
[33] Exhibit "P-10-1".
[34] Exhibit "P-10-2".
[35] Exhibit "P-16", *docket*, pp. 286-325.

Findings	Amount	ICPA Report Reference (Exh. "P-16")
Sale of goods supported by original VAT invoice stamped as zero-rated sales but there is an amount of VAT presented in the VAT invoice	₱ 2,123,364.18	Annex K[36]
Sale of goods supported by original VAT invoices stamped as zero-rated sales but dated outside the period of claim	44,251,776.56	Annex L[37]
Sale of service supported by original VAT OR stamped as zero-rated sales but dated outside period of claim	3,386,921.17	Annex M[38]
Sale of services which are not supported by original VAT ORs stamped as zero-rated sales	172,890.89	Annex N[39]
Overstatement of sales per VAT Return/Schedule	123.49	Annexes J-1[40]
	₱49,935,076.29	

In addition, the Court finds that the amount of ₱76,489,541.59 must likewise be disallowed based on the following grounds:

ICPA Report (Exh "P-16") Annex	Exh. No.	Client	OR No.	OR Date	Invoice No.	Invoice Date	Amount (in PHp)
Sale of services supported by VAT OR unreadable as to reference invoices							
H	P-30-120	ENERGY DEVELOPMENT CORP	215	8/17/2012	1083		16,575.33
H	P-30-120	ENERGY DEVELOPMENT CORP	215	8/17/2012	1090		2,502,977.78
H	P-30-120	ENERGY DEVELOPMENT CORP	215	8/17/2012	1100		242,874.47
H	P-30-120	ENERGY DEVELOPMENT CORP	215	8/17/2012	1101		273,233.51
H	P-30-120	ENERGY DEVELOPMENT CORP	215	8/17/2012	1102		121,437.02
H	P-30-120	ENERGY DEVELOPMENT CORP	215	8/17/2012	1108		1,021,347.20
H	P-30-136	ENERGY DEVELOPMENT CORP	216	8/17/2012	1104		1,176,422.26
H	P-30-136	ENERGY DEVELOPMENT CORP	216	8/17/2012	1105		2,404,717.03
H	P-30-136	ENERGY DEVELOPMENT CORP	216	8/17/2012	1106		1,332,895.90
H	P-30-136	ENERGY DEVELOPMENT CORP	216	8/17/2012	1116		765,442.89

[36] *Docket*, p. 342.
[37] *Docket*, p. 343.
[38] *Docket*, p. 344.
[39] *Docket*, p. 345.
[40] *Docket*, p. 341.

						Subtotal	***9,857,923.39***
Sale of services supported by VAT OR unreadable as to date, reference invoices, client name and amount							
H	P-30-016	ENERGY DEVELOPMENT CORP	201	6/22/2012			11,531,100.56
H	P-30-107	ENERGY DEVELOPMENT CORP	212	7/27/2012			811,458.99
						Subtotal	***12,342,559.55***
Sale of services supported by VAT OR unreadable as to date, reference invoices and client name							
H	P-30-111	ENERGY DEVELOPMENT CORP	214	8/3/2012			3,178,237.36
						Subtotal	***3,178,237.36***
Sale of services supported by VAT OR unreadable as to date, reference invoices and amount							
H	P-30-057	ENERGY DEVELOPMENT CORP	204	6/29/2012			4,744,839.70
H	P-30-104	ENERGY DEVELOPMENT CORP	211	7/20/2012			1,282,502.76
						Subtotal	***6,027,342.46***
Sale of services supported by VAT OR unreadable as to date and reference invoices							
H	P-30-075	ENERGY DEVELOPMENT CORP	206	7/6/2012			4,901,849.50
H	P-30-091	ENERGY DEVELOPMENT CORP	207	7/6/2012			16,439.00
H	P-30-093	ENERGY DEVELOPMENT CORP	208	7/13/2012			2,832,212.04
H	P-30-242	ENERGY DEVELOPMENT CORP	248	12/21/2012			4,566,381.75
						Subtotal	***12,316,882.29***
Sale of services supported by VAT OR unreadable as to date and client name							
H	P-30-147	ENERGY DEVELOPMENT CORP	217	8/17/2012			5,479.73
						Subtotal	***5,479.73***
Sale of services supported by VAT OR unreadable as to date							
H	P-30-219	ENERGY DEVELOPMENT CORP	238	11/9/2012			2,227,570.33
H	P-30-264	MAIBARARA GEOTHERMAL INC	242	11/28/2012			4,943,005.86
H	P-30-267	MAIBARARA GEOTHERMAL INC	243	11/28/2012			2,826,932.51
						Subtotal	***9,997,508.70***
Sale of service with VAT invoice but without VAT OR							
J and J-1	P-32-5	MAIBARARA GEOTHERMAL INC			1140	7/31/2012	6,088,700.16
						Subtotal	***6,088,700.16***
Sale of goods with VAT invoice but the term "VAT Zero-Rated" was not indicated thereon							
I	P-31-03	ENERGY DEVELOPMENT CORP			1033	5/25/2012	118,289.96
I	P-31-05	ENERGY DEVELOPMENT CORP			1032	5/24/2012	171,634.51
I	P-31-30	ENERGY DEVELOPMENT CORP			1031	5/24/2012	1,078,178.63
						Subtotal	***1,368,103.10***
Nature of service rendered has no details							
H	P-30-001	ENERGY DEVELOPMENT CORP	185	5/11/2012			6,516,603.64
H	P-30-010	ENERGY DEVELOPMENT CORP	196	6/8/2012			1,474,227.23
H	P-30-024	ENERGY DEVELOPMENT CORP	202	6/29/2012	950		615,000.00

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H	P-30-024	ENERGY DEVELOPMENT CORP	202	6/29/2012	951		861,000.00
H	P-30-024	ENERGY DEVELOPMENT CORP	202	6/29/2012	951		630,375.00
H	P-30-024	ENERGY DEVELOPMENT CORP	202	6/29/2012	960		2,089,583.19
H	P-30-024	ENERGY DEVELOPMENT CORP	202	6/29/2012	967		783,214.29
H	P-30-024	ENERGY DEVELOPMENT CORP	202	6/29/2012	975		1,412,043.89
H	P-30-024	ENERGY DEVELOPMENT CORP	202	6/29/2012	977		61,172.86
H	P-30-038	ENERGY DEVELOPMENT CORP	203	6/29/2012	978		535,262.50
						Subtotal	***14,978,482.60***
Nature of service not needed for development, construction, and installation of plant facilities nor pertaining to the process of conversion to power							
H	P-30-200	ENERGY DEVELOPMENT CORP	235	10/10/2012	1082		328,322.25
						Subtotal	***328,322.25***
						TOTAL	**76,489,541.59**

In sum, out of the declared zero-rated sales amounting to ₱226,139,207.38, only the amount of ₱99,714,589.50 is considered valid, computed as follows:

Zero-Rated Sales per VAT Returns		₱ 226,139,207.38
Less:		
Disallowances per Independent CPA's Report	₱49,935,076.29	
Additional Disallowances per the Court's verification	76,489,541.59	126,424,617.88
Valid Zero-Rated Sales		**₱99,714,589.50**

Third Requisite:
Petitioner incurred or paid input taxes

Petitioner declared a total amount of ₱11,989,902.83 input taxes, as detailed below, for the periods May to June, and 3rd and 4th quarters of taxable year 2012:

	2nd Qtr.[41]	Less: April 2012[42]	May - June 2012
Domestic purchase of goods other than capital goods	₱ 569,071.05	₱ (315,065.47)	₱ 254,005.58
Importation of goods other than capital goods	3,841,855.00	(299,070.00)	3,542,785.00
Domestic purchase of services	1,468,821.71	(1,307,942.04)	160,879.67
Total	₱5,879,747.76	₱(1,922,077.51)	**₱3,957,670.25**

	May - June 2012	3rd Qtr.[43]	4th Qtr.[44]	Total
Domestic purchase of goods other than capital goods	₱ 254,005.58	₱ 233,768.07	₱ 624,989.40	₱ 1,112,763.05
Importation of goods other than capital goods	3,542,785.00	1,367,723.29	966,625.00	5,877,133.29
Domestic purchase of services	160,879.67	2,254,469.65	2,584,657.17	5,000,006.49
Total	**₱3,957,670.25**	**₱3,855,961.01**	**₱4,176,271.57**	**₱11,989,902.83**

However, out of the above input VAT of ₱11,989,902.83, only ₱7,332,514.81 is being claimed by petitioner for refund or issuance of tax credit certificate.[45] And out of the ₱11,989,902.83 reported input VAT, only ₱11,959,466.58 was part of petitioner's Schedule of Purchases.[46] The difference amounting to ₱30,436.25 was accounted for as follows:[47]

