REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
Quezon City

Second Division

PEOPLE OF THE PHILIPPINES, Plaintiff,	**CTA CRIM CASE NOS. O-599, O-603 & O-604** For: Violation of Section 255 of the NIRC of 1997, as amended
- versus -	Members: **RINGPIS-LIBAN,** *Chairperson* **MODESTO-SAN PEDRO,** *and* **FERRER-FLORES,** *JJ.*
REBECCA S. TIOTANGCO Entrepreneur of Anilos Trading and Construction, Accused.	Promulgated:

x---x

DECISION ON THE CIVIL ASPECT

RINGPIS-LIBAN, J.:

Nature of the Case

This is a remanded case for the determination of accused Rebecca S. Tiotangco's civil liabilities for taxes and penalties, pursuant to Supreme Court Resolution dated December 04, 2023 rendered in G.R. No. 263987.

Background

To recall, plaintiff filed four (4) Informations against accused, the sole proprietor of Anilos Trading and Construction, for violations of Section 255 of the National Internal Revenue Code ("NIRC") of 1997, as amended, for her alleged failure to supply correct and accurate information in her quarterly value-added tax ("VAT") Returns for the third and fourth quarters of taxable year ("TY") 2008 and first and second quarters of TY 2010.

The Informations against the accused read as follows:

<u>CTA Crim. Case No. O-599</u>[1]

"That on or about January 25, 2009 and thereafter, in Puerto Princesa City, and within the jurisdiction of this Honorable Court, the above-named accused, a registered taxpayer and entrepreneur of Anilos Trading and Construction, did then and there willfully, unlawfully and feloniously fail to supply correct and accurate information in the VAT return of the said business for the 4th quarter of 2008 filed with the Bureau of Internal Revenue by did and there not declaring other revenue in the amount of Twenty Four Million Eight Hundred Fifty Four Thousand and Four Pesos and 80/100 ([Php]24,854,004.80) subject to [twelve percent (12%)] VAT resulting in tax deficiency of Two Million Nine Hundred Eighty Two Thousand Four Hundred Eighty Pesos and 58/100 ([Php]2,982,480.58),exclusive of surcharges and interests.

CONTRARY TO LAW."

<u>CTA Crim. Case No. O-601</u>[2]

"That on or about April 25, 2010 and thereafter, in Puerto Princesa City, and within the jurisdiction of this Honorable Court, the above-named accused, a registered taxpayer and entrepreneur of Anilos Trading and Construction, did then and there willfully, unlawfully and feloniously fail to supply correct and accurate information in the VAT return of the said business tax for the 1st quarter of 2010 filed with the Bureau of Internal Revenue by did and there not declaring other revenue in the amount of Thirteen Million Two Hundred Sixteen Thousand Eight Hundred Eighty Three Pesos and 33/100 ([Php]13,216,883.33) subject to [twelve percent (12%)] VAT resulting in tax deficiency of One Million Five Hundred Eighty Six Thousand and Twenty Six Pesos ([Php]1,586,026.00),exclusive of surcharges and interests.

CONTRARY TO LAW."

---

[1] Docket (CTA Crim Case No. O-599), Information dated October 15, 2015, pp. 6-7.
[2] Docket (CTA Crim Case No. O-601), Information dated October 15, 2015, pp. 6-7.

CTA Crim. Case No. O-603[3]

"That on or about October 25, 2008 and thereafter, in Puerto Princesa City, and within the jurisdiction of this Honorable Court, the above-named accused, a registered taxpayer and entrepreneur of Anilos Trading and Construction, did then and there willfully, unlawfully and feloniously fail to supply correct and accurate information in the VAT return of the said business for the 3rd quarter of 2008 filed with the Bureau of Internal Revenue by did and there not declaring other revenue in the amount of Thirty Million Thirty Nine Thousand One Hundred Sixty Five Pesos and 7/100 ([Php]30,039,165.07) subject to [twelve percent (12%)] VAT resulting in tax deficiency of Three Million Six Hundred Four Thousand Six Hundred Ninety Nine Pesos and 81/100 ([Php]3,604,699.81),exclusive of surcharges and interests.

CONTRARY TO LAW."

CTA Crim. Case No. O-604[4]
(Amended Information)

"That on or about July 25, 2010 and thereafter, in Puerto Princesa City, and within the jurisdiction of this Honorable Court, the above-named accused, a registered taxpayer and entrepreneur of Anilos Trading and Construction, did then and there willfully, unlawfully and feloniously fail to supply correct and accurate information in the VAT return of the said business tax for the 2nd quarter of 2010 with the Bureau of Internal Revenue by did and there not declaring other revenue in the amount of Nine Million Nine Hundred Seventy One Thousand Twelve Pesos and 97/100 ([Php]9,971,012.97) subject to [twelve percent (12%)] VAT resulting in tax deficiency of One Million One Hundred Ninety Six Thousand Five Hundred Twenty One Pesos and 56/100 ([Php]1,196,521.56),exclusive of surcharges and interests.

CONTRARY TO LAW."

---

3 Docket (CTA Crim Case No. O-603), Information dated October 15, 2015, pp. 6-7.
4 Docket (CTA Crim Case No. O-604), Information dated October 15, 2015, pp. 6-7.

