REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

TOSHIBA INFORMATION EQUIPMENT (PHILS.) INC.,
Petitioner,

- versus -

C.T.A. CASE NO. 5593

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

Promulgated:

MAR 10 2000

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DECISION

This is a petition seeking for the refund or issuance of a tax credit certificate in the amount of P19, 338,422.07, representing unutilized input taxes paid by Petitioner on its local purchases of capital goods and services for the first and second quarters of 1996.

Petitioner is a domestic corporation duly organized and existing under and by virtue of Philippine laws, with principal office at 103 East Main Ave. Extension, SEPZ, Phase III, Laguna Technopark, Biñan, Laguna (Exh. A). It is registered with the Philippine Economic Zone Authority (PEZA) as an Ecozone Export Enterprise under Certificate of Registration No. 95-99 (Exh. B) as well as with the Bureau of Internal Revenue (BIR) as a value-added tax (VAT) taxpayer under VAT Registration No. 95-570-001544 (Exh. C).

Petitioner is principally engaged in the business of manufacturing and exporting electrical and mechanical machinery, equipment, systems, accessories, parts, components, materials and goods of all kinds, including without limitation to those relating to office automation and information technology and including all types of computer based equipment and systems, computer hardware and software of all kinds, including but not limited to HDD, CD-ROM and personal computer printed circuit board. For the period January 1, 1996 to June 30, 1996, Petitioner filed its first and second quarter VAT returns, reflecting input taxes amounting to P13,118,542.00 and P5,128,761.94, respectively, or a total of P18,247,303.94. As Petitioner allegedly has not yet engaged in any business activity or transaction for which it may be liable for output VAT, the input taxes during the aforesaid period were not utilized as there is no output VAT against which the same may be credited. Thus, on March 27, 1998, in accordance with Section 112 (b) [formerly Sec. 106(b)] of the Tax Code, which provides:

> "Sec. 112 xxx
>
> (b) **Capital goods.** - A VAT-registered person may apply for the issuance of a tax credit certificate or refund of input taxes paid on capital goods imported or locally purchased, to the extent that such input taxes have not been applied against output taxes. The application may be made only within two (2) years after the close of the taxable quarter when the importation or purchase was made,"

and pursuant to Revenue Audit Memorandum Order No. 2-93, Petitioner filed with the One-Stop-Shop Inter-Agency Tax Credit and Duty Drawback Center of the Department of Finance (CENTER-DOF) two separate applications for tax credit/refund of its unutilized VAT input payments: the first, from January 1, 1996 to March 31, 1996 in the amount of P14,176,601.28 (Exhs. L, M) and the second, from April 1, 1996 to June 30, 1996 amounting to P5,161,820.79 (Exhs. N, O), or a total of P19,338,442.07.

As there was no immediate action on the part of CENTER-DOF and the two-year prescriptive period under Sec. 230 of the Tax Code was about to lapse, the instant petition for review was filed on March 31, 1998 and subsequently amended on November 24, 1998 in order to conform to the evidence presented.

In his answer, Respondent raised the following Special and Affirmative Defenses:

> "5. Assuming without admitting that petitioner filed a claim for refund/tax credit, the same is subject to investigation by the Bureau of Internal Revenue.
>
> 6. Taxes are presumed to have been collected in accordance with law. Hence, petitioner must prove that the taxes sought to be refunded were erroneously or illegally collected.
>
> 7. Petitioner must prove the allegations supporting its entitlement to a refund.
>
> 8. Petitioner must show that it has complied with the provisions of Sections 204(c) and 229 of the 1997 Tax Code on the filing of a written claim for refund within two (2) years from the date of payment of the tax.
>
> 9. Claims for refund of taxes are construed strictly against claimants, the same being in the nature of an exemption from taxation."

The sole issue We are tasked to resolve is whether or not Petitioner is entitled to the relief sought on the basis of the evidence presented.

To support its claim, Petitioner offered as evidence the following exhibits:

Exhibits	**Description**
A	13-page copy of SEC Reg. No. AS095-006536 issued to Toshiba Information Equipment (Phils.), Inc. including its Articles of Incorporation.
B	PEZA Certificate of Registration No. 95-99 issued to Toshiba Information Equipment (Phils.), Inc.
C	BIR Certificate of Registration No. 95-570-001544 dated Dec. 29, 1995 issued to Toshiba Information Equipment (Phils.), Inc.

