REPUBLIC OF THE PHILIPPINES

Court of Tax Appeals

QUEZON CITY

En Banc

CHEVRON HOLDINGS, INC. [formerly CALTEX (ASIA) LIMITED],
Petitioner,

-versus-

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

CTA EB CASE NO. 940
(CTA CASE NOS. 7776 & 7813)

Present:

Del Rosario, P.J.
Castañeda, Jr.,
Bautista,
Uy,
Casanova,
Fabon-Victorino,
Mindaro-Grulla,
Cotangco-Manalastas, *and*
Ringpis-Liban, JJ.

Promulgated:

MAY 06 201 Apolinario 9:00 a.m.

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D E C I S I O N

BAUTISTA, J:

The Case

Before the Court *En Banc* for review are the denied consolidated petitions, docketed as CTA Case Nos. 7776 and 7813, of Chevron Holdings, Inc. involving claims for tax refund or issuance of tax credit certificate in the amount of Five Million Three Hundred Ninety One Thousand Two Hundred Fifty Two Pesos and Four Centavos (Php5,391,252.04) for the first quarter of taxable year 2006, and Thirty One Million Four Hundred Eleven Thousand Seven Hundred Four Pesos and Sixty-Eight Centavos (Php31,411, 704.68) for the second to fourth quarters of the same taxable year 2006, allegedly representing unutilized input value-added tax ("VAT"); the total amount of unutilized input VAT for the period covering January 1, 2006 to December 31, 2006 is thus Thirty Six Million Eight Hundred Two Thousand Nine Hundred Fifty Six Pesos and Seventy-Two Centavos (Php36,802,956.72).[1]

The Parties[2]

Petitioner Chevron Holdings, Inc. is a corporation organized and existing under the laws of the State of Delaware, United States of America, and has an office address at 33/F Yuchengco Tower I, RCBC Plaza, 6819 Ayala Avenue, Makati City. It is registered with the Bureau of Internal Revenue ("BIR") as a VAT taxpayer under OCN 9RC0000136077.[3]

Respondent Commissioner is the duly appointed Commissioner of Internal Revenue, with authority, among others, to decide, approve, and grant tax credits and/or refunds of overpaid or erroneously paid internal revenue taxes, with office address at the 5th Floor, BIR National Office Building, Agham Road, Diliman, Quezon City.

The Facts

As stated in the Decision dated June 6, 2012,[4] the factual antecedents of this case are as follows:

> "Petitioner posits that for taxable year 2006, it rendered services to its affiliates, subsidiaries or branches both in the Philippines and abroad. It claimed that for services rendered to its foreign affiliates, the transactions are subject to zero percent VAT pursuant to Section 108 (B)(2) of the 1997 Tax Code while, on the other hand, services rendered to its Philippine affiliates are subject to 12% VAT.
>
> Petitioner alleged that in the same taxable year 2006, it incurred and paid input taxes on its purchases of

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[1] *Rollo*, CTA EB Case No. 940, p. 76.
[2] *Id.*, p. 77.
[3] *Records*, CTA Case Nos. 7776 & 7813, Joint Stipulation of Facts and Issues, p. 233.
[4] *Id.*, pp. 77-91.

goods and services subject to VAT, summarized as follows:

Quarter	Zero-Rated Sales	Sales Subject to 12% VAT	Output Tax	Purchases	Input Tax
1st	308,477,292.31	4,687,290.75	469,047.07	138,964,203.52	5,473,352.33
2nd	237,013,773.09	35,386,665.52	3,852,895.48	71,796,630.97	6,843,948.53
3rd	271,095,515.06	28,405,325.59	3,408,639.07	102,044,300.16	7,144,030.57
4th	459,971,366.03	41,180,817.13	4,941,698.06	247,874,770.08	20,690,791.66

Petitioner further alleged that it paid the above input taxes in the course of its trade and business, as supported by invoices and official receipts. The purchases of petitioner's capital goods were treated in its Audited Financial Statements and General Ledger as depreciable assets.

Petitioner claims that input taxes generated on purchases for the four quarters of taxable year 2006 were not utilized against output taxes in the same quarters and in the subsequent quarters because it had substantial amounts of input taxes carried forward from the previous quarters.

Petitioner likewise avers that the proceeds of the services rendered by Chevron Holdings, Inc. to its foreign affiliates were inwardly remitted in US dollars and were duly accounted for in accordance with the rules and regulations of the *Bangko Sentral ng Pilipinas*.

Believing that it is entitled to claim for tax refund or issuance of tax credit on the unutilized input VAT for taxable year 2006, petitioner filed its administrative claim for refund on March 28, 2008.

Following the inaction of the respondent on its administrative claim, petitioner filed on April 24, 2008, a Petition for Review docketed as CTA Case No. 7776 (and raffled to the Court of Tax Appeals Second Division) for refund or issuance of tax credit certificate covering unutilized input taxes for the first quarter of taxable year 2006. Subsequently, on July 23, 2008, petitioner again filed a Petition for Review docketed as CTA Case No. 7813 (raffled to the Court of Tax Appeals First Division) for refund or issuance of tax credit certificate covering unutilized input taxes for the second to fourth quarters of taxable year 2006."[5]

In the said Decision, the Court in Division held that:

> "**WHEREFORE**, the instant Petition for Review docketed as CTA Case No. 7776 and Petition for Review docketed as CTA Case No. 7813 are hereby **DENIED** for having been prematurely filed and are **DISMISSED** for lack of cause of action. The other issues raised become moot and academic.
>
> **SO ORDERED**."[6]

Not satisfied with the Decision, petitioner filed a Motion for Reconsideration on June 29, 2012.[7] Respondent filed her corresponding Comment on July 20, 2012,[8] while petitioner filed a Reply [to Respondent's Comment dated July 18, 2012] on August 6, 2012.[9]

On September 7, 2012, the Court in Division issued a Resolution,[10] where it held that:

> "**WHEREFORE**, premises considered, petitioner's '**Motion for Reconsideration'** is hereby **DENIED** for lack of merit.
>
> **SO ORDERED**."[11]

Upon the denial, petitioner raised the present consolidated cases to the Court *En Banc* when it filed a "Petition for Review" on September 27, 2012,[12] praying that:

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[5] *Id.*, pp. 77-78.
[6] *Id.*, p. 91, penned by then Presiding Justice Ernesto D. Acosta, with Associate Justice Esperanza R. Fabon-Victorino concurring, while Associate Justice Erlinda P. Uy with a Separate Opinion.
[7] *Records*, CTA Case Nos. 7776 & 7813, pp. 542-582.
[8] *Id.*, pp. 592-609.
[9] *Id.*, pp. 610-639.
[10] *Rollo*, CTA EB Case No. 940, pp. 98-102.
[11] *Id.*, p. 102.
[12] *Id.*, pp. 1-68.

> "**WHEREFORE**, premises considered, petitioner respectfully prays that this Honorable Court that:
>
> 1. Reverses and sets aside the Resolution dated September 11, 2012;
>
> 2. Reverses and sets aside the Decision dated June 13, 2011;
>
> 3. Gives due course to the Petitions for review; and
>
> 4. Grants petitioner's claim for refund and/or the issuance of tax credit certificates for the amount of Php36,802,956.72 representing its unutilized and/or unapplied input VAT for the period covering January 1, 2006 to December 31, 2006."[13]

On November 19, 2012, respondent filed her "Comment (Re: Petition for Review dated September 27, 2012),[14] while petitioner filed a "Reply (to Respondent's Comment dated November 15, 2012)" on December 12, 2012.[15]

On February 19, 2013, the Court issued a Resolution giving due course to the "Petition for Review," ordering the parties to file their respective Memoranda within thirty (30) days.[16]

On March 27, 2013, respondent filed her "Memorandum (for Respondent),"[17] while petitioner filed its "Memorandum" on April 5, 2013.[18]

On May 8, 2013, the Court promulgated a Resolution submitting the case for decision.[19]

Hence, this Decision.

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[13] *Id.*, pp. 66-67.
[14] *Id.*, pp. 117-135.
[15] *Id.*, pp. 137-168.
[16] *Id.*, pp. 179-180.
[17] *Id.*, pp. 184-207.
[18] *Id.*, pp. 210-238.
[19] *Id.*, p. 240.

The Issues

Based on the "Memorandum"[20] filed by petitioner, the issues of the case are as follows:

"I.

WHETHER PETITIONER'S JUDICIAL CLAIM FOR REFUND WAS PREMATURELY FILED; and

II.

WHETHER PETITIONER IS ENTITLED TO A REFUND OF ITS UNUTILIZED EXCESS INPUT VAT FOR TAXABLE YEAR 2006"

As for the "Memorandum (for Respondent),"[21] filed by respondent, the sole issue raised was:

"<u>STATEMENT OF THE ISSUE</u>

THE ISSUE TO BE RESOLVED IS WHETHER PETITIONER IS ENTITLED TO THE REFUND OR ISSUANCE OF TAX CREDIT ALLEGEDLY REPRESENTING UNUTILIZED VALUE-ADDED TAX (VAT) IN THE AMOUNT OF FIVE MILLION THREE HUNDRED NINETY-ONE THOUSAND TWO HUNDRED FIFTY-TWO PESOS AND 4/100 (PHP5,391,252.04) FOR THE FIRST QUARTER OF TAXABLE YEAR 2006 AND THIRTY ONE MILLION FOUR HUNDRED ELEVEN THOUSAND SEVEN HUNDRED FOUR PESOS AND 68/100 (PHP 31,411,704.68) FOR THE SECOND TO FOURTH QUARTERS OF THE SAME TAXABLE YEAR 2006. THE TOTAL AMOUNT OF THE ALLEGED UNUTILIZED INPUT VAT FOR THE PERIOD 1 JANUARY 2006 TO 31 DECEMBER 2006 IS THIRTY-SIX MILLION EIGHT

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[20] *Id.*, p. 217.
[21] *Id.*, p. 186.

> HUNDRED TWO THOUSAND NINE HUNDRED FIFTY-SIX PESOS AND 72/100 (PHP 36,802,956,72)."

Simply put, the issue in this case is whether or not the judicial claim filed by petitioner was within the prescribed period, and if it is within the period, whether petitioner is entitled to a refund or issuance of a tax credit certificate, in the amount of Thirty-Six Million Eight Hundred Two Thousand Nine Hundred Fifty-Six Pesos and 72/100 (Php 36,802,956,72) for taxable year 2006.

The Ruling of the Court En Banc

Section 112(A) of the 1997 NIRC, as amended, states that:

> "Section 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 <u>when the sales were made</u>, apply for the issuance of a tax credit certificate or refund of creditable input tax <u>due or paid</u> 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 or 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, its shall be allocated proportionately on the basis of the volume of sales." *(Emphasis ours)*

The said provision allows the refund or issuance of a tax credit certificate for the input VAT attributable to zero-rated or effectively zero-rated sales subject to the taxpayer's compliance with the following requisites:

1. there must be zero-rated or effectively zero-rated sales;
2. that input taxes were incurred or paid;
3. that such input taxes are attributable to zero-rated or effectively zero-rated sales;
4. that the input taxes were not applied against any output VAT liability; and
5. that the claim for refund was filed within the two-year prescriptive period.

A claim for tax refund or credit, like a claim for tax exemption, is construed strictly against the taxpayer.[22] Thus, before a claim is allowed, the taxpayer has the burden to prove strict compliance with the conditions for the grant of the tax refund or credit.[23]

The first issue to be resolved is whether or not the judicial claim was timely filed.

It is clear from the records of the case that the administrative claim was filed on March 28, 2008, and on April 24, 2008, a judicial claim was filed by petitioner covering the first quarter of taxable year 2006; while on July 23, 2008, petitioner filed a separate judicial claim for the second to fourth quarters.

In the recent case of *Commissioner of Internal Revenue v. San Roque Power Corporation, et. al. ("San Roque case")*,[24] the Supreme Court held that:

> "BIR Ruling No. DA-489-03 is a general interpretative rule because it was a response to a query made, not by a particular taxpayer, but by a government agency tasked with processing tax refunds and credits, that is, the One Stop Shop Inter-Agency Tax Credit and Drawback Center of the Department of Finance. This government agency is also the addressee, or the entity responded to, in BIR Ruling No. DA-489-03. Thus, while this government agency mentions in its query to the Commissioner the administrative claim of Lazi Bay Resources Development, Inc., the agency was in fact

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[22] *Commissioner of Internal Revenue v. Bank of the Philippine Islands*, G.R. No. 178490, July 7, 2009, 592 SCRA 219.
[23] *Applied Food Ingredients Company, Inc. v. Commissioner of Internal Revenue*, G.R. No. 184266, November 11, 2013.
[24] G.R. Nos. 187485, 196113, and 197156, February 12, 2013, 690 SCRA 336.

> asking the Commissioner what to do in cases like the tax claim of Lazi Bay Resources Development, Inc., where the taxpayer did not wait for the lapse of the 120-day period.
>
> Clearly, BIR Ruling No. DA-489-03 is a general interpretative rule. Thus, all taxpayers can rely on BIR Ruling No. DA-489-03 from the time of its issuance on 10 December 2003 up to its reversal by this Court in Aichi on 6 October 2010, where this Court held that the 120+30 day periods are mandatory and jurisdictional."[25]

Applying the *San Roque case*, since the administrative and judicial claims were all filed during the period of validity of BIR Ruling No. DA-489-03, petitioner benefits from the shield against the vice of prematurity for its judicial claim.[26]

Accordingly, petitioner's judicial claim for the four quarters of 2008 shall be considered as timely filed, as it complied with the two (2)-year prescriptive period.

Respondent brings up in her Memorandum[27] her contention that petitioner failed to comply with the provisions of Sections 112(A) and (C) of the 1997 NIRC, as amended, on the prescriptive period for claims for VAT refund/tax credit and the submission of the complete documentary requirements enumerated in Revenue Memorandum Order (RMO) No. 53-98.[28] Thus, respondent posits that this Court

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[25] G.R. Nos. 187485, 196113, and 197156, February 12, 2013, 690 SCRA 336.

[26] G.R. No. 202071, February 19, 2014.

[27] *Rollo*, CTA EB Case No. 940, pp. 204-205.

[28] ANNEX B-1 - VALUE-ADDED TAX (For audit involving Claim for Refund / TCC)
A.) Requirements from Taxpayer
I. Requirements mentioned in Annex B
II. Additional General Requirements
1) 3 copies of "Application for VAT Credit / Refund"
2) Summary List of Local Purchases specifying the following:

Registered Name of Supplier	VAT Number of Supplier	Invoice Number	Date of Invoice	OR No.	Date of OR	Amount of Purchase	Input Tax	Total Invoice Amount

3) Photocopies of VAT purchase invoices for purchase of goods and official receipts for purchase of services. (The invoices/official receipts must be arranged according to the summary list)
4) Summary of importations made during the period with the following details:

Date of Invoice	Supplier	Item	AWB/BL No.	Date of Arrival	Total Value	Date of Payment	O.R. No.	VAT

5) Photocopies of invoices, import entry documents, official receipts or confirmation receipts evidencing payment of VAT. (Segregate documents paid by cash from those paid by tax debit memo)
6) VAT Returns filed for the quarter showing that the amount applied for refund/TCC has been reflected as a deduction from the total available input tax, as well as VAT Return for the succeeding quarter
7) Certification of taxpayer showing the amount of Zero-rated Sales, Taxable Sales and Exempt Sales

cannot exercise its appellate power to review and therefore has no jurisdiction to entertain the instant consolidated cases.

The Court disagrees with the respondent.

