REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

FIRST DIVISION

****

PILIPINAS SHELL PETROLEUM CORPORATION, Petitioner,	**C.T.A. CASE NO. 6624**
	Members:
- versus -	**ACOSTA,** *Chairperson* **BAUTISTA,** and **CASANOVA,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, Respondent.	**Promulgated:** FEB 19 2008 9:00 AM

x - x

DECISION

ACOSTA, P.J.:

The instant **"Petition for Review"** and **"Supplement (to Petition for Review dated March 27, 2003 pursuant to Sec. 6, Rule 10 of the 1997 Revised Rules of Civil Procedure)"** seek the refund or issuance of tax credit certificate in the modified amount of **FORTY NINE MILLION THREE HUNDRED NINETY THREE THOUSAND TWO HUNDRED THIRTY SEVEN AND 01/100 PESOS (P49,393,237.01)**, representing excise taxes allegedly paid by petitioner on its sales and deliveries of petroleum products to various international carriers for their use or consumption outside the Philippines, covering the period from April to June 2001.

The facts as culled from the records of the case are as follows:

Pilipinas Shell Petroleum Corporation (Petitioner) is a corporation organized and existing under the laws of the Philippines, with principal place of business at Shell House, 156 Valero Street, Salcedo Village, 1227 Makati City. It is engaged, among others, in the business of processing, treating and refining petroleum for the purpose of producing marketable products and by-products and the subsequent sale thereof.[1]

On the other hand, respondent is the duly appointed Commissioner of Internal Revenue, holding office at the Bureau of Internal Revenue (BIR) National Office Building, Agham Road, Diliman, Quezon City.[2]

During the period covering April to September 2001, petitioner allegedly sold and delivered petroleum products to various international carriers, of Philippine or foreign registry, for their use or consumption outside the Philippines and correspondingly paid the amount of P99,408,017.51 as excise taxes, as follows:

Month	**Product**	**Volume (l)**	**Specific Tax**	
2001			**Rate**	**Amount**
April	Gas Oil	7,436,881.00	1.63	12,122,116.03
	Fuel Oil	2,291,113.00	0.30	687,333.90
May	Gas Oil	9,713,426.00	1.63	15,832,884.38
	Fuel Oil	1,038,403.00	0.30	311,520.90
June	Gas Oil	12,527,660.00	1.63	20,420,085.80
	Fuel Oil	64,320.00	0.30	19,296.00
July	Gas Oil	10,405,440.00	1.63	16,960,867.20
	Fuel Oil	702,893.00	0.30	210,867.90
August	Gas Oil	10,104,375.00	1.63	16,470,131.25
	Fuel Oil	2,894,495.00	0.30	868,348.50
September	Gas Oil	9,160,545.00	1.63	14,931,688.35
	Fuel Oil	1,909,591.00	0.30	572,877.30
TOTAL				**99,408,017.51**

Elu

[1] Pars. 1 and 3, Joint Stipulation of Facts and Issues, Docket, p. 107-108
[2] Par. 2, Joint Stipulation of Facts and Issues, Docket, p. 108

It is petitioner's averment that the petroleum products it sold and delivered to the international carriers were sourced from its own tax-paid inventories stored at its various depots and installations, with the exception, however, of those delivered to the port of Zamboanga, which allegedly were "borrowed" tax-paid petroleum products from Petron Corporation (Petron) pursuant to a "loan or borrow" arrangement between them. Excise taxes previously paid by Petron on the "borrowed" petroleum products were purportedly billed or passed-on by Petron to petitioner. However, petitioner submits that these "borrowed" petroleum products were sold and delivered to various carriers docked at the port of Zamboanga, already net of excise taxes.

In this regard, petitioner filed two separate claims[3] for refund or tax credit with the Large Taxpayers Audit and Investigation Division II of the BIR on July 18, 2002, seeking recovery of excise taxes paid by petitioner on its sales and deliveries of petroleum products to international carriers during the periods from April to June 2001 and from July to September 2001, in the amounts of P49,393,237.01 and P50,014,780.50, respectively, or a total of P99,408,017.51.