D, E, F, G	Value-Added Tax Returns for the first, second, third and fourth quarters of 1996 filed by Petitioner on April 22, 1996, July 22, 1996, October 21, 1996 and January 20, 1997, respectively
H, I, J, K	Value –Added Tax Returns for the first, second, third and fourth quarters of 1997 filed by Petitioner on April 14, 1997, July 21, 1997, October 20, 1997 and January 20, 1998, respectively
L	DOF Claimant Information Sheet No. 28320 for the first quarter of 1996
M	Application for Tax Credit/Refund of Value-Added Tax filed by Petitioner for the first quarter of 1996
N	DOF Claimant Information Sheet No. 28319 for the second quarter of 1996
O	Application for Tax Credit/Refund of Value-Added Tax filed by Petitioner for the second quarter of 1996
P	Amended Value-Added Tax Return for the first quarter of 1998 filed by Petitioner on July 20, 1998
Q	Amended Monthly VAT Declaration for April 1998 filed by Petitioner on July 20, 1998
R	Amended Monthly VAT Declaration for May 1998 filed by Petitioner on July 20, 1998
S	Report on the results of procedures performed by SGV & Co. on input tax claims for the first and second quarters of 1996

T-1/1 to T-74/3	Schedule of input taxes together with the official receipts and invoices for the period January 1 to March 31, 1996 issued by Petitioner's suppliers of goods and services
U-1/1 to U-126	Schedule of input taxes together with the official receipts and invoices for the period April 1, to June 30, 1996 issued by Petitioner's suppliers of goods and services

Respondent, on his part, manifested during the hearing of May 27, 1999, that since there is no report of investigation from the One-Stop-Shop of the Department of Finance, he is submitting the case for decision without presenting any evidence (p. 124 CTA Records).

Thus, after a careful evaluation of the evidence submitted by Petitioner, We rule in its favor.

Being a 100% export seller duly registered with the Philippine Economic Zone Authority (PEZA) and with the Bureau of Internal Revenue (BIR) as a value-added taxpayer, this Court is convinced that Petitioner is legally entitled to apply for the refund or issuance of a tax credit certificate of its unutilized VAT input payments (Exhibits B and C).

Likewise, Petitioner's claim for refund filed with the Department of Finance One-Stop-Shop Inter-Agency Tax Credit and Duty Drawback Center on March 27, 1998 as well as with this Court on March 31, 1998 are both well within the two year period from the dates of the filing of Petitioner's first and second quarterly returns which are April 22, 1996 and July 22, 1996, respectively.

Furthermore, to prove that Petitioner carried over its input taxes for the first two quarters of 1996 only until the final quarter of 1997 after which it already opted to file a claim for refund on March 27, 1998. Petitioner presented all its quarterly value-added tax returns up to the first quarter of 1998 and its monthly VAT declaration for April and May of 1998 (Exhibits D to K, P, Q and R).

Finally, Petitioner submitted the invoices/official receipts evidencing the input tax payments made during the period covered. However, an examination of the said invoices and receipts showed that not all could qualify as valid invoices and receipts for the refund of input VAT payments. Consequently, the Court was constrained to reduce the amount claimed for the reasons stated hereunder:

	Per Claim	Per Return	Should be Subject of the Claim
1st Quarter 1996 (Exhs. L, M, & D)	P 14,176,601.28	P 13,118,542.00	P 13,118,542.00
2nd Quarter 1996 (Exhs. N, O & E)	5,161,820.79	5,128,761.94	5,128,761.94
	P 19,338,422.07	P 18,247,303.94	P 18,247,303.94
Less: Disallowances per Court's Findings (Annex A)			
1.) Purchases supported by invoices/official receipts without TIN-V or TIN-VAT		P 271,779.70	
2.) Purchases supported by stamped TIN-V or TIN-VAT invoices/official receipts		25,339.85	
3.) Purchases of VAT-exempt goods/services		12,962.99	
4.) Purchases without TIN-V or TIN-VAT invoices/official receipts but supported only by documents such as check vouchers, provisional receipts, acknowledgment receipts, deposit slips, etc.		267,000.52	
5.) Purchases with invoices/official receipts not in the name of Toshiba Info. Equip. (Phils.)		3,112.65	
6.) Purchases reported twice		43,765.46	
7.) Purchases without supporting documents		81,272.11	
8.) Purchase of motor vehicle with engine displacement of 2000 cc or more not allowable as tax credit in accordance with Section 104(a)(1)(E) of the Tax Code		56,363.64	
9.) Purchases not related to capital goods		182,128.60	