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8) A statement showing the amount and description of the sale of goods and services, name of persons or entities (except in case of exports) to whom the goods or services were sold and date of the transaction, where the applicant 's zero-rated transactions are regulated by certain government agency
9) Articles of Incorporation — for first time filers
10) Sales Contract/Agreement
11) BOI Certificate of Registration
12) BIR Certificate of Registration
13) Certification from BOI, DOF, BOC, EPZA, etc., that subject taxpayer has not filed similar claim for refund covering the same period
14) Sworn statement that ending inventory as of the close of the period covered by the Claim has been used directly or indirectly in the products subsequently exported as supported by export documents, if the applicant is 100% exporter
15) Documents of liquidation evidencing the actual utilization of the raw materials in the manufacture of goods at least 70% of which has been actually exported, if the applicant is an indirect exporter
16) Copy of the ITR and Certified Financial Statements, if applicable
17) Beginning and ending inventory of raw materials, work-in-process, finished goods, supplies and materials

III. Additional Specific Requirements
1) For Export Sales (Semi-conductor companies, garments, food etc.)
   a. sales invoice number, name of buyer, airway bill / bill of lading number, lading date, amount of sales in foreign currency, peso value of sales, conversion rate, date of remittance, bank credit memo number and amounted remitted in pesos
   b. Photocopies of export documents:
      1) Invoices/ receipts evidencing sale of goods, as well as the name of the person to whom the goods were delivered with respect to foreign currency denominated sales
      2) export declaration/permit
   c. accredited agent bank showing that the proceeds of the sale in acceptable foreign currency had been inwardly remitted and accounted for in accordance with BSP rules and regulations. The statement should also show the amount in foreign currency of the export proceeds or consideration, date of export, date of inward remittance, conversion rate into Philippine currency and the total peso value thereof.
2) For Zero-Rated Sale of Services (contractors, mining, etc.)
   a. Authenticated copy/ies of the contract/s showing the person/s for whom the services were rendered, amount of consideration, description of the services and documents evidencing actual payments
   b. Photocopies of official receipts and billings together with a summary of the date of billing, name of principal, official receipt number, date of receipt, amount in foreign currency and the corresponding value thereof, date of remittance, name of bank, bank credit memo number and amount remitted in pesos
   c. Bank credit memoranda and certificate from the BSP with information similar to 1-c (export sales)

Additional Requirements for Manning Services:
   a. Monthly BSP report on income of agency received
   b. Breakdown of gross foreign receipts specifying the nature of foreign currency received (e.g. Commission, allotment manning fee, agency fee, advances, etc.) showing the total foreign currency value with its peso equivalent, bank credit memo number, name of bank and date of remittance pred
3) Effectively zero-rated sale of goods (mining, etc.)/services (contractors, etc.)
   a. Summary of Sales invoices/receipts showing the name of the person entity to whom the sale of goods or services were delivered, order of delivery, amount of consideration and description of goods or services delivered (RR 6-89 and RMC 2-90)
   b. Reconciliation of billings against payment
   c. Evidence of actual receipt of goods and services

Additional Requirements for Mining Companies:
   a. Reconciliation of billings against actual collection
   b. Operating agreement with owner of mining claims, if applicable
4) Purchase of Capital Goods
   a. Original copies of invoices/receipts showing the date of purchase, purchase price, amount of value-added tax paid and description of the capital equipment locally purchased
   b. On imported capital goods
      1) Photocopy of import entry documents and official receipts/confirmation receipts of payment issued by the Bureau of Customs for value-added tax paid

B.) Reporting Requirements to be prepared and/or submitted by the Revenue Officers
1. Requirements mentioned in Annex B
2. Additional Requirements (All the requirements mentioned above)

Note:
In case of non-availability of documents from RDO / RDC mentioned in B.2 - B.6, request photocopies thereof from taxpayer

Records show that petitioner, upon the filing of its administrative claim on March 28, 2008,[29] simultaneously submitted the documents in support thereof. In petitioner's letter claim,[30] the following documents were attached:

1. Application for Tax Credit Refund (BIR Form 1914);
2. BIR Certificate of Registration (BIR Form 2303);
3. Annual Income Tax Return (BIR Form 1702);
4. Quarterly VAT Returns (BIR Form 2550Q);
5. Monthly VAT Returns (BIR Form 2550M);
6. Letter from CHI-MSSC authorizing undersigned counsel;
7. Service agreements with CHI-MSSC affiliates; and
8. Audited financial statements.

Since the records do not show that a written notice was sent by the BIR informing petitioner that the aforesaid documents were incomplete nor requiring petitioner to submit additional documents, the prescriptive period started and continued to run from March 28, 2008, the date when petitioner filed its administrative claim together with the supporting documents. This is in accordance with Revenue Memorandum Circular No. 029-09 which states that:

> "III. *Period within which Refund of Tax Credit of Input Taxes shall be Made.*
>
> Section 112(C) of the Tax Code of 1997, as amended by Republic Act No. 9337, provides among others, that in proper cases, the Commissioner shall grant a refund or issue the tax credit certificate (TCC) for creditable input taxes within one hundred twenty (120) days from the date of submission of complete documents. For the purpose of defining 'proper cases' in the said provision, the taxpayer/claimant must have complied with the following conditions/ requirements upon audit/verification of his/its claim:
>
> a. **Submission of complete documents necessary to determine and/or ascertain the**

[29] *Exhibit* "P."
[30] *Exhibit* "P," p. 3.

> **correctness of the return and the amount to be refunded**;
>
> b. That all books of accounts and accounting records pertaining to the claim are immediately available to the concerned Revenue Office (RO) for audit/verification;
>
> c. Any discrepancies/findings upon audit/ verification shall be reconciled/ explained in writing by the taxpayer/claimant within five (5) days from receipt of the notification from the RO; and
>
> d. The taxpayer/claimant has signified his concurrence to the outcome of the audit/ verification, which shall be evidenced by an Agreement Form." *(Emphasis ours)*

Thus, the Court shall now discuss the remaining issues involved in the claim for refund or issuance of tax credit certificate.

Anent the first requisite, it is undisputed that petitioner is duly registered with the BIR as a VAT taxpayer[31] under OCN 9RC0000170259[32] and the services it performs in the Philippines, through its Regional Operating Headquarters (ROHQ), is limited to general administration and planning; business planning and coordination; sourcing and procurement of raw materials and components; corporate finance advisory services; marketing control and sales promotion; training and personnel management; logistics services; research and development services and product development; technical support and maintenance; data processing and communications; and business development;[33] are not the same category as "processing, manufacturing or repacking of goods."

Petitioner alleges that the services it renders to its affiliates, subsidiaries or branches abroad are subject to zero percent (0%) VAT, pursuant to Section 108(B)(2) of the 1997 NIRC, as amended, which states that:

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

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[31] Records, CTA Case No. 7776 and 7813, JSFI, Admissions, Par. 4, p. 233.
[32] *See* Note 3.
[33] *Exhibit* "N," petitioner's Notes to Financial Statements As of & For The Years Ended December 31, 2006 & 2005, Note 1, General Information.

> 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:
>
> (1) Processing, manufacturing or repacking goods for other persons doing business outside the Philippines which goods are subsequently exported, where the services are paid for in acceptable foreign currency and accounted for in accordance with the rules and regulations of the Bangko Sentral ng Pilipinas (BSP);
>
> (2) Services other than those mentioned in the preceding paragraph rendered to a person engaged in business conducted outside the Philippines or to a nonresident person not engaged in business who is outside the Philippines when the services are performed, the consideration for which is paid for in acceptable foreign currency and accounted for in accordance with the rules and regulations of the Bangko Sentral ng Pilipinas (BSP);"

In the case of *Commissioner of Internal Revenue v. Burmeister and Wain Scandinavian Contractor Mindanao, Inc.*,[34] the Supreme Court held that in order for the supply of services to be VAT zero-rated under Section 108(B)(2) of the 1997 NIRC, as amended, the following requisites must be met:

> "1. the services must be other than processing, manufacturing or repacking of goods;
>
> 2. payment for such services must be in acceptable foreign currency accounted for in accordance with the BSP rules and regulations; and
>
> 3. the recipient of such services is doing business outside the Philippines."

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[34] G.R. No. 153205, January 22, 2007, 512 SCRA 124.

Corollary to the second requisite, Sections 113(A)(2), (B)(1), (2)(c) and (3) of the 1997 NIRC, as amended, as implemented by Sections 4.113-1(A)(2), B(1) and (2)(c) of Revenue Regulations ("RR") No. 16-05 provide that a VAT taxpayer, like herein petitioner, shall for every lease of goods or properties and for every sale, barter or exchange of services, issue a VAT official receipt which must contain the following information:

> "Section 113. *Invoicing and Accounting Requirements for VAT-registered Persons.* —
>
> (A) *Invoicing Requirements.* — A VAT-registered person shall issue:
>
> xxx xxx xxx
>
> (2) A VAT official receipt for every lease of goods or properties, and for every sale, barter or exchange of services
>
> (B) *Information Contained in the VAT Invoice or VAT Official Receipt.* — The following information shall be indicated in the VAT invoice or VAT official receipt:
>
> (1) A statement that the seller is a VAT-registered person, followed by his Taxpayer's Identification Number (TIN);
>
> (2) The total amount which the purchaser pays or is obligated to pay to the seller with the indication that such amount includes the value-added tax: *Provided*, That:
>
> xxx xxx xxx
>
> (c) If the sale is subject to zero percent (0%) value-added tax, the term 'zero-rated sale' shall be written or printed prominently on the invoice or receipt;
>
> xxx xxx xxx
>
> (3) The date of transaction, quantity, unit cost and description of the goods or properties or nature of the service; and xxx" (*underlining supplied*)

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

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

xxx xxx xxx

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

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

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

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

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

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

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

Pursuant to the foregoing provisions, the foreign currency remittances referred to under Section 108(B)(2)[35] of the 1997 NIRC, as

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[35] Section 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.

amended, must likewise be supported by VAT zero-rated official receipts.

Petitioner complied with all the requisites for the VAT zero-rating of its sales of services for the year 2006 but only to the extent of Php155,654,748.22 out of the total reported zero-rated sales of Php1,276,557,946.49.

With regard to the third requisite that its affiliate-clients are non-resident foreign corporations doing business outside the Philippines, petitioner presented Certifications of Non-Registration of Corporation/Partnership[36] issued by the Securities and Exchange Commission (SEC), Service Agreements,[37] Memorandum and/or Articles of Association, Articles/Certificate of Incorporation, Certificate of Change of Name, Company Profile, Certificate Confirming Incorporation[38] and printed screenshots[39] of the United States SEC website for company filings of Chevron Corporation.

Each of the aforesaid documents, standing alone, is inadequate to prove that petitioner's clients are non-resident foreign corporation doing business outside the Philippines. While the SEC Certificates of Non-Registration show that the named entities therein are not registered corporations/partnerships in the Philippines, the same does not prove that such entities are non-resident foreign corporations doing business outside the Philippines.[40]

Likewise, the service agreements only show the names and addresses of petitioner's clients to whom it renders services but the same do not establish that such customers are non-resident foreign corporations doing business outside the Philippines.

In addition, the Memorandum and/or Articles of Association, Articles/Certificate of Incorporation and printed screenshots of the United States SEC website for company filings of Chevron Corporation only prove that the named entities therein were

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xxx xxx xxx

(2) Services other than those mentioned in the preceding paragraph, the consideration for which is paid for in acceptable foreign currency and accounted for in accordance with the rules and regulations of the Bangko Sentral ng Pilipinas (BSP).

[36] *Exhibits* "O" to "O-90."

[37] *Exhibits* "R" to "R-17."

[38] *Exhibits* "OO," "OO-1," to "OO-25."

[39] *Exhibits* "PP," "PP-1," to "PP-8."

[40] *Sitel Philippines Corporation (Formerly Clientlogic Philippines, Inc.) v. Commissioner of Internal Revenue*, CTA Case No. 7623, March 3, 2010.

incorporated/organized abroad, but do not establish that such entities are not doing business in the Philippines.

To be considered as non-resident foreign corporation doing business outside the Philippines, each entity must be supported by ***both*** SEC certificate of Non-Registration and Certificate/Articles of foreign incorporation/association or printed screenshots of US SEC website showing the state/province/country where the entity was organized. That being said, only the following clients of petitioner can be considered as non-resident foreign corporations doing business outside the Philippines:

Name of Affiliate	**SEC Certificate**	**Certificate/ Articles of Association/ Incorporation**	**Included in list of Subsidiaries of Chevron Corporation[41]**
Caltex Oil Mauritius, Ltd.	"O-14"	"OO-10"	
Caltex Oil Products Company	"O-9"	"OO-4"	
Caltex Trading Pte, Ltd.	"O-17"	"OO-7"	
Chevron Asia Pacific Pte, Ltd.	"O-71"	"OO-25"	
Chevron Australia Pty., Ltd.	"O-32"	-	√
Chevron Canada, Ltd.	"O-55"	-	√
Chevron Global Technology Services	"O-67"	-	√
Chevron International Exploration Production	"O-69"	-	√
Chevron Nigeria Limited	"O-59"	-	√
Chevron Oronite Co.	"O-54"	-	√
Chevron Products Company	"O-29"	"OO-19"	
Chevron South Africa Pty., Ltd.	"O-28"	"OO-9"	
Chevron Tankers, Ltd.	"O-26"	"OO-2"	
Chevron USA, Inc.	"O-2"	-	√
Project Resources Company	"O-43"	"OO-20"	
Texaco Netherland BV	"O-82"	-	√

For services rendered for the four quarters of 2006, petitioner received US dollar (USD) payments with the peso equivalent amounting to Php1,276,454,088.11,[42] which were accounted for in accordance with the BSP rules and regulations as evidenced by the Certificate of Inward Remittance[43] issued by JP Morgan Chase Bank N.A and duly supported by VAT zero-rated official receipts (ORs)[44] issued by petitioner to its affiliate-clients.

However, a comparison of the amounts of zero-rated sales as reflected in the VAT zero-rated ORs and as declared in petitioner's

[41] *Exhibits* "PP," "PP-1," to "PP-8."
[42] *Exhibit* "Z," Annex 7 of Exhibit "S."
[43] *Exhibit* "QQ."
[44] *Exhibits* "EE-1" to "EE-308."

Quarterly VAT returns shows the following discrepancy of Php103,858.38:

Zero-rated Sales per ORs	Php 1,276,454,088.11
Zero-rated Sales per Quarterly VAT Returns[45]	1,276,557,946.49
Difference	**(Php 103,858.38)**

Since the amount of Php103,858.38 is not covered by VAT zero-rated ORs, the same shall be denied VAT zero-rating.

Moreover, the Court notes that petitioner's declared zero-rated sales in the amount of Php10,025,869.35 (USD$202,609.23) although supported by VAT zero-rated ORs, do not have the corresponding foreign currency inward remittances, to wit:

Exhibit	Name of Affiliate	OR No.	Payment Date	Sales (in USD)	Sales (in Php)
"EE-15"	Chevron Tankers Ltd.	206	25-Jan-06	USD $ 2,195.94	Php 115,135.25
"EE-223"	Chevron Products Company	443	25-Oct-06	33,405.94	1,670,697.96
"EE-245"	Chevron Products Company	466	24-Nov-06	84,875.65	4,198,161.55
"EE-295"	Chevron Products Company	516	27-Dec-06	82,131.70	4,041,874.59
Total				**USD $ 202,609.23**	**Php10,025,869.35**

Thus, petitioner's claimed zero-rated sales in the amount of Php10,025,869.35 shall also be denied VAT zero-rating.

Hence, out of the Php1,276,557,946.49 sales reported by petitioner to have been generated from services rendered to its non-resident foreign affiliate-clients for the four quarters of 2006, only the amount of Php155,654,748.22, detailed below, qualifies for VAT zero-rating under Section 108(B)(2) of the 1997 NIRC, as amended:

OR No.	Payment Date	Name of Affiliate	Sales (in USD)	Sales (in Php)	Exhibit
First Quarter of 2006					
JANUARY					
196	25-Jan-06	Caltex Oil Products Company	12,200.75	Php 641,223.40	EE-5
204	26-Jan-06	Chevron Australia Pty., Ltd.	4,800.47	251,693.26	EE-13
201	26-Jan-06	Chevron USA, Inc.	12,628.29	662,113.39	EE-10
FEBRUARY					
224	23-Feb-06	Caltex Trading Pte, Ltd.	11,826.93	612,280.37	EE-29
225	23-Feb-06	Caltex Oil Products Company	7,914.11	409,713.61	EE-30
226	23-Feb-06	Chevron Asia Pacific Pte, Ltd.	3,581.09	185,393.09	EE-31

[45] *Exhibits* "I," "J," "K," and "L."

