REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

SONOMA SERVICES, INC., *Petitioner,*	**CTA Case No. 10272**
- versus -	Members: **DEL ROSARIO,** *P.J., Chairperson,* **MANAHAN,** and **REYES-FAJARDO** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: SEP 22 2023 ; 11:40 AM

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DECISION

REYES-FAJARDO, *J.*:

This *Petition for Review* filed on April 8, 2020 by petitioner Sonoma Services, Inc. against respondent Commissioner of Internal Revenue prays that judgment be rendered ordering respondent to refund or issue in favor of petitioner a tax credit certificate (TCC) in the amount of ₱5,437,000.00, representing petitioner's excess and unutilized creditable withholding taxes (CWTs) for the calendar year (CY) ended December 31, 2017.

PARTIES

Petitioner Sonoma Services, Inc. is a domestic corporation, duly organized and existing under Philippine laws, with principal office at 3rd Floor, Makati Stock Exchange Building, Ayala Triangle, Ayala Avenue, Makati City.[1] It was incorporated with the primary purpose of carrying on and conducting a general services business with any party, including the rendering of management and other allied services within the limits allowed by law, including office and clerical

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1 Par. 1, Admitted Facts, *Joint Stipulation of Facts and Issues* (JSFI), Docket – Vol. I, p. 428.

support services, maintenance services of any kind, or otherwise, to engage in any preservation, maintenance or repair work upon any and every kind of property, to enter into and execute contracts therefore or relating thereto.[2]

Respondent is the duly appointed Commissioner of Internal Revenue vested under the appropriate laws with the authority to carry out the functions, duties, and responsibilities of said Office, including *inter alia*, the power to decide, approve, and grant refunds and/or tax credits of overpaid and erroneously paid or collected internal revenue taxes.[3]

FACTS

On December 2, 2019, petitioner filed with the Bureau of Internal Revenue (BIR) Revenue District Office (RDO) No. 50, an *Application for Tax Credits / Refunds* (BIR Form No. 1914), and a letter dated November 22, 2019,[4] requesting for a refund of overpaid and unutilized CWTs for CY 2017, in the amount of ₱5,437,000.00.

Alleging inaction, petitioner filed a *Petition for Review* dated April 6, 2020, on April 8, 2020 before the Court,[5] to which respondent filed an *Answer* on September 25, 2020.[6]

On September 28, 2020, respondent transmitted to the Court the *BIR Records* of this case.[7]

On January 19, 2021, *Respondent's Pre-Trial Brief* was filed;[8] while on January 22, 2021, *Petitioner's Pre-Trial Brief* was submitted.[9]

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2 Par. 2, Admitted Facts, JSFI, Docket - Vol. I, p. 428.
3 Par. 3, Admitted Facts, JSFI, Docket - Vol. I, p. 429.
4 Exhibit "P-10," BIR Records, pp. 142 to 143.
5 Docket - Vol. I, pp. 12 to 22.
6 Docket - Vol. I, pp. 186 to 196.
7 Respondent's *Compliance* dated September 28, 2020, Docket - Vol. I, pp. 183 to 184.
8 Docket - Vol. I, pp. 206 to 208.
9 Docket - Vol. I, pp. 210 to 222.

On January 28, 2021, the Pre-Trial Conference was held wherein respondent manifested that he will not be presenting any evidence in this case.[10]

On February 15, 2021, the parties filed their *Joint Stipulation of Facts and Issues*,[11] which was approved through Resolution dated February 24, 2021.[12] On the basis thereof, the Court issued a Pre-Trial Order dated June 9, 2021.[13]

During the trial, petitioner presented: (1) Ms. Krystal E. Gamit,[14] petitioner's Financial Accountant; and (2) Atty. Conrado M. Briones,[15] the Court-commissioned Independent Certified Public Accountant (ICPA),[16] as its witnesses.

On October 11, 2021, the ICPA *Report* was submitted to the Court via electronic mail.[17]

On December 15, 2021, petitioner filed its *Formal Offer of Evidence*,[18] to which respondent filed his *Comment (to Petitioner's Formal Offer of Evidence)* on February 21, 2022.[19]

By Resolution dated March 29, 2022,[20] the Court admitted petitioner's offered exhibits, *except* for the following:

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10 *Notice of Pre-Trial Conference* dated November 5, 2020, Docket - Vol. I, pp. 199 to 201; Order dated January 28, 2020, Docket - Vol. I, pp. 426 to 427.

11 Docket - Vol. I, pp. 428 to 434.

12 Docket - Vol. I, p. 445.

13 Docket - Vol. I, pp. 462 to 471.

14 Exhibit "P-17," Docket - Vol. I, pp. 226 to 239; Minutes of the hearing held on, and Order dated, November 25, 2021, Docket - Vol. I, pp. 598-A to 598-C, and Docket - Vol. II, pp. 599 to 600.

15 Exhibit "P-18," Docket - Vol. I, pp. 580 to 596; Minutes of the hearing held on, and Order dated, November 25, 2021, Docket - Vol. I, pp. 598-A to 598-C, and Docket - Vol. II, pp. 599 to 600.

16 *Oath of Commission* dated June 22, 2021, Docket - Vol. I, p. 476; Minutes of the hearing held on, and Order dated, June 22, 2021, Docket - Vol. I, pp. 473 to 475, and 447 to 478, respectively.

17 Exhibit "P-19," Docket - Vol. I, pp. 492 to 513.

18 Docket - Vol. II, pp. 601 to 621

19 Docket - Vol. II, pp. 841 to 843.

20 Docket - Vol. II, pp. 846 to 848.

1) Exhibits "P-33-1" and "P-33-2," for not being found in the records of the case; and

2) Exhibit "P-34-1," for failure of the document offered and identified to correspond with the document actually marked.

On April 20, 2022, petitioner filed a *Motion for Reconsideration (Re: Resolution dated March 29, 2022),*[21] to which respondent filed his *Comment/Opposition (to Petitioner's Motion for Reconsideration Re: Resolution dated March 29, 2022).*[22]

By Resolution dated August 5, 2022,[23] petitioner's *Motion for Reconsideration (Re: Resolution dated March 29, 2022)* was partially granted. Accordingly, Exhibits "P-33-2" and "P-34-1" were admitted as petitioner's evidence.

