B.

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

INTEL PHILIPPINES MANUFACTURING, INC.,
Petitioner,

- versus -

C.T.A. CASE NO. 5028

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

Promulgated:
OCT 11 1996

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D E C I S I O N

This is an appeal from the decision of respondent Commissioner of Internal Revenue denying petitioner's claim for tax credit in the amount of P2,783,078.05 equivalent to the value-added tax (input tax) paid on its domestic purchases of goods and services for the period covering September 1, 1991 to November 30, 1991.

Petitioner is a domestic corporation registered with the Board of Investment (BOI) as a pioneer enterprise. Petitioner is primarily engaged in the business of designing, developing, manufacturing and exporting advanced and large-scale integrated circuit components also known as "VLSI" components or "IC's". It is a VAT registered enterprise with VAT Registration Certificate No. 32A-3-002649, effective January 1, 1988 (Exh. D). It was able to secure a certification from the Bureau of Internal Revenue (BIR) that it is subject to zero rate value added tax on its export sales where such services/goods are paid for in acceptable foreign currency inwardly remitted to the Philippines and duly accounted for under the regulations of the Central Bank pursuant to Section 102(a)(1) of the Tax Code, as amended by E.O. 273 (VAT Ruling No. 102(a)(1)-402-88; Exh. I).

For the period beginning September 1, 1991 to November 30, 1991, petitioner's export sales (100%) amounted to P214,225,169.80. This amount was inwardly remitted under Central Bank regulations and was received by petitioner in acceptable foreign currency. For the same period, petitioner paid the input taxes on its domestic purchases of goods and services in the amount of P3,711,882.91, allegedly representing the input VAT directly attributable to its zero-rated sales of P214,225,169.80.

On December 20, 1991, petitioner filed a VAT return for the third quarter covering the period September 1, 1991 to November 30, 1991 showing an excess input VAT credit of P3,711,563.77 (Exh. E). On March 20, 1992, petitioner filed an Amended VAT Return covering the same period but this time showing an excess input VAT credit of P33,915,552.35, including the input VAT carried over from previous quarters amounting to P30,203,669.44 added to the quarter input VAT of P3,711,882.91 for the period of September 1991 to November 1991 (Exh. E-1).

Petitioner filed with the BIR on three separate occasions an Application for Tax Credit/Refund of Value-Added Tax in the total amount of P3,675,486.07 representing the input VAT unapplied against the output VAT, itemized as follows:

Exh.	Date Filed	Period Covered	Amount
Exh. F	4-15-92	Sept. to Nov. 1991	P3,641,112.15
Exh. G	7-24-92	Sept. to Nov. 1991	34,373.92
Exh. H	Amended 7-24-92	Sept. to Nov. 1991	P 3,675,486.07

Out of the amount of P3,675,486.07, the BIR granted and issued in favor of petitioner a Tax Credit Certificate (SN 001869), dated April 29, 1993, in the amount of P892,408.02 (Exh. J). The balance of P2,783,078.05 is still being claimed by petitioner as a tax credit by way of this petition for review.

Respondent in response contended that the claim for tax credit has been extinguished upon the issuance of Tax Credit Certificate No. SN 001869 in the amount of P892,408.02. The balance of P2,783,078.05 was disallowed as a tax credit because the same was reimbursed by Intel Corporation of Delaware, U.S.A., pursuant to their Manufacturing Agreement (Exh. 6). Also, the foreign currency received by petitioner cannot be considered as a consideration for the export sale subject to zero rate on the ground that the transactions involved sale of services, that is, petitioner is paid on the service rendered for assembling the silicon wafers and piece parts into an electronic integrated circuit for Intel Corp., U.S.A.. Thus, for the services rendered and the expenses incurred petitioner was reimbursed in acceptable foreign currency by Intel Corp., USA. Moreover, it is incumbent upon petitioner to show proof that the tax subject matter of this case was erroneously or illegally collected for claims for refund or tax credit are construed strictly against the taxpayer. Finally, even assuming that petitioner is still entitled to a tax credit on the remaining balance it should only be granted the credit of P1,722,766.01 instead of P2,783,078.05. This is based on the investigation conducted by respondent's examiners regarding the claim for VAT tax credit of petitioner where it was reported that out of the total claim of P3,675,486.07, the amount of P1,060,312.04 input tax was disallowed for violation of BIR invoicing regulations. And since the amount of P892,408.02 has already been awarded by way of a tax credit the remaining balance to be credited should only be P1,722,766.01.