On November 13, 2019, the First Division of the Court of Tax Appeals ("CTA") promulgated a Decision[5]:

1) Acquitting accused Rebecca S. Tiotangco in CTA Criminal Case No. O-601, for failure of the prosecution to prove her guilt beyond reasonable doubt; and

2) Finding accused guilty beyond reasonable doubt on three (3) counts of violation of Section 255 of the National Internal Revenue Code ("NIRC") of 1997, as amended. She was sentenced for each of the offense charged in CTA Criminal Case Nos. O-599, O-603, and O-604, to suffer an indeterminate penalty of one (1) year, as minimum, to two (2) years as maximum term of imprisonment. Accused was ordered to pay a fine of Php10,000.00, with subsidiary imprisonment in case she has no property with which to meet such fine.

The CTA First Division ruled however that the plaintiff failed to present any evidence that an assessment (*i.e.*, final determination) has been issued by the Bureau of Internal Revenue ("BIR") against accused, and that the presentation of the computation of the unreported income cannot be used as basis for the determination of her civil liabilities. As such, no proper determination of the accused's civil liabilities can be made.

Aggrieved, plaintiff filed a "Motion for Partial Reconsideration"[6] of the Decision insofar as it denied the recovery of the civil aspects of CTA Crim. Case Nos. O-599, O-601, O-603 and O-604. Plaintiff attached photocopies of a Preliminary Assessment Notice[7] ("PAN") dated June 18, 2018 and a Formal Letter of Demand [8] ("FLD") with Details of Discrepancies and Audit Result/Assessment Notice (AN) all dated July 13, 2018.

Plaintiff's prayer for the accused to pay deficiency VAT for the third and fourth quarters of TY 2008 and first and second quarters of TY 2010 was denied in a Resolution[9] dated June 15, 2020.

[5] Docket (CTA Crim Case No. O-599), pp. 2124-2150; Penned by Associate Justice Esperanza R. Fabon-Victorino, concurred in by Associate Justice Catherine T. Manahan, with Dissenting Opinion of Presiding Justice Roman G. Del Rosario.
[6] *Id.*, pp. 2155-2201.
[7] *Id.*, pp. 2165-2167.
[8] *Id.*, pp. 2168-2176.
[9] *Id.*, pp. 2227-2234.

Proceedings in the Court of Tax Appeals En Banc

Consequently, plaintiff as petitioner, elevated the civil aspects of the prior consolidated cases and filed with the CTA *En Banc* a "Petition for Review"[10] on July 14, 2020. The case was docketed as CTA EB Crim. Case No. 080.

In the Resolution[11] dated September 18, 2020, the CTA *En Banc* ordered accused as respondent to file her comment, not a motion to dismiss, within ten (10) days from receipt thereof. Accused as respondent complied and posted her "Comment (to the Petition for Review under Rule 8, Sec.3 (b) of the Revised Rules of the CTA)"[12] on October 29, 2020.

The case was then submitted for decision in a Resolution[13] dated January 06, 2021.

On February 03, 2022, the CTA *En Banc* rendered its Decision,[14] the dispositive portion of which reads:

> "**WHEREFORE,** with the foregoing, the instant Petition for Review filed by petitioner People of the Philippines on July 2020 is hereby **DENIED** for lack of merit. Accordingly, the First Division's Decision and Resolution dated 13 November 2019 and 15 June 2020, respectively, in CTA Crim. Case Nos. O-599, O-601, O-603 and O-604, all entitled *People of the Philippines v. Rebecca S. Tiotangco, Entrepreneur of Anilos Trading and Construction*, are hereby **AFFIRMED**.
>
> **SO ORDERED**."

The CTA *En Banc* held that it could not impose any civil liability against the accused since the alleged civil liabilities cannot be determined with accuracy. *First*, the computations in the Joint Complaint-Affidavit were mere estimates and as such not sufficient to fix with definiteness the civil liabilities of accused relative to the taxable periods under consideration. *Second*, the PAN and FLD, aside from being mere photocopies, were not offered as evidence for plaintiff. *Finally*, even if the the PAN and FLD were taken into consideration, the same would not alter the outcome of the instant case (insofar as the civil aspect is concerned) since

---

10 Rollo, pp. 1-13.
11 *Id.*, pp. 87-88.
12 *Id.*, pp. 89-93.
13 *Id.*, pp. 96-97.
14 *Id.*, pp. 100-122.

the amounts stated therein do not coincide with the computations provided in the Joint Complaint-Affidavit.

Plaintiff then filed a "Motion for Reconsideration (of the Decision dated February 3, 2022)[15] on March 04, 2022, to which accused filed its "Comment to the Motion for Reconsideration (of the Decision dated February 3, 2022)"[16] on April 25, 2022.

In the Resolution[17] dated October 19, 2022, the CTA *En Banc* denied plaintiff's motion for reconsideration, the dispositive portion of which states:

> "**WHEREFORE**, petitioner People of the Philippines' Motion for Reconsideration filed on 04 March 2022 is **DENIED** for lack of merit.
>
> **SO ORDERED**."

Proceedings in the Supreme Court

Plaintiff then filed with the Supreme Court a "Petition for Review on Certiorari" entitled *"People of the Philippines, Petitioner, versus Rebecca S. Tiotangco, Respondent"*. The case was docketed as G.R. No. 263987.