In the Resolution dated September 23, 2022, this case was submitted for decision,[24] considering respondent's *Memorandum* filed on March 24, 2022, [25] and petitioner's *Memorandum* filed on August 30, 2022.[26]

ISSUE

Whether petitioner is entitled to its claim for refund of or issuance of TCC for its excess and unutilized CWTs for CY 2017 in the amount of ₱5,437,000.00.[27]

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21 Docket - Vol. II, pp. 850 to 856.
22 Docket - Vol. II, pp. 915 to 917.
23 Docket - Vol. II, pp. 922 to 928.
24 Resolution dated September 23, 2022, Docket - Vol. II, p. 961.
25 Docket - Vol. II, pp. 901 to 910.
26 Docket - Vol. II, pp. 937 to 958.
27 Issues, JSFI, Docket - Vol. I, p. 429.

ARGUMENTS

Petitioner argues that its claim for refund of excess and unutilized CWTs for CY 2017 should be granted because: (a) its administrative and judicial claims were filed within the two (2)-year prescriptive period provided in Sections 204 (C) and 229, of the National Internal Revenue Code of 1997 (NIRC), as amended; (b) its excess and unutilized CWTs for CY 2017 are duly supported by Certificates of Creditable Tax Withheld at Source (BIR Form No. 2307); (c) the income upon which the CWTs being claimed for refund were withheld, was included as part of the gross income reported in its Amended Annual Income Tax Return (ITR) for CY 2017; and (d) it did not exercise the option to carry over its excess and unutilized CWTs for CY 2017 to the succeeding taxable periods.

Respondent counters that petitioner is not entitled to the claim for refund of its CWTs for CY 2017 because: (a) the *Petition for Review* was filed out of time; (b) it failed to prove that the income from which the CWTs being claimed for refund were withheld from was declared as part of its gross income in its ITR; (c) it should be subjected to 15% CWT instead of 10% CWT; and (d) claims for refund are strictly construed against petitioner for the same partake the nature of tax exemption.

RULING

The *Petition for Review* is granted.

Section 7(a)(2) of Republic Act (RA) No. 1125,[28] as amended by RA No. 9282, in relation to Section 3(a)(2), Rule 4 of the Revised Rules

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[28] Sec. 7. Jurisdiction. - The CTA shall exercise:

a. **Exclusive appellate jurisdiction to review by appeal**, as herein provided:

...

2. **Inaction by the Commissioner of Internal Revenue in cases involving** disputed assessments, **refunds of internal revenue taxes, fees or other charges, penalties in relations thereto**, or other matters arising under the National Internal Revenue Code or other laws administered by the Bureau of Internal Revenue, where the National Internal Revenue Code provides a specific period of action, in which case the inaction shall be deemed a denial; (Boldfacing supplied)

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of the Court of Tax Appeals (RRCTA)[29] clothes the Court with jurisdiction over inaction of respondent involving refund of internal revenue taxes, among others. Among the kinds of refund of internal revenue taxes is one premised upon excessive or erroneous collection thereof, as recognized in Sections 204[30] and 229[31] of the National Internal Revenue Code of 1997 (NIRC), as amended. *Commissioner of Internal Revenue v. Carrier Air Conditioning Philippines, Inc. (Carrier)*[32] laid down the conditions for the Court to acquire jurisdiction over said type of refund case, thus:

> Section 204 [of the NIRC, as amended] refers to the Commissioner of Internal Revenue's administrative authority to credit or refund erroneously paid or illegally collected taxes. Under this provision, an administrative claim for refund or credit must be filed within two years from payment of the tax.

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29 **SEC. 3.** *Cases within the jurisdiction of the Court in Divisions.* - The Court in Divisions shall exercise:
(a) Exclusive appellate jurisdiction to review by appeal the following:
...

(2) **Inaction by the Commissioner of Internal Revenue in cases involving** disputed assessments, **refunds of internal revenue taxes, fees or other charges,** penalties in relation thereto, or other matters arising under the National Internal Revenue Code or other laws, administered by the Bureau of Internal Revenue ... (Boldfacing supplied)

30 **SEC. 204.** *Authority of the Commissioner to Compromise, Abate and Refund or Credit Taxes.* - The Commissioner may -
...

(C) Credit or refund taxes erroneously or illegally received or penalties imposed without authority, refund the value of internal revenue stamps when they are returned in good condition by the purchaser, and, in his discretion, redeem or change unused stamps that have been rendered unfit for use and refund their value upon proof of destruction. **No credit or refund of taxes or penalties shall be allowed unless the taxpayer files in writing with the Commissioner a claim for credit or refund within two (2) years after the payment of the tax or penalty**: *Provided, however,* That a return filed showing an overpayment shall be considered as a written claim for credit or refund. (Boldfacing supplied)

31 **SEC. 229.** *Recovery of Tax Erroneously or Illegally Collected.* - No suit or proceeding shall be maintained in any court for the recovery of any national internal revenue tax hereafter alleged to have been erroneously or illegally assessed or collected, or of any penalty claimed to have been collected without authority, or of any sum alleged to have been excessively or in any manner wrongfully collected, until a claim for refund or credit has been duly filed with the Commissioner; but such suit or proceeding may be maintained, whether or not such tax, penalty, or sum has been paid under protest or duress.

In any case, no such suit or proceeding shall be filed after the expiration of two (2) years from the date of payment of the tax or penalty regardless of any supervening cause that may arise after payment: *Provided, however,* That the Commissioner may, even without a written claim therefor, refund or credit any tax, where on the face of the return upon which payment was made, such payment appears clearly to have been erroneously paid.

32 G.R. No. 226592, July 27, 2021.

> Section 229 [of the NIRC, as amended], on the other hand, requires two conditions for the filing of judicial claims: (1) an administrative claim must be filed first; and (2) the judicial claim must be filed within two years after payment of the tax sought to be refunded.
>
> Reading the two provisions together, both administrative and judicial claims must be filed within the two-year period. Furthermore, the administrative claim must be filed before the judicial claim. This Court has previously declared that "[t]imeliness of the filing of the claim is mandatory and jurisdictional. The [Court of Tax Appeals] cannot take cognizance of a judicial claim for refund filed either prematurely or out of time."

Relevantly, for CWT, *ACCRA Investments Corporation v. The Honorable Court of Appeals, et al.*[33] clarified that said two (2)-year period to file such judicial claim is counted, at the earliest, from the filing of annual income tax return (AITR). This is because the taxpayer would know whether a tax is still due or a refund can be claimed based on adjusted and audited figures upon the filing of said AITR.[34]

On April 16, 2018, petitioner filed its original AITR.[35] On April 24, 2018, petitioner subsequently filed its amended AITR. Following *Carrier*, *ACCRA*, and *TMX*, it had two (2) years from April 24, 2018, or until April 24, 2020, to file both its administrative and judicial claims for refund in the order stated. Petitioner seasonably instituted: *one*, its administrative[36] claim for refund on December 2, 2019; *two* its Petition for Review filed on April 8, 2020.[37] Hence, the Court has jurisdiction over petitioner's judicial claim for refund of excess and unutilized CWTs for CY 2017.