230	27-Feb-06	Chevron USA, Inc.	17,710.46	922,501.47	EE-34
MARCH					
242	23-Mar-06	Caltex Trading Pte, Ltd.	8,638.06	441,871.62	EE-43
243	23-Mar-06	Caltex Oil Products Company	7,914.11	404,838.66	EE-44
244	23-Mar-06	Chevron Asia Pacific Pte, Ltd.	3,581.09	183,187.20	EE-45
249	27-Mar-06	Chevron USA, Inc.	2,754.57	140,951.35	EE-51
248	27-Mar-06	Chevron USA, Inc.	17,710.46	906,244.28	EE-49
			Subtotal	**Php 5,762,011.70**	
Second Quarter of 2006					
APRIL					
256	21-Apr-06	Chevron Asia Pacific Pte., Ltd	441.29	Php 22,796.14	EE-57
261	25-Apr-06	Chevron USA, Inc.	488.72	25,319.13	EE-62
264	27-Apr-06	Chevron USA, Inc.	60,337.83	3,127,916.91	EE-65
MAY					
269	17-May-06	Caltex Oil Products Company	7,883.82	410,904.54	EE-69
271	18-May-06	Chevron Asia Pacific Pte., Ltd.	3,581.09	188,265.38	EE-72
272	23-May-06	Chevron Australia Pty., Ltd.	1,437.41	75,783.19	EE-73
283	25-May-06	Chevron Int'l Exploration Production	4,308.94	228,029.68	EE-82
293	26-May-06	Chevron USA, Inc.	952.25	50,299.76	EE-92
294	25-May-06	Chevron Tankers, Ltd.	305.67	16,146.11	EE-93
295	26-May-06	Chevron USA, Inc.	238.06	12,574.81	EE-94
JUNE					
302	22-Jun-06	Chevron Asia Pacific Pte., Ltd.	3,581.09	190,628.51	EE-100
303	22-Jun-06	Chevron Australia Pty., Ltd.	238.06	12,672.41	EE-101
313	26-Jun-06	Chevron Canada, Ltd.	5,038.09	269,145.50	EE-111
314	27-Jun-06	Chevron Oronite Co.	734.91	39,261.16	EE-112
			Subtotal	**Php 4,669,743.23**	
Third Quarter of 2006					
JULY					
324	21-Jul-06	Chevron Australia Pty., Ltd.	2,399.47	Php 125,254.87	EE-121
326	21-Jul-06	Chevron Global Technology Services	524.57	27,383.11	EE-123
341	25-Jul-06	Chevron Oronite Co.	859.52	44,670.11	EE-138
348	26-Jul-06	Chevron USA, Inc.	1,191,338.96	61,813,882.63	EE-145
351	26-Jul-06	Texaco Netherland BV	12,178.50	631,894.36	EE-148
352	25-Jul-06	Chevron Canada, Ltd.	9,390.03	487,211.64	EE-149
353	26-Jul-06	Chevron Int'l Exploration Production	6,658.14	345,464.64	EE-150
356	26-Jul-06	Chevron Tankers, Ltd.	573.01	29,779.90	EE-153
359	27-Jul-06	Chevron Tankers, Ltd.	94.78	4,890.28	EE-156
AUGUST					
367	22-Aug-06	Chevron Nigeria, Limited	4,812.55	246,542.04	EE-164
372	24-Aug-06	Chevron Asia Pacific Pte., Ltd.	3,793.65	195,630.65	EE-169
373	24-Aug-06	Caltex Oil Mauritius, Ltd.	445.81	22,989.50	EE-170
375	25-Aug-06	Caltex Oil Products Company	16,297.25	840,415.33	EE-172
384	28-Aug-06	Chevron Canada, Ltd.	3,726.17	191,729.66	EE-181
385	28-Aug-06	Texaco Netherland BV	3,128.17	160,506.22	EE-182
SEPTEMBER					
398	21-Sep-06	Chevron Asia Pacific Pte., Ltd.	3,581.09	179,434.00	EE-195
405	25-Sep-06	Caltex Oil Products Company	7,914.11	398,436.78	EE-202
413	25-Sep-06	Chevron Canada, Ltd.	3,726.17	187,594.46	EE-210
414	25-Sep-06	Texaco Netherland BV	3,128.22	157,621.53	EE-211
			Subtotal	**Php 66,091,331.71**	
Fourth Quarter of 2006					
OCTOBER					
436	18-Oct-06	Chevron Products Company	548,023.94	Php 27,365,621.69	EE-216

438	19-Oct-06	Chevron Asia Pacific Pte., Ltd.	1,212.64	60,647.77	EE-218
441	23-Oct-06	Chevron Australia Pty., Ltd.	286.51	14,364.50	EE-221
445	25-Oct-06	Chevron Int'l Exploration Production	488.72	24,441.87	EE-225
453	26-Oct-06	Chevron Canada, Ltd.	3,776.22	188,388.07	EE-233
454	26-Oct-06	Texaco Netherland BV	3,180.95	158,691.24	EE-234
NOVEMBER					
461	06-Nov-06	Chevron South Africa Pty., Ltd.	132,253.41	6,586,358.00	EE-241
462	16-Nov-06	Chevron Products Company	336,483.71	16,864,238.07	EE-242
464	20-Nov-06	Chevron Australia Pty., Ltd.	2,338.59	116,599.52	EE-243
473	24-Nov-06	Chevron Asia Pacific Pte., Ltd.	3,581.09	178,176.98	EE-252
483	24-Nov-06	Project Resources Company	93.94	4,673.98	EE-262
484	27-Nov-06	Chevron South Africa Pty., Ltd.	48,461.76	2,406,662.53	EE-263
486	27-Nov-06	Caltex Oil Products Company	10,589.83	525,902.22	EE-265
488	27-Nov-06	Chevron Canada, Ltd.	5,155.95	256,049.96	EE-267
490	27-Nov-06	Chevron Oronite Co.	1,768.19	87,810.20	EE-269
496	27-Nov-06	Texaco Netherland BV	3,137.89	155,830.95	EE-275
DECEMBER					
501	18-Dec-06	Chevron Products Company	339,402.54	16,745,816.78	EE-280
507	21-Dec-06	Chevron Canada, Ltd.	3,726.17	184,042.93	EE-286
508	21-Dec-06	Chevron Asia Pacific Pte., Ltd.	3,581.09	176,877.14	EE-287
510	21-Dec-06	Texaco Netherland BV	3,137.73	154,988.59	EE-289
515	27-Dec-06	Chevron USA, Inc.	135,688.63	6,677,524.34	EE-294
522	27-Dec-06	Chevron Oronite Co.	3,523.57	173,402.33	EE-301
528	27-Dec-06	Chevron Tankers, Ltd.	498.90	24,551.92	EE-307
			Subtotal	**Php 79,131,661.58**	
Total Valid Zero-Rated Sales for the four quarters of 2006				**Php155,654,748.22**	

Having resolved that petitioner had VAT zero-rated sales for the four quarters of 2006 in the amount of Php155,654,748.22, we now determine the amount of input VAT attributable thereto.

In support of the Php40,152,123.09 input VAT reflected in its 2006 Quarterly VAT Returns, petitioner presented various invoices, official receipts and other documents which were all examined by the Court-commissioned Independent Certified Public Accountant (ICPA), Manabat Delgado Amper & Co., through its Partner, Atty. Fredieric B. Landicho. In his Report dated May 20, 2010,[46] Atty. Landicho accounted for a total amount of Php39,420,619.02 input VAT, broken down as follows:

Particulars	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
VALID INPUT VAT					
On Domestic Purchase of Services and Goods other than Capital Goods[47]					
Purchase of Services	2,756,437.08	4,621,714.74	3,470,255.56	13,782,525.08	24,630,932.46
Purchases of Goods other than Capital Goods	1,003,839.18	1,072,420.25	901,461.93	1,805,418.19	4,783,139.55
Additional Domestic Purchases of Services and Goods other than Capital Goods[48]					

[46] *Exhibit* "S."
[47] *Exhibits* "AA-1" to "AA-2599" as summarized in Exhibit "U."

Purchase of Services	-	-	-	2,769,162.89	2,769,162.89
Purchases of Goods other than Capital Goods	10,549.30	16,616.78	32,994.65	19,786.07	79,946.80
Subtotal	*3,770,825.56*	*5,710,751.77*	*4,404,712.14*	*18,376,892.23*	*32,263,181.70*
On Purchase of Capital Goods[49]	247,144.81	525,010.39	772,998.95	1,194,953.73	2,740,107.87
Additional Purchases of Capital Goods[50]	-	164.63	1,412.63	3,744.01	5,321.27
Subtotal	*247,144.81*	*525,175.02*	*774,411.58*	*1,198,697.74*	*2,745,429.15*
Total Valid Input VAT	4,017,970.37	6,235,926.79	5,179,123.72	19,575,589.97	35,008,610.85
INPUT VAT WITH CERTAIN EXCEPTIONS					
On Domestic Purchase of Services and Goods other than Capital Goods					
Supported with Non-VAT Invoices and ORs[51]	516,499.32	39,495.09	1,268,390.78	-	1,824,385.19
Supported with VAT Invoices & ORs dated outside the period of claim[52]	399,636.46	3,745.19	90,556.81	142,396.68	636,335.14
Supported with VAT Invoices and ORs that are undated[53]	28,223.57	3,274.53	292.50	-	31,790.60
Supported with Tape Receipts and Parking Stubs[54]	10,018.97	12,438.82	6,542.58	358.40	29,358.77
Supported with VAT Invoices and ORs without authority to print[55]	3,823.18	10,735.72	600.00	171.43	15,330.33
Supported with VAT Invoices and ORs that have no word "VAT"[56]	-	-	-	373.33	373.33
Supported with VAT Invoices & ORs that have no address of the vendor[57]	14.89	-	-	-	14.89
Supported with VAT Invoices & ORs that are not in the name of the company[58]	1,701.20	7,426.90	5,576.18	11,362.39	26,066.67
Without Supporting Documents[59]	267,340.93	249,650.48	288,331.04	584,522.92	1,389,845.37
Subtotal	*1,227,258.52*	*326,766.73*	*1,660,289.89*	*739,185.15*	*3,953,500.29*
On Purchase of Capital Goods					
Supported with VAT Invoices dated outside the period of claim[60]	138,217.17	-	-	-	138,217.17
Supported with Non-VAT Invoice[61]	-	514.29	-	-	514.29
Without Supporting Documents[62]	133,417.58	3,706.55	133,533.47	49,718.82	320,376.42
Subtotal	*271,634.75*	*4,220.84*	*133,533.47*	*49,718.82*	*459,107.88*
Total Input VAT with certain exceptions	1,498,893.27	330,987.57	1,793,823.36	788,903.97	4,412,608.17
TOTAL INPUT VAT VERIFIED BY THE ICPA	5,516,863.64	6,566,914.36	6,972,947.08	20,364,493.94	39,421,219.02

A comparison of the above input taxes verified by the ICPA with the input taxes reflected in petitioner's Quarterly VAT Returns shows the following discrepancies:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Excess Input VAT per return	5,473,352.33	6,843,948.53	7,144,030.57	20,690,791.66	40,152,123.09
Input VAT verified by	5,516,863.64	6,566,914.36	6,972,947.08	20,364,493.94	39,421,219.02

48 *Exhibits* "AA-2600" to "AA-2630" as summarized in Exhibit "U."
49 *Exhibits* "BB-1" to "BB-164" as summarized in Exhibit "V."
50 *Exhibits* "BB-165" to "BB-168" as summarized in Exhibit "V."
51 *Exhibits* "CC-1" to "CC-55" as summarized in Exhibit "W.".
52 *Exhibits* "CC-56" to "CC-146" as summarized in Exhibit "W-2."
53 *Exhibits* "CC-147" to "CC-159" as summarized in Exhibit "W-3."
54 *Exhibits* "CC-160" to "CC-599" as summarized in Exhibit "W-4."
55 *Exhibits* "CC-600" to "CC-626" as summarized in Exhibit "W-5."
56 *Exhibits* "CC-627" to "CC-628" as summarized in Exhibit "W-6."
57 *Exhibit* "CC-629" ; Exhibit "W-7."
58 *Exhibits* "CC-630" to "CC-679" as summarized in Exhibit "W-8."
59 *Exhibit* "W-1."
60 *Exhibits* "DD-1" to "DD-13," "DD-15" to "DD-20" as summarized in Exhibit "X-1."
61 *Exhibit* "DD-14;" Exhibit "X-2."
62 *Exhibit* "X."

the ICPA					
Difference	**(43,511.31)**	**277,034.17**	**171,083.49**	**326,297.72**	**730,904.07**

Considering that the discrepancies for the second, third and fourth quarters in the respective amounts of Php277,034.17, Php 171,083.49 and Php 326,297.72, or in the sum of Php 774,415.38 pertain to the reported input VAT for which no supporting VAT invoices or official receipts were submitted by petitioner, the same shall be disallowed from petitioner's claim.

In addition, petitioner's input VAT claim in the amount of Php 25,883,884.54 should likewise be disallowed for the following reasons:

Particulars	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
On Domestic Purchases of Services					
Input VAT supported with VAT ORs but the VAT was not separately indicated in violation of Section 113(B)(2)(a) of the NIRC of 1997, as amended					
1st Quarter[i]	2,695,990.65				2,695,990.65
2nd Quarter[ii]		4,567,985.32			4,567,985.32
3rd Quarter[iii]			3,316,765.10		3,316,765.10
4th Quarter[iv]				14,011,874.71	14,011,874.71
Input VAT supported only by billing statements in violation of Section 113(A)(2) of the NIRC of 1997, as amended[v]	-	-	-	1,268,377.92	1,268,377.92
Input VAT supported with VAT OR but Input VAT is lower than the amount per claim[vi]	-	11,088.00	-	-	11,088.00
On Domestic Purchases of Goods other than Capital Goods					
Input VAT supported with VAT Invoices but the VAT was not separately indicated in violation of Section 113(B)(2)(a) of the NIRC of 1997, as amended					
1st Quarter[vii]	1,812.27				1,812.27
2nd Quarter[viii]		326.78			326.78
3rd Quarter[ix]			2,573.09		2,573.09
4th Quarter[x]				1,067.66	1,067.66
Input VAT supported with VAT Invoices but no amounts of purchase and VAT were indicated[xi]	-	6,023.04	-	-	6,023.04
Total	**2,697,802.92**	**4,585,423.14**	**3,319,338.19**	**15,281,320.29**	**25,883,884.54**

Thus, of the total reported input VAT of Php 40,152,123.09, only the amount of Php 9,081,815.00 represents petitioner's valid input VAT, computed as follows:

		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Input Tax Per Returns		**5,473,352.33**	**6,843,948.53**	**7,144,030.57**	**20,690,791.66**	**40,152,123.09**
Less:	Disallowances					
	Per ICPA's findings	1,498,893.27	330,987.57	1,793,223.36	788,903.97	4,412,008.17
	Per this Court's further verification	2,697,802.92	4,585,423.14	3,319,338.19	15,281,320.29	25,883,884.54
	Discrepancy between the input VAT per petitioner's		277,034.17	171,083.49	326,297.72	774,415.38

	Quarterly VAT Returns and input VAT verified by the ICPA					
	Total Disallowances	4,196,696.19	5,193,444.88	5,283,645.04	16,396,521.98	31,070,308.09
Valid Input VAT		1,276,656.14	1,650,503.65	1,860,385.53	4,294,269.68	9,081,815.00

At this point We take into consideration the output taxes reported by petitioner in its Quarterly VAT Returns for the year 2006 and compare the same with the foregoing substantiated input taxes, to wit:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Output Tax	469,047.07	3,852,895.48	3,408,639.07	4,941,698.06	12,672,279.68
Valid Input Tax	1,276,656.14	1,650,503.65	1,860,385.53	4,294,269.68	9,081,815.00
Output Tax Still Due	**(807,609.07)**	**2,202,391.83**	**1,548,253.54**	**647,428.38**	**3,590,464.68**

As shown above, petitioner's properly substantiated input taxes for the second, third and fourth quarters of 2006 are not enough to cover its output taxes for the same quarters. While petitioner reflected in its Quarterly VAT Return[63] for the first quarter of 2006, the amounts of Php3,645,615.75[64] as "Input Tax Carried Over from Previous Quarter," Php52,138,741.96[65] as "Transitional Input Tax" and Php779,739.06[66] as "Others," however, petitioner failed to present VAT invoices or receipts to prove the existence of such amounts.

Hence, the input tax carry-over of Php56,564,096.77[67] cannot be validly applied against petitioner's output tax for the year 2006 pursuant to Section 110(A) in relation to Section 110(B) of the 1997 NIRC, as amended, which states:

> "Section. 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

[63] Exhibit "I."
[64] Exhibit "I," Line 20A.
[65] Exhibit "I," Line 20C.
[66] Exhibit "I," Line 20E.
[67] The sum of Php3,645,615.75, Php52,138,741.96 and Php779,739.06.

> (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."