Details	Amount	
a. May to June Difference		
1. Reversal of input VAT from supplier (i.e. LTC Multi Services Inc.)	₱(57,744.75)	
2. Input VAT reported in the VAT returns but has no support	23,765.60	₱(33,979.15)
b. 3rd Quarter Difference		
1. Input VAT reported in the VAT returns for July but has no Support	45,116.08	
2. Input VAT reported in the VAT returns for August but has no support	60,052.96	
3. Input VAT reported in the VAT returns for September but has no support	47,520.11	152,689.15

[41] Exhibit "P-3-4", lines 21F, 21H, and 21J.
[42] Exhibit "P-19-1", lines 18F, 18H, and 18J.
[43] Exhibit "P-3-10", lines 21F, 21H, and 21J.
[44] Exhibit "P-3-15", lines 21F, 21H, and 21J.
[45] Exhibit "P-5" and Petition for Review, *docket*, pp. 17-30.
[46] Exhibit "P-26".
[47] Exhibit "P-16", Annex Q, *docket*, p. 348.

c. 4th Quarter Difference		
1. Input VAT in schedule but not reported in the VAT returns	(88,273.75)	(88,273.75)
		₱30,436.25

Petitioner submitted various suppliers' invoices, official receipts, Bureau of Customs (BOC) Import Entries and Internal Revenue Declarations (IEIRDs)[48] to substantiate the amount of ₱11,959,466.58 per Schedule of Purchases which were examined by the Independent CPA.

Upon scrutiny of the Independent CPA Report and the related supporting documents, the Court finds that the input taxes in the amount of ₱1,014,837.33 should be disallowed for non-compliance with the substantiation requirements under Sections 110(A) and 113(A) and (B) of the NIRC of 1997, as amended, in relation to Sections 4.110-2, 4.110-3, 4.110-8, and 4.113-1 of RR No. 16-05, as amended. Below is the detailed breakdown of the disallowed input VAT of ₱1,014,837.33:

Findings	**Amount**	**ICPA Report (Exh. "P-16") Annex**[49]
Domestic purchases of goods (other than capital goods) supported with original VAT invoices but has no Authority to Print (ATP)	₱ 344,124.00	Y
Domestic purchases of services supported by with original VAT ORs not dated within the taxable year	184,922.91	Z
Importation of goods (other than capital goods) supported with Certified True Copies of IEIRDs not dated within the periods of claim	244,413.00	AA
Domestic purchases of services supported with original VAT ORs but has no date indicated	5,546.71	BB
Domestic purchases of services supported with original VAT ORs but not named after the Company	14,872.70	CC
Domestic purchases of goods (other than capital goods) supported with original VAT invoices but not named after the Company	759.26	DD
Domestic purchases of goods (other than capital goods) supported with photocopies of VAT invoices	2,687.14	EE
Domestic purchases of services supported with Non-VAT ORs	23,029.92	FF
Domestic purchases of goods (other than capital goods) supported with original VAT invoices but has no "VAT" printing on supplier's TIN	144.64	GG
Domestic purchases of services supported with tape receipt	53,967.27	HH

[48] Exhibits "P-38" to "P-55".

[49] *Docket*, pp. 368-383.

Domestic purchases of services supported with statement of account (SOA)	64,775.72	II
Domestic purchases of services supported with acknowledgment receipt	69,388.56	JJ
Importation of goods (other than capital goods) supported with original VAT invoices and photocopied IEIRDs but the amount of input VAT claimed is overstated (amount of overstatement)	3,340.31	KK
Domestic purchases of services properly supported with original VAT ORs but the amount of input VAT claimed is overstated (amount of overstatement)	2,865.19	LL
	₱1,014,837.33	

In addition, petitioner's claimed input VAT in the amount of ₱10,669,111.15, as detailed below, should also be disallowed for non-compliance with the substantiation requirements under the VAT law and regulations:

ICPA Report (Exh "P-16") Annex	Exh. No.	Supplier	Invoice/OR/ IEIRD No.	Date	Amount (in PHp)
Amount of purchase of goods is P1,000 or more but petitioner's TIN not indicated in VAT invoice; VAT invoice has no ATP					
S	P-38-112	CANON MKTG PHILS INC	23264	10/2/2012	3,009.00
S	P-38-113	CANON MKTG PHILS INC	734789	10/8/2012	4,266.00
S	P-38-114 to P-38-115	CANON MKTG PHILS INC	737894	11/7/2012	7,110.00
V	P-41-05	CANON MKTG PHILS INC	722757	5/29/2012	9,785.36
V	P-41-07	CANON MKTG PHILS INC	684675	5/9/2012	1,872.75
				Subtotal	***26,043.11***
Amount of purchase of goods is P1,000 or more but petitioner's TIN and address not indicated in VAT invoice					
S	P-38-032	CABEPCO BEARING AND PARTS CO	68113	9/18/2012	675.00
S	P-38-033	CABEPCO BEARING AND PARTS CO	66993	7/9/2012	803.57
S	P-38-106	CABEPCO BEARING AND PARTS CO	68370	10/8/2012	2,710.71
S	P-38-107	CABEPCO BEARING AND PARTS CO	68369	10/8/2012	739.29
V	P-41-02	CABEPCO BEARING AND PARTS CO	66287	5/23/2012	2,378.57
V	P-41-04	CABEPCO BEARING AND PARTS CO	66294	5/23/2012	1,971.43
				Subtotal	***9,278.57***
Amount of purchase of goods is P1,000 or more but petitioner's TIN not indicated in VAT invoice					
S	P-38-003	DAN DARYLL PHILS INC	61526	5/31/2012	317.42
S	P-38-004	CO BAN KIAT HARDWARE INC	504907	6/13/2012	407.14
S	P-38-006	DAN DARYLL PHILS INC	60835	5/21/2012	897.85
S	P-38-008	FRANCISCO HARDWARE INC	108591	5/30/2012	2,626.06
S	P-38-009	MABUHAY VINYL CORP	500001749	5/4/2012	15,120.00
S	P-38-010	MABUHAY VINYL CORP	500001750	5/4/2012	16,595.25
S	P-38-012	PRUDENTIAL INTERTRADE PHILS INC	51284	5/22/2012	1,179.74
S	P-38-018	KARL GELSON INDUSTL SALES CORP	21840	5/22/2012	962.14
S	P-38-019	KARL GELSON INDUSTL SALES CORP	21815	5/17/2012	4,973.77