There being no action on the part of respondent and before petitioner could be barred by prescription, petitioner then filed this instant Petition for Review on March 28, 2003.

On April 21, 2003, respondent filed through registered mail his Answer, raising the following Special and Affirmative Defenses:

> "5. Petitioner failed to demonstrate that the tax subject of the case at bar was erroneously or illegally collected.

Gu

[3] Annexes "G" and "H", Petition for Review

6. Taxes paid and collected are presumed to have been made in accordance with law and regulations, hence, not refundable.

7. In an action for tax refund/credit, the burden of proof is on the taxpayer to establish its right to refund and failure to adduce sufficient proof is fatal to the action for tax refund/credit.

8. It is incumbent upon the petitioner to show that it has complied with the provisions of Section 204 in relation to Section 229 of the Tax Code, as amended.

9. Claims for refund are construed strictly against the claimant for the same partake the nature of exemption from taxation (**Commissioner of Internal Revenue vs. Ledesma, G.R. No. L-13509, January 30, 1970, 31 SCRA 95**) and as such, they are looked upon with disfavor (**Western Minolco Corporation vs. Commissioner of Internal Revenue, 124 SCRA 121**)."

On January 18, 2007, this case was submitted for decision, sans respondent's Memorandum.

However, on February 25, 2007, respondent filed through registered mail his **"Motion to Admit (Respondent's Memorandum)"** praying that this Court admit his attached Memorandum. On May 17, 2007, this Court issued a Resolution granting the same.

On May 29, 2007, petitioner filed a **"Manifestation and Motion"** informing this Court that it is no longer interested in pursuing its judicial claim for refund of the alleged erroneously assessed and collected excise taxes covering the period from July to September 2001 in the amount of P50,014.780.50, considering that respondent had already issued a tax credit certificate[4] in its favor for the said amount. Consequently, petitioner manifested that this instant Petition would only cover the period from April to June 2001, or in the amount of P49,393,237.01.

---

[4] Annex "A", Manifestation and Motion, Docket, p. 402

As ordered by this Court, petitioner then filed its **"Supplement (to Petition for Review dated March 27, 2003 pursuant to Section 6, Rule 10 of the 1997 Rules of Civil Procedure)"** on August 2, 2007; thereby modifying its original claim for refund of alleged erroneously assessed and collected excise taxes in the amount of P99,408,017.51, to cover only the period from April to June 2001 in the amount of P49,393,237.01.

There being no Amended Answer and/or supplemental Memoranda filed by the parties despite notice, this case was considered submitted for decision on September 26, 2007.

The issues[5] as stipulated by the parties are as follows:

"1. Whether or not petitioner has complied with the requirements under Section 229 of the National Internal Revenue Code of 1997 for the recovery of internal revenue taxes that have been erroneously, wrongfully, illegally or excessively assessed or collected.

2. Whether or not the respective country of registry of the various international vessels that purchased petroleum products from petitioner during the period from April to September 2001 exempts from excise or similar taxes petroleum products sold to Philippine vessels.

3. Whether or not the petroleum products sold and delivered by petitioner to various international carriers during the period from April to September 2001 for the latter's use or consumption outside the Philippines are exempt from excise tax.

4. Whether or not petitioner is entitled to the recovery of excise taxes it paid on petroleum products sold and delivered by petitioner to various international carriers for their use or consumption outside the Philippines."

With respect to the first issue raised, Section 229 of the National Internal Revenue Code (NIRC) of 1997 specifically provides that:

---

[5] Joint Stipulation of Facts and Issues, Docket, p. 109

> "**Section 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 written claim therefor, refund or credit any tax, where on the face of the return upon which payments was made, such payment appears clearly to have been erroneously paid." (*Emphasis supplied*)

In relation thereto, Section 130(A)(2) of the same Code requires that payments of excise taxes on locally manufactured petroleum products should be made before withdrawal of the products from their place of production.