Considering that for the second, third and fourth quarters of 2006, there is no excess input VAT which may be the subject of a claim for refund/tax credit certificate under Section 112(A)[68] of the 1997 NIRC, as amended, petitioner's claim for the said quarters shall be denied.

However, for the first quarter of 2006, petitioner had excess input taxes of Php807,609.07 but only the amount of Php15,085.24 allocable to its valid zero-rated sales of Php5,762,011.70 is refundable, as computed below:

Valid Zero-Rated Sales	Php 5,762,011.70
Declared Zero-Rated Sales	÷ Php 308,477,292.31
Multiplied by Excess Input VAT	× Php 807,609.07
Refundable Excess Input VAT attributable to Valid Zero-Rated Sales	**Php 15,085.24**

It was established that petitioner deducted the input VAT of Php36,802,956.72, subject of the instant Petition for Review, as "VAT Refund/TCC Claimed" in its Quarterly VAT Return for the second quarter of 2008[69], thus, preventing the carry-over of the refundable excess input VAT of Php15,085.24 to the quarters subsequent to the second quarter of 2008.

WHEREFORE, in view of the foregoing, the instant Petition for Review is hereby **PARTIALLY GRANTED**. The Decision dated June

[68] Section 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.
[69] Exhibit "HH."

6, 2012 and Resolution dated September 7, 2012 are hereby **REVERSED** and **SET ASIDE.**

Accordingly, respondent Commissioner of Internal Revenue is hereby **ORDERED TO REFUND OR ISSUE A TAX CREDIT CERTIFICATE** in favor of petitioner Chevron Holdings, Inc. in the amount of Fifteen Thousand Eighty Five Pesos and Twenty Four Centavos (Php15,085.24) representing unutilized excess input VAT for the first quarter of 2006 which is attributable to its zero-rated sales for the same period.

SO ORDERED.

LOVELL R. BAUTISTA
Associate Justice

WE CONCUR:

ROMAN G. DEL ROSARIO
Presiding Justice

Juanito C. Castañeda, Jr.
JUANITO C. CASTAÑEDA, JR.
Associate Justice

ERLINDA P. UY
Associate Justice

CAESAR A. CASANOVA
Associate Justice

ESPERANZA R. FABON-VICTORINO
Associate Justice

Cielito N. Mindaro-Grulla
CIELITO N. MINDARO-GRULLA
Associate Justice

AMELIA R. COTANGCO-MANALASTAS
Associate Justice

Ma. Belen
MA. BELEN M. RINGPIS-LIBAN
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, it is hereby certified that the above Decision has been reached in consultation with the members of the Court *En Banc* before the case was assigned to the writer of the opinion of this Court.

ROMAN G. DEL ROSARIO
Presiding Justice

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[1] *Annex* "A."
INPUT VAT ON DOMESTIC PURCHASE OF SERVICES SUPPORTED BY VAT OFFICIAL RECEIPTS BUT THE VAT WAS NOT SEPARATELY SHOWN IN VIOLATION OF SECTION 113(B)(2)(a) OF THE NIRC OF 1997, AS AMENDED FOR THE FIRST QUARTER OF CY 2006

Official Receipt No.	Supplier	Input Tax	Exhibit
231721	Innove Communications	16,919.42	"AA-1"
189794	IBM Philippines, Inc.	3,240.69	"AA-2"
613	Inifinite Power Systems, Inc.	8,717.73	"AA-3"
297886	Golden Plate Restaurant Corporation	181.82	"AA-4"
1990691	Globe Telecom	1,006.35	"AA-7" to "AA-8"
1992275	Globe Telecom	323.75	"AA-9"
1990691	Globe Telecom	2,486.22	"AA-10" to "AA-29"
384713	PLDT	12,831.74	"AA-30"
4087	Mercer Human Resources	25,000.00	"AA-31"
379738	Philamcare Health Systems, Inc.	39,954.04	"AA-32"
9240	Metasystems Development, Inc.	954.55	"AA-33"
133001	Makati Shangri-La Manila	286.37	"AA-34" to "AA-35"
3884176	PLDT	836.82	"AA-36" to "AA-41"
1414477	Mandarin Oriental Manila	2,181.82	"AA-42"
3762	Ponce Enrile Reyes and Manalastas	1,980.00	"AA-43"
1104	Lanting Security and Watchman Agency	43,700.00	"AA-44" to "AA-45"
2056	Microdata Systems and Management	113.64	"AA-46"
7560	Lane Archive Technologies	736.38	"AA-47"
350534	Integrated Computer Systems, Inc.	19,141.81	"AA-48"
51959	Intercontinental Manila	6,247.31	"AA-50" to "AA-51"
5462	K&A Insurance Broker	9,897.00	"AA-52"
12191	Kayalayaan Engineering Company, Inc.	7,522.73	"AA-53" to "AA-54"
12192	Kayalayaan Engineering Company, Inc.	4,454.55	"AA-55"
7327	Lane Archive Technologies	8,836.07	"AA-56" to "AA-59"
512	Ksearch Asia Consulting, Inc.	6,165.00	"AA-60"
511	Ksearch Asia Consulting, Inc.	7,500.00	"AA-61"
344882	DHL Worldwide Express	3,684.65	"AA-62"
25325	Oakwood Premier	26,505.52	"AA-63" to "AA-65"
25304	Oakwood Premier	34,445.31	"AA-66" to "AA-69"
25349	Oakwood Premier	12,421.75	"AA-70"
902	Newport Learning Center, Inc.	1,818.18	"AA-71"
72830	New World Renaissance Hotel	337.68	"AA-72" to "AA-73"
72688	New World Renaissance Hotel	2,473.91	"AA-74"
161890	Rajah Travel Corporation	830.56	"AA-75" to "AA-82"
161769	Rajah Travel Corporation	559.76	"AA-83" to "AA-87"
14636	Searchers and Staffers Corp.	5,502.43	"AA-88" to "AA-93"
9157	SGV Development Dimensions	7,972.73	"AA-94"
11733	Supply Oilfield Services, Inc.	2,500.00	"AA-95"
16196	Watson Wyatt Philippines, Inc.	5,000.00	"AA-96"
15794	Guard All Electronic Security Systems, Inc.	190.91	"AA-98"
161985	Rajah Travel Corporation	1,862.52	"AA-99" to "AA-107"

147	Fiat Training and Consultancy	11,250.00	"AA-108"
30175	Fuji Xerox Philippines, Inc.	4,630.10	"AA-109" to "AA-126"
30176	Fuji Xerox Philippines, Inc.	30,134.48	"AA-127" to "AA-132"
2359	Global Business Support Services, Inc.	11,750.16	"AA-133" to "AA-143"
2429	Global Business Support Services, Inc.	11,192.66	"AA-144" to "AA-154"
39370	Fujitsu Philippines, Inc	1,495.00	"AA-155"
929	3D Networks	1,877.88	"AA-156"
895	Advance Cleaning and Restoration Tech	25,077.65	"AA-157"
11880	Business Staffing and Management, Inc.	2,546.14	"AA-158"
11871	Business Staffing and Management, Inc.	5,879.13	"AA-159" to "AA-160"
5403	Colliers International	4,936.36	"AA-161"
171	DMJ Multi Print and Services	3,272.73	"AA-162"
168	DMJ Multi Print and Services	63.64	"AA-163"
4391	Executive International Movers	7,788.00	"AA-164" to "AA-166"
24453	Facilities Managers, Inc.	19,186.03	"AA-167" to "AA-168"
24556	Facilities Managers, Inc.	16,837.91	"AA-169" to "AA-170"
24467	Facilities Managers, Inc.	68,778.65	"AA-171" to "AA-178"
24556	Facilities Managers, Inc.	660.00	"AA-179" to "AA-180"
6332	Alfaro's Service Center	309.09	"AA-181"
344628	DHL Worldwide Express	10,512.00	"AA-182" to "AA-183"
507	Ksearch Asia Consulting, Inc.	60,000.00	"AA-184" to "AA-191"
26655	Oakwood Premier	143,944.11	"AA-192" to "AA-204"
391655	PLDT	136.91	"AA-205"
3081	Rustan Coffee Corp	50.00	"AA-206"
5030	Red Ribbon Bakeshop, Inc.	89.00	"AA-207"
3578	Baker Fresh Foods Philippines	168.73	"AA-208"
3588	Baker Fresh Foods Philippines	45.45	"AA-209"
424	HungryTummy, Inc.	83.36	"AA-210"
511	Alfaros Service Center	163.64	"AA-211"
344628	DHL Worldwide Express	4,138.60	"AA-212"
63	JS Hechanova Trading Corp.	45,432.50	"AA-213"
391655	PLDT	684.55	"AA-214" to "AA-218"
161676	Rajah Travel Corporation	432.95	"AA-219" to "AA-223"
10775	RCBC Realty Corp	61,673.46	"AA-224"
4559	Sunfresh Laundry and Dry Cleaning Service	59.00	"AA-225"
77023	Lane Moving and Storage	1,070.21	"AA-226"
344628	DHL Worldwide Express	4,274.10	"AA-227"
5462	K&A Insurance Broker	1,083.00	"AA-228"
161676	Rajah Travel Corporation	447.60	"AA-229" to "AA-230"
	Total for the month of January 2006	**899,476.50**	
3570	Baker Fresh Foods Philippines	175.00	"AA-252"
3616	Baker Fresh Foods Philippines	143.64	"AA-253"
3714	Baker Fresh Foods Philippines	93.55	"AA-254"
3719	Baker Fresh Foods Philippines	44.57	"AA-255"
3781	Baker Fresh Foods Philippines	109.71	"AA-256"
9408	Pizza Hut	86.12	"AA-257"
2421	Wendy's Phillipines	30.61	"AA-258"
24298	Broburg, Inc.	60.00	"AA-259"
127	Chowking Food Corporation	96.00	"AA-260"
8546	Eduardo's Auto Electical Shop	152.27	"AA-261"
319	Eduardo's Auto Electical Shop	181.82	"AA-262"
7113	Eduardo's Auto Electical Shop	150.00	"AA-263"
461	HungryTummy, Inc.	261.36	"AA-264"
7727	Kitaro Sushi	16.45	"AA-265"
135	Mary Grace Foods, Inc.	68.55	"AA-266"
139	Mary Grace Foods, Inc.	52.50	"AA-267"
2114	Alfaro's Service Center	163.64	"AA-268"
3428	Alfaro's Service Center	192.86	"AA-269"
3501	Alfaro's Service Center	192.86	"AA-270"
8513	Alfaro's Service Center	203.57	"AA-271"
3511	Starbucks Coffee	87.27	"AA-272"
3454	Starbucks Coffee	54.55	"AA-273"
3348	Green Tomato, Inc.	394.82	"AA-274"
1192	Macshop Distribution Co., Inc.	192.86	"AA-275"
14690	Searchers and Staffers Corp.	7,502.61	"AA-276" to "AA-281"
21369	Searchers and Staffers Corp.	4,707.85	"AA-282" to "AA-284"
500	Executive Training Institute of the Philippines	5,357.14	"AA-286"
10575	Accuprint Incorporated	18,062.68	"AA-287"
156645	Makati Sports Club, Inc.	6,540.00	"AA-288"
11896	Business Staffing and Management, Inc.	2,497.89	"AA-289"
15940	Guard All Electronic Security Systems, Inc.	204.55	"AA-290"
232256	Innove Communications	20,815.06	"AA-291"
25343	Oakwood Premier	45,554.04	"AA-292" to "AA-294"
162251	Rajah Travel Corporation	109.56	"AA-295"
162401	Rajah Travel Corporation	50.00	"AA-296"
162508	Rajah Travel Corporation	336.00	"AA-297" to "AA-299"
26295	Volvo Vikings Car, Inc.	7,066.70	"AA-300"

4487	Executive International Movers	400.00	"AA-301"
1775	Network Solutions and Interfaces Corp.	2,385.66	"AA-302"
24777	Facilities Managers, Inc.	50,744.15	"AA-303" to "AA-305"
86573	Facilities Managers, Inc.	1,800.00	"AA-306"
514	Ksearch Asia Consulting, Inc.	63,000.00	"AA-307" to "AA-313"
1681	Institutional Synergy, Inc.	2,100.00	"AA-314"
1828	Training Institute for Managerial Excellence, Inc.	12,000.00	"AA-315"
1829	Training Institute for Managerial Excellence, Inc.	12,000.00	"AA-316"
31771	Fuji Xerox Philippines, Inc.	17,172.11	"AA-317" to "AA-328"
26824	Microdata Systems and Management	133.93	"AA-330"
6365	Jollibee Foods Corp	127.29	"AA-331"
9609	Golden Arches Development Corp.	77.79	"AA-332"
298978	Golden Plate Restaurant Corporation	150.00	"AA-333"
6391	Jollibee Foods Corp	233.36	"AA-334"
5308	Golden Arches Development Corp.	86.63	"AA-335"
11026	RCBC Realty Corp	42,107.31	"AA-336" to "AA-337"
11027	RCBC Realty Corp	210,406.80	"AA-338"
11895	Business Staffing and Management, Inc.	3,347.97	"AA-339"
16085	North Park Noodle House	41.82	"AA-340"
5358	Colliers International	37.50	"AA-341"
23417	Good Deal Food Corporation	156.96	"AA-342"
1114	Lanting Security and Watchman Agency	26,956.36	"AA-343"
2707	Global Business Support Services, Inc.	8,237.88	"AA-344" to "AA-353"
1993502	Globe Telecom	166.60	"AA-354"
1414478	Mandarin Oriental Manila	4,437.24	"AA-355"
20186	Kent International Trading Co., Inc.	694.18	"AA-356"
1632	EDS Electronic Data Systems (Phils), Inc.	224,033.92	"AA-357" to "AA-358"
11734	Supply Oilfield Services, Inc.	3,000.00	"AA-359"
4548/4547	Sunfresh Laundry and Dry Cleaning Service	59.09	"AA-360"
3129/8545	Eduardo's Auto Electical Shop	361.36	"AA-361"
5108	Flowertowne, Inc.	113.64	"AA-362"
3845/3867	Olympus Foods, Inc.	194.00	"AA-363"
4582/4593	Sunfresh Laundry and Dry Cleaning Service	52.95	"AA-364"
7257	Philippine Pizza Corp.	305.80	"AA-365"
3460/3467	Rustan Coffee Corp	135.54	"AA-367"
298362	Golden Plate Restaurant Corporation	195.45	"AA-368"
7282	Clexpert Philippines, Inc.	68.18	"AA-369"
881/882/885	Mexicali Food Corp.	110.74	"AA-370"
325/326	Pancake House, Inc.	198.45	"AA-371"
3452	Rustan Coffee Corp	60.01	"AA-372"
4904/4925	Sunfresh Laundry and Dry Cleaning Service	48.10	"AA-373"
298978	Golden Plate Restaurant Corporation	150.00	"AA-374"
4643/4602	Sunfresh Laundry and Dry Cleaning Service	84.40	"AA-375"
2114/8513	Alfaro's Service Center	396.43	"AA-377"
22	The Coffee Bean and Tea Leaf Phils., Inc.	155.27	"AA-378"
76	Gary Fabricante	882.00	"AA-379"
4685	CP Treasure of the Orient, Inc.	1,980.00	"AA-380"
297874	Golden Plate Restaurant Corporation	19.00	"AA-381"
54822	Business One owned and operated by Business One, Inc.	168.18	"AA-382"
	Total for the month of February 2006	**813,782.71**	
3644	Philamcare Health Systems, Inc.	285.65	"AA-418"
3643	Philamcare Health Systems, Inc.	2,171.52	"AA-419"
391654	PLDT	12,321.06	"AA-420" to "AA-426"
1120	Lanting Security and Watchman Agency	29,924.99	"AA-427" to "AA-429"
54474	Intercontinental Manila	248.76	"AA-430"
152	Fiat Training and Consultancy	3,594.64	"AA-431"
253352	Oakwood Premier	42,873.44	"AA-432" to "AA-435"
25379	Oakwood Premier	14,226.39	"AA-436" to "AA-439"
1637	EDS Electronic Data Systems (Phils), Inc.	41,100.00	"AA-440"
9006	Eduardo's Auto Electical Shop	182.14	"AA-441"
16161	Guard All Electronic Security Systems, Inc.	13.64	"AA-442"
16162	Guard All Electronic Security Systems, Inc.	343.63	"AA-443"
2	Eduardo J. Soriano	153,263.16	"AA-444"
78	Gary Fabricante	3,000.00	"AA-445"
1515	7th Note	208.93	"AA-446"
5048	Alfaro's Service Center	214.29	"AA-447"
5570	Alfaro's Service Center	192.86	"AA-448"
33024	Bacchus Catering Corp.	151.80	"AA-449"
3844	Baker Fresh Foods Philippines	150.86	"AA-450"
12010	Business Staffing and Management, Inc.	3,375.72	"AA-451"
18491	Cornersteel Systems Corp.	3,327.98	"AA-452"
3606	Chris Limchoc Construction	3,321.43	"AA-453"
626582	DHL Worldwide Express	2,518.74	"AA-454"
627006	DHL Worldwide Express	65.40	"AA-455"
1613	Divino Amor Realty, Inc.	4,071.43	"AA-456"
185	DMJ Multi Print and Services	4,229.47	"AA-457" to "AA-458"