10.) Purchases of capital goods with incorrect computation of input tax	1,115,532.93	2,059,258.50
Amount Refundable		P 16,188,045.44

WHEREFORE, in view of all the foregoing, the Court finds the instant petition meritorious and in accordance with law. Accordingly, **RESPONDENT** is hereby **ORDERED** to **REFUND** or in the alternative, **ISSUE A TAX CREDIT CERTIFICATE** to Petitioner in the reduced amount of P16,188,045.44, representing unutilized input value-added tax payments for the first and second quarters of 1996.

SO ORDERED.

AMANCIO Q. SAGA
Associate Judge

WE CONCUR:

ERNESTO D. ACOSTA
Presiding Judge

RAMON O. DE VEYRA
Associate Judge

CERTIFICATION

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

ERNESTO D. ACOSTA
Presiding Judge

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1.) Purchases supported by invoices/official receipts without TIN-V or TIN-VAT

Exh.	Supplier	Remarks	Date	Input Tax Claimed - 1996 1st Qtr.	2nd Qtr.	Total Disallowances
T-13/1 to T-13/3	Seawind Realty & Devt.	Rental - Office space	4-Mar-96	P 15,174.46	P	
T-47/1 to T-47/3	Seawind Realty & Devt. Corp.	Rental - Office space	21-Feb-96	30,348.92		
U-22/1 to U-22/2	Seawind Realty & Devt. Corp.	Rental - Office space	2-Apr-96		15,174.46	
U-23/1 to U-23/2	Manila Bulletin	Advertisement	12-Apr-96		10,017.00	
U-30/1 to U-30/2	Daniel Tan	Condo unit rental	20-Apr-96		60,805.90	
U-47/1	Manila Bulletin	Advertisement	7-May-96		5,008.50	
U-70	T & P Properties, Inc.	Lease of Land	28-May-96		60,038.00	
U-83/1 to U-83/2	Seawind Realty & Devt. Corp.	Rental - Office space	4-Jun-96		15,174.46	
U-126	T & P Properties, Inc.	Lease of Land	29-Jun-96		60,038.00	
			subtotal	**P 45,523.38**	**P 226,256.32**	**P 271,779.70**

2.) Purchases supported by stamped TIN-V or TIN-VAT invoices/official receipts pre-printed after July 31, 1991

Exh.	Supplier	Remarks	Date	1st Qtr.	2nd Qtr.	Total Disallowances
T-24/1, T-25/2, T-32/2	L.D. Buenaventura Trading	Letterhead/envelopes	29-Mar-96	P 236.36	P	
T-54/1 to T-54/3	L.D. Buenaventura Trading	Letter envelopes	23-Feb-96	68.18		
T-68/1 to T-68/3	Corporate Resources Grp	Emp'ee Handbook	22-Jan-96	7,500.00		
T-69/1 to T-69/3	L.D. Buenaventura Trading	Letterhead/envelopes	27-Jan-96	236.36		
U-19/1 to U-19/2	Corp. Resources Grp	Seminar	1-Apr-96		1,150.00	
U-36	Manila Bulletin	Advertisement	26-Apr-96		5,008.50	
U-57/1 to U-57/2	L.D. Buenaventura Trading	Letterhead/calling cards	20-May-96		577.27	
U-96	H. Sycip	Entertainment exp.	14-Jun-96		235.00	
U-107/1 to U-107/2	Corporate Resources Grp	Seminar fee	20-Jun-96		1,350.00	
U-108/1 to U-108/2	Corporate Resources Grp	Prof. Services	20-Jun-96		8,818.18	
U-123/1	H. Sycip	Entertainment exp.	27-Jun-96		160.00	
			subtotal	**P 8,040.90**	**P 17,298.95**	**25,339.85**