On December 04, 2023, the Supreme Court rendered a Resolution, granting the "Petition for Review on Certiorari", the pertinent portions of which read:

> "**ACCORDINGLY**, the Petition for Review on *Certiorari* si **GRANTED**. The February 3, 2022 Decision and the October 19, 2022 Resolution of the Court of Tax Appeals *En Banc* are **AFFIRMED with MODIFICATIONS**. CTA Criminal Case Nos. O-599, O-603 and O-604 are **REMANDED** to the Court of Tax Appeals in Division to determine respondent Rebecca S. Tiotangco's civil liability for taxes and penalties, in accordance with this Resolution. The Court of Tax Appeals in Division is **DIRECTED** to conduct the proceedings with reasonable dispatch.

---

[15] *Id.*, pp. 123-134.
[16] *Id.*, pp. 146-149.
[17] *Id.*, pp. 155-159.

SO ORDERED."

In the Resolution dated January 14, 2025, the Supreme Court denied accused's "Motion for Reconsideration" with finality, no substantial argument having been adduced to warrant the reconsideration sought.

On February 17, 2025, an Entry of Judgment was issued stating that the Resolution dated December 04, 2023 rendered in G.R. No. 263987 has become final and executory and recorded in the Books of Entries of Judgment on January 14, 2025.

In accordance with the Supreme Court's Resolution dated December 04, 2023, the remanded case was re-raffled to the CTA Second Division on September 01, 2025 for study and report.

Discussion/Ruling

The Supreme Court, in G.R. No. 263987, pursuant to its Resolution dated December 04, 2023, granted plaintiff's Petition for Review on Certiorari which assailed the Decision dated February 03, 2022 and Resolution dated October 19, 2022 of the CTA *En Banc* in CTA EB Crim Case No. 080. A reading of the said Resolution indicates that accused's guilt for the crimes charged has already been settled since accused already applied for probation and acceded to the CTA's verdict finding her guilty thereof. Only one issue remained – whether the BIR may collect the payment of tax deficiencies in a criminal action for a violation of Section 255 of the NIRC of 1997, as amended, for a taxpayer's failure to supply correct and accurate information in the tax returns.

Contrary to the ruling espoused by the CTA *En Banc*, the Supreme Court held that a final determination (*i.e.,* assessment) of a deficiency tax is not necessary before one may be prosecuted for criminal violations of the Tax Code. For this reason, the case was remanded to this Court to ascertain the amount of deficiency tax for which the accused is liable.

Hence, this Court shall confine the succeeding discussions on the determination of the above matter as ordered by the Supreme Court.

This Decision pertains to the civil liability of the accused in relation to her crime of fraudulent failure to supply correct and accurate information in her quarterly VAT return for third and fourth quarters of TY 2008 and second quarter of TY 2010. The question is whether accused is liable for deficiency VAT for the said periods.

After a second hard look, the Court finds in the affirmative.

The documentary evidence presented by plaintiff to prove accused's civil liability for VAT are as follows:

1) Joint Complaint-Affidavit[18] of Revenue Officer ("RO") May Q. Jaminola (May F. Quiambao, maiden name) and RO Jose Maria F. Reyes dated September 11, 2024, containing the computation[19] of accused's alleged deficiency VAT for TY 2008 and 2010;

2) Letter[20] dated September 24, 2013, addressed to the then Governor of Palawan Province, Hon. Jose C. Alvarez, where the BIR requested for a certification pertaining to the total payments (annual and quarterly basis) covering the period 2008 to 2010, made or released by the Provincial Government of Palawan to its contractors, one of which was Anilos Trading and Construction;

3) Certification[21] dated December 05, 2013 issued by the Provincial Accountant of the Government of Palawan that it paid Anilos Trading and Construction a total amount of Php120,145,403.48 for TYs 2008 to 2010, with attached schedule[22] of payments per quarter;

4) Journal Entry Vouchers[23] of the Provincial Government of Palawan, which served as the basis for the schedule of payments attached to the Certification dated December 05, 2013;

---

18 Docket (CTA Crim Case No. O-599), Exhibit "P-1", pp. 508-518.
19 *Id.*, Exhibits "P-1-c" and "P-1-d", pp. 515-516.
20 *Id.*, Exhibit "P-7", p. 587.
21 *Id.*, Exhibit "P-8", p. 588.
22 *Id.*, Exhibit "P-8-1", pp. 589-591.
23 *Id.*, Exhibits "P-29" to "P-29-uuuu", p. 1781-1830 and 1844-1893.

5) Accused's BIR-Returns Processing System Print-Out of Quarterly Value Added Tax (BIR Form No. 2550-Q) for the third[24] and fourth[25] quarter of 2008; and

6) Accused's Quarterly Value Added Tax Return (BIR Form No. 2550-Q)[26] for the second quarter of 2010.

Plaintiff also presented the following witnesses in the course of the trial in the CTA First Division:

1) RO Jaminola[27] – who testified that she and her Supervisor RO Reyes investigated accused's tax liabilities for taxable years 2008 to 2010, sometime in September 2013;

2) RO Reyes[28] – who testified that he and RO Jaminola compared the gross income declared by accused in her 2008 and 2010 Quarterly VAT Returns as against the income paid to her for the same years as certified by the Provincial Government of Palawan, concluding that accused deliberately failed to supply correct and accurate information in her Quarterly VAT Returns by substantially underdeclaring her gross income for said taxable years;

3) Edna R. Maligro[29] – who testified that she prepared the schedule of payments attached to the Certification dated December 05, 2013 issued by the Provincial Accountant of the Province of Palawan, which was based on their Journal Evtry Vouchers from the Electronic-New Government Accounting System of their office;

4) Arlene N. Sabellina[30] – who testified that she was the one who issued the Certification dated December 05, 2013 summarizing the payments made by the Government of