33 G.R. No. 96322, December 20, 1991.

34 See *Commissioner of Internal Revenue v. TMX Sales, Inc., et al. (TMX)*, G.R. No. 83736, January 15, 1992.

35 Exhibit "P-3," Docket - Vol. II, p. 635 to 687.

36 *Supra* note 4.

37 *Supra* note 5.

Petitioner's compliance with Section 76 of the NIRC, as amended.

Petitioner's claim for refund of its excess and unutilized CWTs is anchored on Section 76 of the NIRC, as amended, which states:

> SEC. 76. *Final Adjustment Return.* — Every corporation liable to tax under Section 27 shall file a final adjustment return covering the total taxable income for the preceding calendar or fiscal year. If the sum of the quarterly tax payments made during the said taxable year is not equal to the total tax due on the entire taxable income of that year, the corporation shall either:
>
> (A) Pay the balance of tax still due; or
> (B) Carry-over the excess credit; or
> (C) Be credited or refunded with the excess amount paid, as the case may be.
>
> **In case the corporation is entitled to a tax credit or refund of the excess estimated quarterly income taxes paid, the excess amount shown on its final adjustment return may be carried over and credited against the estimated quarterly income tax liabilities for the taxable quarters of the succeeding taxable years. Once the option to carry-over and apply the excess quarterly income tax against income tax due for the taxable quarters of the succeeding taxable years has been made, such option shall be considered irrevocable for that taxable period and no application for cash refund or issuance of a tax credit certificate shall be allowed therefor.**[38]

Under the cited law, there are two options available to the corporation whenever it overpays its income tax for the taxable year: (1) to carry over and apply the overpayment as tax credit against the estimated quarterly income tax liabilities of the succeeding taxable years (also known as automatic tax credit) until fully utilized (meaning, there is no prescriptive period); and (2) to apply for a cash refund or issuance of a tax credit certificate within the prescribed period. Such overpayment of income tax is usually occasioned by the over-withholding of taxes on the income payments to the corporate taxpayer.[39]

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38 Boldfacing supplied.

39 *University Physicians Services Inc. - Management, Inc. v. Commissioner of Internal Revenue,* G.R. No. 205955, March 7, 2018. Citations omitted.

Petitioner's prior year's excess tax credits.

A perusal of petitioner's AITR for CY 2017[40] shows that it had income tax credits in the amount of ₱11,613,482.00, consisting of the: (i) prior year's excess tax credits in the amount of ₱6,176,482.00, and (ii) CWTs accumulated during the four (4) quarters of CY 2017 in the aggregate amount of ₱5,437,000.00, as follows:[41]

Prior Year's Excess Credits Other Than Minimum Corporate Income Tax (MCIT)		₱ 6,176,482.00
Add: Creditable Tax Withheld – Calendar Year 2017		
for the first three quarters	₱4,942,000.00	
for the 4th Quarter	495,000.00	5,437,000.00
	Total Tax Credits	**₱11,613,482.00**

Petitioner claims that its Regular Corporate Income Tax (RCIT) due for CY 2017 in the amount of ₱2,201,374.00[42] was paid using a portion of its prior year's excess credits of ₱6,176,482.00. This leaves the prior year's excess tax credits in the amount of ₱3,975,108.00, and CWTs during CY 2017 in the amount of ₱5,437,000.00, totaling ₱9,412,108.00, which remained unutilized as of December 31, 2017, as shown below:

Prior Year's Excess Credits other than MCIT	₱ 6,176,482.00
Less: Income Tax Due (RCIT)	2,201,374.00
Balance of Prior Year's Excess Credits	₱ 3,975,108.00
Add: CWTs – Calendar Year 2017	5,437,000.00
Excess Creditable Taxes Withheld as of December 31, 2017	**₱9,412,108.00**

The AITRs of petitioner for CY 2003 to 2016[43] filed with the BIR disclosed that the prior years' excess credits reported in its Amended AITR for CY 2017 in the amount of ₱6,176,482.00 represents: (i) the remaining reinstated 2004 CWTs amounting to ₱1,692,213.09 less the adjustments to CY 2010 income tax due made by petitioner

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40 Exhibit "P-4," Docket - Vol. II, p. 688 to 696.

41 Schedule 7, Exhibit "P-4," Docket – Vol. II, p. 694.

42 Line 44, Exhibit "P-4," Docket – Vol. II, p. 690.

43 Exhibits "P-30-1," "P-30-2," "P-30-3," "P-30-4," "P-30-5," "P-30-6," "P-30-7," "P-30-8," "P-30-9," "P-30-10," "P-30-11," "P-30-12," "P-30-13," and "P-30-14," USB marked as Exhibit "P-19-2".

amounting to ₱380,481.09; and (iii) 2014 CWTs amounting to ₱4,864,750.00.

The reinstated 2004 CWTs pertains to the duly-substantiated portion of the petitioner's excess and unutilized CWTs for CY 2004 that were claimed for refund, but were eventually disallowed by the Court *En Banc* based on its decision in CTA EB Case No. 697 (CTA Case No. 7613) dated April 20, 2012[44], broken down as follows:

Particulars	Amount
Excess tax credits for the CY 2004 claimed for refund by Petitioner	₱5,188,970.00
Less: the amount of CWTs disallowed by the CTA for lack of evidence	(831,470.96)
Duly-substantiated portion of the Petitioner's excess CWTs for CY 2004 that were disallowed by the CTA due to exercise of the carry-over option	₱4,357,499.04

To recall, petitioner filed a refund case with the Second Division of the Court for its excess CWTs amounting to ₱5,188,970.00 for calendar year 2004 filed and docketed as CTA Case No. 7613. On June 18, 2010,[45] the Court in Division partially granted petitioner's claim for refund in the amount of ₱4,357,499.04, representing petitioner's 2004 excess CWTs less the amount of ₱831,470.96, which was disallowed by the Court in Division on the ground that petitioner failed to account the discrepancy amounting to ₱5,911,272.40 between the total revenue of ₱30,979,273.00 that was reflected in petitioner's 2004 Annual ITR[46], and the income payments of ₱36,890,545.40 shown in the 2004 CWTs certificates.[47]

However, on July 6, 2010, respondent filed an appeal with the Court *En Banc*, docketed as CTA EB Case No. 697, arguing that petitioner failed to prove that it did not exercise the option to carry-over the excess and unutilized CWTs for calendar year 2004 to the succeeding quarters of calendar year 2005 because petitioner failed to present its Quarterly ITRs for taxable year 2005. On April 20, 2012, the Court *En Banc* granted respondent's appeal and reversed the decision of the Court in Division in CTA Case No. 7613, on the ground that petitioner failed to present its Quarterly ITRs for

44 Exhibit "P-43-2," USB marked as Exhibit "P-19-2".
45 Exhibit "P-43-1," USB marked as Exhibit "P-19-2".
46 Exhibit "P-30-2," USB marked as Exhibit "P-19-2".
47 Exhibits "P-40-1" to "P-40-54," USB marked as Exhibit "P-19-2".

calendar year 2005 to prove that it did not carry-over its excess CWTs for calendar year 2004 to the succeeding taxable quarters of calendar year 2005.

