REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL SECOND DIVISION

STEFANINI PHILIPPINES, INC.,
Petitioner,

- versus -

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA CASE NO. 10595

Members:

BACORRO-VILLENA, *Acting Chairperson,*
CUI-DAVID, *and*
FERRER-FLORES, *JJ.*

Promulgated:

MAY 07 2025 9:00 a.m.

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AMENDED DECISION

CUI-DAVID, J.:

Unconvinced by the ruling of the Court, both petitioner Stefanini Philippines, Inc. and respondent Commissioner of Internal Revenue filed motions for reconsideration of the *Decision* promulgated on June 24, 2024 (assailed Decision),[1] the dispositive portion of which reads:

> **WHEREFORE**, premises considered, the *Petition for Review* filed by petitioner is **PARTIALLY GRANTED**. Accordingly, the respondent is **ORDERED TO REFUND** or **ISSUE A TAX CREDIT CERTIFICATE** in favor of petitioner the amount of **₱1,451,382.52**, representing the latter's unutilized input value-added tax attributable to its zero-rated sales for the 4th quarter of calendar year 2018.
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> **SO ORDERED.**

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[1] Docket – Vol. III, pp. 1213–1247.

<u>Respondent's</u> *Motion for Partial Reconsideration (Re: Decision promulgated on 24 June 2024)*,[2] filed on July 8, 2024:

Respondent anchors his *Motion for Partial Reconsideration* on the following grounds:

I. WITH ALL DUE RESPECT, THIS HONORABLE COURT ERRED IN RULING THAT IT CAN GIVE WEIGHT TO EVIDENCE NOT PRESENTED DURING THE INVESTIGATION DONE IN THE ADMINISTRATIVE LEVEL.

II. WITH ALL DUE RESPECT, THE HONORABLE COURT ERRED IN RULING THAT PETITIONER IS PARTIALLY ENTITLED TO THE REFUND SOUGHT.

Respondent contends that the Court erred in considering evidence presented during the administrative proceedings. Citing *Pilipinas Total Gas, Inc. v. Commissioner of Internal Revenue* ("*Total Gas*"),[3] respondent argues that when a decision is rendered at the administrative level, the Court's jurisdiction becomes strictly appellate. As such, the Court should confine itself to determining whether the findings of respondent are consistent with the law and should not consider or give weight to evidence not presented during the administrative proceedings.

Respondent further argues that even if the documents not submitted during the administrative proceedings were considered, petitioner still failed to substantiate its claim for a refund. Respondent asserts that the receipts and invoices provided by petitioner do not comply with the requirements set forth under Section 113(B)(2)(c) and (d) of the National Internal Revenue Code (NIRC) of 1997, as amended, and Section 4.113-1 of Revenue Regulations (RR) No. 16-2005.[4]

In its *Comment/Opposition [to Respondent's Motion for Partial Reconsideration (Re: Decision promulgated on 24 June 2024)]*[5] filed on August 13, 2024, petitioner submits that respondent failed to raise any new or substantial arguments to

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2 *Id.* at 1255–1267.
3 G.R. No. 207112, December 8, 2016 [Per J. Mendoza, *En Banc*].
4 SUBJECT: Consolidated Value-Added Tax Regulations of 2005.
5 Docket – Vol. III, pp. 1293–1308.

warrant a modification of the assailed Decision. Petitioner claims that respondent's *Motion for Partial Reconsideration* merely reiterates arguments already considered and passed upon by the Court in the assailed Decision. Petitioner submits that on this ground alone, respondent's motion must fail.

Petitioner also counters that the *Total Gas* case ruling does not apply to the present case. According to petitioner, *Total Gas* contemplates two scenarios: (1) an administrative VAT refund claim that was dismissed due to failure to submit complete documents despite notice or request; and (2) administrative VAT refund claims that were either deemed denied due to inaction or denied by respondent for reasons other than failure to submit complete documents despite notice or request.

Allegedly, in the instant case, there is no allegation or proof that petitioner failed to submit complete documents despite notice or request from respondent. Therefore, petitioner asserts that it is entitled to submit all available evidence to substantiate its claim for refund before the Court.

Further, petitioner argues that, except for the issues raised in its *Motion for Partial Reconsideration*, the partial grant of its claim for refund was a result of a thorough examination of all documents presented during the trial, which can be seen and appreciated from the detailed discussions of the requisites for a claim for input value-added tax (VAT) refund vis-à-vis the evidence showing petitioner's compliance with these requirements.