A close scrutiny of the records reveals that, for the subject claim of petitioner covering the excise tax payments made for the period from April to June 2001, the earliest withdrawal and payment of the subject excise tax were made on March 28, 2001 and March 29, 2001[6], respectively. Counting the two (2)-year prescriptive period from these dates within which to file its claim, petitioner had until March 29, 2003 to timely file both its administrative and judicial claims for refund, in compliance with Section 229 of the NIRC of 1997. Records indicate that petitioner filed its administrative claims for refund or issuance of tax credit certificate on July

---

[6] Annex "A", Petition for Review

Ela

18, 2002[7], while the judicial claim was filed on March 28, 2003; thus, clearly within the two (2)-year legally prescribed period.

The remaining issues being interrelated, this Court deems it proper to discuss them jointly.

Petitioner avers that pursuant to Section 135 of the NIRC of 1997, petroleum products sold to international carriers, whether of Philippine or foreign registry, are exempt from excise taxes, provided that (a) the petroleum products are used or consumed outside the Philippines; and (b) in the case of foreign international carriers, their country of registry exempt from excise or similar taxes petroleum products sold to Philippines carriers. Section 135 is hereunder quoted, to wit:

> "**SEC. 135. Petroleum Products Sold to International Carriers and Exempt Entities or Agencies**. – Petroleum products sold to the following are exempt from excise tax:
>
> (a) International carriers of Philippine or foreign registry on their use or consumption outside the Philippines; Provided, That the petroleum products sold to these international carriers shall be stored in a bonded storage tank and may be disposed of only in accordance with the rules and regulations to be prescribed by the Secretary of Finance, upon recommendation of the Commissioner;
>
> (b) Exempt entities or agencies covered by tax treaties, conventions and other international agreements for their use or consumption: Provided, however, That the country of said foreign international carrier or exempt entities or agencies exempts from similar taxes petroleum products sold to Philippine carriers, entities or agencies; and
>
> (c) Entities which are by law exempt from direct and indirect taxes."

[7] Pars. 4 and 5, Joint Stipulation of Facts and Issues, Docket, p. 108

It is petitioner's contention that, insofar as the foreign international carriers are concerned, their country of registry exempts them from the payment of excise or similar taxes on petroleum products sold to Philippine carriers. Thus, it stands to reason that the petroleum products sold and delivered to these international carriers, for their use or consumption outside the Philippines, during the period from April to June 2001 are exempt from excise taxes, pursuant to the above-mentioned provision of law.

In relation thereto, Section 130(A)(2) of the NIRC of 1997, provides that:

> **"SEC. 130. Filing of Return and Payment of Excise Tax on Domestic Products. –**
>
> (A) Persons Liable to File a Return, Filing of Return on Removal and Payment of Tax. –
>
> (1) xxx
>
> (2) Time for Filing of Return and Payment of the Tax. - Unless otherwise specifically allowed, the return shall be filed and the excise tax paid by the manufacturer or producer before removal of domestic products from place of production: Provided, That the excise tax on locally manufactured petroleum gas products and indigenous petroleum levied under Sections 148 and 151(A)(4), respectively, of this Title shall be paid within ten (10) days from the date of removal of such products for the period from January 1, 1998 to June 30, 1998, within five (5) days from the date of removal of such products for the period from July 1, 1998 to December 31, 1998; and, **before removal from the place of production of such products from January 1, 1999 and thereafter.** xxx" (*Emphasis supplied*)

Save for the petroleum products delivered by petitioner at the port of Zamboanga on a "borrowed and loan basis" for which the excise taxes were allegedly paid by Petron to the BIR upon removal thereof from their place of

Em

production, the excise taxes due on the petroleum products sold and delivered to various international carriers during April to June 2001 were paid by petitioner upon removal thereof from petitioner's place of production or from customs custody, as the case may be. In short, the petroleum products sold and delivered by petitioner to these international carriers were already tax-paid.

However, petitioner claims that Petron shifted or passed-on to petitioner the excise taxes component of the "borrowed" petroleum products. These petroleum products, which were sold and delivered to international carriers at the port of Zamboanga, were sourced by Petron from their tax-paid inventory. Petitioner asserts that though it billed the buyers thereof net of the excise tax component of the said tax-paid petroleum products, it had already paid the aggregate amount of P49,393,237.01 as excise taxes emanating from the "loan or borrow" arrangement with Petron.

This Court rules to partially grant petitioner's claim.

