REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL SECOND DIVISION

TANDUAY DISTILLERS, INC.,
Petitioner,

CTA Case Nos. 9017 & 9035

Members:

-versus-

CASTAÑEDA, JR., *Chairperson*
and
MANAHAN, *JJ.*

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

Promulgated:

FEB 07 2019
10:45 a.m.

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D E C I S I O N

MANAHAN, J.:

This is a consolidation of two (2) Petitions for Review filed by petitioner Tanduay Distillers, Inc. on March 26, 2015 and April 30, 2015, docketed as CTA Case Nos. 9017[1] and 9035[2], seeking a tax refund or credit in the aggregate amount of ₱1,011,896,050.42, allegedly representing erroneously paid excise tax on removals of compounded liquor using tax-paid raw materials for the periods covering March to April 2013 and May to July 2013, broken down as follows:

CTA Case No.	Period Covered	Amount
9017	March 2013 to April 2013	₱ 340,826,261.32
9035	May 2013 to July 2013	671,069,789.10
	TOTAL	**₱1,011,896,050.42**

THE PARTIES

Petitioner Tanduay Distillers, Inc. is a corporation duly organized and existing under Philippine laws with business

[1] Docket, Vol. I, CTA Case No. 9017, pp. 10-25.
[2] Docket, Vol. 1, CTA Case No. 9035, pp. 10-23.

address at No. 348 J. Nepumoceno St., San Miguel District, Manila.[3] It is primarily engaged in the business of manufacturing, compounding bottling, importing, exporting, buying or selling or otherwise dealing in, wholesale and retail such goods as rhum, spirit, beverage, liquor and other liquor products.[4]

On the other hand, respondent is the duly appointed Commissioner of Internal Revenue who holds office at the BIR National Office Building, Agham Road, Diliman, Quezon City.[5]

THE FACTS

On December 19, 2012, Republic Act (RA) No. 10351[6] was enacted by Congress restructuring the excise tax on alcohol and tobacco products by amending pertinent sections of the 1997 National Internal Revenue Code (NIRC), effective January 1, 2013. The new statute provided for tax rates and tax bases for alcohol and tobacco products.

Under the new law, the tax on distilled products are as follows:

> "**Section 141**. *Distilled Spirits.* – On distilled spirits, subject to the provisions of Section 133 of this Code, an excise tax shall be levied, assessed and collected based on the following schedules:
>
> (a) Effective on January 1, 2013
>
> (1) An ad valorem tax equivalent to fifteen percent (15%) of the net retail price (excluding the excise tax and the value-added tax) per proof; and
>
> (2) In addition to the ad valorem tax herein imposed, a specific tax of Twenty pesos [P20.00) per proof liter.
>
> (b) Effective on January 1, 2015
>
> (1) An ad valorem tax equivalent to twenty percent (20%) of the net retail price (excluding the excise tax and the value-added tax) per proof; and

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[3] Docket, CTA Case No. 9017, Vol. IV, Par. 3, II. Admitted Facts, Consolidated Joint Stipulation of Facts and Issues (CJSFI), p. 2006.
[4] *Id.*, Vol. IV, Par. 4, II. Admitted Facts, CJSFI, CTA Case No. 9017, p. 2006.
[5] Par. 2, II. Admitted Facts, CJSFI, CTA Case No. 9017, Docket vol. II, p. 2006.
[6] "An Act restructuring the excise tax on alcohol and tobacco products by amending Sections 141, 142, 143, 144, 145, 8, 131 and 288 of Republic Act no. 8424, otherwise known as the National Internal Revenue Code of 1997, as amended by Republic Act no. 9334, and for other purposes"

(2) In addition to the ad valorem tax herein imposed, a specific tax of Twenty pesos (P20.00) per proof liter.

(c) In addition to the ad valorem tax herein imposed, the specific tax rate of Twenty pesos (P20.00) imposed under this Section shall be increased by four percent (4%) every year thereafter effective on January 1, 2016, through revenue regulations issued by the Secretary of Finance."

On December 21, 2012, the Secretary of Finance issued Revenue Regulations (RR) No. 17-2012[7] to implement the provisions of RA No. 10351. In item (c) of the transitory provisions of RR No. 17-2012, it disallowed the tax crediting of the excise taxes paid under the old law on the raw materials inventory by the end of the year 2012 or by the effectivity of RA No. 10351, against excise taxes due on the compounded liquor.

Starting January 1, 2013, petitioner paid excise taxes, in accordance with the new statute, on the withdrawals of its compounded liquor presented in detail in the attached Summary of Removals of Compounded Liquor produced from the tax paid raw materials.