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S	P-38-020	KARL GELSON INDUSTL SALES CORP	21193	5/31/2012	1,021.82
S	P-38-021	FIRETRON SAFETY SYSTEM	4382	6/14/2012	4,660.72
S	P-38-022	PHILIPPINE ENVIRONMENT & TECHNOLOGICAL SYSTEMS AND SERVICES INC	8293	5/22/2012	837.77
S	P-38-023	PRUDENTIAL INTERTRADE PHILS INC	51387	6/13/2012	522.00
S	P-38-024	PRUDENTIAL INTERTRADE PHILS INC	51393	6/15/2012	812.14
S	P-38-025	PRUDENTIAL INTERTRADE PHILS INC	51349	6/6/2012	838.28
S	P-38-026	PRUDENTIAL INTERTRADE PHILS INC	51337	6/1/2012	573.65
S	P-38-034	CABEPCO BEARING AND PARTS CO	67446	8/8/2012	4,328.57
S	P-38-035	COLEMAC SAFETY CORP	3405	8/13/2012	426.43
S	P-38-036	COLEMAC SAFETY CORP	3380	8/1/2012	658.93
S	P-38-037	COLEMAC SAFETY CORP	3379	7/17/2012	668.58
S	P-38-038	COLEMAC SAFETY CORP	3378	7/17/2012	917.15
S	P-38-039	DAN DARYLL PHILS INC	63686	7/10/2012	2,087.33
S	P-38-040	DAN DARYLL PHILS INC	64476	7/25/2012	171.96
S	P-38-044	FELPET TRADING & MATERIALS RECOVERY SERVICES	0144	8/15/2012	900.00
S	P-38-045	FELPET TRADING & MATERIALS RECOVERY SERVICES	0147	8/23/2012	261.87
S	P-38-046	FELPET TRADING & MATERIALS RECOVERY SERVICES	0145	8/15/2012	261.87
S	P-38-047	FELPET TRADING & MATERIALS RECOVERY SERVICES	0138	7/24/2012	878.64
S	P-38-048	FELPET TRADING & MATERIALS RECOVERY SERVICES	0141	8/2/2012	132.62
S	P-38-049	FELPET TRADING & MATERIALS RECOVERY SERVICES	0140	8/2/2012	878.64
S	P-38-050	FELPET TRADING & MATERIALS RECOVERY SERVICES	0128	7/15/2012	14,400.00
S	P-38-051	FELPET TRADING & MATERIALS RECOVERY SERVICES	0133	7/15/2012	857.04
S	P-38-052	FIRETRON SAFETY SYSTEM	5013	8/24/2012	655.74
S	P-38-053	FRANCISCO HARDWARE INC	108808	9/6/2012	1,055.36
S	P-38-054	FRANCISCO HARDWARE INC	108777	8/23/2012	726.10
S	P-38-055	FRANCISCO HARDWARE INC	108776	8/23/2012	663.12
S	P-38-056	FRANCISCO HARDWARE INC	108760	8/15/2012	2,706.01
S	P-38-057	FRANCISCO HARDWARE INC	108759	8/15/2012	1,265.46
S	P-38-058	FRANCISCO HARDWARE INC	108791	8/23/2012	180.00
S	P-38-059	FRANCISCO HARDWARE INC	108749	8/13/2012	744.64
S	P-38-060	FRANCISCO HARDWARE INC	108733	8/2/2012	1,013.57
S	P-38-061	FRANCISCO HARDWARE INC	108711	7/21/2012	628.29
S	P-38-062	FRANCISCO HARDWARE INC	108721	7/26/2012	444.65
S	P-38-063	FRANCISCO HARDWARE INC	108720	7/26/2012	259.83
S	P-38-064	FRANCISCO HARDWARE INC	108697	7/17/2012	912.00
S	P-38-065	FRANCISCO HARDWARE INC	108683	7/9/2012	240.54
S	P-38-066	FRANCISCO HARDWARE INC	108692	7/13/2012	514.29
S	P-38-071	GY INDUSTRIAL MILL SUPPLY CORP	38226	7/17/2012	495.63
S	P-38-077	KARL GELSON INDUSTL SALES CORP	22559	7/23/2012	443.57
S	P-38-078	KARL GELSON INDUSTL SALES CORP	22826	8/14/2012	1,928.57
S	P-38-079	KARL GELSON INDUSTL SALES CORP	22595	7/30/2012	2,456.40
S	P-38-080	KARL GELSON INDUSTL SALES CORP	22607	7/31/2012	1,520.14

S	P-38-081	KARL GELSON INDUSTL SALES CORP	22926	8/31/2012	2,093.23
S	P-38-083	PHILIPPINE ENVIRONMENT & TECHNOLOGICAL SYSTEMS AND SERVICES INC	8497	7/25/2012	837.77
S	P-38-084	PHILIPPINE ENVIRONMENT & TECHNOLOGICAL SYSTEMS AND SERVICES INC	8463	7/17/2012	837.77
S	P-38-085	PRUDENTIAL INTERTRADE PHILS INC	51696	9/6/2012	125.36
S	P-38-086	RAPIDE AUTO SERVICE CENTER	ST3889/PT14207	7/9/2012	217.50
S	P-38-087	RAQUE TRADING & SERVICES	0212	7/17/2012	2,699.86
S	P-38-088	RAQUE TRADING & SERVICES	0224	7/17/2012	2,711.14
S	P-38-089	RMEV ENTERPRISES	0139	7/26/2012	2,169.75
S	P-38-090	ROSEPRIME ENTERPRISE	73190	8/10/2012	878.57
S	P-38-091	ROSEPRIME ENTERPRISE	76071	7/13/2012	439.29
S	P-38-092	WYLER ENTERPRISES INC	58577	9/8/2012	1,063.39
S	P-38-094	WYLER ENTERPRISES INC	58142	8/4/2012	160.71
S	P-38-095	WYLER ENTERPRISES INC	58322	8/22/2012	450.00
S	P-38-096	WYLER ENTERPRISES INC	58090	8/1/2012	225.00
S	P-38-097	ANDISON INDUSTRIAL SALES	15983	11/7/2012	642.86
S	P-38-098	ANDISON INDUSTRIAL SALES	15982	11/7/2012	1,285.72
S	P-38-099	ARAHR SERVICES MKTG INC	3901	12/19/2012	3,485.14
S	P-38-100	ARAHR SERVICES MKTG INC	3894	11/23/2012	1,440.00
S	P-38-101	ARAHR SERVICES MKTG INC	3897	12/7/2012	4,392.86
S	P-38-102	ARAHR SERVICES MKTG INC	3886	10/20/2012	4,467.86
S	P-38-104	ASSOCIATE BEARING & PARTS CORP	46181	11/20/2012	455.38
S	P-38-105	CABEPCO BEARING AND PARTS CO	68490	10/20/2012	621.43
S	P-38-109	CABEPCO BEARING AND PARTS CO	68645	11/9/2012	9,428.57
S	P-38-110	CABEPCO BEARING AND PARTS CO	68690	11/14/2012	1,135.72
S	P-38-111	CABEPCO BEARING AND PARTS CO	68849	12/4/2012	1,478.58
S	P-38-116	CO BAN KIAT HARDWARE INC	510140	10/9/2012	300.00
S	P-38-117	CO BAN KIAT HARDWARE INC	512704	11/21/2012	278.57
S	P-38-118	CO BAN KIAT HARDWARE INC	509517	9/18/2012	508.93
S	P-38-119	COLEMAC SAFETY CORP	3572	11/21/2012	1,390.71
S	P-38-120	COLEMAC SAFETY CORP	3573	11/21/2012	409.29
S	P-38-121	COLEMAC SAFETY CORP	3547	11/8/2012	3,267.86
S	P-38-122	COLEMAC SAFETY CORP	3546	11/8/2012	213.21
S	P-38-123	DAN DARYLL PHILS INC	70595	11/21/2012	1,179.17
S	P-38-124	DAN DARYLL PHILS INC	69575	10/31/2012	1,573.38
S	P-38-125	DAN DARYLL PHILS INC	67924	10/1/2012	941.94
S	P-38-126	DAN DARYLL PHILS INC	71822	12/14/2012	534.96
S	P-38-127	DAN DARYLL PHILS INC	71341	12/4/2012	318.56
S	P-38-133	FELPET TRADING & MATERIALS RECOVERY SERVICES	0163	11/18/2012	280.08
S	P-38-134	FELPET TRADING & MATERIALS RECOVERY SERVICES	0171	11/29/2012	390.96
S	P-38-135	FELPET TRADING & MATERIALS RECOVERY SERVICES	0170	11/29/2012	1,244.40
S	P-38-136	FELPET TRADING & MATERIALS RECOVERY SERVICES	0162	11/7/2012	1,907.14
S	P-38-137	FELPET TRADING & MATERIALS RECOVERY SERVICES	0159	10/16/2012	554.40
S	P-38-138	FELPET TRADING & MATERIALS RECOVERY SERVICES	0156	10/11/2012	1,230.77
S	P-38-139	FIRETRON SAFETY SYSTEM	7561	10/31/2012	235.21
S	P-38-140	FRANCISCO HARDWARE INC	108952	12/7/2012	930.00
S	P-38-141	FRANCISCO HARDWARE INC	108930	11/11/2012	1,094.98