It bears stressing that the issues raised in this instant case are similar to those resolved in the case of **Pilipinas Shell Petroleum Corporation vs. Commissioner of Internal Revenue**[8], which basically concerns the same parties and circumstances, except for the period of claim. And in the aforementioned case, this Court partially granted petitioner's claim for the reasons as discussed hereunder.

In the case of **Commissioner of Internal Revenue vs. Pilipinas Shell Petroleum Corporation**[9], this Court held that:

> "Finally, considering that Petitioner's sale of fuel oil to NPC is exempt from the payment of excise taxes, then Petitioner may rightfully recover the excise taxes it paid to PSPC. And as correctly pointed out by Petitioner, since it ended up shouldering the specific tax component of the fuel oil, it is but just and reasonable to allow it to

---

[8] CTA Case No. 6554, November 28, 2006
[9] CTA EB No. 91, November 25, 2005 (CTA Case Nos. 6506 and 6559)

> recover what it would have otherwise have passed on to NPC had it not been for NPC's exemption from indirect taxes. 'The view which refuses to accord the exemption because the tax is first paid by the seller disregards realities and gives more importance to form than to substance. Equity and law always exalt substance over form.' xxx"

The above case deals with Section 135(c) of the NIRC of 1997, while this instant case deals with Section 135(a) of the same Code. By analogy, the discussions and findings of the Court *En Banc* applies, considering that in this case, the petroleum products were sold to an entity exempt from the payment of excise taxes and it was petitioner which shouldered the tax since it can no longer pass on the excise tax to the tax-exempt buyer.

As correctly pointed out by petitioner, Section 135(a) of the NIRC of 1997 is applicable. Pursuant to the said section, among those exempted from excise taxes on petroleum products are those sold to international carriers of Philippine or foreign registry for their use or consumption outside the Philippines. And the requisites for a valid claim of exemption as provided under the same section are as follows:

a. That the petroleum products are used and consumed outside the Philippines by international carriers of Philippine or foreign registry;

b. That such petroleum products be stored in a bonded storage tank and disposed of in accordance with the rules and regulations prescribed by the Secretary of Finance, upon recommendation of Commissioner; and

c. That the country of said international carrier exempts from similar taxes petroleum products sold to Philippine carriers.

A close scrutiny of the records reveals that petitioner's allegation of compliance with the aforementioned requisites is confirmed by the Report dated November 29, 2005, of the Court-commissioned Independent Certified Public Accountant (CPA) of Punongbayan & Araullo, Mr. Benjamin P. Valdez. The

Ela

Independent CPA made the following conclusions:

"2. Per our recomputation of the excise tax paid based on the Summary of Bunker Oil Deliveries to Various International Carriers provided to us, we determined that the amount of excise taxes being claimed for refund or tax credit amounting to P99,408,018 agree with the amount reported in the Petition (see **Exhibit CCC-1**);

3. We ascertained that upon withdrawal of the petroleum products from Pilipinas Shell's refinery as supported by WCs, the Company duly paid and remitted the excise tax of P1.63 and P0.30 per liter of gas oil and fuel oil, respectively, due thereon under Section 148(i) and (l) of the NIRC as evidenced by the ETR filed with the BIR and bank official receipts covering the excise tax payments;

4. We ascertained that the Company paid the total excise taxes in the total amount of P99,408,018.00 on its withdrawal of petroleum products of 59,348,327 liters of gas oil and 8,900,815 liters of fuel oil for the period April 2001 to September 2001 which were subsequently sold to international carriers, net of the related excise taxes. This means that the Company did not pass onto these international carriers the cost of excise taxes it paid upon withdrawal of petroleum.