Thereafter respondent issued on January 8, 2013, Revenue Memorandum Circular (RMC) No. 3-2013[8], which sought to clarify further, certain provisions of RR No. 17-2012. It extended the imposition of the excise tax on ethyl alcohol either as (a) raw materials in the production of compounded liquor and, (b) the manufactured finished product. Under RMC No. 3-2013, both ethyl alcohol and compounded liquor are considered distinct distilled spirit products and are thus separate taxable items under the new law.

This interpretation of the law was however modified with the issuance of RMC No. 18-2013[9]which allowed the non-payment of excise tax on ethyl alcohol that were purchased after the issuance of RMC No. 3-2013 provided that they be

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[7] SUBJECT: Prescribing the Implementing Guidelines on the Revised Tax Rates on Alcohol and Tobacco Products Pursuant to the Provisions of Republic Act No. 10351 and to Clarify Certain Provisions of Existing Revenue Regulations, December 21, 2012.

[8] SUBJECT: Clarifying Certain Provisions of Revenue Regulations No. 17-2012 Implementing the Provisions of Republic Act No. 10351 as well as the Provisions of Revenue Memorandum Circular No. 90-2012 Providing the Initial Classifications of Alcohol and Tobacco Products, January 8, 2013.

[9] SUBJECT: Further Clarifying the Taxability of Distilled Spirits Provided under Revenue Memorandum Circular No. 3-2013, February 15, 2013.

used as raw materials in the manufacture of compounded liquors and provided still that certain requirements such as posting of surety bonds are complied. However, the RMC still maintained that taxes previously paid on the raw materials (i.e. ethyl alcohol / ethanol inventory at the time of the effectivity of the new excise tax law) are still not subject to refund/ credit to the manufacturers.

On March 11, 2013, petitioner wrote to the BIR requesting to amend RMC 18-2013 to remove the provision on non-recoverability of excise taxes previously paid on the raw materials.[10]

On April 2, 2013, the BIR responded that the said provision in RMC 3-2013 is consistent with the transitory provisions in RR 17-2012 and denied petitioner's request.[11]

On October 31, 2013[12], petitioner wrote to the Department of Finance (DOF) requesting for the amendment of RR 17-2012, which was denied by the DOF on January 30, 2014.[13]

On February 26, 2014[14], petitioner filed a motion for reconsideration with the DOF which was also denied by the latter on July 21, 2014.[15]

On March 12, 2015[16], petitioner filed administrative requests for refund of excise taxes paid on the finished goods produced from the tax-paid raw materials for the months of March and April 2013, in the amount of ₱340,826,261.32 and for the months of May to July 2013 in the amount of ₱671,069,789.10.

Thereafter, petitioner filed with this Court the instant Petitions for Review on March 26, 2015 and April 30, 2015, docketed as CTA Case Nos. 9017[17] and 9035[18], respectively.

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[10] Docket, Vol. IV, CTA Case No. 9017, Exhibit "P-5", pp. 1855-1856.
[11] *Id.*, Vol. IV, Exhibit "P-6", p. 1857.
[12] *Id.*, Vol. IV, Exhibit "P-7", pp. 1858-1862.
[13] *Id.*, Vol. IV, Exhibit "P-8", pp. 1863-1865.
[14] *Id.*, Vol. IV, Exhibit "P-9", pp. 1866-1868.
[15] *Id.*, Vol. IV, Exhibit "P-10", pp. 1869-1870.
[16] *Id.*, Vol. IV, Exhibit "P-1", pp. 1849-1854.
[17] *Supra.*, Note 1.
[18] *Supra.*, Note 2.

On June 22, 2015, within the extended period granted by the Court,[19] respondent filed through registered mail his Answer[20] in CTA Case No. 9017, interposing the following Special and Affirmative Defenses:

> **"SPECIAL AND AFFIRMATIVE DEFENSES**
>
> On the basis of the foregoing allegations and in further support of the Specific Denials herein set forth, respondent respectfully alleges as her defense that:
>
> **<u>The claim for refund was filed out of time as required by Sec. 204 (c)</u>**
>
> 4. Petitioner alleged that it paid its excise taxes on 1 January 2013 and that it filed a claim for refund only on 12 March 2015.
>
> 5. Sec. 204 (c) provides that:
>
>> "(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 <u>within two (2) years after the payment of the tax or penalty</u>**: Provided, however. That a return filed showing an overpayment shall be considered as a written claim for credit or refund.
>
> 6. Clearly, petitioner is no longer entitled to a claim for refund for failure to file its claim within two (2) years from the date it became due. Otherwise stated, petitioner should have filed its claim for refund on or before 1 January 2015. As petitioner was only able to file its claim on 12 March 2015, clearly it is no longer entitled to the same.
>
> **<u>The petition lacks cause of action for failure to exhaust administrative remedies and must be dismissed outright</u>**

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[19] Docket, CTA Case No. 9017, Vol. IV, Orders dated April 28, 2015, and May 26, 2015, pp. 1773 and 1782.
[20] *Id.*, Vol. IV, pp. 1798-1808.