Petitioner subsequently filed a *Motion for Extension of Time to File Petition for Review* with the Supreme Court but eventually, petitioner failed to file the intended *Petition for Review on Certiorari* within the period prayed for in the *Motion*, thus the case was declared closed and terminated and that the judgment sought to be reviewed has become final and executory.[48]

As such, petitioner reinstated the duly-substantiated 2004 excess CWTs in the amount of ₱4,357,499.04, less the adjustment to CY 2010 income tax due amounting to ₱380,481.09, or in the net amount of ₱3,977,017.95, in its AITR for CY 2013 as part of its "prior year's excess tax credits."

The adjustment amounting to ₱380,481.09 pertains to the difference in tax due reported per AITR and Audited Financial Statements (AFS) for CY 2010 as follows:

Particulars	Amount
2010 Annual ITR - MCIT due[49]	₱178,931.38
Less: 2010 AFS - Note 11 - Current provision for income tax - RCIT due[50]	559,413.00
Unpaid portion of RCIT for calendar year 2010 settled by reducing *"prior year's excess tax credits other than MCIT"* reported in the calendar year 2013 annual ITR	(₱380,481.62)*

**the amount of adjustment by petitioner in calendar year 2013 is ₱380,481.09.*

Below is the summary of the movements of the excess CWTs reflected in petitioner's AITRs from CY 2003 to 2017:[51]

Particulars	Prior Years' Excess Credits	CWTs for the Year	Total
2003			
Tax credits/payments	₱ -	₱2,506,600.00	₱2,506,600.00
Less: Application of excess tax credits against RCIT due	-	(289,502.00)	(289,502.00)

[48] Exhibit "P-43-3," USB marked as Exhibit "P-19-2".
[49] Exhibit "P-30-8," USB marked as Exhibit "P-19-2".
[50] Exhibit "P-30-20," USB marked as Exhibit "P-19-2".
[51] Exhibit "P-19," Docket - Vol. I, pp. 495 to 498.

Particulars	Prior Years' Excess Credits	CWTs for the Year	Total
Amount carried over to 2004	₱ -	₱2,217,098.00	₱2,217,098.00
2004			
Tax credits/payments	₱2,217,098.00	₱5,188,970.00	₱7,406,068.00
Less:			
Application of excess tax credits against RCIT due from the remainder of 2003 CWTs of ₱2,217,098.00 carried over to 2004	(550,220.00)	-	(550,220.00)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 7613)	-	(5,188,970.00)	(5,188,970.00)
Amount carried over to 2005	₱1,666,878.00	₱ -	₱1,666,878.00
2005			
Tax credits/payments	₱1,666,878.00	₱5,070,932.00	₱6,737,810.00
Less:			
Application of excess tax credits against RCIT due from the remainder of 2003 CWTs of ₱1,666,878.00 carried over to 2005	(1,029,302.00)	-	(1,029,302.00)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 7757)	-	(5,070,932.00)	(5,070,932.00)
Amount carried over to 2006	₱637,576.00	₱ -	₱637,576.00
2006			
Tax credits/payments	₱637,576.00	₱3,991,800.00	₱4,629,376.00
Less:			
Application of excess tax credits against RCIT due from the remainder of 2003 CWTs of ₱637,576.00 carried over to 2006	(434,043.00)	-	(434,043.00)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 7911)	-	(3,991,800.00)	(3,991,800.00)
Amount carried over to 2007	₱203,533.00	₱ -	₱203,533.00
2007			
Tax credits/payments	₱203,533.00	₱3,643,050.00	₱3,846,583.00
Less: Application of excess tax credits against RCIT due from the:			
Remainder of 2003 CWTs of ₱203,533.00 carried over to 2007	(203,533.00)	-	(203,533.00)
2007 CWT	-	(553,207.00)	(553,207.00)
	(203,533.00)	(553,207.00	(756,740.00)
Amount carried over to 2008	₱ -	₱₱3,089,843.00	₱3,089,843.00
2008			
Tax credits/payments	₱3,089,843.00	₱3,683,100.00	₱6,772,943.00
Less:			
Application of excess tax credits against RCIT due from the remainder of 2007 CWTs of ₱3,089,843.00 carried over to 2008	(827,408.40)	-	(827,408.40)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 8266)	-	(3,683,100.00)	(3,683,100.00)
Amount carried over to 2009	₱2,262,434.60	₱ -	₱2,262,434.60
2009			
Tax credits/payments	₱2,262,434.60	₱4,045,410.00	₱6,307,844.60
Less:			