All told the issue is whether or not petitioner is entitled to claim for a tax credit of P2,783,078.05, representing the balance of unapplied input taxes paid on its domestic purchases of goods and services for the period September 1, 1991 to November 30, 1991.

There is no doubt that petitioner is subject to the zero-rated VAT on its export sales after having complied with the requirement for zero-rating, as certified by the BIR itself (Exh. I). However, respondent wanted to impress upon this Court that the export sale of petitioner involves services, as per the Manufacturing Agreement entered into between petitioner and

Intel Corp., U.S.A., instead of goods as provided for in Section 100 of the Tax Code.

The provisions of law applicable in this case are Sections 100, 102(a)(1), 104(b) and 106(a) of the Tax Code which provide insofar as pertinent, as follows:

> "SEC. 100. ***Value-added tax on sale of goods.*** - **(a)** ***Rate and base of tax.*** - *x x x. Provided,* That the following sales by VAT-registered persons shall be subject to 0%:
>
> (1) Export sales; and
>
> (2) x x x.
>
> "**Export Sales**" means the sale and shipment or exportation of goods from the Philippines to a foreign country, irrespective of any shipping arrangement that may be agreed upon which may influence or determine the transfer of ownership of the goods so exported, or foreign currency denominated sales. "**Foreign currency denominated sales**", on the other hand means "sales to non-residents of goods assembled or manufactured in the Philippines, for delivery to residents in the Philippines and paid for in convertible foreign currency remitted through the banking system in the Philippines." (Underlining ours.)

> "SEC. 102. ***Value-added tax on sale of services.*** - **(a)** ***Rate and base of tax*** - There shall be levied, assessed and collected, a value-added tax equivalent to 10% of gross receipts derived by any person engaged in the sale of services. The phrase "sale of services" means the performance of all kinds of services for others for a fee, remuneration or consideration, including those

performed or rendered by construction and service contractors; stock, real estate, commercial, customs and immigration brokers; lessors or personal property; lessors or distributors of cinematographic films; persons engaged in milling, processing, manufacturing or repacking goods for others, and similar services, regardless of whether or not the performance thereof calls for the exercise or use of the physical or mental faculties: *Provided*, That the following services performed in the Philippines by VAT-registered person shall be subject to 0%.

(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, inwardly remitted to the Philippines and accounted for in accordance with the rules and regulations of the Central Bank of the Philippines.

x x x x x x x x x."

"SEC. 104. ***Tax Credits.*** - (a) ***Creditable input tax*** - x x x.

(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. Any input tax attributable to the purchase of capital goods or to zero-rated sales by a VAT-registered person may at his option be refunded or credited against other internal revenue taxes, subject to the provisions of Section 106." (Emphasis ours.)

"SEC. 106. ***Refunds or tax credits of input tax*** - **(a)** ***Export Sales.*** - An exporter who is a VAT-registered person may within two

> years from the date of exportation, apply for the issuance of a tax credit certificate or refund of the input tax attributable to the goods exported, to the extent that such input tax has not been applied to output tax and upon presentation of proof that the foreign exchange proceeds has been accounted for in accordance with the regulations of the Central Bank of the Philippines."