5. **We ascertained that the petroleum products were used or consumed outside the Philippines by international vessels of Philippine or foreign registry** based on our examination of the Company's correspondence with the MARINA that essentially lists the international vessels of Philippine or foreign registry not authorized to transport passengers or cargo within Philippine waters, except for a single transaction showing Pilipinas Shell's delivery of petroleum product from its own depot to a domestic carrier without special permit from MARINA in May 2001 covering 40,000 liters of gas oil in which the excise tax of P65,200.00 was paid.

xxx xxx xxx

B. Examination of Sales and Deliveries of Petroleum Products to Various International Carriers

xxx xxx xxx

5. We ascertained that **each country of registry of international carriers** covered by the total claim of P84,257,067.00, which was supported by complete documents, **grants reciprocal tax**

Ela

> **exemption to Philippine registered marine carriers** based on the certifications issued by the DFA and the letter from the Directorate General of Income of the Republic of Panama. Also, we ascertained that the petroleum products sold to said international carriers of Philippine or foreign registry **were used or consumed outside the Philippines** based on the letters from MARINA dated June 11, 2004, July 6, 2004, and August 16, 2004 (see **Exhibits S-7 to S-9**)." (*Emphasis supplied*)

Verily, this Court agrees with the Report inasmuch as the findings of petitioner's valid claims are concerned. The petroleum products sold and delivered to various international carriers of Philippine or foreign registry were indeed used or consumed outside the Philippines, as certified to by the corresponding Certifications issued by the Maritime Industry Authority (MARINA). Moreover, the sales and deliveries to these tax-exempt international carriers were properly supported by the Certificates issued by the Department of Foreign Affairs listing therein the names of the countries which grant tax exemptions to Philippine-registered marine carriers.

However, as regards the amount of claim sought, upon verification of relevant documents presented, the same Independent CPA found petitioner entitled only to a refund in the total amount of P84,257,067.00[10], which covers the period from April to September 2001, of which the amount of P81,489,326.49[11] pertains to excise taxes paid on petroleum products coming from petitioner's own inventory, while the amount of P2,767,740.00[12] pertains to excise taxes paid by petitioner on petroleum products "borrowed" from Petron pursuant to the "loan or borrow" arrangement, as follows:

---

[10] From April to June 2001 - P41,113,636.10; From July to September 2001 – P43,143,430.39
[11] Exhibit "CCC-1"
[12] *Ibid.*

"B. Examination of Sales and Deliveries of Petroleum Products to Various International Carriers

xxx xxx xxx

3. Of the total amount being claimed for refund or tax credit of **P99,408,018**, **we determined that P84,257,067 was completely supported by relevant documents and P15,150,951 was not fully supported or with exceptions** (see **Exhibits CCC-1**).

4. We determined that the total claim with complete documents amounting to **P84,257,067** was **fully supported with the original or certified true copies of the documents presented together with this report and marked as exhibits** (see **Exhibits DDD to LLL**).

5. We ascertained that each country of registry of international carriers covered by the **total claim of P84,257,067.00, which was supported by complete documents, grants reciprocal tax exemptions to Philippine registered marine carriers** based on the certifications issued by the DFA and the letter from the Directorate General of Income of the Republic of Panama. Also, we ascertained that the petroleum products sold to said international carriers of Philippine or foreign registry were used or consumed outside the Philippines based on the letters from MARINA dated June 11, 2004, July 6, 2004, and August 16, 2004 (see **Exhibits S-7 to S-9**).

6. Of the total amount claimed as refund or tax credit amounting to P99,408,018, we determined that P15,150,951 was not fully supported or with exceptions (see **Exhibit CCC-2**). We grouped these exceptions according to the following classifications:

Petroleum sourced from PSPC's own depot or installation	P	7,173,877
Petroleum sourced from Petron under "loan or borrow" arrangement		7,977,074
Total	**P**	**15,150,951**

xxx xxx xxx

After performing the procedures outlined in this report, we have established that out of the **total claim of Pilipinas Shell of P99,408,018 representing excise taxes paid on petroleum products sold to international carriers for their use or**

consumption outside the Philippines for the period April 2001 to September 2001, only P84,257,067.00 was fully supported by relevant documents. The balance of P15,150,951.00 was not fully supported (**P7,912,090.00** of which has missing documents while **P7,238,861.00** has no proof of reciprocal tax exemption)." (*Emphasis supplied*)

It is noteworthy that in its **"Supplemental Petition for Review"**, petitioner prayed that it be granted the refund in the modified amount of P49,393,237.01 which represents its alleged erroneously paid excise taxes covering the period from April to June 2001 only; considering that its claim in the amount of P50,014,780.50 covering the period from July to September 2001 had already been granted by respondent in the reduced amount of P46,136,566.80.