Respondent's *Motion for Partial Reconsideration* must be denied.

Time and again, the Court has consistently declared that being a court of record, cases filed before it are litigated *de novo*, and taxpayer-claimants must prove every minute aspect of their cases.[6] The case of *Philippine Airlines, Inc. v. Commissioner of Internal Revenue*,[7] is instructive:

> **The power of the Court of Tax Appeals to exercise its appellate jurisdiction does not preclude it from considering evidence that was not presented in the administrative claim in the Bureau of Internal Revenue.**

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6 *Commissioner of Internal Revenue v. United Salvage and Towage (Phils.), Inc.*, G.R. No. 197515, July 2, 2014 [Per J. Peralta, Third Division]; *Commissioner of Internal Revenue v. Manila Mining Corporation*, G.R. No. 153204, August 31, 2005 [Per J. Carpio-Morales, Third Division].

7 G.R. Nos. 206079-80 and 206309, January 17, 2018 [Per J. Leonen, Third Division].

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> Republic Act No. 1125 states that the Court of Tax Appeals is a court of record:
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> > Section 8. *Court of record; seal; proceedings.* — The Court of Tax Appeals shall be a court of record and shall have a seal which shall be judicially noticed. It shall prescribe the forms of its writs and other processes. It shall have the power to promulgate rules and regulations for the conduct of the business of the Court, and as may be needful for the uniformity of decisions within its jurisdiction as conferred by law, but such proceedings shall not be governed strictly by technical rules of evidence.
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> As such, parties are expected to litigate and prove every aspect of their case anew and formally offer all their evidence. No value is given to documentary evidence submitted in the Bureau of Internal Revenue unless it is formally offered in the Court of Tax Appeals. Thus, the review of the Court of Tax Appeals is not limited to whether or not the Commissioner committed gross abuse of discretion, fraud, or error of law, as contended by the Commissioner. As evidence is considered and evaluated again, the scope of the Court of Tax Appeals' review covers factual findings. (*Emphasis supplied*)

Accordingly, this Court is not limited to determining whether respondent's findings at the administrative level align with the law and supporting documents. Jurisprudence has firmly established the Court's authority to review and evaluate evidence anew and to make its own factual determinations in resolving cases.

Besides, as petitioner correctly pointed out, the Supreme Court in *Total Gas* made a distinction between (1) an administrative VAT refund claim that was dismissed due to failure to submit complete documents despite notice or request; and (2) administrative VAT refund claims that were either deemed denied due to inaction or denied by respondent other than due to failure to submit complete documents despite notice or request.

In the *first* instance, a taxpayer-claimant must show not only entitlement to a VAT refund under substantive law but also compliance with the requirement to submit complete documents as requested by respondent. In the *second* instance, a taxpayer-claimant is allowed to present additional evidence before this Court to establish its entitlement to the refund, and

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the Court will consider all evidence submitted, even if such evidence was not presented at the administrative level.

In other words, if there is no allegation or proof that an administrative claim for refund was denied due to the taxpayer's failure to submit complete documents despite notice or request, the taxpayer may, on appeal to this Court, present all relevant documents to support the claim.

In the present case, records reveal that respondent made no such allegation. Consequently, petitioner may rightfully present all relevant evidence before the Court to support its refund claim.

Based on the foregoing, respondent's *Motion for Partial Reconsideration* lacks merit and must be denied.

<u>Petitioner's</u> *Motion for Partial Reconsideration (Re: Decision dated June 24, 2024)*,[8] filed on July 11, 2024:

Petitioner, on the other hand, anchors its *Motion for Partial Reconsideration* on the following grounds:

I. WITH ALL DUE RESPECT, THE HONORABLE COURT ERRED IN DISALLOWING INPUT TAXES COVERED BY OFFICIAL RECEIPTS ISSUED TO PETITIONER BY FEDERAL LAND, INC. IN THE TOTAL AMOUNT OF P1,226,120.54 ON THE GROUND THAT THE SAME DO NOT INCLUDE THE PHRASE "THIS INVOICE/RECEIPT SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF THE PERMIT TO USE"; AND

II. WITH ALL DUE RESPECT, THE HONORABLE COURT ERRED IN NOT APPLYING THE PRONOUNCEMENTS OF THE SUPREME COURT IN CHEVRON HOLDINGS, INC. (FORMERLY CALTEX ASIA LIMITED) VS. COMMISSIONER OF INTERNAL REVENUE, G.R. NO. 215159, JULY 5, 2022 IN DETERMINING THE REFUNDABLE AMOUNT DUE TO THE PETITIONER.