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S	P-38-142	FRANCISCO HARDWARE INC	108932	11/21/2012	589.83
S	P-38-143	FRANCISCO HARDWARE INC	108917	11/9/2012	1,307.14
S	P-38-144	FRANCISCO HARDWARE INC	108847	10/3/2012	4,285.71
S	P-38-145	FRANCISCO HARDWARE INC	108910	11/7/2012	514.29
S	P-38-146	FRANCISCO HARDWARE INC	108911	11/7/2012	1,400.79
S	P-38-147	FRANCISCO HARDWARE INC	108916	11/9/2012	538.07
S	P-38-148	FRANCISCO HARDWARE INC	108891	10/24/2012	1,465.07
S	P-38-149	FRANCISCO HARDWARE INC	108889	10/24/2012	1,558.96
S	P-38-150	FRANCISCO HARDWARE INC	108877	10/17/2012	634.29
S	P-38-151	FRANCISCO HARDWARE INC	108867	10/12/2012	1,773.22
S	P-38-152	FRANCISCO HARDWARE INC	108868	10/12/2012	193.40
S	P-38-153	FRANCISCO HARDWARE INC	108840	10/2/2012	2,489.99
S	P-38-154	FRANCISCO HARDWARE INC	108842	10/2/2012	486.43
S	P-38-156	GOLDEN BAT (FAR EAST) INC	112821	12/11/2012	1,435.70
S	P-38-157	GY INDUSTRIAL MILL SUPPLY CORP	394139	11/6/2012	2,100.00
S	P-38-158	GY INDUSTRIAL MILL SUPPLY CORP	394314	11/9/2012	2,850.00
S	P-38-165	KARL GELSON INDUSTL SALES CORP	24018	11/21/2012	2,960.35
S	P-38-166	KARL GELSON INDUSTL SALES CORP	23995	11/19/2012	6,741.42
S	P-38-167	KARL GELSON INDUSTL SALES CORP	23757	10/24/2012	1,176.41
S	P-38-168	KARL GELSON INDUSTL SALES CORP	23924	11/7/2012	2,019.64
S	P-38-169	KARL GELSON INDUSTL SALES CORP	23551	10/8/2012	3,166.10
S	P-38-170	KARL GELSON INDUSTL SALES CORP	24019	11/21/2012	969.00
S	P-38-171	KARL GELSON INDUSTL SALES CORP	24207	12/4/2012	771.42
S	P-38-172	PHILIPPINE ENVIRONMENT & TECHNOLOGICAL SYSTEMS AND SERVICES INC	8739	10/9/2012	837.77
S	P-38-173	PHILIPPINE ENVIRONMENT & TECHNOLOGICAL SYSTEMS AND SERVICES INC	8720	10/4/2012	1,928.57
S	P-38-174	PRUDENTIAL INTERTRADE PHILS INC	52113	12/11/2012	769.28
S	P-38-175	PRUDENTIAL INTERTRADE PHILS INC	51971	11/12/2012	1,736.78
S	P-38-176	PRUDENTIAL INTERTRADE PHILS INC	51914	10/23/2012	129.44
S	P-38-177	RAQUE TRADING & SERVICES	0280	11/9/2012	2,015.76
S	P-38-178	RAQUE TRADING & SERVICES	0047	10/12/2012	824.25
S	P-38-179	RAQUE TRADING & SERVICES	0046	10/12/2012	2,322.91
S	P-38-180	RAQUE TRADING & SERVICES	0355	9/5/2012	4,360.05
S	P-38-181	ROSEPRIME ENTERPRISE	81281	10/2/2012	878.58
S	P-38-182	WYLER ENTERPRISES INC	60098	11/29/2012	2,228.57
S	P-38-183	WYLER ENTERPRISES INC	59893	11/20/2012	241.07
S	P-38-184	WYLER ENTERPRISES INC	59689	11/9/2012	321.43
S	P-38-185	WYLER ENTERPRISES INC	59789	11/15/2012	2,240.36
S	P-38-186	WYLER ENTERPRISES INC	59656	11/8/2012	803.57
S	P-38-187	WYLER ENTERPRISES INC	59381	10/23/2012	754.28
S	P-38-188	WYLER ENTERPRISES INC	59393	10/23/2012	3,053.58
S	P-38-189	WYLER ENTERPRISES INC	59106	10/9/2012	450.00
V	P-41-03	CABEPCO BEARING AND PARTS CO	66406	5/30/2012	3,278.57
V	P-41-08	DAN DARYLL PHILS INC	62320	6/14/2012	942.53
V	P-41-09	DAN DARYLL PHILS INC	62739	6/21/2012	369.64
V	P-41-10	FELPET TRADING & MATERIALS RECOVERY SERVICES	0125	6/29/2012	261.87

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V	P-41-12	FRANCISCO HARDWARE INC	108685	6/28/2012	102.86
V	P-41-13	FRANCISCO HARDWARE INC	108684	6/29/2012	342.86
V	P-41-14	FRANCISCO HARDWARE INC	108664	6/22/2012	267.86
V	P-41-15	FRANCISCO HARDWARE INC	108632	6/15/2012	301.60
V	P-41-16	FRANCISCO HARDWARE INC	108736	5/25/2012	201.43
V	P-41-17	FRANCISCO HARDWARE INC	108735	5/23/2012	273.76
V	P-41-18	FRANCISCO HARDWARE INC	108734	5/22/2012	3,172.18
V	P-41-23	KARL GELSON INDUSTL SALES CORP	22134	6/8/2012	214.29
V	P-41-24	KINGS SAFETYNET INC	15515	6/13/2012	227.20
V	P-41-27	MABUHAY VINYL CORP	500001748	5/4/2012	18,511.50
V	P-41-28	RAPIDE AUTO SERVICE CENTER	ST3770/PT14132	5/30/2012	991.29
V	P-41-29	RAQUE TRADING & SERVICES	0211	6/20/2012	18,750.00
V	P-41-30	ROSEPRIME ENTERPRISE	69815	6/19/2012	439.29
V	P-41-32	WYLER ENTERPRISES INC	57209	6/14/2012	315.00
V	P-41-33	COLEMAC SAFETY CORP	3461	6/22/2012	1,028.57
V	P-41-34	COLEMAC SAFETY CORP	3459	6/22/2012	257.14
V	P-41-35	COLEMAC SAFETY CORP	3527	6/13/2012	244.29
V	P-41-36	COLEMAC SAFETY CORP	3528	9/10/2012	1,611.43
V	P-41-37	DAN DARYLL PHILS INC	66991	9/13/2012	895.52
V	P-41-38	DAN DARYLL PHILS INC	66990	9/13/2012	557.14
V	P-41-39	FELPET TRADING & MATERIALS RECOVERY SERVICES	0153	9/20/2012	953.57
V	P-41-40	FELPET TRADING & MATERIALS RECOVERY SERVICES	0151	9/5/2012	3,053.60
V	P-41-41	FELPET TRADING & MATERIALS RECOVERY SERVICES	0155	9/20/2012	294.00
V	P-41-42	FELPET TRADING & MATERIALS RECOVERY SERVICES	0154	9/20/2012	277.20
V	P-41-43	FIRETRON SAFETY SYSTEM	4797	8/1/2012	235.71
V	P-41-44	FIRETRON SAFETY SYSTEM	5203	9/17/2012	2,179.28
V	P-41-45	FIRETRON SAFETY SYSTEM	5204	9/17/2012	192.86
V	P-41-46	FIRETRON SAFETY SYSTEM	4798	8/1/2012	396.43
V	P-41-47	FRANCISCO HARDWARE INC	108839	9/18/2012	1,767.86
V	P-41-49	RAPIDE AUTO SERVICE CENTER	ST3922/PT15705	7/17/2012	1,227.86
V	P-41-50	RAPIDE AUTO SERVICE CENTER	ST3930/PT15707	7/20/2012	1,087.71
V	P-41-57	KARL GELSON INDUSTL SALES CORP	23068	9/8/2012	3,580.73
V	P-41-58	KARL GELSON INDUSTL SALES CORP	23267	9/19/2012	1,982.14
V	P-41-59	KARL GELSON INDUSTL SALES CORP	23146	9/19/2012	407.16
V	P-41-60	KARL GELSON INDUSTL SALES CORP	22857	8/18/2012	1,236.32
V	P-41-61	KARL GELSON INDUSTL SALES CORP	22842	8/6/2012	7,657.07
V	P-41-62	KARL GELSON INDUSTL SALES CORP	23340	9/28/2012	4,367.73
V	P-41-63	PHILIPPINE ENVIRONMENT & TECHNOLOGICAL SYSTEMS AND SERVICES INC	8681	9/26/2012	837.77
				Subtotal	***314,173.57***
Amount of purchase of service is P1,000 or more but petitioner's address not indicated in VAT OR					
T	P-39-019	NF RODRIGUEZ JR LAW OFFICES	0589	6/29/2012	6,360.00
T	P-39-310	NF RODRIGUEZ JR LAW OFFICES	0601	8/30/2012	12,732.00
T	P-39-314	NF RODRIGUEZ JR LAW OFFICES	0595	7/20/2012	9,294.00
T	P-39-580	NF RODRIGUEZ JR LAW OFFICES	0617	11/9/2012	3,570.00
W	P-42-068	NF RODRIGUEZ JR LAW OFFICES	631	12/21/2012	9,321.48
W	P-42-069	NF RODRIGUEZ JR LAW OFFICES	632	12/28/2012	7,260.00
				Subtotal	***48,537.48***
Amount of purchase of service is P1,000 or more but petitioner's TIN and address not indicated in VAT OR					
T	P-39-313	NF RODRIGUEZ JR LAW OFFICES	0609	9/28/2012	8,460.00