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Particulars	Prior Years' Excess Credits	CWTs for the Year	Total
Application of excess tax credits against RCIT due from the remainder of 2007 CWTs of ₱2,262,434.60 carried over to 2009	(995,903.10)	-	(995,903.10)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 8458)	-	(4,045,410.00)	(4,045,410.00)
Amount carried over to 2010	₱1,266,531.50	₱ -	₱1,266,531.50
2010			
Tax credits/payments	₱1,266,531.50	₱3,911,850.00	₱5,178,381.50
Less:			
Application of excess tax credits against MCIT due from the remainder of 2007 CWTs of ₱1,266,531.50 carried over to 2010	(178,931.38)	-	(178,931.38)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 8639)	-	(3,911,850.00)	(3,911,850.00)
Amount carried over to 2011	₱1,087,600.12	₱ -	₱1,087,600.12
2011			
Tax credits/payments	₱1,087,600.12	₱4,386,654.40	₱5,474,254.52
Less: Application of excess tax credits against RCIT due from the:			
Remainder of 2007 CWTs of ₱1,087,600.12 carried over to 2011	(1,087,600.12)	-	(1,087,600.12)
2011 CWT	-	(392,088.25	(392,088.25
	(1,087,600.12)	(392,088.25)	(1,479,688.37)
Amount carried over to 2012	₱ -	₱3,994,566.15	₱3,994,566.15
2012			
Tax credits/payments	₱3,994,566.15	₱4,880,190.40	₱8,874,756.55
Less:			
Application of excess tax credits against RCIT due from the remainder of 2011 CWTs of ₱3,994,566.15 carried over to 2012	(1,479,209.10)	-	(1,479,209.10)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 9026)	-	(4,880,190.40)	(4,880,190.40)
Amount carried over to 2013	₱2,515,357.05	₱ -	₱2,515,357.05
2013			
Tax credits/payments	₱2,515,357.05	₱4,733,500.00	₱7,248,857.05
Add: Reinstated 2004 CWTs disallowed by the CTA per decision in CTA EB Case No. 697 dated April 20, 2012 (Item 4b)	4,357,499.04	-	4,357,499.04
Less: Adjustment made by the petitioner (Item 4c)	(380,481.09)	-	(380,481.09)
Net 2004 CWT reinstated in 2013	3,977,017.95	-	3,977,017.95
Less:			
Application of excess tax credits against RCIT due from the remainder of 2011 CWTs of ₱2,515,357.05 carried over to 2013	(971,659.00)	-	(971,659.00)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 9249)	-	(4,733,500.00)	(4,733,500.00)
Amount carried over to 2014	₱5,520,716.00	₱ -	₱5,520,716.00
2014			
Tax credits/payments	₱5,520,716.00	₱4,864,750.00	₱10,385,466.00
Less application of excess tax credits against RCIT due from the remainder of 2011 CWTs of ₱1,543,698.05 carried over to 2014	(1,324,343.00)	-	(1,324,343.00)

Particulars	Prior Years' Excess Credits	CWTs for the Year	Total
Amount carried over to 2015	₱4,196,373.00	₱4,864,750.00	₱9,061,123.00
2015			
Tax credits/payments	₱9,061,123.00	₱4,993,000.00	₱14,054,123.00
Less: Application of excess tax credits against RCIT due from the:			
Remainder of 2011 CWTs of ₱219,355.05 carried over to 2015	(219,355.05)	-	(219,355.05)
Net 2004 CWTs reinstated in 2013 of ₱3,977,017.95 carried over to 2015	(226,071.95)	-	(226,071.95)
	(445,427.00)	-	(445,427.00)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 9808)	-	(4,993,000.00)	(4,993,000.00)
Amount carried over to 2016	₱8,615,696.00	₱ -	₱8,615,696.00
2016			
Tax credits/payments	₱8,615,696.00	₱5,366,304.00	₱13,982,000.00
Less:			
Application of excess tax credits against RCIT due from the remainder of the net 2004 CWTs reinstated in 2013 of ₱3,750,946.00 carried over to 2016	(2,439,214.00)	-	(2,439,214.00)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 9771)	-	(5,366,304.00)	(5,366,304.00)
Amount carried over to 2017	₱6,176,482.00	₱ -	₱6,176,482.00
2017			
Tax credits/payments	₱6,176,482.00	₱5,437,000.00	₱11,613,482.00
Less: Application of excess tax credits against RCIT due from the:			
Remainder of the net 2004 CWTs reinstated in 2013 of ₱1,311,732.00 carried over to 2017	(1,311,732.00)	-	(1,311,732.00)
2014 CWTs of ₱4,864,750.00 carried over to 2017	(889,642.00)	-	(889,642.00)
	(2,201,374.00)	-	(2,201,374.00)
Amount claimed for refund of or issuance of tax credit certificate (CTA Case No. 10272)	-	(5,437,000.00)	(5,437,000.00)
Remainder of 2014 CWTs carried over to 2018	₱3,975,108.00	₱ -	₱3,975,108.00

On the other hand, to prove the existence of its prior year's excess credits of ₱4,864,750.00, petitioner presented its AITR for CY 2014,[52] *Summary of Creditable Withholding Taxes,*[53] and the corresponding *Certificates of Creditable Tax Withheld at Source (BIR Forms No. 2307)* for CY 2014[54], to wit:

Exhibit No.	Period Covered	Payor	Amount of Income Payments	Amount of Taxes Withheld

52 Exhibit "P-30-12," USB marked as Exhibit "P-19-2".

53 Exhibit "P-42," USB marked as Exhibit "P-19-2".

54 Exhibits "P-42-1" to "P-42-24, USB marked as Exhibit "P-19-2".

"P-42-1"	1st quarter	Corullon Holdings, Inc.	₱ 1,750,000.00	₱ 262,500.00
"P-42-2"	3rd quarter	Corullon Holdings, Inc.	1,750,000.00	262,500.00
		Total	**₱3,500,000.00**	**₱525,000.00**
"P-42-3"	1st quarter	FBC Holdings, Inc.	₱ 1,750,000.00	₱ 262,500.00
"P-42-4"	3rd quarter	FBC Holdings, Inc.	1,750,000.00	262,500.00
		Total	**₱3,500,000.00**	**₱525,000.00**
"P-42-5"	1st quarter	FBC Steps Realty, Inc.	₱ 300,000.00	₱ 45,000.00
"P-42-6"	3rd quarter	FBC Steps Realty, Inc.	300,000.00	45,000.00
		Total	**₱600,000.00**	**₱90,000.00**
"P-42-7"	1st quarter	Fercat Holdings, Inc.	₱ 1,750,000.00	₱ 262,500.00
"P-42-8"	3rd quarter	Fercat Holdings, Inc.	1,750,000.00	262,500.00
		Total	**₱3,500,000.00**	**₱525,000.00**
"P-42-9"	1st quarter	Gilmon Holdings, Inc.	₱ 1,750,000.00	₱ 262,500.00
"P-42-10"	3rd quarter	Gilmon Holdings, Inc.	1,750,000.00	262,500.00
		Total	**₱3,500,000.00**	**₱525,000.00**
"P-42-11"	1st quarter	Gracie Square Holdings, Inc	₱ 1,750,000.00	₱ 262,500.00
"P-42-12"	3rd quarter	Gracie Square Holdings, Inc	1,750,000.00	262,500.00
		Total	**₱3,500,000.00**	**₱525,000.00**
"P-42-13"	1st quarter	Mermac, Inc.	₱ 2,345,000.00	₱ 351,750.00
"P-42-14"	3rd quarter	Mermac, Inc.	2,720,000.00	408,000.00
		Total	**₱5,065,000.00**	**₱759,750.00**
"P-42-15"	1st quarter	Reinosa Holdings, Inc.	₱ 1,750,000.00	₱ 262,500.00
"P-42-16"	3rd quarter	Reinosa Holdings, Inc.	1,750,000.00	262,500.00
		Total	**₱3,500,000.00**	**₱525,000.00**
"P-42-17"	1st quarter	San Puente Holdings, Inc.	₱ 1,750,000.00	₱ 262,500.00
"P-42-18"	3rd quarter	San Puente Holdings, Inc.	1,750,000.00	262,500.00
		Total	**₱3,500,000.00**	**₱525,000.00**
"P-42-19"	2nd quarter	Steps Dance Center, Inc.	₱ 100,000.00	₱ 10,000.00
"P-42-20"	3rd quarter	Steps Dance Center, Inc.	100,000.00	10,000.00
"P-42-21"	3rd quarter	Steps Dance Center, Inc.	100,000.00	10,000.00
"P-42-22"	4th quarter	Steps Dance Center, Inc.	100,000.00	10,000.00
		Total	**₱400,000.00**	**₱40,000.00**
"P-42-23"	1st quarter	Zobel de Ayala, Jaime Pfitz	₱ 750,000.00	₱ 112,500.00
"P-42-24"	3rd quarter	Zobel de Ayala, Jaime Pfitz	1,250,000.00	187,500.00
		Total	**₱2,000,000.00**	**₱300,000.00**
		GRAND TOTAL	**₱32,565,000.00**	**₱4,864,750.00**