In this regard, although this Court agrees with the findings of the Independent CPA as regards petitioner's entitlement to a tax refund, this Court finds it impossible to grant the entire amount of P49,393,237.01 to petitioner.

The Report finds petitioner entitled to the amount of P41,113,636.10 for the period claimed. However, this Court disagrees and has to disallow the amount of P2,083,140.00 representing the excise taxes on the petroleum products sold to international carriers which were "borrowed" from Petron Corporation's tax-paid inventories.

Verily, the provisions of Sections 130(A)(2) and 204(C) of the NIRC of 1997, as amended, find application here, thus:

"SEC. 130. Filing of Return and Payment of Excise Tax on Domestic Products. –

(A) Persons Liable to File a Return, Filing of Return on Removal and Payment of Tax. –

Ṡ

xxx xxx xxx

(2) Time for Filing of Return and Payment of the Tax. - Unless otherwise specifically allowed, **the return shall be filed and the excise tax paid by the manufacturer or producer before removal of domestic products from place of production**: Provided, That the excise tax on locally manufactured petroleum products and indigenous petroleum levied under Sections 148 and 151(A)(4), respectively, of this Title shall be paid within ten (10) days from the date of removal of such products for the period from January 1, 1998 to June 30, 1998, within five (5) days from the date of removal of such products for the period from July 1, 1998 to December 31, 1998; and, before removal from the place of production of such products from January 1, 1999 and thereafter. xxx" (*Emphasis supplied*)

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

xxx xxx xxx

(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." (*Emphasis supplied*)

From the foregoing, petitioner in this case is evidently not the proper party to claim for refund of the amount of P2,083,140.00, representing excise taxes on petroleum products sold to international carriers which were "borrowed" from Petron's tax-paid inventories pursuant to their "loan or borrow" arrangement. In this instant case, there is no erroneous or illegal collection of excise taxes. Petron

Corporation, as the taxpayer statutorily liable to pay the excise taxes thereon, merely paid what was demandable from it. Petitioner then cannot seek the refund of the excise taxes it obviously did not pay and remit to the Bureau of Internal Revenue. *The right to claim for refund of excise taxes paid on petroleum products lies with Petron Corporation who paid and remitted the excise tax to the BIR at the point of removal of the petroleum products from the refinery and not herein petitioner, to whom the tax burden was merely passed on.*[13]

To recapitulate, only the amount of P39,030,496.70 representing the excise taxes paid on petroleum products that were sourced from petitioner's own tax-paid inventories and sold to international carriers will be granted. A detailed breakdown of said amount is as follows:

Month 2001	Gas Oil	Fuel Oil	Total
April	8,100,920.70		8,100,920.70
May	12,407,038.40		12,407,038.40
June	18,522,537.60		18,522,537.60
Total			**P39,030,496.70**

WHEREFORE, the instant **"Petition for Review"** and **"Supplement (to Petition for Review dated March 27, 2003 pursuant to Sec. 6, Rule 10 of the 1997 Revised Rules of Civil Procedure)"** are hereby **PARTIALLY GRANTED**. Accordingly, respondent is hereby **ORDERED TO REFUND** or **TO ISSUE A TAX CREDIT CERTIFICATE** in favor of petitioner in the amount of **THIRTY NINE MILLION THIRTY THOUSAND FOUR HUNDRED NINETY SIX AND 70/100 PESOS (P39,030,496.70)** representing excise taxes paid by

[13] Commissioner of Internal Revenue vs. Silkair (Singapore) PTE, LTD., CTA EB Case No. 25

petitioner on petroleum products sold to international carriers which were sourced from its own tax-paid inventories for the period covering April to June 2001.

SO ORDERED.

ERNESTO D. ACOSTA
Presiding Justice

WE CONCUR:

LOVELL R. BAUTISTA
Associate Justice

CAESAR A. CASANOVA
Associate Justice

CERTIFICATION

Pursuant to Article VIII, Section 13 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.

ERNESTO D. ACOSTA
Presiding Justice
Chairman, First Division