A perusal of the Manufacturing Agreement entered into between Intel Corp., U.S.A., and Intel Philippines Manufacturing, Inc., would reveal that petitioner (Intel Phils.) agrees to assemble, test and classify, pack, store, ship and rework electronic integrated circuits for Intel Corp., U.S.A., for a fee per classification multiplied by the price per unit, as stated in Exhibit A of said Agreement. Intel Corp., U.S.A., shall consign the necessary materials like silicon wafers and piece parts for assembly, testing and classification purposes to petitioner. It shall reimburse petitioner the cost of direct materials used for assembly and the like. However, the <u>indirect materials</u> such as molding compounds, die attach adhesive etc. are provided for by petitioner (see par. 2.1, Manufacturing Agreement). Furthermore, the equipment and materials purchased by petitioner from Intel Corp., U.S.A., are <u>billed and invoiced separately</u> for the account of petitioner (see par. 3.10, ibid.). Therefore, on the basis of the foregoing petitioner is engaged in the business of manufacturing IC's for export.

It is note worthy to mention at this point that the agreement became effective December 29, 1991. This case involves a claim for tax credit of input taxes paid for the period

September 1, 1991 to November 30, 1991. Clearly, the manufacturing agreement cannot be considered in this case because there was no agreement yet at this point. However, even assuming that this agreement will have any bearing still we cannot adopt the view of respondent. The manufacturing agreement specifies that petitioner shall manufacture, assemble, test, classify and pack for export IC's to Intel Corp., U.S.A.. For all intent and purposes what has been agreed upon by the parties was that petitioner shall assemble, test and classify IC's for export to Intel Corp., U.S.A.. And since these involve goods assembled and manufactured, it is covered by the definition of "foreign currency denominated sales" which includes "sales to non-residents of goods assembled or manufactured in the Philippines". If, as alleged by the respondent that only services of the petitioner is involved, then it is still within the coverage of zero-rated VAT under Section 102(a)(1) in relation to the definition of "export sales" under Section 100(a) of the Tax Code.

Moreover, petitioner has presented as part of its documentary evidence the sales invoices and airway bills of all its sales of goods exported for and in the name of the consignee, Intel Corp., U.S.A.. Then finally, the input taxes paid on its domestic purchases of goods and services were not reimbursed by Intel Corp., U.S.A., contrary to the allegations of respondent's counsel. These have been disclosed by the BIR revenue officer, Ms. Crisela Manalo, during the cross-examination conducted by petitioner's counsel on the hearing of March 21, 1995, to wit:

"ATTY. ONG

Q. Going back to the input taxes which according to you disallowed for violation of invoicing requirements. Will you please tell us the nature of these input taxes paid by Intel Phils.?

A. These input taxes pertain to the domestic purchases of goods.

Q. Have you come across of any input taxes with regard to the importation of capital equipments?

A. No.

Q. Were these input taxes duly recorded in the VAT returns of Intel Philippines?

A. Yes.

Q. And were these duly recorded in their books of accounts?

A. Yes.

Q. Could you please tell us what book of accounts are you referring to?

A. Yes, I am referring to the ledger.

Q. How about the cash disbursements book?

A. They are recorded in the cash disbursements.

Q. Cash disbursements book? So, how about in the purchases book?

A. In the purchases book.

Q. They are duly recorded?

A. Yes.

Q. Insofar as those which are disallowed? Or even those allowed?

A. Even those which are allowed.

Q. Am I correct in saying petitioner legitimately owns these input taxes which they have paid?

A. Yes.

Q. For the third and fourth quarters of 1991?

A. Yes.

Q. And am I correct in saying that except insofar as those input taxes which you have disallowed, the balance can legitimately be claimed by Intel Philippines?

A. Yes.

Q. For tax credit certificate or refund?

A. Yes.

Q. Subsequent to the payment by Intel of these input taxes or subsequent to their declaration on the VAT return, did Intel assign these input taxes to any entity? Has any entity paid for these input taxes?

