REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

EN BANC

COMMISSIONER OF INTERNAL REVENUE, Petitioner,	CTA EB No. 1477 (CTA Case No. 8749)
	Present:
-versus-	DEL ROSARIO, *PJ*; CASTAÑEDA, JR., BAUTISTA, UY, CASANOVA, FABON-VICTORINO, MINDARO-GRULLA, RINGPIS-LIBAN, and MANAHAN, *JJ*.
	Promulgated:
GIC PRIVATE LIMITED, Respondent.	JUL 16 2018 1:55 p.m.

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RESOLUTION

Fabon-Victorino, J.:

For resolution is petitioner's *Motion for Reconsideration* dated January 18, 2018, assailing the Decision dated December 12, 2017, disposing the case as follows:

> **WHEREFORE**, the Petition for Review dated July 15, 2016, filed by the Commissioner of Internal Revenue is **DENIED**, for lack of merit. The assailed Decision dated March 17, 2016 and Resolution dated June 14, 2016 are **AFFIRMED**.
>
> **SO ORDERED**.[1]

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[1] *Rollo*, p. 120.

Petitioner maintains that the Letter dated January 9, 2014 is far from ample proof to establish that respondent is a financial institution wholly owned by the Government of Singapore. It was not identified by the persons[2] who had a hand in its execution and/or preparation, hence, it is barren of evidentiary value and weight.

Further, respondent's reliance on BIR Ruling [DA 130-02] is misplaced as it is peculiar to the requesting party in that case, i.e., Reco Grandhomes Pte Ltd. In other words, it is binding and applicable only between the BIR and Reco Grandhomes Pte Ltd. Moreover, BIR Ruling [DA 130-02] is a mere opinion issued upon request by a taxpayer and may be revoked upon discovery of any misrepresentation on the part of the requesting taxpayer.

Finally, petitioner invokes the principle of *strictissimi juris* against the taxpayer, such as respondent, who must prove that it falls under the exception. He claims that tax refund is in the nature of tax exemption which represents a loss of revenue on the part of the government, thus, must not rest on vague inferences. All requisites for entitlement thereto must be duly proved, which respondent failed to do, warranting the total denial of its refund claim.

In its *Comment/Opposition,* respondent retorts that petitioner's neglect to challenge the admissibility of the Letter dated January 9, 2014 within the period allowed by the Court in Division is tantamount to a waiver of his right to question the same at any other stage of the proceedings.

More importantly, identification of documents in open court by the person/s having personal knowledge of its execution and/or preparation is only applicable to private documents, says respondent. Since the Letter dated January 9, 2014 was issued by the Ministry of Finance of Singapore Government, it falls within the definition of a public document. That being the case, the Certification attesting to its due execution duly issued by the Philippine

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[2] Victorio Mario M. Dimagiba, Jr., the consul of the Republic of the Philippines to Singapore who issued a Certificate of Authentication to the Letter dated January 9, 2014; Tan Jin Hwee, the Notary Public in Singapore who notarized the said document; Derrick Wan, Director, Reserves and Investment as signatory to the subject Letter.

Consul in Singapore Victorio Mario M. Dimagiba, Jr., satisfies the validation requirement for *public* documents mandated under Sections 19 and 24, Rule 132 of the Rules of Court. With the said documents, respondent has successfully demonstrated that it is a financial institution entirely owned by the Government of Singapore.

Respondent further states that its refund claim was not exclusively anchored on BIR Ruling [DA-130-02] as petitioner insinuates. Rather, it was likewise founded upon Section 32(B)(7)(a) of the NIRC, as amended, Section 2.57.5, Revenue Regulation (RR) No. 2-98, as well as various Decisions[3] rendered by this Tribunal.

Respondent finally counters that the legal tenet on strict construction of tax exemptions may not be invoked by petitioner to justify his unlawful withholding of the final taxes it paid to him as the State may not be unjustly enriched at the taxpayer's expense. There being strict adherence to the conditions for entitlement of its refund claim, the Court *En Banc* committed no reversible error in ordering the subject FWT refund in its favor.

THE RULING OF THE COURT

The instant Motion must fail.

After a careful review of the record and meticulous examination of the arguments proffered by petitioner in his Motion for Reconsideration, the Court *En Banc* finds no cogent reason to disturb its ruling in the impugned Decision of December 12, 2017. The points put forward in the instant Motion have already been thoroughly discussed and passed upon and to delve on them anew is a waste of time and resources of the Court.

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[3] *Commissioner of Internal Revenue vs. Government of Singapore Investment Corporation,* CTA EB No. 958, March 31, 2014; *Commissioner of Internal Revenue vs. Government of Singapore Investment Corporation Pte. Ltd.,* CTA EB No. 689, June 10, 2011; *Government of Singapore Investment Corporation Pte. Ltd. vs. Commissioner of Internal Revenue,* CTA Case No. 6745, June 6, 2008; and *Government of Singapore Investment Corporation Pte. Ltd. vs. Commissioner of Internal Revenue,* CTA Case No. 5568, February 10, 2000.

With the finding that respondent is a financial institution 100% owned by the Government of Singapore, thus, exempt from income tax under Section 32(B)(7)(a) of the NIRC, as amended, and that petitioner is without any legal right to retain the final taxes withheld from the interest income realized from its investment in Philippine Treasury Bonds (T-Bonds), refund of the subject final taxes in favor of respondent is in order.

In *finis*, the all too familiar complaint is that the government acts with dispatch when it comes to tax collection, but pays little, if any, attention to tax claims for refund or exemption. It is high time our tax collectors prove the cynics wrong.[4]

WHEREFORE, petitioner Commissioner of Internal Revenue's Motion for Reconsideration dated January 18, 2018 is **DENIED**, for lack of merit. The impugned Decision dated December 12, 2017 is **AFFIRMED**.

SO ORDERED.

ESPERANZA R. FABON-VICTORINO
Associate Justice

We Concur:

ROMAN G. DEL ROSARIO
Presiding Justice

JUANITO C. CASTAÑEDA, JR.
Associate Justice

LOVELL R. BAUTISTA
Associate Justice

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[4] See *Commissioner of Internal Revenue vs. Mirant Pagbilao Corporation (Formerly Southern Energy Quezon, Inc.),* G.R. No. 172129, September12, 2008.

(On Leave)
ERLINDA P. UY
Associate Justice

CAESAR A. CASANOVA
Associate Justice

CIELITO N. MINDARO-GRULLA
Associate Justice

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

CATHERINE T. MANAHAN
Associate Justice