---

24 *Id.*, Exhibit "P-13", pp. 620-621.
25 *Id.*, Exhibit "P-14", pp. 622-623.
26 *Id.*, Exhibit "P-16", p. 626.
27 *Id.*, Judicial-Affidavit (of May Q. Jaminola) (Exhibit "P-22") and Minutes of Hearing dated February 21, 2018, pp. 983-1002 and 1717-1719.
28 *Id.*, Judicial-Affidavit (of Jose Maria F. Reyes) (Exhibit "P-26") and Order dated April 04, 2018, pp. 1005-1024 and 1764-1766.
29 *Id.*, Judicial-Affidavit (of Edna R. Maligro) (Exhibit "P-24") and Minutes of Hearing dated March 21, 2018, pp. 1027-1037 and 1744-1746.
30 *Id.*, Judicial-Affidavit (of Arlene N. Sabellina) (Exhibit "P-25") and Minutes of Hearing dated March 21, 2018, pp. 1149-1158 and 1744-1746.

Palawan to Anilos Trading and Construction for TYs 2008 to 2010, which was based on their record of accounting entries for each transaction made by the government, including the disbursement vouchers, check number, official receipt number, and other supporting documents; and

5) Luzviminda S. Acosta[31] – who testified that she issued a certified true copy of accused's Quarterly VAT Returns for the second quarter of TY 2010.

Meanwhile, it was stipulated during the Pre-Trial Conference[32] that accused is (a) a registered taxpayer of Revenue District Office No. 36, Puerto Princesa City, Palawan assigned with Taxpayer Identification Number (TIN) 121-252-527-000, and (b) a sole proprietor, doing business under the trade name of Anilos Trading and Construction, a company engaged in the business of construction and sale of construction supplies.

Based on the entirety of the evidence, the Court was able to infer two (2) key points.

First, accused received payments for its construction services from the Provincial Government of Palawan during the subject taxable periods, as shown below:

Payments Made to Anilos Trading and Construction by the Provincial Government of Palawan:[33]

Date	e-NGAs JEV No.	Journal Entry Voucher	Docket Page No.	Description	Amount	Due to BIR (Total 7% Tax Withheld)	5% Withholding VAT	2% Expanded Withholding Tax on contractors
25-Jul-2008	JEV-2008-07-014500	Exhibit P-29-c	1784	Anilos Trading: 1st billing Solar Home Systems Dist Proj Batch I Phase II Bgy Taradungan/Mendoza Roxas	Php1,269,954.19	Php88,896.79	Php63,497.71	Php25,399.08
25-Jul-2008	JEV-2008-07-014504	Exhibit P-29-d	1785	Anilos Trading: 1st billing Solar Home Systems Dist Proj	2,391,371.66	167,396.02	119,568.58	47,827.43

[31] *Id.*, Judicial-Affidavit (of Luzviminda S. Acosta) (Exhibit "P-27") and Order dated April 04, 2018, pp. 1753-1757 and 1764-1766.

[32] *Id.*, Pre-Trial Order dated February 07, 2018, par. II. A., nos. 3 and 4, p. 1637.

[33] *Id.*, Attached Schedule of Payments to the Certification dated December 05, 2013 (Exhibit "P-8-1"), pp. 589-591.

				Batch II Phase I Bgy Itangil Dumaran				
25-Jul-2008	JEV-2008-07-014521	Exhibit P-29-e	1786	Anilos Trading: 1st billing Solar Home Systems Dist Proj Batch II Phase I Bgy San Isidro Busuanga	2,452,842.56	171,698.98	122,642.13	49,056.85
11-Aug-2008	JEV-2008-08-014743	Exhibit P-29-f	1787	Anilos Trading: Full payment Solar Home Systems Dist Proj Batch II Phase I Bgy Luac Culion	181,092.43	12,676.47	9,054.62	3,621.85
11-Aug-2008	JEV-2008-08-014747	Exhibit P-29-g	1788	Anilos Trading: Full payment Solar Home Systems Dist Proj Batch II Phase I Bgy Banuang Daan/Buenavista Coron	360,077.34	25,205.41	18,003.87	7,201.55
11-Aug-2008	JEV-2008-08-014749	Exhibit P-29-h	1789	Anilos Trading: Full payment Solar Home Systems Dist Proj Batch II Phase I Bgy San Isidro Busuanga	169,957.44	11,897.02	8,497.87	3,399.15
11-Aug-2008	JEV-2008-08-014751	Exhibit P-29-i	1790	Anilos Trading: Full payment Solar Home Systems Dist Proj Batch II Phase I Bgy Galoc Cullion	179,896.64	12,592.76	8,994.83	3,597.93
14-Aug-2008	JEV-2008-08-015005	Exhibit P-29-j	1791	Anilos Trading: Full payment Solar Home Systems Dist Proj Batch II Phase I Bgy Itangil Dumaran	2,554,588.34	178,821.18	127,729.42	51,091.77
14-Aug-2008	JEV-2008-08-015006	Exhibit P-29-k	1792	Anilos Trading: Full payment Solar Home Systems Dist Proj Batch I Phase II Bgy Taradungan/Mendoza Roxas	1,530,385.81	107,127.01	76,519.29	30,607.72
20-Aug-2008	JEV-2008-08-015183	Exhibit P-29-l	1793	Anilos Trading: 1st billing Const School Bldg Package A-08-18 Taytay	2,313,914.83	161,974.04	115,695.74	46,278.30
20-Aug-2008	JEV-2008-08-015185	Exhibit P-29-m	1794	Anilos Trading: 1st billing Const School Bldg Package A-08-26 Culion	1,452,508.50	101,675.60	72,625.43	29,050.17
20-Aug-2008	JEV-2008-08-015188	Exhibit P-29-n	1795	Anilos Trading: 1st billing Const Day Care Center Package N-08-05 Roxas/San Vicente	1,076,236.84	75,336.58	53,811.84	21,524.74
20-Aug-2008	JEV-2008-08-015192	Exhibit P-29-o	1796	Anilos Trading: 1st billing Const HE Bldg Panacan Elem School Narra	1,579,763.60	110,583.45	78,988.18	31,595.27
20-Aug-2008	JEV-2008-08-015196	Exhibit P-29-p	1797	Anilos Trading: 1st billing Const School Bldg 2Storey 6Classroom Princess Urduja Narra	4,791,654.48	335,415.81	239,582.72	95,833.09