A. No.

Q. To Intel?

A. No.

Q. <u>Has any entity reimbursed Intel with regard to the input taxes</u>?

A. <u>No</u>.

Q. In saying that Intel Philippines has not been reimbursed for these input taxes. Could you please tell this Honorable Court what is your basis?

A. For?

Q. What document if any have been your basis in saying that Intel has not been reimbursed for these input taxes?

A. Has not reimbursed?

Q. By any entity?

A. I have a certificate from the Bureau of Customs and the Bureau of [Investments] stating that no refund or no claim for refund has been applied for.

Q. No. Aside from that, were these input taxes paid by Intel which is the subject of these petition for review been reimbursed by any entity other than the BOI and Bureau of Customs?

A. No.

Q. Did anybody acquire these from Intel? As per your investigation?

A. No.

Q. Does Intel have a cash receipts book?

A. Yes.

Q. Have you checked the entries in the cash receipts book of Intel for the period March 1, 1991 to February 29, 1992?

A. At random.

Q. At random?

A. Yes.

Q. Have you checked their cash receipts book whether their entries for export sales were properly recorded?

A. For export sales. Yes.

Q. What other entries do their cash receipts book have other than receipts from export sales?

A. All incoming cash are reflected in the cash receipts book.

Q. Could you please tell us the nature of these incoming cash? Are these purely receipts from petitioner's export sales?

A. There are receipts from local sales.

Q. So those are the only entries in their cash receipts book? Receipts from export sales and receipts from their local sales?

A. As far as my investigation, yes.

Q. And you were the one who examined the cash receipts book? For the entire year March 1991 to February 1992?

A. I have two other companions.

Q. And could you please tell us who these two companions are?

A. Melissa Weepe and Rey Sequiel.

Q. And are their findings consistent with your own findings?

A. Yes." (TSN, March 21, 1995, pp. 35-41).

Verily, based on the foregoing testimony of respondent's witness, it can be ascertained that the input taxes paid on domestic purchases of goods and services for the period September 1, 1991 to November 30, 1991 were solely for the account of petitioner and were not reimbursed by Intel Corp., U.S.A.. In addition, respondent's witness further testified and admitted that petitioner is still entitled to a tax credit of the remaining balance of input taxes of P1,722,766.01, net of the disallowed portion of the input tax amounting to P1,060,312.04, aside from the amount of P892,408.02 which have already been awarded by way of a tax credit (see TSN, March 21, 1995, p. 37).

We come now to the question of how much is petitioner entitled to claim for tax credit of excess input taxes paid on its domestic purchases of goods and services. For its part, petitioner offered the following documentary evidence to prove entitlement to the amount claimed as tax credit:

1. Certification of Punongbayan & Araullo, dated March 14, 1994, describing the procedure conducted in verifying the correctness of the amounts claimed for tax credit with Annexes A and B (Exhs. A and A-1);

2. Summary of Export Sales from September 1991 to November 1991 (Exh. A-2);

3. Summary of the Application for VAT Refund (Input Taxes) for the 3rd Quarter of 1991 - September '91 to November '91 (Exh. A-3);

4. Photocopies of suppliers' sales invoices and/or official receipts for the period September 1, 1991 to November 30, 1991, to prove that the input taxes on its purchases are duly supported by invoices and official receipts (Exhs. B to B-3,472, inclusive, with submarkings B-3,362a and B-3,362b); and

5. Photocopies of Sales Invoices, Airway Bills and Bank Credit Memos for the period September 1, 1991 to November 30, 1991 to prove that the export sales were paid for in acceptable foreign currency inwardly remitted to the Philippines in accordance with existing Central Bank regulations (Exhs. C to C-717, inclusive).