Petitioner contends that the requirement to include the phrase "THIS INVOICE/RECEIPT SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF THE PERMIT TO USE" does not

[8] Docket – Vol. III, pp. 1269–1291.

apply to official receipts generated and issued by Federal Land, Inc. ("FLI") through its duly registered Computerized Accounting System (CAS) based on the following reasons:

a. Permits to adopt CAS are valid until revoked and, as such, do not have a fixed validity period;

b. Applying the requirement to include the subject phrase in official receipts generated by a CAS would result to legal absurdities and other inefficiencies and wastages which should not be countenanced;

c. The requirement to include the phrase "THIS INVOICE/RECEIPT SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF THE PERMIT TO USE" under Revenue Regulations No. 16-2018 only applies to tape receipts generated by Cash Register Machines (CRMs), Pont-of-Sales (POS) Machines and other similar receipting devices and systems; and

d. Even the Bureau of Internal Revenue (BIR), in its various issuances, has chosen to treat CRM, POS Machines and other invoice/receipt generating machine/software separately and differently from CASs.

Petitioner likewise argues that the Court should have applied the Supreme Court's pronouncements in *Chevron Holdings, Inc. v. Commissioner of Internal Revenue*[9] ("*Chevron*" case) when determining the input VAT allocated to VATable sales to arrive at the refundable amount due to it. Echoing the dissenting opinion of Associate Justice Jean Marie A. Bacorro-Villena in the instant case, petitioner submits that the input VAT allocated to VATable sales should be computed based on the total input tax declared in petitioner's quarterly VAT return.

In the *Comment and Opposition (Re: Motion for Partial Reconsideration dated 11 July 2024)* filed on August 21, 2024, respondent maintains that petitioner failed to substantiate its claim at the administrative level. Respondent claims that petitioner did not provide sufficient documentation to support its refund claim and failed to comply with the procedural requirements under Section 112(C) of the NIRC of 1997, as amended.

Petitioner's *Motion for Partial Reconsideration* is partly meritorious.

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9 G.R. No. 215159, July 5, 2022 [Per J. Lopez, M., *En Banc*].

The Court disagrees with petitioner's assertion that the phrase "THIS INVOICE/RECEIPT SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF THE PERMIT TO USE" is inapplicable to FLI's official receipts.

Section 6, in relation to Section 5 of RR No. 10-2015,[10] as amended by RR No. 16-2018,[11] explicitly requires that all invoices and receipts, including those generated by entities with approved CAS, must include the prescribed phrase, *viz*:

> SECTION 5. *Information that Shall Appear at the Official Receipts/Sales Invoices/Other Commercial Invoices (ORs/SIs/CIs) Generated from CRM/POS/Other Similar Machines/Software.* — The ORs for sales of services or SIs/CIs for sales of goods generated from CRM/POS/other similar machines/software, shall be printed showing among others the following:
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> ....
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> **The following information shall be printed at the bottom portion of the OR/SI/CI**:
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> 1. Name, address and TIN of the accredited supplier of CRM/POS/other similar machines/software;
> 2. Accreditation number and the date of accreditation (date issued "mm/dd/yyyy" and valid until "mm/dd/yyyy") of the accredited supplier;
> 3. BIR Final Permit to Use (PTU) Number;
> 4. **The phrase "THIS INVOICE/RECEIPT SHALL BE VALID FOR FIVE (5) YEARS FROM THE DATE OF THE PERMIT TO USE."**
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> ....
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> SECTION 6. *Taxpayers Using CRM/POS Linked to Computerized Accounting System (CAS) with Option to Send Electronic Mail to Client-Taxpayers.* — **All existing taxpayers issuing receipts/invoices generated thru CRM/POS/other similar machine/software** (using thermal paper or otherwise), **<u>including those connected to a network or linked to CAS</u> or component(s) thereof, generating electronic receipts, <u>shall be covered by the requirements</u>**

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[10] SUBJECT: Use of Non-Thermal Paper for All Cash Register Machines (CRMS) / Point-of-Sales (POS) Machines and Other Invoice / Receipt Generating Machine / Software

[11] SUBJECT: Amending Revenue Regulations (RR) No. 10-2015 as amended by RR Nos. 12-2015, 14-2015 and 6-2016 on the Use of Non-Thermal Paper for All Cash Register Machines (CRMs) / Point of Sales (POS) Machines and Other Invoice / Receipt Generating Machine / Software

> **<u>set forth under Sections 4 and 5 hereof</u>**. (*Emphasis and underscoring supplied*)

The regulation is clear and unambiguous, making petitioner's argument on this point without merit.