T	P-39-373	TIMBER PROTECTION AND MAINTENANCE SERVICES INC	84541	9/7/2012	3,016.69
T	P-39-375	TIMBER PROTECTION AND MAINTENANCE SERVICES INC	84540	9/7/2012	4,178.57
T	P-39-631	TIMBER PROTECTION AND MAINTENANCE SERVICES INC	85792	12/17/2012	2,201.08
T	P-39-633	TIMBER PROTECTION AND MAINTENANCE SERVICES INC	85481	11/23/2012	815.61
				Subtotal	***18,671.95***
Amount of purchase of service is P1,000 or more but petitioner's TIN not indicated in VAT OR					
T	P-39-204	INSULAR HEALTH CARE INC	182433	7/23/2012	223.24
T	P-39-205	INSULAR HEALTH CARE INC	182968	8/17/2012	175.69
T	P-39-337	SILVERSOCKET ENTERPRISES	0001	8/16/2012	12,044.20
T	P-39-426	ASPRAC AGRICULUTURAL CORP	31433	12/21/2012	4,016.84
				Subtotal	***16,459.97***
Importation of non-capital goods supported with IEIRD but dated outside period of claim and no proof of VAT payment					
U	P-40-12 to 13	CAPARGE CEMENT SDN BHD	-BJ WELL	4/12/2012	489,620.00
U	P-40-14 to 15	LAFARGE CEMENT SDN BHD	BJUI2042001	4/20/2012	490,041.00
				Subtotal	***979,661.00***
Importation of non-capital goods supported with IEIRD but no proof of VAT payment					
U	P-40-01 to 03	BAKER HUGHES	122301B02V	6/5/2012	102,848.00
U	P-40-04 to 05	BAKER HUGHES DRILLING FLUIDS	BJUI12062101	6/21/2012	256,141.00
U	P-40-06 to 08	BAKER HUGHES DRILLING FLUIDS	122401B04D	6/14/2012	212,412.00
U	P-40-09 to 11	BJ SERVICES COMPANY (SINGAPORE) PTE LTD	122101B029	5/21/2012	7,420.00
U	P-40-16 to 18	PT BAKER HUGHES INDONESIA	122101BO1F	5/25/2012	297,034.01
U	P-40-19 to 21	BAKER HUGHES DRILLING FLUIDS	122901B09H	7/20/2012	307,287.00
U	P-40-22 to 24	BAKER HUGHES DRILLING FLUIDS	123101B04Y	8/6/2012	216,818.00
U	P-40-25 to 27	BAKER HUGHES OILFIELD OPERATIONS INC	122901B086	7/26/2012	13,917.00
U	P-40-28 to 30	BAKER PETROLITE	123101B04V	8/3/2012	224,560.00
U	P-40-31 to 34	BJ SERVICE INTERNATIONAL (THAILAND) LTD	BJUI2083003	8/29/2012	7,408.00
U	P-40-35 to 37	BJ SERVICES COMPANY (SINGAPORE) PTE LTD	123401B078	8/28/2012	121,058.00
U	P-40-38 to 40	BJ SERVICES COMPANY (SINGAPORE) PTE LTD	122601B078	7/2/2012	64,219.00
U	P-40-41 to 43	NATIONAL OILWELL PTE LTD	122901B09J	7/20/2012	56,815.00
U, KK	P-40-44 to 46	BAKER HUGHES OILFIELD OPERATIONS INC	125001B073	12/14/2012	23,242.00
U, KK	P-40-47 to 49	BAKER HUGHES OILFIELD OPERATIONS INC	124801B08G	12/5/2012	9,559.00
U, KK	P-40-50 to 52	BAKER HUGHES DRILLING FLUIDS	124401B01Q	10/30/2012	2,195.00
U, KK	P-40-53 to 55	BAKER HUGHES OILFIELD OPERATIONS INC	124301B04L	10/24/2012	23,818.00
U,KK	P-40-56 to 58	BAKER HUGHES OILFIELD OPERATIONS INC	124201B03K	10/17/2012	68,498.00
U, KK	P-40-59 to 61	BJ SERVICES COMPANY (SINGAPORE) PTE LTD	124801B06Q	11/29/2012	88,853.00
U	P-40-62 to 64	BJ SERVICES COMPANY (SINGAPORE) PTE LTD	124001B09H	10/8/2012	3,263.69
U	P-40-65 to 67	BJ SERVICES COMPANY (SINGAPORE) PTE LTD	124001B07N	10/5/2012	47,946.96
U, KK	P-40-68 to 70	BJ SERVICES COMPANY (SINGAPORE) PTE LTD SGO	125001B041	12/12/2012	2,720.00
U, KK	P-40-71 to 73	BJ SERVICES COMPANY (SINGAPORE) PTE LTD SGO	124801B078	11/29/2012	157,826.00

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U, KK	P-40-74 to 76	BJ SERVICES COMPANY (SINGAPORE) PTE LTD SGO	124501B0AX	11/12/2012	76,756.00
U, KK	P-40-77 to 79	BJ SERVICES COMPANY (SINGAPORE) PTE LTD SGO	124401B08A	11/2/2012	103,300.00
U	P-40-80 to 82	QASF COMPANY LTD	BJ0002	12/4/2012	144,090.00
U, KK	P-40-83 to 85	SAGA-PCE PTE LTD	124401B04G	10/30/2012	18,130.00
X, KK	P-43-01 to 02	BJ SERVICES COMPANY (SINGAPORE) PTE LTD	BK000	6/22/2012	408,952.00
X	P-43-03 to 05	BAKER HUGHES OILFIELD OPERATIONS INC	121901B065	5/10/2012	201,998.00
X	P-43-06 to 08	BJ SERVICES COMPANY (SINGAPORE) PTE LTD	121701B0DO	5/2/2012	6,105.00
X	P-43-09 to 10	BAKER HUGHES DRILLING FLUIDS	005BJ	6/25/2012	96,629.00
X	P-43-11 to 12	BJ SERVICES COMPANY (SINGAPORE) PTE LTD	002	5/14/2012	1,277,878.00
				Subtotal	***4,649,696.66***
Purchase of goods supported by VAT invoice but petitioner's TIN is wrong					
S	P-38-013	INTEGRATED COMPUTER SYS. INC.	310138844	5/28/2012	975.00
S	P-38-014	INTEGRATED COMPUTER SYS. INC.	310139896	6/14/2012	570.54
S	P-38-015	INTEGRATED COMPUTER SYS. INC.	310138410	5/21/2012	684.64
S	P-38-016	INTEGRATED COMPUTER SYS. INC.	310138613	5/23/2012	456.43
S	P-38-074	INTEGRATED COMPUTER SYS. INC.	310141381	7/9/2012	996.43
S	P-38-075	INTEGRATED COMPUTER SYS. INC.	210059339	8/16/2012	1,653.21
S	P-38-076	INTEGRATED COMPUTER SYS. INC.	310144246	8/23/2012	152.14
S	P-38-161	INTEGRATED COMPUTER SYS. INC.	310148616	10/31/2012	1,521.43
S	P-38-162	INTEGRATED COMPUTER SYS. INC.	310149034	11/9/2012	393.75
S	P-38-163	INTEGRATED COMPUTER SYS. INC.	310149849	11/22/2012	1,312.50
V	P-41-52	INTEGRATED COMPUTER SYS. INC.	310145970	9/19/2012	803.57
V	P-41-53	INTEGRATED COMPUTER SYS. INC.	310145968	9/19/2012	482.14
V	P-41-54	INTEGRATED COMPUTER SYS. INC.	310145969	9/19/2012	1,151.79
V	P-41-55	INTEGRATED COMPUTER SYS. INC.	310145787	9/17/2012	1,193.57
V	P-41-56	INTEGRATED COMPUTER SYS. INC.	210060249	9/23/2012	1,822.50
S	P-38-093	WYLER ENTERPRISES INC	58004	7/25/2012	1,561.61
				Subtotal	***15,731.25***
Purchase of service supported by VAT Exempt OR					
T	P-39-231	KUEHNE AND NAGEL INC	185436	9/28/2012	***264.96***
Purchase of service supported by VAT invoice but no VAT OR					
V	P-41-11	FORMS INTERNATIONAL ENT CORP	18869	6/19/2012	***932.14***
Purchase of service supported by VAT OR but dated outside period of claim					
T	P-39-017	NANDZ ENTERPRISES	0240	4/11/2012	***750.00***
Purchase of service supported by VAT OR but is undated and VAT amount not separately indicated					
T	P-39-033	ARAHR SERVICES MKTG INC	2355	7/19/2012	***2,871.43***
Purchase of service supported by VAT OR but not under petitioner's name					
T	P-39-035	ASPRAC AGRICULUTURAL CORP	31147	9/21/2012	***1,313.26***
Purchase of service supported by VAT OR but petitioner's TIN is wrong					