22-Aug-2008	JEV-2008-08-015389	NA	NA	Anilos Trading: 1st billing Const School Bldg 2Storey Classroom Poblacion Narra	3,765,940.94	263,615.87	188,297.05	75,318.82
22-Aug-2008	JEV-2008-08-015395	Exhibit P-29-q	1798	Anilos Trading: 1st billing Const School Bldg Package A-08-03 Roxas	828,873.57	58,021.15	41,443.68	16,577.47
22-Aug-2008	JEV-2008-08-015412	Exhibit P-29-r	1799	Anilos Trading: 1st billing Const School Bldg Package A-08-02 Roxas	929,816.63	65,087.16	46,490.83	18,596.33
22-Aug-2008	JEV-2008-08-015419	Exhibit P-29-s	1800	Anilos Trading: 1st billing Const School Bldg Package 5-08-07 Bgy Matangule/Marabon Balabac	377,007.58	26,390.53	18,850.38	7,540.15
29-Aug-2008	JEV-2008-08-015584	Exhibit P-29-t	1801	Anilos Trading: 1st billing Const School Bldg Package N-08-07 Bgy New Barbacan/New Cuyo/San Isidro	614,536.18	43,017.53	30,726.81	12,290.72
29-Aug-2008	JEV-2008-08-015585	Exhibit P-29-u	1802	Anilos Trading: 1st billing Const School Bldg Package A-08-01 Roxas	1,022,395.84	71,567.71	51,119.79	20,447.92
30-Sep-2008	JEV-2008-09-016392	Exhibit P-29-v	1803	Anilos Trading: 1st billing Const HE Bldg San Jose Natl High School Roxas	420,317.57	29,422.23	21,015.88	8,406.35
30-Sep-2008	JEV-2008-09-016394	Exhibit P-29-w	1804	Anilos Trading: 2nd billing Const School Bidg Package A-08-03 Roxas	472,049.07	33,043.43	23,602.45	9,440.98
30-Sep-2008	JEV-2008-09-016403	Exhibit P-29-x	1805	Anilos Trading: 2nd billing Const School Bldg Package A-08-01 Roxas	879,735.96	61,581.52	43,986.80	17,594.72
30-Sep-2008	JEV-2008-09-016405	Exhibit P-29-y	1806	Anilos Trading: 2nd billing Const School Blog Package A-08-02 Roxas	948,600.81	66,402.06	47,430.04	18,972.02
30-Sep-2008	JEV-2008-09-016416	Exhibit P-29-z	1807	Anilos Trading: Full payment Maint/Rehab Provl Rds Package N-08-05 El Nido	2,130,709.76	149,149.68	106,535.49	42,614.20
				Total for third quarter of TY 2008	**Php34,694,228.57**		**Php1,734,711.43**	
7-Oct-2008	JEV-2008-10-018308	Exhibit P-29-aa	1808	Anilos Trading: 2nd billing Const School Bldg 2Storey 6Classroom Poblacion Narra	Php2,972,323.17	Php208,062.62	Php148,616.16	Php59,446.46
7-Oct-2008	JEV-2008-10-018313	Exhibit P-29-bb	1809	Anilos Trading: 2nd billing Const HE Bldg Panacan Elem School Narra	311,665.48	21,816.58	15,583.27	6,233.31