3.) Purchases of VAT-exempt goods/services

Exh.	Supplier	Remarks	Date	1st Qtr.	2nd Qtr.	Total Disallowances
T-14/12	Motorists House, Inc.	Gasoline expenses	7-Mar-96	P 27.27	P	
T-14/11	Motorists House, Inc.	Gasoline expenses	7-Mar-96	31.82		
T-14/9	Motorists House, Inc.	Gasoline expenses	7-Mar-96	27.27		
T-14/8	Motorists House, Inc.	Gasoline expenses	7-Mar-96	40.91		
T-14/7	Motorists House, Inc.	Gasoline expenses	7-Mar-96	36.36		
T-14/6	Motorists House, Inc.	Gasoline expenses	7-Mar-96	30.00		
T-17/5	Motorists House, Inc.	Gasoline expenses	22-Mar-96	27.27		
T-17/8	Motorists House, Inc.	Gasoline expenses	22-Mar-96	27.27		
T-29/1 to T-29/4	Motorists House, Inc.	Gasoline expenses	29-Mar-96	133.83		
T-56/1 to T-56/6	Motorists House, Inc.	Gasoline expenses	26-Feb-96	100.36		
T-65/1 to T-65/2	Motorists House, Inc.	Fuel/TBA expenses	22-Jan-96	1,090.91		
T-23/2 to T-23/5	SGV & Co.	Tax services	27-Mar-96	9,681.82		
U-38	Motorists House, Inc.	Gasoline expenses	30-Apr-96		178.00	
U-55	Motorists House, Inc.	Gasoline expenses	16-May-96		331.55	
U-76/1 to U-76/2	Motorists House, Inc.	Gasoline expenses	31-May-96		265.10	
U-98	Motorists House, Inc.	Gasoline expenses	14-Jun-96		441.34	
U-119/1 to U-119/2	Motorists House, Inc.	Gasoline expenses	26-Jun-96		491.91	
			subtotal	**P 11,255.09**	**P 1,707.90**	**12,962.99**

4.) Purchases without TIN-V or TIN-VAT invoices/official receipts but supported only by documents such as check vouchers, provisional receipts, acknowledgment receipts, deposit slips, etc.

Exh.	Supplier	Remarks	Date	1st Qtr.	2nd Qtr.	Total Disallowances
T-16/1 to T-16/3	T & P Properties, Inc.	Lease of Land	13-Mar-96	P 60,038.00	P	
T-21/1 to T-21/3	Manforce, Inc.	Background Invest.	25-Mar-96	2,350.00		
T-32	Tricom Systems (Phils.), Inc.		29-Mar-96	51,045.45		
T-60/1 to T-60/3	T & P Properties, Inc.	Lease of Land	29-Feb-96	60,038.00		
U-24/1 to U-24/2	Universal Holidays, Inc.	Airfare	15-Apr-96		2,524.80	
U-28/1 to U-28/2	Manforce, Inc.	Background Invest.	18-Apr-96		4,393.30	
U-31/1	T & P Properties, Inc.	Lease of Land	25-Apr-96		60,038.00	
U-46/1 to U-46/2	Seawind Realty & Devt. Corp.	Rental - Office space	7-May-96		15,174.46	
U-61/1 to U-61/2	Manforce, Inc.	Background Invest.	23-May-96		7,141.97	
U-62	Progress Home & Off. Furn.	Executive table	23-May-96		845.45	
U-69	H. Sycip	Entertainment exp.	28-May-96		690.00	