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T	P-39-603	SODEXO MOTIVATION SOLUTIONS PHILS INC	119757	10/11/2012	168.00
T	P-39-604	SODEXO MOTIVATION SOLUTIONS PHILS INC	126198	12/20/2012	1,334.40
				Subtotal	***1,502.40***
Purchase of service supported by VAT OR but VAT amount not separately indicated					
T	P-39-001	DENROW TRUCKING	1797	6/29/2012	129,600.00
T	P-39-003	DHL GLOBAL FORWARDING (PHILS) INC	81813	6/22/2012	1,291.06
T	P-39-004	DHL GLOBAL FORWARDING (PHILS) INC	81814	6/22/2012	8,729.88
T	P-39-008	DHL GLOBAL FORWARDING (PHILS) INC	81812	6/22/2012	12,051.29
T	P-39-015	JOEL CHAVEZ EQUIPMENT RENTALS	4454	6/29/2012	438.00
T	P-39-020	TOTAL MATERIAL HANDLING PRODUCTS INC	0051	6/1/2012	5,748.23
T	P-39-031	APPLIED CALIBRATION & INSTRUMENTATION SYSTEM INC	1290	8/24/2012	2,866.07
T	P-39-039	BERKMAN SYSTEMS INC	8039	9/7/2012	14,400.00
T	P-39-041	CONSTANTINO GUADALQUIVER & CO	8258	8/17/2012	6,375.86
T	P-39-043	CONSTANTINO GUADALQUIVER & CO	8270	8/31/2012	18,683.96
T	P-39-046	CONSTANTINO GUADALQUIVER & CO	8296	9/14/2012	3,300.00
T	P-39-048	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1099	9/17/2012	9,409.42
T	P-39-051	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1100	9/17/2012	2,686.62
T	P-39-053	DENROW TRUCKING	1802	8/3/2012	93,600.00
T	P-39-055	DHL GLOBAL FORWARDING (PHILS) INC	85704	9/28/2012	4,996.65
T	P-39-059	DHL GLOBAL FORWARDING (PHILS) INC	84809	9/14/2012	7,179.37
T	P-39-064	DHL GLOBAL FORWARDING (PHILS) INC	83844	9/7/2012	10,044.57
T	P-39-069	DHL GLOBAL FORWARDING (PHILS) INC	83827	8/31/2012	3,026.97
T	P-39-074	DHL GLOBAL FORWARDING (PHILS) INC	83819	8/24/2012	3,190.78
T	P-39-081	DHL GLOBAL FORWARDING (PHILS) INC	82800	8/15/2012	451.24
T	P-39-084	DHL GLOBAL FORWARDING (PHILS) INC	82797	8/10/2012	1,010.40
T	P-39-086	DHL GLOBAL FORWARDING (PHILS) INC	82782	8/1/2012	4,003.49
T	P-39-089	DHL GLOBAL FORWARDING (PHILS) INC	82765	7/24/2012	2,453.71
T	P-39-093	DHL GLOBAL FORWARDING (PHILS) INC	81844	7/13/2012	2,209.20
T	P-39-095	DHL GLOBAL FORWARDING (PHILS) INC	81845	7/12/2012	4,032.68
T	P-39-098	DOWJONES INC	5288	8/29/2012	7,997.69
T	P-39-110	DOWJONES INC	5363	9/21/2012	7,260.76
T	P-39-123	DOWJONES INC	5199	7/27/2012	14,003.50
T	P-39-150	DOWJONES INC	5632	9/21/2012	6,238.99
T	P-39-162	FELPET TRADING & MATERIALS RECOVERY SERVICES	0014	9/21/2012	2,056.32
T	P-39-164	FELPET TRADING & MATERIALS RECOVERY SERVICES	0015	9/21/2012	2,089.32

T	P-39-166	FELPET TRADING & MATERIALS RECOVERY SERVICES	0013	9/27/2012	60,857.14
T	P-39-169	FELPET TRADING & MATERIALS RECOVERY SERVICES	0012	9/7/2012	66,192.34
T	P-39-174	FELPET TRADING & MATERIALS RECOVERY SERVICES	0010	8/24/2012	46,385.28
T	P-39-177	FELPET TRADING & MATERIALS RECOVERY SERVICES	0009	8/2/2012	73,297.18
T	P-39-183	FELPET TRADING & MATERIALS RECOVERY SERVICES	0008	8/2/2012	60,857.14
T	P-39-186	FELPET TRADING & MATERIALS RECOVERY SERVICES	0007	7/13/2012	49,619.09
T	P-39-191	FELPET TRADING & MATERIALS RECOVERY SERVICES	0006	7/6/2012	34,800.00
T	P-39-193	FELPET TRADING & MATERIALS RECOVERY SERVICES	0011	8/24/2012	2,880.00
T	P-39-195	HONDA PHILIPPINES INC	90136540V	9/28/2012	375.00
T	P-39-197	HONDA PHILIPPINES INC	90134830V	8/31/2012	1,125.00
T	P-39-199	HONDA PHILIPPINES INC	90133679V	8/10/2012	750.00
T	P-39-201	ICO ASIA PACIFIC PHILIPPINES INC	0513	9/21/2012	18,521.46
T	P-39-206	JOEL CHAVEZ EQUIPMENT RENTALS	4506	8/3/2012	1,200.00
T	P-39-208	JOEL CHAVEZ EQUIPMENT RENTALS	4505	8/3/2012	32,160.00
T	P-39-211	JOEL CHAVEZ EQUIPMENT RENTALS	4523	8/17/2012	26,640.00
T	P-39-213	JOEL CHAVEZ EQUIPMENT RENTALS	4522	8/17/2012	24,336.00
T	P-39-216	JOEL CHAVEZ EQUIPMENT RENTALS	4543	8/29/2012	31,872.00
T	P-39-219	JOEL CHAVEZ EQUIPMENT RENTALS	4586	9/15/2012	384.00
T	P-39-221	JOEL CHAVEZ EQUIPMENT RENTALS	4543	8/29/2012	408.00
T	P-39-223	JUAN REYES SUMPAYCO MOVERS	0187	7/27/2012	47,400.00
T	P-39-225	JUAN REYES SUMPAYCO MOVERS	0195	8/24/2012	60,000.00
T	P-39-227	JUAN REYES SUMPAYCO MOVERS	0190	8/10/2012	840.00
T	P-39-229	JUAN REYES SUMPAYCO MOVERS	0251	9/14/2012	5,280.00
T	P-39-233	KUEHNE AND NAGEL INC	151690	9/17/2012	38,765.05
T	P-39-238	KUEHNE AND NAGEL INC	151574	9/7/2012	41,405.05
T	P-39-242	KUEHNE AND NAGEL INC	154951	8/31/2012	1,458.48
T	P-39-244	KUEHNE AND NAGEL INC	151572	8/24/2012	6,416.52
T	P-39-246	KUEHNE AND NAGEL INC	154951	8/31/2012	1,080.00
T	P-39-248	KUEHNE AND NAGEL INC	151792	8/17/2012	2,063.50
T	P-39-251	KUEHNE AND NAGEL INC	149150	8/10/2012	7,915.40
T	P-39-258	KUEHNE AND NAGEL INC	151791	8/3/2012	5,364.46
T	P-39-262	KUEHNE AND NAGEL INC	151681	7/27/2012	2,099.22
T	P-39-265	LTC MULTI-SERVICES INC	2543	9/28/2012	189,245.21
T	P-39-271	LTC MULTI-SERVICES INC	2539	9/21/2012	3,618.30
T	P-39-273	LTC MULTI-SERVICES INC	2529	9/7/2012	4,681.80
T	P-39-276	LTC MULTI-SERVICES INC	2444	8/31/2012	3,285.67
T	P-39-278	LTC MULTI-SERVICES INC	2437	8/10/2012	17,914.08
T	P-39-280	LTC MULTI-SERVICES INC	2433	7/27/2012	18,116.23
T	P-39-295	LTC MULTI-SERVICES INC	2432	7/27/2012	16,322.93
T	P-39-302	MHON TRADING AND RADIATOR REPAIR SHOP	8859	9/14/2012	5,303.57
T	P-39-304	MMG CORPORATION	10269	9/7/2012	960.00
T	P-39-306	NANDZ ENTERPRISES	0259	8/17/2012	2,089.28