Anent petitioner's assertion that the Court failed to apply the Supreme Court's pronouncement in *Chevron* when determining the refundable amount, the Court finds merit in the petitioner's argument upon revisiting the *Chevron* decision.

In *Chevron*, the Supreme Court clarified the guidelines for computing the refundable excess and unutilized input VAT attributable to zero-rated sales when the taxpayer-claimant is engaged in mixed transactions. In the said case, the Supreme Court emphasized that a VAT-registered taxpayer has two (2) options for its input VAT attributable to zero-rated sales: (1) charge the same against output VAT from VAT-able sales, and claim for refund or issuance of a Tax Credit Certificate (TCC) any unutilized or excess input VAT; or (2) claim the same for refund or issuance of a TCC in its entirety, *viz.*:

> [T]he input tax attributable to zero-rated sales may, at the option of the VAT-registered taxpayer, be: (1) charged against output tax from regular 12% VAT-able sales, and any unutilized or "excess" input tax may be claimed for refund or the issuance of tax credit certificate; or (2) claimed for refund or tax credit in its entirety. It must be stressed that the remedies of charging the input tax against the output tax and applying for a refund or tax credit are alternative and cumulative. Furthermore, the option is vested with the taxpayer-claimant. It goes without saying that the CTA, and even the Court, may not, on its own, deduct the input tax attributable to zero-rated sales from the output tax derived from the regular twelve percent (12%) VAT-able sales first and use the resultant amount as the basis in computing the allowable amount for refund. The courts cannot condition the refund of input taxes allocable to zero-rated sales on the existence of "excess" creditable input taxes, which includes the input taxes carried over from the previous periods, from the output taxes. These procedures find no basis in law and jurisprudence.
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> ....
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> *First*, Section 112 (A) of the Tax Code merely requires that the input tax claimed for refund or the issuance of tax credit certificate "has not been applied against [the] output tax[.]" Section 4.112-1 (a) of RR No. 16-2005 states that "[t]he input tax that may be subject of the claim shall exclude the

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portion of input tax that has been applied against the output tax."

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The law and rules are clear and need no interpretation. The taxpayer only needs to prove non-application or non-charging of the input VAT subject of the claim. There is nothing in the law and rules that mandate the taxpayer to deduct the input tax attributable to zero-rated sales from the output tax from regular twelve percent (12%) VAT-able sales first and only the "excess" may be refunded or issued a tax credit certificate. To reiterate, these remedies accorded by law to the taxpayer are alternatives. Requiring taxpayers to prove that they did not charge the input tax claimed for refund against the output tax is one thing; requiring them to prove that they have "excess" input tax after offsetting it from output tax is another. The former is essential to the entitlement of the refund under Section 112 (A); the latter is not. The reason is that a taxpayer who enjoyed a lower (or zero) output tax payable because it deducted the input tax from zero-rated sales from the output tax cannot benefit twice by applying for the refund or tax credit of the same input tax used to reduce its output tax liability. Proof of non-charging the input tax subject to the refund or credit against the output tax is to avert double recovery.

[B]efore the input tax from zero-rated sales may even form part of the total allowable or creditable input taxes to be charged against the output taxes and undergo the computation of "excess output or input tax" in Section 110 (B), it may already be removed from the formula once the taxpayer opted to claim the entire amount for refund.

These were echoed by Associate Justice Japar B. Dimaampao, opining that "nowhere in Section 112 (A) does it require that the taxpayer must first offset its input tax with any output tax before its claim for refund may prosper. Notably, the word "excess" does not even appear in this section. Instead, what recurs is the refundability of input tax that has not been applied against output tax or that has simply remained unused."

Moreover, the crediting of input taxes, including input tax attributable to zero-rated sales, from the output tax should be discretionary to the taxpayer as it is the taxpayer who is more interested in reducing its output tax payable. In fact, the legislature put a cap 70 on the input tax that may be deducted from the output tax to generate cash flow for the government. Therefore, to require entities engaged in zero-rated transactions to charge their input tax from zero-rated sales against their output VAT from regular twelve percent (12%) VAT-able sales would defeat the very object of the tax

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measure, which is to generate more income for the government.