24841	Facilities Managers, Inc.	36,371.73	"AA-459" to "AA-462"
26438	Fuji Xerox Philippines, Inc.	17,757.82	"AA-463" to "AA-465"
10015	Golden Arches Development Corp.	53.04	"AA-466"
10062/10063 /10064	Golden Arches Development Corp.	202.71	"AA-467"
602	HungryTummy, Inc.	111.43	"AA-468"
190674	IBM Philippines, Inc.	3,888.83	"AA-469"
2743	Global Business Support Services, Inc.	10,731.06	"AA-470" to "AA-479"
352842	Integrated Computer Systems, Inc.	794.64	"AA-480" to "AA-482"
12564	Kayalayaan Engineering Company, Inc.	5,345.67	"AA-483"
12475	Kayalayaan Engineering Company, Inc.	5,250.00	"AA-484"
7036	Kitaro Foods Corporation	11.79	"AA-485"
7102	Kitaro Foods Corporation	98.57	"AA-486"
517	Ksearch Asia Consulting, Inc.	36,000.00	"AA-487" to "AA-490"
525	Ksearch Asia Consulting, Inc.	45,000.00	"AA-491" to "AA-495"
8317	Lane Archive Technologies	1,706.79	"AA-496"
1809	Master Automated Systems, Inc.	825.00	"AA-497"
1795	Master Automated Systems, Inc.	700.00	"AA-498"
911/913	Mexicali Food Corp.	127.26	"AA-499"
899	Mexicali Food Corp.	44.06	"AA-500"
313	Modern Primitive Business	5,301.41	"AA-501" to "AA-502"
4769/4770/ 4789	Sunfresh Laundry and Dry Cleaning Service	98.30	"AA-503"
4746	Sunfresh Laundry and Dry Cleaning Service	29.46	"AA-504"
4825/4827/ 4826	Sunfresh Laundry and Dry Cleaning Service	91.39	"AA-505"
4701	Sunfresh Laundry and Dry Cleaning Service	87.05	"AA-506"
1617	Yellow Cab Food Corporation	137.14	"AA-507"
600	X Options, Inc.	1,071.43	"AA-508"
113-0096926	Wholesome Food, Inc. - KFC People Support	155.04	"AA-509"
1835	Time, Inc.	12,000.00	"AA-510"
2431	Servcom, Inc.	1,053.48	"AA-511"
19398	Searchers and Staffers Corp.	2,759.68	"AA-512" to "AA-513"
19397	Searchers and Staffers Corp.	2,315.30	"AA-514" to "AA-515"
207	RDT JR Associates, Inc.	8,373.95	"AA-516" to "AA-518"
162760	Rajah Travel Corporation	628.38	"AA-519" to "AA-523"
162602	Rajah Travel Corporation	3,443.42	"AA-524" to "AA-548"
86575	Punongbayan and Araulo	1,536.00	"AA-549"
86574	Punongbayan and Araulo	1,819.00	"AA-550"
3990	Ponce Enrile Reyes and Manalastas	3,000.00	"AA-551"
3989	Ponce Enrile Reyes and Manalastas	2,500.00	"AA-552"
80417	Quick Food Incorporated	40.71	"AA-553"
31393	Personal and Computer Specialists, Inc.	150.00	"AA-554"
36301	Next Mobile, Inc.	1,247.71	"AA-555" to "AA-568"
1017	Newport Learning Center, Inc.	750.00	"AA-569"
1009	Newport Learning Center, Inc.	6,321.43	"AA-570"
54475	Intercontinental Manila	248.76	"AA-571"
1125	Lanting Security and Watchman Agency	23,643.22	"AA-572" to "AA-573"
164	Mary Grace Foods, Inc.	107.04	"AA-574"
198	Mary Grace Foods, Inc.	48.43	"AA-575"
469	Toyota Makati, Inc.	214.29	"AA-576"
11044	Roasters Phils., Inc.	155.57	"AA-577"
1900/1855	Rustan Coffee Corp	173.57	"AA-580"
8004	Alfaro's Service Center	192.86	"AA-581"
3887	Baker Fresh Foods Philippines	68.57	"AA-582"
180	Headstrong Philippines, Inc.	412,570.52	"AA-583" to "AA-584"
Total for the month of March 2006		**982,731.44**	
Total for the First Quarter of CY 2006		**2,695,990.65**	

ii *Annex* "B."

INPUT VAT ON DOMESTIC PURCHASE OF SERVICES SUPPORTED BY VAT OFFICIAL RECEIPTS BUT THE VAT WAS NOT SEPARATELY SHOWN IN VIOLATION OF SECTION 113(B)(2)(a) OF THE NIRC OF 1997, AS AMENDED FOR THE SECOND QUARTER OF CY 2006

Official Receipt No.	Supplier	Input Tax	Exhibit
989	3D Networks	4,506.92	"AA-604" to "AA-605"
7851	Alfaro's Service Center	171.43	"AA-606"
8861	Alfaro's Service Center	192.86	"AA-607"
3998	Baker Fresh Foods Philippines	175.71	"AA-608"
7004/6867	Bonzer Foods Corporation	253.39	"AA-609"
758/759	Buds and Lilies Flower Kingdom	360.00	"AA-610"
12021	Business Staffing and Management, Inc.	2,735.02	"AA-614"
11915	Business Staffing and Management, Inc.	3,395.55	"AA-615"
12033	Business Staffing and Management, Inc.	4,891.44	"AA-616" to "AA-617"
5493	Colliers International	49.07	"AA-618"
5623	Colliers International	75.00	"AA-619"

5949	Colliers International	21.43	"AA-620"
626884A	DHL Worldwide Express	487.06	"AA-621" to "AA-622"
MKT644634	DHL Worldwide Express	22,931.98	"AA-623" to "AA-637"
1947/1948	Eagle Point	535.71	"AA-638"
1636	EDS Electronic Data Systems (Phils), Inc.	204,847.45	"AA-639"
1644	EDS Electronic Data Systems (Phils), Inc.	247,352.44	"AA-640" to "AA-641"
1645	EDS Electronic Data Systems (Phils), Inc.	7,698.44	"AA-642"
1105	Eduardo's Auto Electical Shop	214.29	"AA-643"
993	Eduardo's Auto Electical Shop	203.57	"AA-644"
4567	Executive International Movers	931.20	"AA-645"
1060	FoodFirst Food Services, Inc.	171.43	"AA-646"
25143	Facilities Managers, Inc.	19,969.14	"AA-647" to "AA-649"
25463	Facilities Managers, Inc.	44,782.20	"AA-650" to "AA-652"
154	Fiat Training and Consultancy	3,594.64	"AA-653"
155	Fiat Training and Consultancy	13,258.93	"AA-654"
34323	Fuji Xerox Philippines, Inc.	44,126.43	"AA-655" to "AA-663"
79	Gary Fabricante	3,592.64	"AA-664"
80	Gary Fabricante	3,623.53	"AA-665"
2870	Global Business Support Services, Inc.	1,907.85	"AA-666" to "AA-674"
2880	Global Business Support Services, Inc.	23,137.21	"AA-675" to "AA-683"
2895	Global Business Support Services, Inc.	12,620.14	"AA-684" to "AA-689"
2894	Global Business Support Services, Inc.	2,203.03	"AA-690" to "AA-693"
11018	Golden Arches Development Corp.	53.04	"AA-694"
11015	Golden Arches Development Corp.	82.50	"AA-695"
4359	Infinite Power Systems, Inc.	8,717.73	"AA-696"
354450	Integrated Computer Systems, Inc.	1,200.00	"AA-697"
457	Jet Circuit Auto Center	30.00	"AA-699"
529	Ksearch Asia Consulting, Inc.	27,000.00	"AA-700" to "AA-702"
8316	Lane Archive Technologies	660.29	"AA-703"
1134	Lanting Security and Watchman Agency	27,267.32	"AA-703" to "AA-705"
1144	Lanting Security and Watchman Agency	29,485.72	"AA-706" to "AA-707"
1148	Lanting Security and Watchman Agency	25,707.86	"AA-708"
1353	M & H Food Corp.	82.50	"AA-710"
227	Mary Grace Foods, Inc.	113.14	"AA-711"
1420759	Mandarin Oriental Manila	784.23	"AA-712"
1420758	Mandarin Oriental Manila	4,732.91	"AA-713"
6583	MGE UPS Systems Philippines, Inc.	2,455.74	"AA-714" to "AA-715"
68627	NS Ocana, Inc.	100.61	"AA-716"
16968	Olivers Super Sandwiches Phils, Inc.	112.50	"AA-717"
31501	Personal and Computer Specialists, Inc.	1,767.86	"AA-718"
6356	Red Ribbon Bakeshop, Inc.	70.71	"AA-719"
1779	Network Solutions and Interfaces Corp.	506.81	"AA-720" to "AA-721"
73683	New World Renaissance Hotel	5,861.78	"AA-722" to "AA-723"
73794	New World Renaissance Hotel	496.53	"AA-724"
36302	Next Mobile, Inc.	687.26	"AA-726" to "AA-732"
36303	Next Mobile, Inc.	687.26	"AA-733" to "AA-739"
532	Ksearch Asia Consulting, Inc.	9,000.00	"AA-740"
8160	YFS Foods Service, Inc.	196.56	"AA-741"
25388	Oakwood Premier	3,307.52	"AA-742"
25394	Oakwood Premier	4,972.91	"AA-743" to "AA-744"
448736	PLDT	952.32	"AA-745" to "AA-750"
87301	Punongbayan and Araulo	1,907.70	"AA-753"
163051	Rajah Travel Corporation	1,323.09	"AA-754" to "AA-765"
163178	Rajah Travel Corporation	1,407.78	"AA-766" to "AA-775"
163303	Rajah Travel Corporation	129.98	"AA-776"
163410	Rajah Travel Corporation	2,131.68	"AA-777" to "AA-789"
163805	Rajah Travel Corporation	1,194.54	"AA-790" to "AA-798"
11552	RCBC Realty Corp	649,982.56	"AA-799" to "AA-800"
11607	RCBC Realty Corp	4,597.27	"AA-801"
6360	Seven Sierra Food Corporation	115.71	"AA-802"
19396	Searchers and Staffers Corp.	5,238.23	"AA-803" to "AA-805"
9319	SGV Development Dimensions	1,917.86	"AA-806"
4882/4883	Sunfresh Laundry and Dry Cleaning Service	96.67	"AA-807"
4893/4894/ 4895	Sunfresh Laundry and Dry Cleaning Service	115.77	"AA-808"
4897/4898	Sunfresh Laundry and Dry Cleaning Service	87.86	"AA-809"
4851/4852	Sunfresh Laundry and Dry Cleaning Service	85.49	"AA-810"
4853/4863/ 4881	Sunfresh Laundry and Dry Cleaning Service	110.70	"AA-811"
4886/4887/ 4889	Sunfresh Laundry and Dry Cleaning Service	103.92	"AA-812"
27343	Viking Cars, Inc.	330.48	"AA-813"

4743	White Beach Nipa Hut Bar and Rest	146.25	"AA-814"
602	X Options, Inc.	3,750.00	"AA-815"
8316	Lane Archive Technologies	362.65	"AA-816"
201	Headstrong Philippines, Inc.	350,741.73	"AA-819" to "AA-820"
204	Headstrong Philippines, Inc.	36,599.25	"AA-821" to "AA-822"
214	Headstrong Philippines, Inc.	208,043.14	"AA-823" to "AA-824"
1843	Time, Inc.	18,000.00	"AA-825" to "AA-826"
532	Ksearch Asia Consulting, Inc.	36,000.00	"AA-827" to "AA-830"
Total for the month of April 2006		**2,156,631.05**	
11670	RCBC Realty Corp	808,534.32	"AA-875" to "AA-876"
12049	Business Staffing and Management, Inc.	5,757.10	"AA-877" to "AA-878"
25740	Facilities Managers, Inc.	22,309.41	"AA-879" to "AA-880"
3025	Global Business Support Services, Inc.	19,157.11	"AA-882" to "AA-888"
3104	Global Business Support Services, Inc.	1,356.20	"AA-889" to "AA-891"
2000231	Globe Telecom	1,353.51	"AA-892" to "AA-899"
19994	Institutional Synergy, Inc.	2,520.00	"AA-894"
12642	Kalayaan Engineering Company, Inc.	5,345.67	"AA-895"
535	Ksearch Asia Consulting, Inc.	90,000.00	"AA-896" to "AA-905"
544	Ksearch Asia Consulting, Inc.	63,000.00	"AA-906" to "AA-912"
546	Ksearch Asia Consulting, Inc.	171,000.00	"AA-913" to "AA-931"
25409	Oakwood Premier	17,702.43	"AA-932" to "AA-933"
1552	Lanting Security and Watchman Agency	2,635.71	"AA-934"
1568	Lanting Security and Watchman Agency	31,418.57	"AA-935" to "AA-936"
134743	Makati Shangri-La Manila	107.14	"AA-937"
1081	Newport Learning Center, Inc.	8,185.71	"AA-938"
448735	PLDT	11,052.00	"AA-939"
448734	PLDT	11,061.60	"AA-940"
164083	Rajah Travel Corporation	1,164.16	"AA-941" to "AA-950"
14791	Searchers and Staffers Corp.	3,426.22	"AA-951" to "AA-952"
19617	Searchers and Staffers Corp.	1,617.88	"AA-953"
19616	Searchers and Staffers Corp.	2,832.76	"AA-954" to "AA-955"
2553	Servcom, Inc.	1,910.62	"AA-956" to "AA-957"
3086	Speechpower	12,600.00	"AA-958"
493	Red Ribbon Bakeshop, Inc.	41.79	"AA-959"
173769	North Park Noodle House	144.84	"AA-960"
6810	Bonzer Foods Corporation	181.07	"AA-962"
348	Wholesome Food, Inc.	63.64	"AA-963"
18049	Business Staffing and Management, Inc.	381.82	"AA-964"
11911	Brooklyn Pizza Company, Inc.	55.71	"AA-965"
11391	Dome Café Franchise Corporatiion	176.88	"AA-966"
7140	Bonzer Foods Corporation	114.91	"AA-967"
1813	Amber's Restaurant and Ihaw-Ihaw, Inc.	103.93	"AA-968"
5857	Kitaro Foods Corporation	69.00	"AA-969"
7327	Lorped Service Center	64.29	"AA-970"
763	Eduardo's Auto Electical Shop	192.86	"AA-971"
287447	Dusit Hotel Nikko	353.57	"AA-972"
10393	RCBC Realty Corp	1,320.00	"AA-973"
689709	Joan Agbayani - Petty Cash	30.00	"AA-974"
6895	Joan Agbayani - Petty Cash	77.14	"AA-975"
248	Joan Agbayani - Petty Cash	77.14	"AA-978"
4270	Baker Fresh Foods Philippines	44.57	"AA-979"
11973	Golden Arches Development Corp.	67.50	"AA-980"
6904	Bonzer Foods Corporation	74.07	"AA-982"
4453/4454	Sunfresh Laundry and Dry Cleaning Service	114.02	"AA-983"
163804	Rajah Travel Corporation	849.36	"AA-984" to "AA-988"
74160	New World International	1,170.39	"AA-989"
645264	DHL Worldwide Express	5,054.28	"AA-990"
12227	Golden Arches Development Corp.	94.05	"AA-991"
10867	Roxas Food Ventures, Inc.	199.50	"AA-992"
645264	DHL Worldwide Express	3,684.03	"AA-993"
236640	Globe Telecom	30,309.77	"AA-994"
7622	Philippine Pizza Corp.	92.65	"AA-995"
15182	Jobstreet.com Philippines, Inc.	720.00	"AA-996"
356284	Integrated Computer Systems, Inc.	6,723.17	"AA-997"
1002	3D Networks	2,253.45	"AA-998"
721	South East Asia Speakers	7,140.00	"AA-999"
198	DMJ Multi Print and Services	1,261.61	"AA-1000"
50652	New Ajar Commercial	310.71	"AA-1001"
645329	DHL Worldwide Express	4,947.71	"AA-1002" to "AA-1006"
55733	Intercontinental Manila	6,427.05	"AA-1007"
645329	DHL Worldwide Express	63.93	"AA-1008"
2000137	Globe Telecom	1,136.61	"AA-1009" to "AA-1011"