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Exh.	Supplier	Remarks	Date		Input Tax Claimed - 1996 1st Qtr.		2nd Qtr.	Total Disallowances
U-106/1 to U-106/2	Universal Holidays, Inc.	Airfare - employees	17-Jun-96				2,539.27	
U-114	517 Flower Co., Inc.	Flower arrangement	20-Jun-96				181.82	
			subtotal	**P**	**173,471.45**	**P**	**93,529.07**	**267,000.52**
5.)	**Purchases with invoices/official receipts not in the name of Toshiba Information Equipment (Phils.), Inc.**							
U-113	PLDT	Telephone charges	20-Jun-96	P	-	P	3,112.65	
			subtotal	**P**	**-**	**P**	**3,112.65**	**3,112.65**
6.)	**Purchases reported twice**							
U-48/1	Rest. & Banquet Operations	Despedida Luncheon	8-May-96	P		P	510.35	
U-50/1 to U-50/2	TCS Manpower Services	Janitorial services	11-May-96				395.77	
U-51	U-Bix Corporation	Tables & chairs	14-May-96				23,573.70	
U-52/1	Ace Car Rentals, Inc.	Car rental	15-May-96				183.90	
U-53/1	Cauder Trading	Bond paper	16-May-96				213.64	
U-54/1	Tricom Dynamics, Inc.	Photocopying exp.	16-May-96				704.34	
U-55	Motorists House, Inc.	Gasoline expenses	16-May-96				331.55	
U-56/1 to U-56/2	Micro-Distributing Int'l.	Etherlink-5 units	16-May-96				2,727.27	
U-49	Trident Electronics	Timekeeping System	16-May-96				11,293.12	
U-57/1	L.D. Buenaventura Trading	Letterhead/calling cards	20-May-96				577.27	
U-58/1	Anzo Sales	Whiteboard	20-May-96				254.55	
			subtotal	**P**	**-**	**P**	**43,765.46**	**43,765.46**
7.)	**Purchases without supporting documents**							
	First Lepanto Taisho		15-Feb-96	P	36,939.71	P		
	Pragmatic Devt & Const Corp		16-Apr-96				44,332.40	
			subtotal	**P**	**36,939.71**	**P**	**44,332.40**	**81,272.11**
8.)	**Purchase of motor vehicle with engine displacement of 2000 cc or more not allowable as tax credit in accordance with Section 104(a)(1)(E) of the Tax Code (Section 4.104-1(a)(5) of Rev. Reg. 7-95)**							
U-88	Mantrade	Nissan Vanette, 2000	14-Jun-96			P	56,363.64	
			subtotal		**-**	**P**	**56,363.64**	**56,363.64**
9.)	**Purchases not related to capital goods**							
T-14/1 to T-14/5, T-14	Motorists House, Inc.	Car wax	7-Mar-96	P	27.92	P		
T-15/1 to T-15/4	TCS Manpower Services	Janitorial services	11-Mar-96		290.63			
T-17/9 to T-17/11	Motorists House, Inc.	Supplies-car maintenance	22-Mar-96		281.69			
T-19/1 to T-19/4	TCS Manpower Services	Janitorial services	25-Mar-96		297.35			
T-20/1 to T-20/3	SM Appliance Center	Rechargeable lanterns	25-Mar-96		708.36			
T-22/1 to T-22/4	Eroann Corporation	Business envelopes	26-Mar-96		459.09			
T-27/1 to T-27/3	Technical House of Repair	Repair-air conditioner	29-Mar-96		243.22			
T-28/1 to T-28/3	Savior Security	Security services	29-Mar-96		1,747.60			
T-34/1 to T-34/2	"K" Line Air Service Phils. Inc.	Airline Fees	5-Feb-96		236.25			
T-35/1 to T-35/3	Airfreight 2100, Inc.	Custom Duties	7-Feb-96		1,190.00			
T-37/1 to T-37/2	Brand Asia Limited	Prep.- Const. Ceremony	8-Feb-96		1,531.00			
T-38/1 to T-38/3	TCS Manpower Services	Janitorial services	8-Feb-96		232.86			
T-39/1 to T-39/2	Tricom Dynamics, Inc.	Maint. fee-Copier	8-Feb-96		912.70			
T-40/1 to T-40/5	Anson's Emporium	Color TV/VHS	14-Feb-96		3,999.09			
T-42/1 to T-42/3	Elarmo Enterprises	Whiteboard/corkboard	16-Feb-96		763.64			
T-45/1 to T-46/3	Tricom Dynamics, Inc.	Photocopying exp.	22-Mar-96		381.82			
T-48/1 to T-48/3	Info. & Campaign Consult. Inc.	Media/PR activities	21-Feb-96		2,500.00			
T-49/1 to T-49/2	Phil. Daily Inquirer	Advertisement	22-Feb-96		5,832.00			
T-50/1 to T-50/2	Manila Bulletin	Advertisement	22-Feb-96		5,040.00			
T-52/1 to T-52/3	TCS Manpower Services	Janitorial services	23-Feb-96		274.94			
T-57/1 to T-57/3	Universal Holidays, Inc.	Airfare	26-Feb-96		5,654.55			
T-58/1 to T-58/3	The Manila Southwoods	Entrance fees	26-Feb-96		10,000.00			
T-59/1 to T-59/2	Savior Security	Security services	27-Feb-96		1,763.64			
T-61/1 to T-61/3	Technical House of Repair	Repair-air conditioner	29-Feb-96		136.36			
T-64/1 to T-64/3	Reliance Supp. Co., Inc.	Fire extinguishers	16-Jan-96		772.73			
T-66/1 to T-66/3	Mr. Takeo Nagatomo	Home appliances	22-Jan-96		498.45			