7-Oct-2008	JEV-2008-10-018316	Exhibit P-29-cc	1810	Anilos Trading: 2nd billing Const School Bldg 2Storey 6Classroom Princess Urduja Narra	1,647,131.23	115,299.19	82,356.56	32,942.62
7-Oct-2008	JEV-2008-10-018320	Exhibit P-29-dd	1811	Anilos Trading: 2nd billing Const School Bldg Package N-08-07 Roxas	135,601.88	9,492.13	6,780.09	2,712.04
7-Oct-2008	JEV-2008-10-018413	Exhibit P-29-ee	1812	Anilos Trading: 2nd billing Const Day Care Center Package N-08-05 Roxas/San Vicente	1,345,296.06	94,170.72	67,264.80	26,905.92
8-Oct-2008	JEV-2008-10-018512	Exhibit P-29-ff	1813	Anilos Trading: 2nd billing Const School Bldg Package A-08-18 Taytay	1,851,131.87	129,579.23	92,556.59	37,022.64
10-Oct-2008	JEV-2008-10-018557	Exhibit P-29-gg	1814	Anilos Trading: 2nd billing Const School Bidg Package 5-08-07 Bgy Matangule/Marabon Balabac	565,511.37	39,585.80	28,275.57	11,310.23
10-Oct-2008	JEV-2008-10-018614	Exhibit P-29-hh	1815	Anilos Trading: 1st billing Maint/Rehab Provi Rds Package N-08-01 Roxas	1,659,571.00	116,169.97	82,978.55	33,191.42
16-Oct-2008	JEV-2008-10-018851	Exhibit P-29-ii	1816	Anilos Trading: Full payment Const HE Bldg Panacan Elem School Narra	210,158.79	14,711.12	10,507.94	4,203.18
29-Oct-2008	JEV-2008-10-018925	Exhibit P-29-jj	1817	Anilos Trading: Full payment Maint/Rehab Provi Rds Package N-08-01 Roxas	1,659,571.00	116,169.97	82,978.55	33,191.42
29-Oct-2008	JEV-2008-10-018926	Exhibit P-29-kk	1818	Anilos Trading: Full payment Maint/Rehab Provi Rds Package S-08-02 Narra	3,367,026.40	235,691.85	168,351.32	67,340.53
14-Nov-2008	JEV-2008-10-019144	Exhibit P-29-ll	1819	Anilos Trading: 1st billing Maint/Rehab Provi Rds Package S-08-01 Aborlan/Narra	1,469,338.80	102,853.72	73,466.94	29,386.78
2-Dec-2008	JEV-2008-10-019595	Exhibit P-29-mm	1820	Anilos Trading: 3rd billing Const HE Bldg San Jose Natl High School Roxas	420,317.57	29,422.23	21,015.88	8,406.35
4-Dec-2008	JEV-2008-10-019930	Exhibit P-29-nn	1821	Anilos Trading: 1st billing Const School Bldg Package A-08-35 Cuyo	1,478,459.32	103,492.15	73,922.97	29,569.19
4-Dec-2008	JEV-2008-10-019934	Exhibit P-29-oo	1822	Anilos Trading: 1st billing Const School Bldg Package A-08-36 Agutaya	2,338,952.10	163,726.65	116,947.61	46,779.04
4-Dec-2008	JEV-2008-10-019941	Exhibit P-29-pp	1823	Anilos Trading: 3rd billing Const School Bldg 2Storey 6Classroom Princess Urduja Narra	673,826.41	47,167.85	33,691.32	13,476.53

4-Dec-2008	JEV-2008-10-019946	Exhibit P-29-qq	1824	Anilos Trading: 2nd billing Const HE Bldg San Jose Natl High School Roxas	105,079.40	7,355.56	5,253.97	2,101.59
8-Dec-2008	JEV-2008-10-020016	Exhibit P-29-rr	1825	Anilos Trading: 1st billing Maint/improvement Junct Mainit Rd Brks Pt	850,190.00	59,513.30	42,509.50	17,003.80
8-Dec-2008	JEV-2008-10-020018	Exhibit P-29-ss	1826	Anilos Trading: 3rd billing Const School Bldg Package S-08-07 Bgy Matangule/Marabon Balabac	565,511.37	39,585.80	28,275.57	11,310.23
8-Dec-2008	JEV-2008-10-020021	Exhibit P-29-tt	1827	Anillos Trading: Full payment Maint/Improvement Junct Mainit Rd Brks Pt	212,547.50	14,878.33	10,627.38	4,250.95
8-Dec-2008	JEV-2008-10-020025	Exhibit P-29-uu	1828	Anilos Trading: Full payment Const School Bldg Package S-08-07 Bgy Matangule/Marabon Balabac	377,007.58	26,390.53	18,850.38	7,540.15
8-Dec-2008	JEV-2008-10-020049	Exhibit P-29-vv	1829	Anilos Trading: 1st billing Maint/improvement Culandanum-Tarusan Rd Bataraza	1,253,841.30	87,768.89	62,692.07	25,076.83
8-Dec-2008	JEV-2008-10-020052	Exhibit P-29-ww	1830	Anilos Trading: Full payment Const School Bldg Package A-08-18 Taytay	462,782.97	32,394.81	23,139.15	9,255.66
16-Dec-2008	JEV-2008-10-020204	Exhibit P-29-xx	1844	Anilos Trading: 3rd billing Const School Bldg Package N-08-07 Roxas	548,177.81	38,372.45	27,408.89	10,963.56
16-Dec-2008	JEV-2008-10-020207	Exhibit P-29-yy	1845	Anilos Trading: 2nd billing Const School Bldg Package A-08-26 Cullon	2,178,616.48	152,503.15	108,930.82	43,572.33
16-Dec-2008	JEV-2008-10-020208	Exhibit P-29-zz	1846	Anillos Trading: Full payment Maint/Improvement Culandanum-Tarusan Rd Bataraza	302,758.70	21,193.11	15,137.94	6,055.17
23-Dec-2008	JEV-2008-10-020356	Exhibit P-29-aaa	1847	Anillos Trading: 2nd billing Const School Bldg Fackage A-08-35 Cuyo	438,692.79	30,708.50	21,934.64	8,773.86
23-Dec-2008	JEV-2008-10-020380	Exhibit P-29-bbb	1848	Anilos Trading: 3rd billing Const School Bldg Package A-08-26 Cullon	729,584.37	51,070.91	36,479.22	14,591.69
24-Dec-2008	JEV-2008-10-020439	Exhibit P-29-ccc	1849	Anilos Trading: 4th billing Const School Bldg Package N-08-07 Roxas	461,623.42	32,313.64	23,081.17	9,232.47
24-Dec-2008	JEV-2008-	Exhibit P-29-ddd	1850	Anilos Trading: 3rd billing Const School	523,086.24	36,616.04	26,154.31	10,461.72