163931	Rajah Travel Corporation	315.80	"AA-1012" to "AA-1014"
18283	Philamcare Health Systems, Inc.	399.65	"AA-1015"
645329	DHL Worldwide Express	257.60	"AA-1016" to "AA-1019"
5948	Colliers International	5,930.36	"AA-1020"
9365	SGV Development Dimensions	14,717.14	"AA-1021"
1555	Lanting Security and Watchman Agency	28,431.42	"AA-1022" to "AA-1023"
645329	DHL Worldwide Express	65.40	"AA-1024"
9365	SGV Development Dimensions	1,917.86	"AA-1025"
645329	DHL Worldwide Express	2,052.79	"AA-1026" to "AA-1027"
1727	Rajah Travel Corporation	126.06	"AA-1029"
25418	Ascott Makati	13,525.95	"AA-1030" to "AA-1031"
1727	Rajah Travel Corporation	129.35	"AA-1032"
645329	DHL Worldwide Express	65.40	"AA-1033"
1646	EDS Electronic Data Systems (Phils), Inc.	219,720.26	"AA-1034" to "AA-1035"
96435	Caravan Travel and Tours	932.17	"AA-1036"
53722	Next Door, Inc.	127.50	"AA-1037"
4220	Isla Lipana and Co.	62,258.36	"AA-1038"
Total for the month of May 2006		**1,723,208.21**	
31148	Viking Cars, Inc.	7,163.82	"AA-1064"
134714	Makati Shangri-La Manila	107.14	"AA-1065"
12663	Kalayaan Engineering Company, Inc.	5,345.67	"AA-1066"
1187	RCBC Realty Corp	6,000.00	"AA-1067"
164535	Rajah Travel Corporation	127.28	"AA-1068"
448733	PLDT	156.49	"AA-1069"
357609	Integrated Computer Systems, Inc.	600.00	"AA-1070" to "AA-1071"
3143	Global Business Support Services, Inc.	7,836.57	"AA-1072" to "AA-1075"
786	Infinite Power Systems, Inc.	11,339.20	"AA-1076"
3217	Global Business Support Services, Inc.	11,416.57	"AA-1077" to "AA-1082"
1573	Lanting Security and Watchman Agency	31,857.86	"AA-1083" to "AA-1084"
7380	Kitaro Foods Corporation	179.40	"AA-1085"
135034	Makati Shangri-La Manila	107.14	"AA-1086"
3173	MMLDC Foundatiion, Inc.	7,735.50	"AA-1087"
88019	Punongbayan and Araulo	1,800.00	"AA-1090"
88223	Punongbayan and Araulo	20,380.32	"AA-1091"
164379	Rajah Travel Corporation	514.05	"AA-1092" to "AA-1094"
2299	Restaurant and Ihaw-Ihaw, Inc.	176.79	"AA-1095"
19757	Searchers and Staffers Corp.	1,990.83	"AA-1096" to "AA-1097"
19758	Searchers and Staffers Corp.	3,573.76	"AA-1098" to "AA-1099"
3087	Speechpower	12,600.00	"AA-1100"
4476/4477	Sunfresh Laundry and Dry Cleaning Service	88.79	"AA-1101"
4474/4473	Sunfresh Laundry and Dry Cleaning Service	80.63	"AA-1102"
1605	Alfaro's Service Center	192.86	"AA-1103"
1019	3D Networks	2,253.45	"AA-1104"
2530	Asia Select Incorporated	6,177.60	"AA-1105"
837615	Bayan Telecommunications, Inc.	4,200.00	"AA-1106"
6172	Colliers International	80.00	"AA-1107"
9092	Lane Archive Technologies	1,435.93	"AA-1108"
8908	Lane Archive Technologies	6,123.64	"AA-1109"
291416	Dusit Hotel Nikko	1,414.29	"AA-1110"
1655	EDS Electronic Data Systems (Phils), Inc.	245,766.21	"AA-1111" to "AA-1112"
5569	Eduardo's Auto Electical Shop	208.93	"AA-1113"
4693	Executive International Movers	216.00	"AA-1114"
33	E.Z. Active Lifestyle Corp.	76.93	"AA-1115"
25806	Facilities Managers, Inc.	132,953.24	"AA-1116" to "AA-1123"
6405	Filtek Safety Corporation	6,696.43	"AA-1114" to "AA-1125"
37901	Fuji Xerox Philippines, Inc.	28,436.43	"AA-1126" to "AA-1139"
663547	DHL Worldwide Express	1,913.64	"AA-1141" to "AA-1142"
662254	DHL Worldwide Express	9,767.65	"AA-1143" to "AA-1145"
662505	DHL Worldwide Express	13,817.05	"AA-1146" to "AA-1149"
39016	Fuji Xerox Philippines, Inc.	4,987.02	"AA-1150"
356	Wholesome Foods, Inc.	62.36	"AA-1151"
18754	Brooklyn Pizza Company, Inc.	75.86	"AA-1152"
9092	Lane Archive Technologies	8,581.00	"AA-1153"
25806	Facilities Managers, Inc.	15,183.57	"AA-1154"
31826	Personal and Computer Specialists, Inc.	8,305.71	"AA-1155"
237763	Innove Communications	47,132.29	"AA-1157" to "AA-1158"
1231	Hizons Restaurant and Catering Services, Inc.	7,500.00	"AA-1159"
57	Buan and Temprosa Law Offices	432.00	"AA-1160"
31148	Viking Cars, Inc.	2,978.16	"AA-1161" to "AA-1163"
Total for the month of June 2006		**688,146.06**	

Total for the Second Quarter of CY 2006	4,567,985.32	

[111] *Annex "C."*

INPUT VAT ON DOMESTIC PURCHASE OF SERVICES SUPPORTED BY VAT OFFICIAL RECEIPTS BUT THE VAT WAS NOT SEPARATELY SHOWN IN VIOLATION OF SECTION 113(B)(2)(a) OF THE NIRC OF 1997, AS AMENDED FOR THE THIRD QUARTER OF CY 2006

Official Receipt No.	Supplier	Input Tax	Exhibit
25964	Facilities Managers, Inc.	45,634.83	"AA-1203" to "AA-1204"
7261	Bonzer Foods Corporation	74.13	"AA-1205"
4481/4483	Sunfresh Laundry and Dry Cleaning Service	92.20	"AA-1206"
4485/4486/ 4488/4489	Sunfresh Laundry and Dry Cleaning Service	187.69	"AA-1207"
5428/5429	Sunfresh Laundry and Dry Cleaning Service	77.76	"AA-1208"
20039	Eduardo's Auto Electical Shop	214.29	"AA-1209"
13384	Golden Arches Development Corp.	85.21	"AA-1210"
15566/15978/ 15979	Golden Arches Development Corp.	271.08	"AA-1211"
111	Kabuki Place Restaurant	67.20	"AA-1212"
4511	Baker Fresh Foods Philippines	165.54	"AA-1213"
2346	Hungry Hippo Foods Corp.	204.60	"AA-1215"
6584	MGE UPS Systems Philippines, Inc.	3,383.60	"AA-1216"
97059	Caravan Travel and Tours	1,371.88	"AA-1217"
448732	PLDT	10,926.48	"AA-1218"
451881	PLDT	940.14	"AA-1218" to "AA-1224"
38856	Next Door, Inc.	687.26	"AA-1225" to "AA-1231"
164766	Rajah Travel Corporation	1,437.04	"AA-1232" to "AA-1241"
164866	Rajah Travel Corporation	191.21	"AA-1242" to "AA-1243"
165007	Rajah Travel Corporation	784.55	"AA-1245" to "AA-1249"
165113	Rajah Travel Corporation	129.12	"AA-1250"
165384	Rajah Travel Corporation	646.35	"AA-1251" to "AA-1254"
9217	Lane Archive Technologies	2,371.38	"AA-1255"
12951	Kalayaan Engineering Company, Inc.	5,345.67	"AA-1256"
1824	Network Solutions and Interfaces Corp.	12,833.60	"AA-1257"
135561	Makati Shangri-La Manila	321.42	"AA-1258" to "AA-1260"
135572	Makati Shangri-La Manila	4,177.21	"AA-1261" to "AA-1263"
135551	Makati Shangri-La Manila	1,348.93	"AA-1264" to "AA-1266"
394	Renaissance Makati City Hotel	1,618.32	"AA-1267"
1207	New Horizons Learning Center	1,435.71	"AA-1268" to "AA-1269"
1168	New Horizons Learning Center	803.57	"AA-1270"
1176	New Horizons Learning Center	900.00	"AA-1271"
4825	Ponce Enrile Reyes and Manalastas	3,000.00	"AA-1273"
9429	SGV Development Dimensions	45,971.78	"AA-1274" to "AA-1278"
9364	SGV Development Dimensions	10,314.11	"AA-1279"
3415	Global Business Support Services, Inc.	6,173.96	"AA-1280" to "AA-1281"
3604	Global Business Support Services, Inc.	3,685.57	"AA-1282" to "AA-1283"
1997471	Globe Telecom	909.96	"AA-1284" to "AA-1288"
2014781	Globe Telecom	385.72	"AA-1289" to "AA-1290"
2015051	Globe Telecom	1,509.68	"AA-1291" to "AA-1294"
2014970	Globe Telecom	375.02	"AA-1295"
240416	Innove Communications	21,961.32	"AA-1296"
22405	Searchers and Staffers Corp.	7,402.49	"AA-1297" to "AA-1303"
3031	Martinez Flores San Pedro & Leano Law Offices	12,045.00	"AA-1304" to "AA-1306"
1584	Lanting Security and Watchman Agency	66,605.82	"AA-1307" to "AA-1310"
1590	Lanting Security and Watchman Agency	31,155.00	"AA-1311"
557	Ksearch Asia Consulting, Inc.	81,000.00	"AA-1312" to "AA-1320"
82	Buan and Temprosa Law Offices	864.00	"AA-1321" to "AA-1322"
80	Buan and Temprosa Law Offices	432.00	"AA-1323"
1038	3D Networks	2,253.45	"AA-1324"
1044	3D Networks	2,253.45	"AA-1325"
1826	Master Automated Systems, Inc.	825.00	"AA-1326"
43778	Emerson Network Power	7,732.32	"AA-1327"
12033	RCBC Realty Corp	3,475.71	"AA-1328"
17231	Toyota Makati, Inc.	939.39	"AA-1329" to "AA-1330"
18995	Toyota Makati, Inc.	4,682.67	"AA-1331"
1658	EDS Electronic Data Systems (Phils), Inc.	231,645.30	"AA-1333" to "AA-1334"
88756	Punongbayan and Araulo	1,928.57	"AA-1335"
88640	Punongbayan and Araulo	642.86	"AA-1336"
88893	Punongbayan and Araulo	1,800.00	"AA-1337"
697078	DHL Worldwide Express	5,470.65	"AA-1338"
697297	DHL Worldwide Express	4,384.06	"AA-1339" to "AA-1347"
697525	DHL Worldwide Express	65.40	"AA-1348"

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Total for the Second Quarter of CY 2006	**4,567,985.32**	

iii *Annex "C."*

INPUT VAT ON DOMESTIC PURCHASE OF SERVICES SUPPORTED BY VAT OFFICIAL RECEIPTS BUT THE VAT WAS NOT SEPARATELY SHOWN IN VIOLATION OF SECTION 113(B)(2)(a) OF THE NIRC OF 1997, AS AMENDED FOR THE THIRD QUARTER OF CY 2006

Official Receipt No.	Supplier	Input Tax	Exhibit
25964	Facilities Managers, Inc.	45,634.83	"AA-1203" to "AA-1204"
7261	Bonzer Foods Corporation	74.13	"AA-1205"
4481/4483	Sunfresh Laundry and Dry Cleaning Service	92.20	"AA-1206"
4485/4486/ 4488/4489	Sunfresh Laundry and Dry Cleaning Service	187.69	"AA-1207"
5428/5429	Sunfresh Laundry and Dry Cleaning Service	77.76	"AA-1208"
20039	Eduardo's Auto Electical Shop	214.29	"AA-1209"
13384	Golden Arches Development Corp.	85.21	"AA-1210"
15566/15978/ 15979	Golden Arches Development Corp.	271.08	"AA-1211"
111	Kabuki Place Restaurant	67.20	"AA-1212"
4511	Baker Fresh Foods Philippines	165.54	"AA-1213"
2346	Hungry Hippo Foods Corp.	204.60	"AA-1215"
6584	MGE UPS Systems Philippines, Inc.	3,383.60	"AA-1216"
97059	Caravan Travel and Tours	1,371.88	"AA-1217"
448732	PLDT	10,926.48	"AA-1218"
451881	PLDT	940.14	"AA-1218" to "AA-1224"
38856	Next Door, Inc.	687.26	"AA-1225" to "AA-1231"
164766	Rajah Travel Corporation	1,437.04	"AA-1232" to "AA-1241"
164866	Rajah Travel Corporation	191.21	"AA-1242" to "AA-1243"
165007	Rajah Travel Corporation	784.55	"AA-1245" to "AA-1249"
165113	Rajah Travel Corporation	129.12	"AA-1250"
165384	Rajah Travel Corporation	646.35	"AA-1251" to "AA-1254"
9217	Lane Archive Technologies	2,371.38	"AA-1255"
12951	Kalayaan Engineering Company, Inc.	5,345.67	"AA-1256"
1824	Network Solutions and Interfaces Corp.	12,833.60	"AA-1257"
135561	Makati Shangri-La Manila	321.42	"AA-1258" to "AA-1260"
135572	Makati Shangri-La Manila	4,177.21	"AA-1261" to "AA-1263"
135551	Makati Shangri-La Manila	1,348.93	"AA-1264" to "AA-1266"
394	Renaissance Makati City Hotel	1,618.32	"AA-1267"
1207	New Horizons Learning Center	1,435.71	"AA-1268" to "AA-1269"
1168	New Horizons Learning Center	803.57	"AA-1270"
1176	New Horizons Learning Center	900.00	"AA-1271"
4825	Ponce Enrile Reyes and Manalastas	3,000.00	"AA-1273"
9429	SGV Development Dimensions	45,971.78	"AA-1274" to "AA-1278"
9364	SGV Development Dimensions	10,314.11	"AA-1279"
3415	Global Business Support Services, Inc.	6,173.96	"AA-1280" to "AA-1281"
3604	Global Business Support Services, Inc.	3,685.57	"AA-1282" to "AA-1283"
1997471	Globe Telecom	909.96	"AA-1284" to "AA-1288"
2014781	Globe Telecom	385.72	"AA-1289" to "AA-1290"
2015051	Globe Telecom	1,509.68	"AA-1291" to "AA-1294"
2014970	Globe Telecom	375.02	"AA-1295"
240416	Innove Communications	21,961.32	"AA-1296"
22405	Searchers and Staffers Corp.	7,402.49	"AA-1297" to "AA-1303"
3031	Martinez Flores San Pedro & Leano Law Offices	12,045.00	"AA-1304" to "AA-1306"
1584	Lanting Security and Watchman Agency	66,605.82	"AA-1307" to "AA-1310"
1590	Lanting Security and Watchman Agency	31,155.00	"AA-1311"
557	Ksearch Asia Consulting, Inc.	81,000.00	"AA-1312" to "AA-1320"
82	Buan and Temprosa Law Offices	864.00	"AA-1321" to "AA-1322"
80	Buan and Temprosa Law Offices	432.00	"AA-1323"
1038	3D Networks	2,253.45	"AA-1324"
1044	3D Networks	2,253.45	"AA-1325"
1826	Master Automated Systems, Inc.	825.00	"AA-1326"
43778	Emerson Network Power	7,732.32	"AA-1327"
12033	RCBC Realty Corp	3,475.71	"AA-1328"
17231	Toyota Makati, Inc.	939.39	"AA-1329" to "AA-1330"
18995	Toyota Makati, Inc.	4,682.67	"AA-1331"
1658	EDS Electronic Data Systems (Phils), Inc.	231,645.30	"AA-1333" to "AA-1334"
88756	Punongbayan and Araulo	1,928.57	"AA-1335"
88640	Punongbayan and Araulo	642.86	"AA-1336"
88893	Punongbayan and Araulo	1,800.00	"AA-1337"
697078	DHL Worldwide Express	5,470.65	"AA-1338"
697297	DHL Worldwide Express	4,384.06	"AA-1339" to "AA-1347"
697525	DHL Worldwide Express	65.40	"AA-1348"