After careful examination of these documents, the Court found that petitioner is still entitled to a tax credit of P173,156.09 (see Annex "A" for detailed computation which shall form part of the decision of this case). However, the following have been excluded in the computation of allowable refund of input taxes for the reason that these cannot be attributed directly to it zero-rated export sales, to wit:

1. Purchases of office supplies such as card holder, multi-purpose cleaner, stapler and brass sign (Exhs. B-2424, 2426, 3228, 3230 3232, 3189, 3190, 3195 and 3383);

2. Salary of security guards/drivers and janitorial services (Exhs. B-2294 to 2296, inclusive, 2298 to 2300, inclusive, 2302 to 2304, inclusive, 2306, 2307, 2309 to 2313, inclusive, 2315, 2316, 2339, 2340, 2342, 2344, 2345, 2351, 2353 to 2355, inclusive, 2360 to 2363, inclusive, 2365 to 2367, inclusive, 2371, 2372, 2374 to 2377, inclusive, 2390 to 2395, inclusive, 2397 to 2400, inclusive, 2411 to 2415, inclusive, and 2417 to 2420, inclusive); and

3. The other invoices also excluded are those which are:

a. not within the period being claimed;

b. cancelled by the Department of Finance because the same have been granted a tax credit;

c. not listed in the Certification issued by the Independent Certified Public Accountant;

d. no VAT number; and

e. duplicated.

WHEREFORE, respondent is ordered to issue a tax credit in favor of petitioner in the amount of P173,156.09, representing the balance of input taxes paid for the period September 1, 1991 to November 30, 1991. No pronouncement as to cost.

SO ORDERED.

RAMON O. DE VEYRA
Associate Judge

I CONCUR:

ERNESTO D. ACOSTA
Presiding Judge

CERTIFICATION

I hereby certify that this decision was reached after due consultation with the member of the Court of Tax Appeals in accordance with Section 13, Article VIII of the Constitution.

ERNESTO D. ACOSTA
Presiding Judge
Court of Tax Appeals

INTEL PHILS. INC. ANNEX "A"
SUMMARRY OF THE REMAINING INPUT TAXES
ALLOWABLE AS A TAX CREDIT PER THE COURTS COMPUTATION
FOR THE 3RD QUARTER OF 1991 (SEPTEMBER 1991 TO NOVEMBER 1991)