From the preceding table, the total CWTs of ₱4,864,750.00 for CY 2014 was properly supported by BIR Forms No. 2307. Likewise, the total amount of ₱4,864,750.00 per *Schedule of Creditable Taxes Withheld* coincides with the total CWTs reported in the AITR for CY 2014,[55] thus:

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55 Exhibit "P-30-12," USB marked as Exhibit "P-19-2".

Schedule of Certificates of Creditable Tax Withheld at Source		₱4,864,750.00
Less: Creditable Tax Withheld – Taxable year 2014 per ITR		
for the first three quarters	₱4,844,750.00	
for the 4th Quarter	20,000.00	4,864,750.00
	Difference	-

Consequently, the total prior year excess tax credits in the amount of ₱6,176,482.00 is enough to cover the income tax liabilities in the amount of ₱2,201,374.00 for CY 2017.

Petitioner opted to refund its excess and unutilized CWTs for CY 2017.

Since petitioner marked the box corresponding to the option *"To be refunded"*[56] in its AITR for CY 2017, the CWTs for calendar year 2017 in the amount of ₱5,437,000.00 may be the subject of a claim for refund or for issuance of TCC under Section 76 of the NIRC, as amended.

This refund option was further affirmed by petitioner when it carried over only the amount of ₱3,975,108.00 as prior year's excess tax credits other than MCIT in its Quarterly[57] and AITR[58] for CY 2018. Said amount already excluded the CWTs being claimed for refund in this case in the amount of ₱5,437,000.00.

Petitioner's compliance with the requisites in claiming a refund of or an issuance of TCC of excess and unutilized CWTs.

In addition to the requisites provided under Section 76 of the NIRC of 1997, petitioner must satisfy the following three (3) requisites:

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56 Exhibit "P-4," Docket – Vol. II, p. 689.

57 Line 31A of Exhibits "P-13," "P-14," "P-15," and "P-16," Docket – Vol. II, pp. 801, 818, 823 and 835, respectively.

58 Line 1 of Schedule 7 of Exhibits "P-11" and "P-12," Docket – Vol. II, pp. 747 and 765, respectively.

1. The claim for refund must be filed within the two-year prescriptive period as provided under Sections 204(C) and 229 of the NIRC, as amended;

2. The fact of withholding must be established by a copy of a statement duly issued by the payor (withholding agent) to the payee, showing the amount paid and the amount of tax withheld therefrom; and

3. The income upon which the taxes were withheld must be included in the return of the recipient.[59]

Petitioner timely filed both its administrative and judicial claims for refund of/ issuance of TCC.

As already discussed above, the Court found that petitioner's administrative claim on December 2, 2019, and judicial claim on April 8, 2020 were timely filed within the two-year period required under Sections 204(C) and 229 of the NIRC, as amended. Thus, petitioner has complied with the *first* requisite.

As to the *second* and *third* requisites, Section 2.58.3(B) of Revenue Regulations (RR) No. 02-98, as amended, states:

> Sec. 2.58.3. *Claim for tax credit or refund.* –
>
> ...
>
> (B) Claims for tax credit or refund of any creditable income tax which was deducted and withheld on income payments shall be given due course **only when it is shown that the income payment has been declared as part of the gross income and the fact of withholding is established by a copy of the withholding tax statement duly issued by the payor to the payee showing the amount paid and the amount of tax withheld therefrom.**[60]

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59 *Republic of the Philippines, represented by the Commissioner of Internal Revenue v. Team (Phils.) Energy Corporation (formerly Mirant (Phils.) Energy Corporation)*, G.R. No. 188016, January 14, 2015; *United International Pictures AB v. Commissioner of Internal Revenue*, G.R. No. 168331, October 11, 2012; *Citibank N.A. v. Court of Appeals*, et al., G.R. No. 107434, October 10, 1997; *ACCRA Investments Corporation v. The Honorable Court of Appeals, et al.*, G.R. No. 96322, December 20, 1991; Section 2.58, Revenue Regulations No. 2-98, as amended.

60 Boldfacing supplied.

Petitioner properly substantiated the excess and unutilized CWTs sought to be refunded with the Certificates of Creditable Tax Withheld at Source (BIR Forms No. 2307).

To prove the fact of withholding of the claimed CWTs of ₱5,437,000.00, petitioner presented its *Summary of 2018 CWTs* [61] and the *Certificates of Creditable Tax Withheld at Source* (BIR Forms No. 2307) for CY 2017,[62] reflecting CWTs in the amount of ₱5,437,000.00, detailed as follows:

Exhibit No.	Period Covered	Payor / Withholding Agents	Amount of Income Payments	Amount of Tax Withheld
"P-32-1"	1st quarter	Corullon Holdings, Inc,	₱ 1,800,000.00	₱ 270,000.00
"P-32-2"	3rd quarter	Corullon Holdings, Inc,	1,800,000.00	270,000.00
"P-32-3"	4th quarter	Corullon Holdings, Inc,	400,000.00	60,000.00
		Total	**₱4,000,000.00**	**₱600,000.00**
"P-32-4"	1st quarter	FBC Holdings, Inc.	₱ 1,800,000.00	₱ 270,000.00
"P-32-5"	3rd quarter	FBC Holdings, Inc.	1,800,000.00	270,000.00
"P-32-6"	4th quarter	FBC Holdings, Inc.	400,000.00	60,000.00
		Total	**₱4,000,000.00**	**₱600,000.00**
"P-32-7"	1st quarter	FBC Steps Realty, Inc.	₱ 300,000.00	₱ 45,000.00
"P-32-8"	3rd quarter	FBC Steps Realty, Inc.	300,000.00	45,000.00
		Total	**₱600,000.00**	**₱90,000.00**
"P-32-9"	1st quarter	Fercat Holdings, Inc.	₱ 1,800,000.00	₱ 270,000.00
"P-32-10"	3rd quarter	Fercat Holdings, Inc.	1,800,000.00	270,000.00
"P-32-11"	4th quarter	Fercat Holdings, Inc.	400,000.00	60,000.00
		Total	**₱4,000,000.00**	**₱600,000.00**
"P-32-12"	1st quarter	Gilmon Holdings, Inc.	₱ 1,800,000.00	₱ 270,000.00
"P-32-13"	3rd quarter	Gilmon Holdings, Inc.	1,800,000.00	270,000.00
"P-32-14"	4th quarter	Gilmon Holdings, Inc.	400,000.00	60,000.00
		Total	**₱4,000,000.00**	**₱600,000.00**
"P-32-15"	1st quarter	Gracie Square Holdings, Inc.	₱ 1,800,000.00	₱ 270,000.00
"P-32-16"	3rd quarter	Gracie Square Holdings, Inc.	1,800,000.00	270,000.00
"P-32-17"	4th quarter	Gracie Square Holdings, Inc.	400,000.00	60,000.00
		Total	**₱4,000,000.00**	**₱600,000.00**
"P-32-18"	2nd quarter	JZA Artworks, Inc.	₱ 500,000.00	₱ 75,000.00
"P-32-19"	4th quarter	JZA Artworks, Inc.	500,000.00	75,000.00
		Total	**₱1,000,000.00**	**₱150,000.00**
"P-32-20"	1st quarter	Mermac, Inc.	₱ 3,190,000.00	₱ 478,500.00

61 Exhibits "P-31" and "P-32," USB marked as Exhibit "P-19-2".

62 Exhibits "P-32-1" to "P-32-29," USB marked as Exhibit "P-19-2".

"P-32-21"	3rd quarter	Mermac, Inc.	3,190,000.00	478,500.00
		Total	**₱6,380,000.00**	**₱957,000.00**
"P-32-22"	1st quarter	Reinosa Holdings, Inc.	₱ 1,800,000.00	₱ 270,000.00
"P-32-23"	3rd quarter	Reinosa Holdings, Inc.	1,800,000.00	270,000.00
"P-32-24"	4th quarter	Reinosa Holdings, Inc.	400,000.00	60,000.00
		Total	**₱4,000,000.00**	**₱600,000.00**
"P-32-25"	1st quarter	San Puente Holdings, Inc.	₱ 1,800,000.00	₱ 270,000.00
"P-32-26"	3rd quarter	San Puente Holdings, Inc.	1,800,000.00	270,000.00
"P-32-27"	4th quarter	San Puente Holdings, Inc.	400,000.00	60,000.00
		Total	**₱4,000,000.00**	**₱600,000.00**
"P-32-28"	1st quarter	Steps Dance Center, Inc.	₱ 200,000.00	₱ 20,000.00
"P-32-29"	3rd quarter	Steps Dance Center, Inc.	200,000.00	20,000.00
		Total	**₱400,000.00**	**₱40,000.00**
		Grand Total	**₱36,380,000.00**	**₱5,437,000.00**

Exhibit No.	BIR Form No. 2307	Amount
"P-31"	Per Schedule of Creditable Withholding Taxes prepared by the Petitioner	₱5,437,000.00
"P-32"	Per Summary of CWTs Supported by Original BIR Form No. 2307 in the Petitioner's Name	5,437,000.00
	Difference	**₱ -**

Upon examination of the above enumerated CWTs Certificates, the Court finds that petitioner properly substantiated the excess and unutilized CWTs it seeks a refund/issuance of a TCC. Accordingly, petitioner was able to satisfy the *second requisite*.

The income upon which the excess and unutilized CWTs were withheld was included in petitioner's Amended AITR.

Finally, with regard to the *third requisite*, petitioner complied therewith as the ₱36,380,000.00 administration/management fees related to the CWTs of ₱5,437,000.00 were traced to petitioner's *Official Receipts*,[63] *cash receipts book*,[64] *general journal*,[65] *General Ledger of Administration Fees*,[66] *Summary of Creditable Withholding Taxes Supported by Original Certificate of Creditable Tax Withheld at Source (BIR Form No. 2307) in the Petitioner's Name for CY Ended December 31,*

63 Exhibits "P-33-1-1" to "P-33-1-29," USB marked as Exhibit "P-19-2".
64 Exhibit "P-33-2," USB marked as Exhibit "P-19-2".
65 Exhibit "P-33-3," USB marked as Exhibit "P-19-2".
66 Exhibit "P-36-1," USB marked as Exhibit "P-19-2".

2017[67] and *Summary of Income Payments With Creditable Withholding Taxes– Management Fees Traced to Official Receipts (ORs), Cash Receipts Book (CRB) and General Journal (GJ) for CY Ended December 31, 2017,*[68] and in turn were reported in its AFS[69] and AITR[70] for CY 2017.

While the amount of ₱60,500,000.00 administration/ management fees reflected per petitioner's AFS and Annual ITR for CY 2017 is higher than the amount of ₱36,380,000.00 shown in its certificates, the discrepancy of ₱24,120,000.00 was verified against petitioner's *ORs,*[71] *Schedule of Management Fees Without Creditable Withholding Taxes for CY Ended December 31, 2017,*[72] and *Summary of Management Fees Without Creditable Withholding Taxes Traced to ORs, CRB and GJ for CY Ended December 31, 2017,*[73] as pertaining to management fees upon which no withholding of taxes was made by petitioner's clients/payors, to wit:

Per Official Receipt (OR)				Per Cash Receipts Book (CRB)/General Journal (GJ)			
Exhibit No.	OR Date[74]	OR No.	Management Fees	Exhibit No.	CRB/GJ Date[75]	CRB/GJ No.	Administration Fees
"P-35-1"	05/03/2017	01218	₱ 1,600,000.00	"P-33-2(5/12)"	05/03/2017	OR-00000144	₱ 1,600,000.00
"P-35-2"	11/10/2017	01243	1,600,000.00	"P-33-2(11/12)"	11/10/2017	OR-00000168	1,600,000.00
Alejandro Zobel Padilla			**₱3,200,000.00**				**₱3,200,000.00**
"P-35-3"	05/03/2017	01219	₱ 1,900,000.00	"P-33-2(5/12)"	05/03/2017	OR-00000145	₱ 1,900,000.00
"P-35-4"	11/10/2017	01241	1,900,000.00	"P-33-2(11/12)"	11/10/2017	OR-00000166	1,900,000.00
Alfonso Zobel de Ayala, Jr.			**₱3,800,000.00**				**₱3,800,000.00**
"P-35-5"	04/20/2017	01212	₱ 1,000,000.00	"P-33-2(5/12)"	04/20/2017	OR-00000138	₱ 1,000,000.00
"P-35-6"	12/28/2017	01245	160,000.00	"P-33-2(12/12)"	12/28/2017	OR-00000170	160,000.00
"P-35-7"	11/08/2017	01235	500,000.00	"P-33-2(11/12)"	11/08/2017	OR-00000183	500,000.00
Beatriz Susana Zobel de Ayalla			**₱1,660,000.00**				**₱1,660,000.00**
"P-35-8"	04/24/2017	01214	₱ 300,000.00	"P-33-2(4/12)"	04/24/2017	OR-00000140	₱ 300,000.00
"P-35-9"	11/09/2017	01238	300,000.00	"P-33-2(11/12)"	11/09/2017	OR-00000163	300,000.00
Cristina Zobel de Ayalla			**₱600,000.00**				**₱600,000.00**
"P-35-10"	05/10/2017	01220	₱ 1,000,000.00	"P-33-2(5/12)"	05/10/2017	OR-00000146	₱ 1,000,000.00
"P-35-11"	11/09/2017	01239	500,000.00	"P-33-2(11/12)"	11/09/2017	OR-00000164	500,000.00
"P-35-12"	01/02/2018	0001254	300,000.00	"P-33-3(4/4)"	01/02/2018	OR-00000179	300,000.00
Fernando Zobel de Ayala			**₱1,800,000.00**				**₱1,800,000.00**
"P-35-13"	05/18/2017	01221	₱ 2,300,000.00	"P-33-2(5/12)"	05/18/2017	OR-00000147	₱ 2,300,000.00

67 Exhibit "P-32," USB marked as Exhibit "P-19-2".
68 Exhibit "P-33," USB marked as Exhibit "P-19-2".
69 Exhibit "P-5," Docket - Vol. II, p. 704.
70 Line 30 of Exhibit "P-4," Docket - Vol. II, p. 690.
71 Exhibits "P-35-1" to "P-35-29," USB marked as Exhibit "P-19-2".
72 Exhibit "P-34," USB marked as Exhibit "P-19-2".
73 Exhibit "P-35," USB marked as Exhibit "P-19-2".
74 Date format: month/day/year.
75 Date format: month/day/year.

"P-35-14"	11/10/2017	01244	2,300,000.00	"P-33-2(11/12)"	11/10/2017	OR-00000169	2,300,000.00
Georgina Padilla Zobel			**₱4,600,000.00**				**₱4,600,000.00**
"P-35-15"	05/03/2017	01217	₱ 1,500,000.00	"P-33-2(5/12)"	05/03/2017	OR-00000143	₱ 1,500,000.00
"P-35-16"	05/03/2017	01216	1,000,000.00	"P-33-2(5/12)"	05/03/2017	OR-00000142	1,000,000.00
"P-35-17"	11/09/2017	01240	1,000,000.00	"P-33-2(11/12)"	11/09/2017	OR-00000165	1,000,000.00
"P-35-18"	11/10/2017	01242	500,000.00	"P-33-2(11/12)"	11/10/2017	OR-00000167	500,000.00
"P-35-19"	02/01/2018	0001255	300,000.00	"P-33-3(4/4)"	01/02/2018	OR-00000180	300,000.00
Jaime Augusto Zobel de Ayala			**₱4,300,000.00**				**₱4,300,000.00**
"P-35-20"	04/24/2017	01215	₱ 300,000.00	"P-33-2(4/12)"	04/24/2017	OR-00000141	₱ 300,000.00
"P-35-21"	11/08/2017	01234	300,000.00	"P-33-2(11/12)"	11/08/2017	OR-00000160	300,000.00
Monica Zobel de Ayala			**₱600,000.00**				**₱600,000.00**
"P-35-22"	04/20/2017	01211	₱ 1,000,000.00	"P-33-2(4/12)"	04/24/2017	OR-00000137	₱ 1,000,000.00
"P-35-23"	11/08/2017	01236	500,000.00	"P-33-2(11/12)"	11/08/2017	OR-00000161	500,000.00
"P-35-24"	12/28/2017	01246	160,000.00	"P-33-2(12/12)"	12/28/2017	OR-00000171	160,000.00
Patricia Zobel de Ayala			**₱1,660,000.00**				**₱1,660,000.00**
"P-35-25"	04/21/2017	01213	₱ 1,000,000.00	"P-33-2(4/12)"	04/21/2017	OR-00000139	₱ 1,000,000.00
"P-35-26"	11/08/2017	01237	500,000.00	"P-33-2(11/12)"	11/08/2017	OR-00000162	500,000.00
"P-35-27"	12/28/2017	01247	200,000.00	"P-33-2(12/12)"	12/28/2017	OR-00000172	200,000.00
Sofia Zobel Elizalde			**₱1,700,000.00**				**₱1,700,000.00**
"P-35-28"	01/10/2017	01199	₱ 100,000.00	"P-33-2(1/12)"	01/10/2017	OR-00000125	₱ 100,000.00
"P-35-29"	07/26/2017	01223	100,000.00	"P-33-2(7/12)"	07/26/2017	OR-00000149	100,000.00
Steps Dance Studio Scholarship			**₱200,000.00**				**₱200,000.00**
		TOTAL	**₱24,120,000.00**			TOTAL	**₱24,120,000.00**

In sum, petitioner has sufficiently proven its entitlement to a refund of or issuance of TCC in the amount of ₱5,437,000.00 representing unutilized CWTs for CY 2017.

WHEREFORE, the *Petition for Review* is **GRANTED.** Accordingly, respondent is **ORDERED** to **REFUND,** or **ISSUE A TAX CREDIT CERTIFICATE** in the amount of **₱5,437,000.00,** in favor of petitioner, representing its excess and unutilized CWTs for CY 2017.

SO ORDERED.

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

We Concur:

ROMAN G. DEL ROSARIO
Presiding Justice

CATHERINE T. MANAHAN
Associate Justice

CERTIFICATION

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

ROMAN G. DEL ROSARIO
Presiding Justice