Second, Congress referred to "any input tax" in the proviso of Section 110 (B), which could mean one, some, or all input tax from zero-rated sales. Had the legislature intended the charging of the input tax attributable to zero-rated sales against the output tax as a preliminary step to the refund or issuance of a tax credit certificate, it would have used the phrase "excess input tax" in the provision.

To be sure, the lawmakers had contemplated the input tax attributable to zero-rated sales as an amount that will be refunded or credited and not offset against the output tax. xxx

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If the Congress intended the crediting of input tax against the output tax as a condition precedent to the refund or issuance of a tax credit certificate, they could have stressed this during the deliberations. They did not. Instead, it was clarified that when the taxpayer is engaged in both regular and zero-rated transactions, as in Chevron Holdings' case, the ratable portion allocable to zero-rated sales is "immediately refundable" or creditable.

Third, to call the refundable input tax in Section 110 (B), in relation to Section 112 (A), "excess" input tax is a misnomer since what is being applied for a refund or tax credit is the unutilized or unused input VAT from zero-rated sales. As a matter of fact, there is no "excess" input tax attributable to zero-rated sales as there is no related output tax from which the input tax may be charged against. For context, in zero-rated transactions, the tax rate is set at zero percent. Consequently, the seller charges zero output tax. However, the seller may have incurred input taxes from its purchases of goods and/or services related to its sales. The input taxes previously charged by suppliers remain unutilized or unused until charged against the output tax from the non-zero-rated sale transactions in the same quarter that the input taxes were incurred or applied for a refund or the issuance of tax credit certificate within two (2) years from the close of the taxable quarter when the related sales were made.

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Fourth, that the taxpayer failed to prove that it had sufficient creditable input taxes 90 to cover or "pay" its output tax liability in a given period, hence, there is no refundable "excess" input tax, which is an issue distinct, separate, and independent from a claim for refund or issuance of tax credit certificate of unutilized input VAT attributable to zero-rated sales. For one, the taxpayer-claimant is not asking to refund

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> the "excess" creditable input taxes from the output tax. To be sure, the "excess" input tax may only be carried over to the succeeding periods and cannot be refunded. 91 But, on the other hand, the taxpayer is asking to refund the unutilized or unused input tax from zero-rated sales.

Besides clarifying the nature of a taxpayer-claimant's claim for a refund of input VAT attributable to zero-rated sales, the Supreme Court provided a fresh perspective on the substantiation requirement for input VAT that may be credited against output VAT. The Supreme Court explained that the substantiation of input taxes for credit against output VAT is relevant only for administrative assessments of potential deficiencies in output VAT, which falls outside the Court's jurisdiction in a judicial claim for a refund under Section 112(A) of the NIRC of 1997, as amended, *viz.*:

> [T]he substantiation of input taxes that can be credited against the output tax is an issue relevant to the assessment for potential deficiency output VAT liability. In turn, it is not for the CTA and the Court to determine and rule in a judicial claim for refund under Section 112 (A) of the Tax Code that the taxpayer had insufficient or unsubstantiated input taxes to cover its output tax liability. This is for the BIR to determine in an administrative proceeding for assessment of deficiency taxes. ...

Thus, the CTA is precluded from making a judicial assessment for deficiency taxes. Consequently, it cannot determine or rule in a judicial claim for refund under Section 112(A) of the NIRC of 1997, as amended, that the taxpayer-claimant had insufficient or unsubstantiated input VAT to cover its output VAT liability.

This pronouncement significantly impacts the Court's approach to calculating (1) the "Output VAT Still Due," which is the net amount of output VAT payable after deducting the ratable portion of input VAT allocable to VATable sales; and (2) ultimately, the "Refundable Excess and Unutilized Input VAT Attributable to Zero-Rated Sales."

Thus, following the dictum in *Chevron*, the Court recomputes petitioner's refundable amount.