INVOICE DATE	SUPPLIER'S NAME	VAT NO.	INVOICE NO.	EXH.	INVOICE AMOUNT	PURCHASES	INPUT TAX
10-22-91	DMS Engineering & Services	32A-9-004508	3940	A-959	P 3,500.00	P 3,181.82	P 318.18
10-22-91	DMS Engineering & Services	32A-9-004508	3937	A-960	5,200.00	4,727.27	472.73
10-28-91	DMS Engineering & Services	32A-9-004508	3953	A-961	4,440.00	4,036.36	403.64
10-25-91	DMS Engineering & Services	32A-9-004508	3961	A-962	1,850.00	1,681.82	168.18
10-28-91	DMS Engineering & Services	32A-9-004508	3962	A-963	2,515.00	2,286.36	228.64
10-28-91	DMS Engineering & Services	32A-9-004508	3959	A-964	1,665.00	1,513.64	151.36
09-11-91	DMS Engineering & Services	32A-9-004508	3907	A-969	4,805.97	4,369.06	436.91
11-11-91	DMS Engineering & Services	32A-9-004508	3964	A-977	2,960.00	2,690.91	269.09
11-11-91	DMS Engineering & Services	32A-9-004508	3966	A-978	3,515.00	3,195.45	319.55
11-11-91	DMS Engineering & Services	32A-9-004508	3965	A-979	4,514.00	4,103.64	410.36
11-04-91	MDA Woodcraft Mfg.	31-3-004801	271	A-2140	2,800.00	2,545.45	254.55
10-25-91	MDA Woodcraft Mfg.	31-3-004801	270	A-2146	4,792.50	4,356.82	435.68
09-03-91	MDA Woodcraft Mfg.	31-3-004801	180	A-2148	522.05	474.59	47.46
09-16-91	MDA Woodcraft Mfg.	31-3-004801	188	A-2150	6,300.00	5,727.27	572.73
09-28-91	MDA Woodcraft Mfg.	31-3-004801	191	A-2156	5,271.75	4,792.50	479.25
10-02-91	Olive Maintenance	31-5-002076	908	A-2337	115,105.04	104,640.95	10,464.09
09-03-91	Olive Maintenance	31-5-002076	867	A-2351	14,835.00	13,486.36	1,348.64
09-03-91	Olive Maintenance	31-5-002076	866	A-2352	78,487.50	71,352.27	7,135.23
09-16-91	Olive Maintenance	31-5-002076	886	A-2356	14,835.00	13,486.36	1,348.64
09-16-91	Olive Maintenance	31-5-002076	885	A-2357	78,487.50	71,352.27	7,135.23
10-16-91	Olive Maintenance	31-5-002076	918	A-2369	115,105.04	104,640.95	10,464.09
11-05-91	Olive Maintenance	31-5-002076	936	A-2416	115,105.04	104,640.95	10,464.09
11-18-91	Olive Maintenance	31-5-002076	947	A-2422	115,105.04	104,640.95	10,464.09
09-25-91	SAC Machining	35-2-001162	2917	A-2901	330.00	300.00	30.00
10-26-91	SAC Machining	35-2-001162	2988	A-2902	3,355.00	3,050.00	305.00
10-26-91	SAC Machining	35-2-001162	2989	A-2904	4,708.00	4,280.00	428.00
11-22-91	SDL Marketing	32-0-001917	1849	A-2925	20,796.25	18,905.68	1,890.57
09-05-91	Uniform Refrigeration & Aircon	24-7-000219	9749	A-3147	9,600.00	8,727.27	872.73
09-18-91	Uniform Refrigeration & Aircon	24-7-000219	9814	A-3148	3,600.00	3,272.73	327.27
09-10-91	Uniform Refrigeration & Aircon	24-7-000219	9768	A-3149	8,600.00	7,818.18	781.82
11-19-91	Uniform Refrigeration & Aircon	24-7-000219	10210	A-3151	6,000.00	5,454.55	545.45
11-19-91	Uniform Refrigeration & Aircon	24-7-000219	10209	A-3152	11,500.00	10,454.55	1,045.45
09-11-91	Uniwell Tech. Corp.	31-0-005892	571	A-3154	1,950.00	1,772.73	177.27
09-17-91	Viccar Electronic Parts	21-2-001980	4905	A-3156	5,940.00	5,400.00	540.00
09-17-91	Viccar Electronic Parts	21-2-001980	4903	A-3157	6,600.00	6,000.00	600.00
09-17-91	Viccar Electronic Parts	21-2-001980	4904	A-3158	1,980.00	1,800.00	180.00
09-13-91	Viccar Electronic Parts	21-2-001980	4901	A-3162	1,650.00	1,500.00	150.00
10-23-91	Viccar Electronic Parts	21-2-001980	4956	A-3164	7,722.00	7,020.00	702.00
10-23-91	Viccar Electronic Parts	21-2-001980	4957	A-3165	2,750.00	2,500.00	250.00
09-30-91	Viccar Electronic Parts	21-2-001980	4935	A-3169	13,090.00	11,900.00	1,190.00
09-20-91	Viccar Electronic Parts	21-2-001980	4920	A-3172	1,925.00	1,750.00	175.00
09-30-91	Viccar Electronic Parts	21-2-001980	4938	A-3173	6,600.00	6,000.00	600.00
09-30-91	Viccar Electronic Parts	21-2-001980	4939	A-3174	5,940.00	5,400.00	540.00
10-30-91	Viccar Electronic Parts	21-2-001980	4961	A-3179	8,250.00	7,500.00	750.00

INTEL PHILS. INC. ANNEX "A"