26353	Facilities Managers, Inc.	44,055.49	"AA-1349" to "AA-1350"
26393	Facilities Managers, Inc.	19,729.66	"AA-1351"
26078	Facilities Managers, Inc.	26,086.52	"AA-1352"
18813	Cornersteel Systems Corp.	3,922.26	"AA-1353"
14	Charle Associates	6,000.00	"AA-1354"
4838	Executive International Movers	216.00	"AA-1355"
A-291415	Dusit Hotel Nikko	1,707.59	"AA-1356" to "AA-1357"
1871	Training Institute for Managerial Excellence, Inc.	14,400.00	"AA-1358" to "AA-1359"
5309	Flowertowne, Inc.	160.71	"AA-1360"
8657/8658/ 8682	Neo Source Marketing	127.95	"AA-1361"
12068	RCBC Realty Corp	649,982.56	"AA-1362" to "AA-1363"
1997471	Globe Telecom	221.71	"AA-1364"
56401	Hotel Inter-Continental Manila	11,504.15	"AA-1365"
3415	Global Business Support Services, Inc.	507.15	"AA-1366" to "AA-1367"
234	Headstrong Philippines, Inc.	162,818.25	"AA-1368" to "AA-1369"
237	Headstrong Philippines, Inc.	170,754.65	"AA-1370"
242	Headstrong Philippines, Inc.	17,621.78	"AA-1371"
237	Headstrong Philippines, Inc.	17,252.09	"AA-1372"
27773	Broburg	116.42	"AA-1373"
250/252	EMB Medical Supply and Equipment	78.00	"AA-1374"
5108	Max's Ermita, Inc.	138.24	"AA-1375"
3246	Global Business Support Services, Inc.	239.68	"AA-1376"
681847	DHL Worldwide Express	4,259.32	"AA-1377"
81	Gary Fabricante	4,282.35	"AA-1378"
38744	Fuji Xerox Philippines, Inc.	3,272.73	"AA-1379"
82	Gary Fabricante	2,964.71	"AA-1380"
4606	Marido, Inc.	101.96	"AA-1381"
52266	Max's Makati, Inc.	175.41	"AA-1382"
313277	Wide Wide World Express Corporation	15.18	"AA-1383"
9742	Cyo Jyu, Inc.	36.11	"AA-1384"
16600	North Park Noodle House	84.38	"AA-1385"
17964	Olivers Super Sandwiches Phils,, Inc.	69.77	"AA-1386"
7379	Philamcare Health Systems, Inc.	3,922.44	"AA-1387"
3230	Global Business Support Services, Inc.	4,401.30	"AA-1389"
Total for the month of July 2006		**1,831,844.75**	
6758	Filtek Safety Corporation	1,674.11	"AA-1445"
9457	Yellow Cab Food Corporation	125.89	"AA-1446"
1432629	Manila Mandarin Hotel, Inc.	3,943.68	"AA-1447"
1432628	Manila Mandarin Hotel, Inc.	381.22	"AA-1448"
4234	Mercer Human Resources Consulting, Inc.	6,000.00	"AA-1449"
136216	Makati Shangri-La Manila	3,308.51	"AA-1350" to "AA-1352"
165989	Rajah Travel Corporation	1,140.03	"AA-1353" to "AA-1361"
11407	Philamcare Health Systems, Inc.	5,718.92	"AA-1462"
1664	EDS Electronic Data Systems (Phils), Inc.	202,896.57	"AA-1463"
1669	EDS Electronic Data Systems (Phils), Inc.	9,000.00	"AA-1464"
6516	Colliers International	214.29	"AA-1465"
3655	Cris Limchoc Construction	3,377.44	"AA-1366" to "AA-1367"
698204	DHL Worldwide Express	13,774.89	"AA-1368" to "AA-1375"
729	DMJ Multi Print and Services	7,565.36	"AA-1376" to "AA-1377"
738	DMJ Multi Print and Services	642.86	"AA-1478"
739	DMJ Multi Print and Services	154.29	"AA-1479"
30038/33071	Alfaro's Service Center	364.29	"AA-1480"
4901	Executive International Movers	2,793.60	"AA-1384" to "AA-1385"
26918	Facilities Managers, Inc.	74,417.05	"AA-1386" to "AA-1388"
41057	Fuji Xerox Philippines, Inc.	93,212.50	"AA-1489" to "AA-1530"
42551	Fuji Xerox Philippines, Inc.	14,264.98	"AA-1431" to "AA-1545"
3634	Global Business Support Services, Inc.	3,436.70	"AA-1446" to "AA-1547"
3618	Global Business Support Services, Inc.	6,336.32	"AA-1448" to "AA-1551"
3756	Global Business Support Services, Inc.	25,033.97	"AA-1452" to "AA-1564"
3774	Global Business Support Services, Inc.	10,096.89	"AA-1465" to "AA-1570"
2015387	Globe Telecom	1,553.57	"AA-1471" to "AA-1586"
2015594	Globe Telecom	600.76	"AA-1487" to "AA-1588"
2013315	Globe Telecom	1,084.09	"AA-1489" to "AA-1592"
2016571	Globe Telecom	160.71	"AA-1493" to "AA-1595"
7566/15794	Golden Arches Development Corp.	419.41	"AA-1596"
391563	Destiny Cablem, Inc.	1,979.04	"AA-1597" to "AA-1599"
240888	Innove Communications	21,375.20	"AA-1600"
1313	Hizons Restaurant and Catering Services, Inc.	160.71	"AA-1602"
192714	IBM Philippines, Inc.	3,888.83	"AA-1603"
360660	Integrated Computer Systems, Inc.	5,926.34	"AA-1604"

360477	Integrated Computer Systems, Inc.	2,991.20	"AA-1605"
18067	Jobstreet.com Philippines, Inc.	720.00	"AA-1606"
12844	Kayalayaan Engineering Company, Inc.	5,345.67	"AA-1607"
568	Ksearch Asia Consulting, Inc.	63,000.00	"AA-1608" to "AA-1614"
569	Ksearch Asia Consulting, Inc.	135,000.00	"AA-1615" to "AA-1629"
1598	Lanting Security and Watchman Agency	32,297.14	"AA-1630"
2406	Lanting Security and Watchman Agency	31,506.43	"AA-1631"
6779	MGE UPS Systems Philippines, Inc.	1,127.87	"AA-1633"
1473	New World International Development Phils., Inc.	32.14	"AA-1635"
22933	North Park Noodle House	165.60	"AA-1636" to "AA-1639"
25767	Makati Property Ventures, Inc.	7,204.63	"AA-1640" to "AA-1646"
25768	Makati Property Ventures, Inc.	9,899.71	"AA-1647"
463937	PLDT	10,971.36	"AA-1648" to "AA-1653"
463938	PLDT	974.70	"AA-1654"
4946	Ponce Enrile Reyes and Manalastas	3,000.00	"AA-1655"
89635	Punongbayan and Araulo	3,728.57	"AA-1656"
165848	Rajah Travel Corporation	1,775.06	"AA-1657" to "AA-1670"
165721	Rajah Travel Corporation	1,337.42	"AA-1671" to "AA-1680"
12312	RCBC Realty Corp	330.00	"AA-1681"
12224	RCBC Realty Corp	2,640.00	"AA-1682"
19970	Searchers and Staffers Corp.	5,832.49	"AA-1685" to "AA-1688"
1870	Training Institute for Managerial Excellence, Inc.	12,000.00	"AA-1689" to "AA-1690"
1874	Training Institute for Managerial Excellence, Inc.	14,400.00	"AA-1691" to "AA-1692"
33550	Viking Cars, Inc.	5,357.95	"AA-1693"
355	Wholesome Foods, Inc.	114.11	"AA-1694"
8795	Yellow Cab Food Corporation	19.82	"AA-1695"
715377	DHL Worldwide Express	262.80	"AA-1696" to "AA-1699"
3833	Alecto General Technology Corp.	6,528.21	"AA-1700" to "AA-1701"
712777	DHL Worldwide Express	6,464.07	"AA-1702" to "AA-1705"
261	Headstrong Philippines, Inc.	112,612.54	"AA-1706"
252	Headstrong Philippines, Inc.	17,210.48	"AA-1707"
389	Mary Grace Foods, Inc.	27.11	"AA-1708"
596	Max's Kitchen, Inc.	48.21	"AA-1709"
1130	Mexicali Food Corp.	106.71	"AA-1710"
395	Mary Grace Foods, Inc.	176.79	"AA-1711"
Total for the month of August 2006		**1,022,231.81**	
5288	Max's Ermita, Inc.	136.32	"AA-1756"
6628	Colliers International	1,355.80	"AA-1761" to "AA-1763"
713287	DHL Worldwide Express	2,611.28	"AA-1764" to "AA-1777"
713665	DHL Worldwide Express	8,687.95	"AA-1778" to "AA-1780"
1668	EDS Electronic Data Systems (Phils), Inc.	36,600.00	"AA-1781"
4520	Emerson Network Power	7,732.32	"AA-1782"
43154	Fuji Xerox Philippines, Inc.	37,054.28	"AA-1783" to "AA-1802"
2016344	Globe Telecom	2,190.25	"AA-1803" to "AA-1813"
242398	Innove Communications	24,001.12	"AA-1814"
909	IPSI Infinite Power Systems, Inc.	10,274.46	"AA-1815"
193165	IBM Philippines, Inc.	3,888.83	"AA-1816"
56695	Intercontinental Manila	428.57	"AA-1818"
9548	Lane Archive Technologies	15,286.67	"AA-1819" to "AA-1820"
9608	Lane Archive Technologies	1,345.22	"AA-1821"
2413	Lanting Security and Watchman Agency	34,757.14	"AA-1822"
137081	Makati Shangri-La Manila	156.43	"AA-1823"
136768	Makati Shangri-La Manila	117.86	"AA-1824"
1837	Master Automated Systems, Inc.	825.00	"AA-1825"
474	Modern Primitive Business Concepts	6,431.40	"AA-1826" to "AA-1827"
12540	Philamcare Health Systems, Inc.	8,536.55	"AA-1828"
12669	Philamcare Health Systems, Inc.	8,825.78	"AA-1829"
166258	Rajah Travel Corporation	876.40	"AA-1831" to "AA-1837"
166028	Rajah Travel Corporation	430.40	"AA-1838" to "AA-1840"
9568	SGV Development Dimensions	1,917.86	"AA-1841"
23620	Toyota Makati, Inc.	798.21	"AA-1843" to "AA-1844"
1877	Training Institute for Managerial Excellence, Inc.	23,400.00	"AA-1845" to "AA-1846"
1881	Training Institute for Managerial Excellence, Inc.	18,000.00	"AA-1847"
38	WIL TIF Marketing	4,052.68	"AA-1848"
605	X Options, Inc.	8,678.57	"AA-1849"
26999	Facilities Managers, Inc.	32,094.50	"AA-1850"
713665	DHL Worldwide Express	2,877.38	"AA-1851"
265	Headstrong Philippines, Inc.	158,319.31	"AA-1852" to "AA-1853"
Total for the month of September 2006		**462,688.54**	
Total for the Third Quarter of CY 2006		**3,316,765.10**	

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iv *Annex* "D."

INPUT VAT ON DOMESTIC PURCHASE OF SERVICES SUPPORTED BY VAT OFFICIAL RECEIPTS BUT THE VAT WAS NOT SEPARATELY SHOWN IN VIOLATION OF SECTION 113(B)(2)(a) OF THE NIRC OF 1997, AS AMENDED FOR THE FOURTH QUARTER OF CY 2006

Official Receipt No.	Supplier	Input Tax	Exhibit
3715	Rajah Travel Corporation	123.12	"AA-1886"
910	Asian Relocation Management, Inc.	4,320.00	"AA-1888"
16866	Business Process Outsourcing International, Inc.	2,832.00	"AA-1892"
434	Calvelo Engineered Systems	1,071.43	"AA-1893"
3666	Cris Limchoc Construction	417.86	"AA-1894"
9567	SGV Development Dimensions	16,868.57	"AA-1895" to "AA-1896"
9578	SGV Development Dimensions	22,340.36	"AA-1897" to "AA-1900"
746511	DHL Worldwide Express	6,451.30	"AA-1901" to "AA-1908"
747169	DHL Worldwide Express	641.79	"AA-1909" to "AA-1920"
714126	DHL Worldwide Express	3,927.86	"AA-1921"
292696	Dusit Hotel Nikko	45,826.45	"AA-1922" to "AA-1923"
4943	Executive International Movers	1,458.88	"AA-1924"
27111	Facilities Managers, Inc.	21,280.81	"AA-1925"
26435	Facilities Managers, Inc.	67,715.80	"AA-1926" to "AA-1927"
27273	Facilities Managers, Inc.	52,323.02	"AA-1928" to "AA-1929"
3922	Global Business Support Services, Inc.	14,589.26	"AA-1949" to "AA-1958"
243548	Globe Telecom	23,672.81	"AA-1959"
2019190	Globe Telecom	3,675.41	"AA-1960" to "AA-1973"
2017942	Globe Telecom	2,566.38	"AA-1974" to "AA-1979"
4038	Global Business Support Services, Inc.	27,533.14	"AA-1980" to "AA-1987"
2019370	Globe Telecom	199.29	"AA-1988"
2017976	Globe Telecom	197.81	"AA-1989"
2017375	Globe Telecom	192.86	"AA-1990"
28215	Guthrie-Jensen Consultants, Inc.	3,600.00	"AA-1991" to "AA-1992"
2018245	Globe Telecom	24,353.47	"AA-1993"
18088	Jobstreet.com Philippines, Inc.	720.00	"AA-1994"
18087	Jobstreet.com Philippines, Inc.	720.00	"AA-1996"
1871	Network Solutions and Interfaces Corp.	4,182.01	"AA-1997" to "AA-1998"
578	Ksearch Asia Consulting, Inc.	162,000.00	"AA-2000" to "AA-2017"
580	Ksearch Asia Consulting, Inc.	6,000.00	"AA-2018"
590	Ksearch Asia Consulting, Inc.	215,013.60	"AA-2019" to "AA-2042"
9868	Lane Archive Technologies	378.00	"AA-2043"
2425	Lanting Security and Watchman Agency	32,560.71	"AA-2044"
2422	Lanting Security and Watchman Agency	32,648.57	"AA-2045"
3358	Lanting Security and Watchman Agency	32,385.00	"AA-2046"
137626	Makati Shangri-La Manila	1,445.57	"AA-2047"
136759	Makati Shangri-La Manila	312.86	"AA-2048" to "AA-2049"
137523	Makati Shangri-La Manila	2,166.49	"AA-2050" to "AA-2052"
6923	MGE UPS Systems Philippines, Inc.	1,127.87	"AA-2053"
3808	MMLDC Foundatiion, Inc.	5,004.91	"AA-2054"
1879	Network Solutions and Interfaces Corp.	17,977.84	"AA-2055" to "AA-2059"
1346	New Horizons Learning Center	4,360.71	"AA-2060"
27533	Oakwood Premier	30,396.60	"AA-2061"
27530	Oakwood Premier	100.00	"AA-2062"
27528	Oakwood Premier	136.36	"AA-2063"
27529	Oakwood Premier	2,709.80	"AA-2064"
27532	Oakwood Premier	10,322.89	"AA-2065"
27531	Oakwood Premier	2,945.42	"AA-2066"
27527	Oakwood Premier	36.36	"AA-2067"
406313	PLDT	22,484.16	"AA-2068" to "AA-2069"
5160	Ponce Enrile Reyes and Manalastas	3,518.40	"AA-2071" to "AA-2072"
V0117	Rajah Travel Corporation	751.44	"AA-2073" to "AA-2078"
V0538	Rajah Travel Corporation	432.17	"AA-2079" to "AA-2082"
V0821	Rajah Travel Corporation	244.58	"AA-2083" to "AA-2084"
3110	Rajah Travel Corporation	5,574.60	"AA-2085" to "AA-2129"
12495	RCBC Realty Corp	2,640.00	"AA-2131"
2183	Renaissance Makati City Hotel	4,803.73	"AA-2132"
2194	Renaissance Makati City Hotel	36,819.69	"AA-2133"
2704	Renaissance Makati City Hotel	7,832.17	"AA-2134"
14416	Searchers and Staffers Corp.	7,533.60	"AA-2135" to "AA-2138"
21200	Searchers and Staffers Corp.	2,764.38	"AA-2139" to "AA-2140"
3100	Speechpower	14,280.00	"AA-2141"
1887	Training Institute for Managerial Excellence, Inc.	9,000.00	"AA-2142"
1886	Training Institute for Managerial Excellence, Inc.	18,000.00	"AA-2143"
516	Torr Equipment, Inc.	6,227.76	"AA-2144"
24799	Toyota Makati, Inc.	938.98	"AA-2145"