In the instant case, since petitioner is engaged in taxable sales subject to 12% and 0% VAT, in the respective amounts of ₱892,707.38 and ₱186,184,195.18, and its declared input VAT for the 4th quarter[12] of calendar year (CY) 2018 cannot be directly or entirely attributed to any of the transactions, the declared input VAT of ₱3,587,327.10 shall be proportionately allocated based on the volume of its sales in accordance with Section 112(A) of the NIRC of 1997, as amended, as follows:

Total Zero-Rated Sales per VAT Returns	₱ 186,184,195.18
Divided by the Reported Total Sales per Quarterly VAT Returns	187,076,902.56
Multiplied by Total Declared Input VAT	3,587,327.10
Declared input VAT allocated to total zero-rated sales	**₱ 3,570,208.83**

Total VATable Sales per VAT Returns	₱ 892,707.38
Divided by the Reported Total Sales per Quarterly VAT Returns	187,076,902.56
Multiplied by Total Declared Input VAT	3,587,327.10
Declared input VAT allocated to VATable sales	**₱ 17,118.27**

As the records show, petitioner chose the *first* option, *i.e.,* its total input VAT incurred for the 4th quarter of CY 2018 was applied against its output VAT for the same period and the remaining unutilized input VAT is the subject of the present claim for refund.[13] Hence, the refundable input VAT shall be computed net of output tax liability.

Here, petitioner's declared input VAT allocated to total VATable sales, in the amount of ₱17,118.27, is not enough to cover the output VAT liability for the said sales, in the amount of ₱107,124.89.[14] As such, the declared input VAT allocated to total zero-rated sales, in the amount of ₱3,570,208.83, shall then be utilized against the remaining output VAT due of ₱90,006.62, resulting in an excess unutilized input VAT allocated to total zero-rated sales in the amount of ₱3,480,202.21, as computed below:

Output VAT due per Quarterly VAT Return	₱ 107,124.89
Less: Declared Input VAT allocated to VATable Sales	17,118.27
Net output VAT still due	**₱ 90,006.62**

Declared Input VAT Attributable to Zero-Rated Sales	₱ 3,570,208.83
Less: Output VAT still due	90,006.62
Excess Input VAT Attributable to Zero-Rated Sales	**₱3,480,202.21**

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12 Docket – Vol. II, pp. 1044–1045, Exhibit "P-60".
13 *Id.* at 1204–1205, Petitioner's *Memorandum,* par. 80 to 80.2.
14 *Id.* at 1044, Exhibit "P-60", Line 15B.

However, as discussed in the assailed Decision, not all petitioners' input VAT is valid.[15] Thus, this Court determines whether the valid input VAT of petitioner is sufficient to cover its excess input VAT attributable to declared zero-rated sales, *viz.*:

Excess input VAT attributable to declared zero-rated sales (A)	₱3,480,202.21
Valid input taxes (B)	₱1,558,507.41[16]
Valid Available Input VAT attributable to Zero-rated Sales (A or B, whichever is lower)	**₱1,558,507.41**

Considering that the total declared zero-rated sales of ₱186,184,195.18 qualified as valid zero-rated sales for the 4th quarter of CY 2018, the Valid Available Input VAT Attributable to Zero-rated Sales of ₱1,558,507.41 is entirely attributable thereto.

In fine, after a re-computation based on the Supreme Court's pronouncement in *Chevron*, petitioner is entitled to a refund or issuance of a TCC in the **increased** amount of ₱1,558,507.41.

WHEREFORE, premises considered, the *Motion for Partial Reconsideration* filed by respondent Commissioner of Internal Revenue is **DENIED**, for lack of merit. On the other hand, the *Motion for Reconsideration* filed by petitioner Stefanini Philippines, Inc. is **PARTIALLY GRANTED**. Accordingly, the dispositive portion of the Decision promulgated on June 24, 2024, is hereby **AMENDED** to read as follows:

> **WHEREFORE**, premises considered, the *Petition for Review* filed by petitioner is **PARTIALLY GRANTED**. Accordingly, the respondent is **ORDERED TO REFUND** or **ISSUE A TAX CREDIT CERTIFICATE** in favor of petitioner the amount of **₱1,558,507.41**, representing the latter's unutilized input value-added tax attributable to its zero-rated sales for the 4th quarter of calendar year 2018.
>
> **SO ORDERED.**

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15 Docket – Vol. III, pp. 1241–1243.

16 Computed as:

Total Input VAT per Quarterly VAT Return		₱ 3,587,327.10
Less: Disallowances		
Per ICPA findings	₱ 702,624.22	
Per Court's further verification	1,326,195.47	2,028,819.69
Valid Input VAT		**₱1,558,507.41**

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SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

WE CONCUR:

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

(On Official Business)
CORAZON G. FERRER-FLORES
Associate Justice

ATTESTATION

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

JEAN MARIE A. BACORRO-VILLENA
Associate Justice
Special 2nd Division Acting Chairperson

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, and the Special Second Division Acting Chairperson's Attestation, it is hereby certified that the conclusions in the above Amended 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