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Exh.	Supplier	Remarks	Date	Input Tax Claimed - 1996 1st Qtr.	2nd Qtr.	Total Disallowances
T-67/1 to T-67/2	Office Bear Corp.	Translation fee	22-Jan-96	1,700.00		
T-70/1 to T-71/2	Savior Security	Security services	31-Jan-96	3,527.28		
U-25/1 to U-25/3	RCPI	Telegram	15-Apr-96		710.74	
U-26/1 to U-26/2	TCS Manpower Services	Janitorial services	15-Apr-96		363.03	
U-29/1 to U-29/2	Rest. & Banquet Operations	Lunch-Job interview	16-Apr-96		752.40	
U-32/1 to U-32/2	TCS Manpower Services	Janitorial services	25-Apr-96		276.09	
U-33/1 to U-33/2	Rest. & Banquet Operations	Food-Job interview	26-Apr-96		22.00	
U-34/1 to U-34/2	Eroann Corporation	Office supplies	26-Apr-96		636.36	
U-35/1	Speedway Electronics	Office supplies	26-Apr-96		738.73	
U-37/1 to U-37/2	Savior Security	Security services	30-Apr-96		1,763.64	
U-37/3	Pilipino Telephone Corp.	Cellphone Charges	30-Apr-96		316.07	
U-39/1 to U-39/2	Universal Holidays, Inc.	Hotel Accomodation	30-Apr-96		13,475.00	
U-40	Pragmatic Devt & Const Corp	Rental - Office space	16-Apr-96		11,083.10	
U-41/1 to U-41/2	Pragmatic Devt & Const Corp	Rental - Office space	16-Apr-96		11,083.10	
U-42/2	USA Trading Corporation	Office supplies	2-May-96		200.00	
U-43/1 to U-43/2	Universal Holidays, Inc.	Airfare-Japan trainees	7-May-96		10,779.50	
U-44/1	Microphase	Laserprinter toner	7-May-96		313.64	
U-48/1 to U-48/2	Rest. & Banquet	Despedida Luncheon	8-May-96		510.35	
U-50/1 to U-50/2	TCS Manpower Services	Janitorial services	11-May-96		395.77	
U-52/1 to U-52/2	Ace Car Rentals, Inc.	Car rental	15-May-96		183.90	
U-53/1 to U-53/2	Cauder Trading	Bond paper	16-May-96		213.64	
U-54/1 to U-54/2	Tricom Dynamics, Inc.	Photocopying exp.	16-May-96		704.34	
U-58/1 to U-58/2	Anzo Sales	Whiteboard	20-May-96		254.55	
U-59/1to U-59/3	Rest. & Banquet Operations	Despedida Luncheon	21-May-96		806.30	
U-60 to U-60/1	TCS Manpower Services	Manpower services	21-May-96		336.40	
U-63/1 TO U-63/3	Globe Telecom	Cellphone Charges	24-May-96		629.72	
U-64/1 to U-64/2	RCPI	Telegram	24-May-96		404.75	
U-65/1 to U-65/2	Cauder Trading	Bond paper/bookpaper	24-May-96		156.82	
U-66/1 to U-66/2	Universal Holidays, Inc.	Airfare	24-May-96		1,315.00	
U-67/1 ti U-67/2	Universal Holidays, Inc.	Airfare - Japan trainees	24-May-96		13,410.00	
U-68	Ace Car Rentals, Inc.	Car rental	27-May-96		183.90	
U-71/1 to U-71/2	Savior Security	Security services	28-May-96		1,763.64	
U-72/1 to U-72/2	Tricom Dynamics, Inc.	Toner	28-May-96		595.45	
U-73	Alta Printing Services	Calling cards	28-May-96		224.55	
U-74	Universal Holidays, Inc.	Bus. Trip-Mr. Nagatomo	31-May-96		3,942.64	
U-75	Pilipino Telephone Corp.	Cellphone Charges	31-May-96		179.85	