SUMMARRY OF THE REMAINING INPUT TAXES
ALLOWABLE AS A TAX CREDIT PER THE COURTS COMPUTATION
FOR THE 3RD QUARTER OF 1991 (SEPTEMBER 1991 TO NOVEMBER 1991)

11-12-91	Viccar Electronic Parts	21-2-001980	4980	A-3181	18,260.00	16,600.00	1,660.00
11-12-91	Viccar Electronic Parts	21-2-001980	4982	A-3183	6,600.00	6,000.00	600.00
11-12-91	Viccar Electronic Parts	21-2-001980	4981	A-3185	18,260.00	16,600.00	1,660.00
11-12-91	Viccar Electronic Parts	21-2-001980	4983	A-3187	5,940.00	5,400.00	540.00
09-26-91	Vintacan Development Corp.	48-8000168	003	A-3190	6,000.00	5,454.55	545.45
11-13-91	Vintacan Development Corp.	48-8000168	010	A-3200	5,234.82	4,758.75	475.87
11-13-91	Vintacan Development Corp.	48-8000168	012	A-3201	5,514.75	5,013.41	501.34
11-13-91	Vintacan Development Corp.	48-8000168	008	A-3202	8,849.40	8,044.91	804.49
11-13-91	Vintacan Development Corp.	48-8000168	011	A-3203	13,400.00	12,181.82	1,218.18
11-12-91	Vintacan Development Corp.	48-8000168	007	A-3204	31,250.25	28,409.32	2,840.93
09-05-91	VMLT General Services	32A-0-009183	106	A-3210	900.00	818.18	81.82
09-17-91	VMLT General Services	32A-0-009183	110	A-3212	4,000.00	3,909.09	390.91
09-09-91	VMLT General Services	32A-0-009183	107	A-3214	2,568.50	2,335.00	233.50
10-08-91	VMLT General Services	32A-0-009183	114	A-3217	9,000.00	8,181.82	818.18
10-01-91	VMLT General Services	32A-0-009183	112	A-3218	15,000.00	13,636.36	1,363.64
10-08-91	VMLT General Services	32A-0-009183	113	A-3219	25,000.00	22,727.27	2,272.73
11-05-91	VMLT General Services	32A-0-009183	115	A-3222	3,200.00	2,909.09	290.91
11-05-91	VMLT General Services	32A-0-009183	116	A-3223	48,500.00	44,090.91	4,409.09
11-05-91	VMLT General Services	32A-0-009183	117	A-3224	13,873.15	12,611.95	1,261.20
09-10-91	VMLT General Services	32A-0-009183	109	A-3226	2,271.50	2,065.00	206.50
11-11-91	Wincell Enterprise	34-8-001349	7728	A-3335	1,125.00	1,022.73	102.27
11-15-91	Wincell Enterprise	34-8-001349	7737	A-3336	2,820.00	2,563.64	256.36
09-10-91	Wincell Enterprise	34-8-001349	7542	A-3338	9,800.00	8,909.09	890.91
09-07-91	Wincell Enterprise	34-8-001349	7531	A-3342	12,210.00	11,100.00	1,110.00
09-13-91	Wincell Enterprise	34-8-001349	7547	A-3344	14,400.00	13,090.91	1,309.09
10-03-91	Wincell Enterprise	34-8-001349	7607	A-3346	15,588.10	14,171.00	1,417.10
11-07-91	Wincell Enterprise	34-8-001349	7719	A-3348	12,210.00	11,100.00	1,110.00
11-07-91	Wincell Enterprise	34-8-001349	7720	A-3349	9,240.00	8,400.00	840.00
10-15-91	Wincell Enterprise	34-8-001349	7640	A-3351	9,240.00	8,400.00	840.00
10-15-91	Wincell Enterprise	34-8-001349	7642	A-3352	19,200.00	17,454.55	1,745.45
09-13-91	Zorin Systems Int'l. Inc.	32A-7-000797	2234	A-3356	74,750.00	67,954.55	6,795.45
09-30-91	Zorin Systems Int'l. Inc.	32A-7-000797	2249	A-3358	146,363.64	133,057.85	13,305.79
10-29-91	Zuellig Pharma Corp.	32-3-000221	333050	A-3360	6,292.40	5,720.36	572.04
10-23-91	Zuellig Pharma Corp.	32-3-000221	326830	A-3362a	27,335.00	24,850.00	2,485.00
09-24-91	Consolidated Industrial Gases	31-9-000019	066667	A-3370	17,113.22	15,557.47	1,555.75
10-22-91	Consolidated Industrial Gases	31-9-000019	001348	A-3372	59,896.26	54,451.15	5,445.11
10-09-91	Consolidated Industrial Gases	31-9-000019	5755	A-3373	28,702.30	26,093.00	2,609.30
11-04-91	Diston Enterprises	32A-4-000428	102841	A-3375	3,700.00	3,363.64	336.36
09-28-91	GRM International Inc.	34-9-000019	43317	A-3379	7,611.80	6,919.82	691.98
10-30-91	GRM International Inc.	34-9-000019	43509	A-3381	9,080.60	8,255.09	825.51
10-31-91	Industrial Controls Corp.	30-A-7-006711	077	A-3386	93,753.00	85,230.00	8,523.00
10-30-91	JAC Ind'l Product Sales, Inc.	30A-5-002530	4311	A-3389	247.50	225.00	22.50
10-17-91	JCR Mercantile	34-6-000350	5262	A-3391	21,150.00	19,227.27	1,922.73
10-19-91	JCR Mercantile	34-6-000350	5267	A-3392	21,150.00	19,227.27	1,922.73
11-18-91	JCR Mercantile	34-6-000350	5345	A-3393	18,800.00	17,090.91	1,709.09
11-20-91	JCR Mercantile	34-6-000350	5355	A-3394	4,700.00	4,272.73	427.27
10-20-91	JCR Mercantile	34-6-000350	5354	A-3395	18,800.00	17,090.91	1,709.09
10-29-91	JCR Mercantile	34-6-000350	5296	A-3396	10,575.00	9,613.64	961.36