24798	Toyota Makati, Inc.	1,584.41	"AA-2146"
174	Training and Consultancy Corp.	3,600.00	"AA-2147"
219514	Werdenberg International Corporation	409.50	"AA-2148"
1081	3D Networks	4,506.90	"AA-2149" to "AA-2150"
16978	Business Process Outsourcing International, Inc.	5,940.00	"AA-2151"
5250	Baker Fresh Foods Philippines	58.39	"AA-2152"
599	Red Ribbon Bakeshop, Inc.	41.80	"AA-2153"
792	Wholesome Foods, Inc.	94.07	"AA-2154"
2276	Aveneto Pizzeria Ristorante, Inc.	234.11	"AA-2155"
5265	Baker Fresh Foods Philippines	246.75	"AA-2156"
2822	Yellow Cab Food Corporation	137.14	"AA-2157"
1069	Max's Kitchen, Inc.	273.21	"AA-2158"
166367	Rajah Travel Corporation	500.80	"AA-2159" to "AA-2162"
29381	Cravings Bake Shop and Restaurant	8,269.59	"AA-2163"
4954	Hungry Tummy, Inc.	150.00	"AA-2164"
16407	Golden Arches Development Corp.	119.74	"AA-2165"
2196	Greenwich Pizza Corp.	314.57	"AA-2166"
7854	Golden Arches Development Corp.	25.93	"AA-2167"
875472	Bayan Telecommunications, Inc.	822.00	"AA-2168"
274	Headstrong Philippines, Inc.	129,500.95	"AA-2169"
3726	Rajah Travel Corporation	60.00	"AA-2170"
Total for the month of October 2006		1,214,566.77	
539	Torr Equipment, Inc.	6,227.76	"AA-2231"
10968	Jet Circuit Auto Center	53.57	"AA-2232"
1099	3D Networks	2,253.45	"AA-2237"
363484	Integrated Computer Systems, Inc.	1,800.00	"AA-2238" to "AA-2239"
4682	Emerson Network Power	7,732.32	"AA-2240"
4730	Emerson Network Power	7,732.32	"AA-2241"
382	JLGT Marketing	964.29	"AA-2242"
951	Rajah Travel Corporation	860.93	"AA-2243" to "AA-2249"
1042	Rajah Travel Corporation	1,306.12	"AA-2250" to "AA-2262"
1580	Rajah Travel Corporation	1,651.57	"AA-2263" to "AA-2276"
1700	Rajah Travel Corporation	1,228.70	"AA-2277" to "AA-2286"
3030	Josiah's Catering Incorporated	11,306.40	"AA-2287"
3065	Josiah's Catering Incorporated	11,306.40	"AA-2288"
138206	Makati Shangri-La Manila	337.50	"AA-2289" to "AA-2290"
138796	Makati Shangri-La Manila	1,445.57	"AA-2291"
747607	DHL Worldwide Express	1,239.78	"AA-2290" to "AA-2299"
747719	DHL Worldwide Express	3,128.19	"AA-2300" to "AA-2306"
2020077	Globe Telecom	784.77	"AA-2307" to "AA-2309"
2020078	Globe Telecom	3,636.90	"AA-2310" to "AA-2319"
244689	Innove Communications	23,425.82	"AA-2320"
1392	New Horizons Learning Center	12,214.29	"AA-2321" to "AA-2322"
7001	Colliers International	5,814.00	"AA-2323"
7056	Colliers International	8,276.79	"AA-2324"
212	Persona ID Card Enterprises	7,060.18	"AA-2325" to "AA-2326"
46023	Fuji Xerox Philippines, Inc.	10,061.86	"AA-2327" to "AA-2338"
44223	Fuji Xerox Philippines, Inc.	26,045.70	"AA-2339" to "AA-2346"
886513	Bayan Telecommunications, Inc.	822.00	"AA-2349"
17532	Business Process Outsourcing International, Inc.	5,952.00	"AA-2350"
6960	MGE UPS Systems Philippines, Inc.	1,127.87	"AA-2351"
6961	MGE UPS Systems Philippines, Inc.	3,383.60	"AA-2352"
1882	Network Solutions and Interfaces Corp.	4,246.05	"AA-2353"
1888	Training Institute for Managerial Excellence, Inc.	61,200.00	"AA-2354" to "AA-2356"
1889	Training Institute for Managerial Excellence, Inc.	10,967.40	"AA-2357" to "AA-2358"
21484	Searchers and Staffers Corp.	2,207.69	"AA-2359"
21486	Searchers and Staffers Corp.	2,917.27	"AA-2360" to "AA-2361"
10871	Lane Archive Technologies	2,106.35	"AA-2362"
11019	Lane Archive Technologies	13,027.20	"AA-2363"
435	Calvelo Engineered Systems	2,738.65	"AA-2364"
947	Infinite Power Systems, Inc.	18,088.40	"AA-2367" to "AA-2368"
513	Visions and Breakthroughs International, Inc.	4,800.00	"AA-2369"
2442	Lanting Security and Watchman Agency	68,284.29	"AA-2370" to "AA-2371"
4143	Global Business Support Services, Inc.	3,102.94	"AA-2372"
4127	Global Business Support Services, Inc.	9,898.77	"AA-2373" to "AA-2374"
597	Ksearch Asia Consulting, Inc.	99,000.00	"AA-2375" to "AA-2385"
452	J.S. Hechanova Trading	54,519.00	"AA-2386"
1117	3D Networks	2,253.46	"AA-2387"
3021	Yellow Cab Food Corporation	248.04	"AA-2388"
1392	Justine A. Flower Shop	80.36	"AA-2389"
4956	Hungry Tummy, Inc.	25.39	"AA-2390"

6110/6111/ 6035/6032	Sunfresh Laundry and Dry Cleaning Service	160.50	"AA-2391"
6026/5961	Sunfresh Laundry and Dry Cleaning Service	91.52	"AA-2392"
6028/6029	Sunfresh Laundry and Dry Cleaning Service	101.41	"AA-2393"
17034/17006	Golden Arches Development Corp.	439.49	"AA-2394"
19975	Golden Arches Development Corp.	79.20	"AA-2395"
1851	Master Automated Systems, Inc.	825.00	"AA-2397"
27660	Facilities Managers, Inc.	51,760.30	"AA-2398" to "AA-2400"
8840	Kitaro Foods Corporation	289.80	"AA-2401"
8530	Bonzer Foods Corporation	189.28	"AA-2402"
345	Mary Grace Foods, Inc.	36.00	"AA-2403"
1726	Wholesome Foods, Inc.	96.21	"AA-2404"
9788	Philippine Pizza Corp.	48.21	"AA-2405"
11778	Accenture, Inc.	2,997,197.59	"AA-2407"
11776	Accenture, Inc.	3,961,421.61	"AA-2408"
290	Headstrong Philippines, Inc.	114,598.94	"AA-2409" to "AA-2410"
292	Headstrong Philippines, Inc.	108,270.84	"AA-2411" to "AA-2412"
11777	Accenture, Inc.	1,985,809.44	"AA-2413"
1677	EDS Electronic Data Systems (Phils), Inc.	510,024.72	"AA-2600" to "AA-2603"
Total for the month of November 2006		10,260,331.97	
262	Mary Joanne L. Enverga	685.22	"AA-2473"
1692	EDS Electronic Data Systems (Phils), Inc.	4,052.46	"AA-2474"
1141	3D Networks	2,253.46	"AA-2475"
26219	Brooklyn Pizza Company, Inc.	102.86	"AA-2479"
17884	Business Process Outsourcing International, Inc.	5,700.00	"AA-2480"
5967	Baker Fresh Foods Philippines	209.14	"AA-2481"
19617	Corporate International Travel & Tours, Inc.	99,355.18	"AA-2486" to "AA-2504"
1595A	Chowking Food Corporation	175.07	"AA-2505"
748322	DHL Worldwide Express	4,954.56	"AA-2506" to "AA-2507"
748708	DHL Worldwide Express	24,867.16	"AA-2508" to "AA-2517"
227	EZ Active Lifestyle Corp.	36.21	"AA-2518"
27469	Facilities Managers, Inc.	37,605.32	"AA-2519"
245299	Innove Communications	23,704.06	"AA-2520"
245472	Innove Communications	392.39	"AA-2521"
2022151	Globe Telecom	7,086.09	"AA-2522" to "AA-2538"
448	Imperial Consulting, Inc.	1,176.00	"AA-2539"
11125	Lane Archive Technologies	1,985.57	"AA-2541"
2754	Lanting Security and Watchman Agency	35,635.71	"AA-2542"
1433697	Mandarin Oriental Manila	381.22	"AA-2543"
8029	Golden Arches Development Corp.	353.57	"AA-2544"
1486	Max's Kitchen, Inc.	80.35	"AA-2545"
1457	Max's Restaurant, Inc.	81.65	"AA-2546"
9011/9010	Neo Source Marketing Services, Inc.	459.67	"AA-2547"
27782	Oakwood Premier	1,294.74	"AA-2548"
2750	Pancake House, Inc.	204.30	"AA-2549"
2116	Rajah Travel Corporation	1,224.67	"AA-2550" to "AA-2560"
6253/6252	Sunfresh Laundry and Dry Cleaning Service	70.98	"AA-2561"
6251/6254	Sunfresh Laundry and Dry Cleaning Service	85.07	"AA-2562"
6260/6262	Sunfresh Laundry and Dry Cleaning Service	101.79	"AA-2563"
21555	Searchers and Staffers Corp.	3,130.25	"AA-2564" to "AA-2565"
2313	Tropical Hut Food Market, Inc.	55.39	"AA-2566"
3897	The Peninsula Manila	7,522.33	"AA-2567"
45	WIL TIF Marketing	4,052.68	"AA-2568"
608	X Options, Inc.	8,678.57	"AA-2569"
3619	Yellow Cab Food Corporation	84.11	"AA-2570"
1683	EDS Electronic Data Systems (Phils), Inc.	223,951.76	"AA-2604"
1687	EDS Electronic Data Systems (Phils), Inc.	44,400.00	"AA-2605"
11777	Accenture, Inc.	1,990,786.41	"AA-2606"
Total for the month of December 2006		2,536,975.97	
Total for the Fourth Quarter of CY 2006		14,011,874.71	

[v] *Annex* "E."

INPUT VAT ON DOMESTIC PURCHASE OF SERVICES SUPPORTED BY BILLING STATEMENTS ONLY IN VIOLATION OF SECTION 113(A)(2) OF THE NIRC OF 1997, AS AMENDED FOR THE CALENDAR YEAR 2006

Official Receipts No.	Supplier	Input Tax	Exhibit
NOVEMBER			
-	RCBC Realty Corp.	1,268,377.92	"AA-2234" to "AA-2236"
	TOTAL	**1,268,377.92**	

[vi] *Annex* "F."

INPUT VAT ON DOMESTIC PURCHASE OF SERVICES SUPPORTED BY VAT OFFICIAL RECEIPTS BUT INPUT VAT IS LOWER THAN THE AMOUNT PER CLAIM FOR THE CALENDAR YEAR 2006

Official Receipts No.	Supplier	Input Tax	Exhibit
Input VAT per claim		14,088.00	
Input VAT per Official Receipt			
4518	Ponce Enrile Reyes and Manalastas Law Offices	3,000.00	"AA-1088"
Difference		**11,088.00**	

[vii] *Annex* "G."

INPUT VAT ON DOMESTIC PURCHASE OF GOODS OTHER THAN CAPITAL GOODS SUPPORTED BY VAT INVOICES BUT THE VAT WAS NOT SEPARATELY SHOWN IN VIOLATION OF SECTION 113(B)(2)(a) OF THE NIRC OF 1997, AS AMENDED FOR THE FIRST QUARTER OF CY 2006

Invoice No.	Supplier	Input Tax	Exhibit
JANUARY			
15438	Neo Source Marketing	184.55	"AA-232"
FEBRUARY			
4665	Ace Hardware Philippines, Inc.	261.73	"AA-383"
4866	Ace Hardware Philippines, Inc.	173.34	"AA-384"
58873	Skylight Auto Supply	131.82	"AA-385"
319	Thortex Trading	163.64	"AA-386"
373	Thortex Trading	156.43	"AA-387"
28119	Herminio Auto Supply, Inc.	156.82	"AA-388"
233973	Domstadt Auto Supply and Gen Mdse.	200.89	"AA-389"
8226	Good Moral Mechandising	159.09	"AA-417"
MARCH			
5522/5523	Ace Hardware Philippines, Inc.	223.96	"AA-587"
TOTAL		**1,812.27**	

[viii] *Annex* "H."

INPUT VAT ON DOMESTIC PURCHASE OF GOODS OTHER THAN CAPITAL GOODS SUPPORTED BY VAT INVOICES BUT THE VAT WAS NOT SEPARATELY SHOWN IN VIOLATION OF SECTION 113(B)(2)(a) OF THE THE NIRC OF 1997, AS AMENDED FOR THE SECOND QUARTER OF CY 2006

Invoice No.	Supplier	Input Tax	Exhibit
APRIL			
17327	Manang Luming's (Burlington)	38.57	"AA-870"
17256	Manang Luming's (Burlington)	204.64	"AA-871"
MAY			
3488	Thortex Trading	83.57	"AA-1057"
TOTAL		**326.78**	

[ix] *Annex* "I."

INPUT VAT ON DOMESTIC PURCHASE OF GOODS OTHER THAN CAPITAL GOODS SUPPORTED BY VAT INVOICES BUT THE VAT WAS NOT SEPARATELY SHOWN IN VIOLATION OF SECTION 113(B)(2)(a) OF THE THE NIRC OF 1997, AS AMENDED FOR THE THIRD QUARTER OF CY 2006

Invoice No.	Supplier	Input Tax	Exhibit
JULY			
44	Tyco Information Solutions Corp.	2,487.86	"AA-1394"
AUGUST			
103833	Shopwise	39.43	"AA-1712"
SEPTEMBER			
291255	National Bookstore, Inc.	45.80	"AA-1881"
TOTAL		**2,573.09**	

[x] *Annex* "J."

INPUT VAT ON DOMESTIC PURCHASE OF GOODS OTHER THAN CAPITAL GOODS SUPPORTED BY VAT INVOICES BUT THE VAT WAS NOT SEPARATELY SHOWN IN VIOLATION OF SECTION 113(B)(2)(a) OF THE THE NIRC OF 1997, AS AMENDED FOR THE FOURTH QUARTER OF CY 2006

Invoice No.	Supplier	Input Tax	Exhibit
OCTOBER			
8336	Ace Hardware Philippines, Inc.	53.54	"AA-2171"
NOVEMBER			
1097	CJB Marketing	203.57	"AA-2415"
10823	Jet Circuit Auto Center	182.14	"AA-2468"
10967	Jet Circuit Auto Center	112.50	"AA-2469"
886	Century Hardware	201.43	"AA-2470"
DECEMBER			
11262	Jet Circuit Auto Center	92.14	"AA-2593"
6469087	The Landmark	222.34	"AA-2597"
TOTAL		**1,067.66**	

[xi] *Annex* "K."

INPUT VAT ON DOMESTIC PURCHASE OF GOODS SUPPORTED BY VAT INVOICE BUT THERE WAS NO AMOUNT INDICATED IN VIOLATION OF SECTION 113(B)(2) OF THE NIRC OF 1997, AS AMENDED FOR THE CALENDAR YEAR 2006

Invoice No.	Supplier	Input Tax	Exhibit
JUNE			
27383	JJED Philippines, Inc.	6,023.04	"AA-1201" to "AA-1202"
TOTAL		**6,023.04**	