U-77/1 to U-77/2	RCPI	Telegram	31-May-96		727.06	
U-82/1 to U-82/2	Cauder Trading	Office supplies	4-Jun-96		63.64	
U-84/1 to U-84/2	Globe Telecom	Cellphone Charges	4-Jun-96		122.33	
U-85/1 to U-85/2	Takezawa Tech Transfer	Consultation fee	4-Jun-96		2,727.27	
U-87	Microphase Enterprises	Laserprinter toner	11-Jun-96		327.27	
U-90	TCS Manpower Services	Manpower services	11-Jun-96		386.72	
U-91/1 to U-91/2	Tricom Dynamics, Inc.	Photocopying exp.	11-Jun-96		169.80	
U-93/1 to U-93/2	Universal Holidays, Inc.	Airfare-Japan trainees	11-Jun-96		5,270.18	
U-94/1 to U-94/2	Cauder Trading	Office supplies	14-Jun-96		149.45	
U-95	Mayland Gen. Merchandise	Office supplies	18-Jun-96		584.90	
U-97/1 to U-97/2	Alta Printing Services	Calling cards	14-Jun-96		397.27	
U-100/1 to U-100/2	Cauder Trading	Office supplies	14-Jun-96		500.23	
U-101/1	Cauder Trading	Office supplies	14-Jun-96		821.82	
U-102/2	Technical House of Repair	Repair-air conditioner	17-Jun-96		136.36	
U-103	Tricom Dynamics, Inc.	Photocopying exp.	17-Jun-96		850.44	
U-104/1 to U-104/2	Rest. & Banquet Operations	Despedida party-trainees	17-Jun-96		667.80	
U-105	Universal Holidays, Inc.	Airfare - Japan trainees	17-Jun-96		16,784.18	
U-110/1	USA Trading Corporation	Calculators	20-Jun-96		872.73	
U-112/1 to U-112/2	Cauder Trading	Office supplies	20-Jun-96		701.45	
U-115/1 to U-115/2	TCS Manpower Services	Manpower services	24-Jun-96		307.83	
U-116	Tricom Dynamics, Inc.	Toner	20-Jun-96		595.45	
U-117/1 to U-117/2	Oracle Systems Phils Inc.	Reference Manuals	24-Jun-96		10,346.00	
U-118/1 to U-118/2	Universal Holidays, Inc.	Airfare	24-Jun-96		1,317.55	
U-120	Eroann Corporation	Calendars	26-Jun-96		272.73	
U-121/1 to U-122/2	Flower Express	Flower arrangement	27-Jun-96		227.27	
U-123/2, U-124	L.D. Buenaventura Trading	Window envelopes/I.D.'s	27-Jun-96		309.09	
U-125/1 to U-125/2	Savior Security	Security services	27-Jun-96		1,763.64	
			subtotal	P 51,003.17	P 131,125.43	182,128.60

TOSHIBA INFORMATION EQUIPMENT (PHILS.), INC.
- versus -
COMMISSIONER OF INTERNAL REVENUE
CTA CASE NO. 5593
COURT'S DISALLOWANCES ON CLAIMED INPUT VAT
ON PURCHASES OF CAPITAL GOODS AND SERVICES
1ST & 2ND QUARTERS OF 1996

10.) Purchases of capital goods with incorrect computation of input tax

Exh.	Supplier	Remarks	Date	Input Tax Claimed - 1996 1st Qtr.	2nd Qtr.	Total Disallowances
T-74/1 to T-74/3	SNK Philippines, Inc.	Bldg const. costs	31-Jan-96			
		Per Claim		P 2,665,125.00		
		Should be		1,564,207.55		
		Disallowance		P 1,100,917.45		
U-51	U-Bix Corp.	Various chairs/tables	14-May-96			
		Per Claim			P 26,573.70	
		Should be			11,958.17	
		Disallowance			P 14,615.53	
			subtotal	**P 1,100,917.45**	**P 14,615.53**	**1,115,532.98**
				Total Disallowances		**P 2,059,258.50**