	10-020444			Bidg Package A-08-01 Roxas				
Total for fourth quarter of TY 2008					**Php31,115,382.38**		**Php1,555,769.12**	
TOTAL for TY 2008					**Php65,809,610.95**		**Php3,290,480.55**	
19-Apr-2010	JEV-2010-04-002709	Exhibit P-29-zzz	1872	Anilos Trading 3rd billing Const School Bldg Package A-08-02 Roxas	Php2,113,219.63	Php147,925.37	Php105,660.98	Php42,264.39
22-Apr-2010	JEV-2010-04-002712	Exhibit P-29-aaaa	1873	Anilos Trading: Full payment Const School Bldg Package A-08-02 Roxas	704,406.56	49,308.46	35,220.33	14,088.13
15-Apr-2010	JEV-2010-04-004703	Exhibit P-29-bbbb	1874	Anilos Trading: Full payment Maint/Rehab Provl Rds/Bridges Package S-10-02 Narra	730,178.85	51,112.52	36,508.94	14,603.58
20-Apr-2010	JEV-2010-04-004957	Exhibit P-29-cccc	1875	Anilos Trading: Full payment Const Solar Home Systems Dist Proj Batch III Phase 1 Bgy Biton Taytay	581,396.28	40,697.74	29,069.81	11,627.93
22-Apr-2010	JEV-2010-04-005233	Exhibit P-29-dddd	1876	Anilos Trading: Full payment Const Solar Home Systems Dist Proj Batch III Phase 1 Bgy Isugod Quezon	356,420.00	24,949.40	17,821.00	7,128.40
29-Apr-2010	JEV-2010-04-005582	Exhibit P-29-eeee	1877	Anilos Trading: 1st billing Const Solar Home Systems Dist Proj Batch III Phase 1 Bgy Culandanum Aborlan	1,915,384.85	134,076.94	95,769.24	38,307.70
29-Apr-2010	JEV-2010-04-005584	Exhibit P-29-ffff	1878	Anilos Trading: 1st billing Const Solar Home Systems Dist Proj Batch III Phase 1 Bgy Bagong Bayan PPC	2,251,146.49	157,580.25	112,557.32	45,022.93
5-Apr-2010	JEV-2010-04-005942	Exhibit P-29-gggg	1879	Anilos Trading: 2nd billing Maint/Rehab Provl Rds/Bridges Package N-10-04 Taytay	1,811,627.66	126,813.94	90,581.38	36,232.55
4-May-2010	JEV-2010-04-005856	Exhibit P-29-hhhh	1880	Anilos Trading: Full payment Maint/Rehab Provl Rds/Bridges Package S-10-14 Narra	758,870.00	53,120.90	37,943.50	15,177.40
4-May-2010	JEV-2010-04-005859	Exhibit P-29-iiii	1881	Anilos Trading: Full payment Maint/Rehab Provi Rds/Bridges Package S-10-16 Narra	699,776.00	48,984.32	34,988.80	13,995.52
4-May-2010	JEV-2010-04-005863	Exhibit P-29-jjjj	1882	Anilos Trading: 1st billing Maint/Rehab Provl Rds/Bridges Package S-10-10 Aborlan	471,774.81	33,024.24	23,588.74	9,435.50
13-May-2010	JEV-2010-	Exhibit P-29-kkkk	1883	Anilos Trading: Full payment Maint/Rehab Provl	406,385.00	28,446.95	20,319.25	8,127.70

	04-006629			Rds/Bridges Package S-10-20 Brks Pt				
13-May-2010	JEV-2010-04-006631	Exhibit P-29-llll	1884	Anilos Trading: 1st billing Maint/Rehab Provl Rds/Bridges Fackage S-10-12 Aborlan	331,994.46	23,239.61	16,599.72	6,639.89
25-May-2010	JEV-2010-04-007038	Exhibit P-29-mmmm	1885	Anilos Trading: Full payment Maint/Rehab Provl Rds/Bridges Package S-10-10 Aborlan	447,864.19	31,350.49	22,393.21	8,957.28
25-May-2010	JEV-2010-04-007040	Exhibit P-29-nnnn	1886	Anilos Trading: Full payment Maint/Rehab Provl Rds/Bridges Package S-10-12 Aborlan	317,955.54	22,256.89	15,897.78	6,359.11
3-Jun-2010	JEV-2010-04-008032	Exhibit P-29-oooo	1887	Anilos Trading Full payment Const Solar Home Systems Dist Proj Batch III Phase 1 Bgy Bagong Bayan PPC	516,089.51	36,126.27	25,804.48	10,321.79
3-Jun-2010	JEV-2010-04-008035	Exhibit P-29-pppp	1888	Anilos Trading: Full payment Const Solar Home Systems Dist Proj Batch III Phase 1 Bgy Culandanum Aborlan	466,342.15	32,643.95	23,317.11	9,326.84
29-Jun-2010	JEV-2010-04-008770	Exhibit P-29-qqqq	1889	Anilos Trading: 1st billing Const Terminal Waiting Shed/Landscaping Airport Compound Bancao-Bancao PPC	1,464,506.24	102,515.44	73,225.31	29,290.12
Total for second quarter of TY 2009/TOTAL for TY 2009					**Php16,345,338.22**		**Php817,266.91**	

Even accused impliedly admitted during her testimony[34] that she received the above amounts from the Provincial Government of Palawan for services rendered by Anilos Trading and Construction. She did not refute nor question the contents of the Certification issued by the Provincial Government of Palawan. Additionally, during trial she presented disbursement vouchers, certificates of final tax withheld at source (BIR Form No. 2306) and certificates of creditable withheld tax at source (BIR Form No. 2307) for the subject taxable periods which corroborate her receipt of the income payments.[35]

And second, accused did not declare all the payments of the Provincial Government of Palawan in her Quarterly VAT Returns for the third and fourth quarters of 2008 and second quarter of 2010.