T	P-39-315	PNOC EXPLORATION CORPORATION	89518	9/14/2012	399.51
T	P-39-317	PNOC EXPLORATION CORPORATION	89556	8/17/2012	4,710.40
T	P-39-321	PNOC EXPLORATION CORPORATION	89518	9/14/2012	3,720.00
T	P-39-323	RICHMONDE HOTEL ORTIGAS	83996	7/27/2012	21,057.08
T	P-39-327	RAF INTERNATIONAL FORWARDING	219466	8/10/2012	83.55
T	P-39-329	RAF INTERNATIONAL FORWARDING	218838	7/13/2012	165.17
T	P-39-331	RAQUE TRADING & SERVICES	119	9/7/2012	4,575.00
T	P-39-333	RICHVILLE HOTEL MANAGEMENT INC	127096	9/14/2012	3,561.60
T	P-39-335	RICHVILLE HOTEL MANAGEMENT INC	127089	9/7/2012	874.80
T	P-39-339	STALWART REALTY INC	3778	7/27/2012	3,380.31
T	P-39-349	STARCLEAN JANITORIAL SERVICES	0442	9/14/2012	803.57
T	P-39-351	STEELMASTER CUSTOMS BROKERAGE INC	2581	8/17/2012	18,214.29
T	P-39-353	SUPPLY OILFIELD SERVICES INC	17922	8/17/2012	785.46
T	P-39-357	SUPPLY OILFIELD SERVICES INC	17900	8/10/2012	25,740.60
T	P-39-365	TECHNOLOGY EXPORTS SVCS CORP	2080	9/14/2012	23,370.26
T	P-39-367	TECHNOLOGY EXPORTS SVCS CORP	2073	9/4/2012	19,714.29
T	P-39-369	TECHNOLOGY EXPORTS SVCS CORP	2065	8/3/2012	13,800.00
T	P-39-371	TECHNOLOGY EXPORTS SVCS CORP	2066	8/3/2012	1,317.86
T	P-39-377	TOTAL MATERIAL HANDLING PRODUCTS INC	0069	9/21/2012	1,071.43
T	P-39-380	TOTAL MATERIAL HANDLING PRODUCTS INC	0067	9/14/2012	857.14
T	P-39-383	TOTAL MATERIAL HANDLING PRODUCTS INC	0066	9/14/2012	1,258.93
T	P-39-387	TOTAL MATERIAL HANDLING PRODUCTS INC	0068	8/3/2012	11,035.71
T	P-39-392	TOTAL MATERIAL HANDLING PRODUCTS INC	0065	8/24/2012	3,642.87
T	P-39-399	TOTAL MATERIAL HANDLING PRODUCTS INC	0064	8/22/2012	964.29
T	P-39-403	TOTAL MATERIAL HANDLING PRODUCTS INC	0061	8/8/2012	2,512.51
T	P-39-411	TOTAL MATERIAL HANDLING PRODUCTS INC	0062	8/8/2012	8,035.71
T	P-39-413	VILMAL PICK-UP TRUCK RENTAL	2058	8/31/2012	2,571.43
T	P-39-415	VILMAL PICK-UP TRUCK RENTAL	2057	8/31/2012	28,500.01
T	P-39-419	VILMAL PICK-UP TRUCK RENTAL	2059	8/31/2012	7,328.57
T	P-39-421	ACE TUBULAR SERVICES LTD	0370	12/28/2012	8,039.46
T	P-39-430	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1421	11/12/2012	5,678.77
T	P-39-432	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1422	11/16/2012	6,546.41
T	P-39-434	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1539	12/21/2012	4,340.84
T	P-39-436	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1421	11/12/2012	2,861.34

T	P-39-438	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1422	11/16/2012	3,935.25
T	P-39-440	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1539	12/21/2012	1,957.95
T	P-39-442	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1291	10/22/2012	6,863.99
T	P-39-444	DENROW TRUCKING	1823	12/7/2012	90,000.00
T, LL	P-39-446	DHL GLOBAL FORWARDING (PHILS) INC	88457	12/20/2012	2,534.43
T	P-39-450	DHL GLOBAL FORWARDING (PHILS) INC	88458	12/20/2012	1,261.58
T	P-39-452	DHL GLOBAL FORWARDING (PHILS) INC	88459	12/20/2012	260.53
T	P-39-454	DHL GLOBAL FORWARDING (PHILS) INC	88460	12/20/2012	2,085.90
T	P-39-458	DHL GLOBAL FORWARDING (PHILS) INC	86716	11/9/2012	4,147.40
T	P-39-465	DOWJONES INC	5448	10/19/2012	6,034.74
T	P-39-476	DOWJONES INC	5460	11/9/2012	93,666.24
T	P-39-481	FELPET TRADING & MATERIALS RECOVERY SERVICES	0019	10/30/2012	51,428.57
T	P-39-483	FELPET TRADING & MATERIALS RECOVERY SERVICES	0020	11/14/2012	9,428.57
T	P-39-485	FELPET TRADING & MATERIALS RECOVERY SERVICES	0017	10/9/2012	1,071.40
T	P-39-487	FELPET TRADING & MATERIALS RECOVERY SERVICES	0025	12/18/2012	964.29
T	P-39-489	FELPET TRADING & MATERIALS RECOVERY SERVICES	0024	12/7/2012	1,928.57
T	P-39-491	FELPET TRADING & MATERIALS RECOVERY SERVICES	0022	12/7/2012	21,924.00
T	P-39-493	FIRST PHIL SKILLS & EQUIPMENT TESTING CORP	3154	10/5/2012	11,180.57
T	P-39-495	JHAN LODELYN TRUCKING	2162	11/16/2012	428.57
T	P-39-497	JHAN LODELYN TRUCKING	1740	12/21/2012	428.57
T	P-39-499	JOEL CHAVEZ EQUIPMENT RENTALS	4709	12/7/2012	31,968.00
T	P-39-502	JOEL CHAVEZ EQUIPMENT RENTALS	4710	12/7/2012	24,288.00
T	P-39-505	JOEL CHAVEZ EQUIPMENT RENTALS	4676	11/16/2012	24,336.00
T	P-39-508	JUAN REYES SUMPAYCO MOVERS	0283	12/28/2012	109,800.00
T	P-39-511	JUAN REYES SUMPAYCO MOVERS	0279	12/20/2012	136,800.00
T	P-39-515	JUAN REYES SUMPAYCO MOVERS	0262	10/19/2012	960.00
T	P-39-517	KUEHNE AND NAGEL INC	156951	12/7/2012	5,880.00
T	P-39-520	KUEHNE AND NAGEL INC	151595	12/3/2012	1,440.00
T	P-39-522	KUEHNE AND NAGEL INC	154513	11/16/2012	3,446.04
T	P-39-528	KUEHNE AND NAGEL INC	155213	10/12/2012	1,002.48
T	P-39-532	LTC MULTI-SERVICES INC	2610	10/29/2012	50,028.33
T	P-39-539	LTC MULTI-SERVICES INC	2560	11/9/2012	41,204.16
T	P-39-543	LTC MULTI-SERVICES INC	2634	12/3/2012	49,763.87
T	P-39-550	LTC MULTI-SERVICES INC	2645	12/17/2012	51,956.51
T	P-39-581	PNOC EXPLORATION CORPORATION	49270	12/20/2012	4,560.00
T	P-39-583	PNOC EXPLORATION CORPORATION	49271	12/28/2012	782.40
T, LL	P-39-585	PNOC EXPLORATION CORPORATION	49258	12/12/2012	8,344.52
T	P-39-589	PNOC EXPLORATION CORPORATION	89411	11/9/2012	8,452.07