INTEL PHILS. INC.
SUMMARRY OF THE REMAINING INPUT TAXES
ALLOWABLE AS A TAX CREDIT PER THE COURTS COMPUTATION
FOR THE 3RD QUARTER OF 1991 (SEPTEMBER 1991 TO NOVEMBER 1991)

ANNEX "A"

10-03-91	Metro Motor Service	32-3-004157	33184	A-3404	5,031.99	4,574.54	457.45
11-11-91	Michen Industrial Supply	31-1-002351	1739	A-3405	7,040.00	6,400.00	640.00
10-23-91	Reltech Phils. Inc.	32A-6-008585	065	A-3409	3,961.15	3,601.05	360.10
10-08-91	Robles Metal Mfg., Inc.	30A-8-001976	4106	A-3410	31,000.00	28,181.82	2,818.18
11-08-91	R & R Semiconductor Services	34-9-002940	584	A-3412	6,842.00	6,220.00	622.00
09-02-91	SMJ Construction, Inc.	21-6-003610	301	A-3413	70,000.00	63,636.36	6,363.64
09-12-91	Thermo Engineering	32A-9-000332	50320	A-3415	963.30	875.73	87.57
09-16-91	Trans World Trading Co.	32A-4-000535	24105	A-3417	16,800.00	15,272.73	1,527.27
10-24-91	United Laboratories	3-18-001711	752536	A-3419	6,719.90	6,109.00	610.90
09-17-91	Viccar Electronic Parts	21-0-001980	4902	A-3420	1,980.00	1,800.00	180.00
	T O T A L				P1,904,717.01	P1,731,560.92	P173,156.09