---

[34] *Id.*, Amended Judicial-Affidavit of Rebecca S. Tiotangco (Exhibit "A-219") and Minutes of Hearing dated January 30, 2019, pp. 1987-2008 and 2032-2033.

[35] *Id.*, Exhibits "A-1" to "A-218", pp. 635-655, 669-737, 745-780, 791-820, 828-857 and 866-904.

Accused's Underdeclaration of Sales/Receipts:

	Quarterly VAT Return	Docket Page No.	Per Quarterly VAT Return Filed	Per Certification of Provincial Government of Palawan (previous table)	Underdeclaration of Sales/ Receipts
third quarter 2008	Exhibit P-13	620-621	Php4,655,063.50	Php34,694,228.57	**Php30,039,165.07**
fourth quarter 2008	Exhibit P-14	622-623	Php6,261,377.58	Php31,115,382.38	**Php24,854,004.80**
second quarter 2010	Exhibit P-16	626	Php6,374,325.35	Php16,345,338.32	**Php9,971,012.97**

In this regard, this Court finds accused civilly liable for VAT resulting from her failure to supply correct and accurate information in her Quarterly VAT Returns for the third and fourth quarters of 2008 and second quarter of 2010.

Credence is given to the evidence presented by the plaintiff as to the correct amount of accused's sales/receipts in the Certification[36] dated December 05, 2013. To be deducted thereon are the sales/receipts declared by accused in her Quarterly VAT Returns [37] and the VAT withheld by the Provincial Government of Palawan found in the Journal Entry Vouchers[38], disbursement vouchers, BIR Forms No. 2306 and BIR Forms No. 2307.[39]

Thus, the resulting basic deficiency VAT for 2008 and 2010 accused is liable for are as follows:

	2008	2010
Underdeclared VATable Sales	Php54,893,169.87	Php9,971,012.97
VAT rate	12%	12%
Total Output VAT	6,587,180.38	1,196,521.56
Less: Withheld VAT by Provincial Government of Palawan	(3,290,480.55)	(817,266.91)
Basic Deficiency VAT	**Php3,296,699.84**	**Php379,254.65**

[36] *Id.*, Exhibit "P-8", p. 588.
[37] *Id.*, Exhibits "P-13", "P-14" and "P-16", pp. 620-621, 622-623 and 626.
[38] *Id.*, Exhibits "P-29" to "P-29-uuuu", pp. 1781-1830 and 1844-1893.
[39] *Id.*, Exhibits "A-1" to "A-218", pp. 635-655, 669-737, 745-780, 791-820, 828-857 and 866-904.

WHEREFORE, premises considered, accused **REBECCA S. TIOTANGCO** is hereby **ORDERED TO PAY** the total amount of Php12,669,618.14, for taxable years 2008 to 2010, inclusive of the 50% penalty imposed under Section 248 (B) of the NIRC of 1997, as amended, and twenty percent (20%) interest imposed under Sections 248(A) and 249 of the NIRC of 1997, as amended, respectively, computed until December 31, 2017, as follows:

	2008	**2010**	**Total**
Basic Tax Due	Php3,296,699.84	Php379,254.65	Php3,675,954.48
Add: 50% Surcharge	1,648,349.92	189,627.32	1,837,977.24
20% Deficiency Interest from January 26, 2008 to December 31, 2017			
[Php3,296,699.84 x 20% x 3628/365 days]	6,553,658.63		6,553,658.63
20% Deficiency Interest from January 26, 2010 to December 31, 2017			
[Php379,254.65 x 20% x 2897/365 days]		602,027.79	602,027.79
Total Amount Due, December 31, 2017	**Php11,498,708.39**	**Php1,170,909.75**	**Php12,669,618.14**

In addition, accused Rebecca S. Tiotangco is **ORDERED TO PAY** the delinquency interest at the rate of twelve percent (12%), on the basic tax due in the amount of Php3,675,954.48, as determined above, computed from January 1, 2018 until full payment thereof pursuant to Section 249(C) of the Tax Code, as amended by RA No. 10963 and implemented by RR No. 21-2018.

SO ORDERED.

Ma. Belen [signature]

MA. BELEN M. RINGPIS-LIBAN
Associate Justice

WE CONCUR:

MARIA ROWENA MODESTO-SAN PEDRO
Associate Justice

CORAZON G. FERRER-FLORES
Associate Justice

ATTESTATION

I attest that the conclusions in the above decision were reached in consultation before the cases were assigned to the writer of the opinion of the Court.

MA. BELEN M. RINGPIS-LIBAN
Associate Justice
Chairperson

CERTIFICATION

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

MA. BELEN M. RINGPIS-LIBAN
Acting Presiding Justice