T	P-39-593	RAQUE TRADING & SERVICES	0154	12/28/2012	10,885.44
T	P-39-597	RAQUE TRADING & SERVICES	0132	11/9/2012	10,276.06
T	P-39-601	SCIENTIFIC DRILLING INTERNATIONAL INC	1111	10/29/2012	1,105,550.82
T	P-39-605	STARCLEAN JANITORIAL SERVICES	0447	12/7/2012	803.57
T	P-39-607	SUPPLY OILFIELD SERVICES INC	18168	12/4/2012	258.00
T	P-39-609	SUPPLY OILFIELD SERVICES INC	18169	12/4/2012	560.10
T	P-39-612	SUPPLY OILFIELD SERVICES INC	18134	11/16/2012	1,672.68
T	P-39-614	TECHNOLOGY EXPORTS SERVICES CORP	2115	12/19/2012	4,114.29
T	P-39-616	TECHNOLOGY EXPORTS SERVICES CORP	2103	10/29/2012	23,370.30
T	P-39-618	TECHNOLOGY EXPORTS SERVICES CORP	2116	12/19/2012	125,633.70
T	P-39-621	TECHNOLOGY EXPORTS SERVICES CORP	2114	12/19/2012	36,223.97
T	P-39-624	TELNET INFORMATION SYSTEM SERVICES	0046	12/20/2012	369.94
T	P-39-626	TELNET INFORMATION SYSTEM SERVICES	0047	12/20/2012	3,096.43
T	P-39-628	RICHMONDE HOTEL ORTIGAS	88940	11/9/2012	30,259.17
T	P-39-635	TOTAL MATERIAL HANDLING PRODUCTS INC	0080	12/28/2012	642.86
T	P-39-638	TOTAL MATERIAL HANDLING PRODUCTS INC	0074	11/23/2012	642.86
T	P-39-641	TOTAL MATERIAL HANDLING PRODUCTS INC	0071	10/30/2012	2,250.01
T	P-39-646	TOTAL MATERIAL HANDLING PRODUCTS INC	0070	10/22/2012	16,714.28
T	P-39-651	VILMAL PICK-UP TRUCK RENTAL	2152	12/7/2012	15,829.54
T	P-39-655	VILMAL PICK-UP TRUCK RENTAL	2086	11/9/2012	12,214.29
W	P-42-001	CONSTANTINO GUADALQUIVER & CO	8153	7/13/212	4,524.00
W	P-42-003	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1009	7/16/2012	4,994.25
W	P-42-008	PNOC EXPLORATION CORPORATION	87425	7/13/2012	7,240.94
W	P-42-013	PNOC EXPLORATION CORPORATION	87424	7/13/2012	4,822.25
W	P-42-017	STEELMASTER CUSTOMS BROKERAGE INC	2572	7/13/2012	10,714.29
W	P-42-019	SUPPLY OILFIELD SERVICES INC	17921	8/17/2012	553.86
W	P-42-021	SYCIP SALAZAR HERNANDEZ GATMAITAN	5078761	8/3/2012	2,344.41
W	P-42-026	TOTAL MATERIAL HANDLING PRODUCTS INC	0059	7/20/2012	321.43
W	P-42-028	TOTAL MATERIAL HANDLING PRODUCTS INC	0055	7/6/2012	1,071.43
W	P-42-031	D MIDLAND PACIFIC HOTEL BATANGAS CORP	1156	10/3/2012	13,164.58
W	P-42-034	FELPET TRADING & MATERIALS RECOVERY SERVICES	0018	10/30/2012	60,857.14
W	P-42-037	JHAN LODELYN TRUCKING	2174	11/24/2012	267.86
W	P-42-039	JOEL CHAVEZ EQUIPMENT RENTALS	4612	10/2/2012	86,400.00
W	P-42-045	JOEL CHAVEZ EQUIPMENT RENTALS	4631	10/19/2012	24,336.00
W	P-42-048	JUAN REYES SUMPAYCO MOVERS	254	10/4/2012	4,800.00
W	P-42-050	LTC MULTI-SERVICES INC	2558	10/19/2012	36,003.95

W	P-42-055	LTC MULTI-SERVICES INC	2603	10/12/2012	9,431.67
W	P-42-060	LTC MULTI-SERVICES INC	2545	10/5/2012	141,897.80
W	P-42-070	PNOC EXPLORATION CORPORATION	89548	10/12/2012	4,278.00
W	P-42-072	PNOC EXPLORATION CORPORATION	89547	10/12/2012	4,064.86
W	P-42-075	STEELMASTER CUSTOMS BROKERAGE INC	2611	10/12/2012	1,285.71
W	P-42-077	SUPPLY OILFIELD SERVICES INC	18028	10/5/2012	545.46
W	P-42-080	TECHNOLOGY EXPORTS SVCS CORP	2091	10/12/2012	62,816.85
W	P-42-082	TECHNOLOGY EXPORTS SVCS CORP	2102	10/29/2012	62,816.85
W	P-42-084	TECHNOLOGY EXPORTS SVCS CORP	2086	10/5/2012	2,219.14
W	P-42-086	TECHNOLOGY EXPORTS SVCS CORP	2087	10/5/2012	23,370.30
W	P-42-088	RICHMONDE HOTEL ORTIGAS	88940	11/9/2012	449.87
W	P-42-090	TOTAL MATERIAL HANDLING PRODUCTS INC	0070	10/22/2012	964.29
W	P-42-094	VILMAL PICK-UP TRUCK RENTAL	2090	11/9/2012	5,758.75
W	P-42-096	VILMAL PICK-UP TRUCK RENTAL	2087	11/9/2012	1,767.97
W	P-42-098	VILMAL PICK-UP TRUCK RENTAL	2088	11/9/2012	16,692.86
W	P-42-101	VILMAL PICK-UP TRUCK RENTAL	2089	11/9/2012	10,823.49
				Subtotal	***4,526,741.65***
Supporting documents not found in the records					
W		LTC MULTI-SERVICES INC	2610	10/29/2012	5,047.90
KK		BJ SERVICES COMPANY (SINGAPORE) PTE LTD	121601B07P	4/23/2012	50,762.00
				Subtotal	***55,809.90***
VAT amount was altered but countersignature is different from VAT invoice preparer					
S	P-38-159	HRI INDUSTRIAL MILL SUPPLY CORP	26525	10/17/2012	***671.85***
				TOTAL	**10,669,111.15**

In sum, out of the ₱11,959,466.58 total input VAT per petitioner's Schedule of Purchases, only the amount of ₱275,518.10 represents petitioner's valid input VAT, computed as follows:

Input VAT per VAT Returns		₱11,989,902.83
Less: Disallowances		
Difference between VAT returns and Schedule of Purchases	₱ 30,436.25	
Per Independent CPA Report	1,014,837.33	
Per the Court's further verification	₱10,669,111.15	11,714,384.73
Valid Input VAT		**₱ 275,518.10**

ﾉ

Fourth and Fifth Requisites: Petitioner had no excess input VAT which may be attributable to zero-rated sales

However, petitioner's properly substantiated input VAT of ₱275,518.10 is way lower when compared with petitioner's output VAT liability for the subject period of claim in the amount of ₱3,976,944.37, detailed as follows:

Period Covered	Exhibit	Output VAT
2nd Quarter 2012	P-3-4	₱ 7,758,772.41
Less: April 2012	P-19	5,859,791.65
May to June 2012		₱ 1,898,980.76
3rd Quarter 2012	P-3-10	1,298,525.53
4th Quarter 2012	P-3-15	524,634.38
Total Output VAT per VAT Returns		₱ 3,722,140.67
Add: 12% VAT due on the ₱2,123,364.18 vatable sales erroneously reported as zero-rated sales in the 3rd quarter (*Exhibit "P-16", Annex K*)		254,803.70
Total Output VAT, as adjusted		**₱ 3,976,944.37**

While petitioner's Quarterly VAT Return[50] for the second quarter of 2012 reflected the amount of ₱3,985,253.12 as "Input Tax Carried Over from Previous Period", still, petitioner failed to present VAT invoices or receipts to prove the existence of such amount. Hence, the input tax carry-over of ₱3,985,253.12 cannot be validly applied against petitioner's output tax pursuant to Section 110(A) in relation to Section 110(B) of the NIRC of 1997, as amended, which states:

> SEC. 110. *Tax Credits.* –
>
> A. *Creditable Input Tax.* –
>
> (1) Any input tax evidenced by a VAT invoice or official receipt issued in accordance with Section 113 hereof on the following transactions shall be creditable against the output tax:
>
> xxx xxx xxx

[50] Exhibit "P-3-4", line 20A.

> (B) *Excess Output or Input Tax.* – If at the end of any taxable quarter the output tax exceeds the input tax, the excess shall be paid by the VAT-registered person. If the input tax exceeds the output tax, the excess shall be carried over to the succeeding quarter or quarters: xxx

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 instant claim must be denied.

Well-settled in this jurisdiction is the fact that actions for tax refund, as in this case, are in the nature of a claim for exemption and the law is construed in *strictissimi juris* against the taxpayer. The pieces of evidence presented entitling a taxpayer to an exemption are also *strictissimi* scrutinized and must be duly proven.[51]

WHEREFORE, premises considered, the instant Petition for Review is **DENIED** for lack of merit.

SO ORDERED.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

WE CONCUR:

LOVELL R. BAUTISTA
Associate Justice

ESPERANZA R. FABON-VICTORINO
Associate Justice

[51] *Kepco Philippines Corporation vs. Commissioner of Internal Revenue*, G.R. No. 179961, January 31, 2011.

ATTESTATION

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

LOVELL R. BAUTISTA
Associate Justice
Chairperson

CERTIFICATION

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

ROMAN G. DEL ROSARIO
Presiding Justice