7. The Honorable Supreme Court, in a long line of cases has consistently held that before a party is allowed to seek the intervention of the court, it is a pre-condition that he should have availed of all the means of administrative processes afforded him. Hence, if a remedy within the administrative machinery can still be resorted to by giving the administrative officer concerned every opportunity to decide on a matter that comes within his jurisdiction then such remedy should be exhausted first before court's judicial power can be sought. The premature invocation of a court's intervention is fatal to one's cause of action.

8. Petitioner alleged in its petition that it wrote a letter to the Department of Finance requesting for the amendment of RR 17-2012 and that said letter was denied by the DOF on 30 January 2014.

9. It was further alleged by petitioner that it filed a motion for reconsideration of the said denial by the DOF on 26 February 2014 and that the same was again denied by the latter on 23 July 2014.

10. Petitioner now comes into this Honorable Court with a prayer to declare Section 12(c) of Revenue Regulation No. 17-2012 and other allied issuances as unauthorized administrative legislation.

11. As can be seen from above, petitioner failed to appeal the denial of the DOF to the Office of the President. The Office of the President exercises direct control and supervision over all other executive departments, the DOF and BIR included.

12. Observance of the mandate regarding exhaustion of administrative remedies is a sound practice and policy. It ensures an orderly procedure which favors a preliminary sifting process, particularly with respect to matters peculiarly within the competence of the administrative agency, avoidance of interference with functions of the administrative agency by withholding judicial action until the administrative process had run its course, and prevention of attempts to swamp the courts by a resort to them in the first instance. The underlying principle of the rule rests on the presumption that the administrative agency, if afforded a complete chance to pass upon the matter, will decide the same correctly. There are both legal and practical reasons for this principle. The administrative process is intended to provide less expensive and more speedy solutions to disputes. Where the enabling statute indicates a procedure for administrative review, and provides a system of administrative appeal, or reconsideration, the courts, for reasons of law, comity and convenience, will not entertain a case unless the available administrative remedies have been resorted to and the appropriate authorities have

been given an opportunity to act and correct the errors committed in the administrative forum.

13. The instant case must be dismissed for failure to exhaust administrative remedies when petitioner failed to appeal the decision of the DOF to the Office of the President.

14. Assuming that this Honorable Court has jurisdiction over the same, respondent submits that the instant petition must still fall, as will be discussed.

Section 12 (c) of RR no. 17-2012 is valid and constitutional

15. Respondent respectfully submits that RR 17-2012 is valid and constitutional.

16. It must be remembered that the Department of Finance (DOF) is the agency with the mandate of formulation, institutionalization and administration of fiscal policies in coordination with other concerned subdivisions, agencies and instrumentalities of the government; generation and management of the financial resources of government; and supervision of the revenue operations of all local government units. It is the approving authority of proposed regulations of the BIR.

17. The BIR, on the other hand, is a bureau under the DOF mandated by law to assess and collect all national internal revenue taxes, fees and charges, and to enforce all forfeitures, penalties and fines connected therewith, including the execution of judgments in all cases decided in its favor by the Court of Tax Appeals and the ordinary courts. To enable it to fulfill this mandate, it is authorized to promulgate rules and regulations to interpret and implement laws pertaining to internal revenue.

18. With regard to the issuance of the DOF and respondent, absent any clear and convincing evidence to the contrary, it is presumed that they are acting within their authority and with regularity in the performance of their duties. It enjoys the presumption of regularity which must be overcome by clear and convincing evidence from the petitioners.

19. Also, RR 17-2012 only seeks to implement a valid legislation, RA 10351 which was issued by Congress. RR 17-2012 is also merely an interpretative ruling, as it adds nothing new aside from what was already stated in RA 10351.

20. Also there is no double taxation because the first excise tax is paid on a different finished product (i.e. ethyl

alcohol) and the second excise tax is paid on another different finished product (i.e. liquor). Double taxation is present only when the same thing is taxed twice, such is not present in the instant case.

It is incumbent upon petitioner to prove that it is entitled to the refund sought because a claim for refund is not ipso facto granted upon filing of the claim.

21. As a matter of course, a claim for refund is subject to investigation as it involves removal of accrued revenue from the coffers of the Government. It has been held by the Supreme Court that a claim for refund is not *ipso facto* granted because the Commissioner of Internal Revenue still has to investigate and ascertain the veracity of the claim.

22. Respondent submits that petitioner failed to demonstrate that the amount of P340,826,261.32 which is the subject of the case at bar was erroneously or illegally collected. Taxes remitted to the BIR are presumed to have been made in the regular course of business and in accordance with provisions of law.

23. In case of full or partial denial of the claim-for tax refund or tax credit, or the failure on the part of the Commissioner to act on the application within the period prescribed above, the taxpayer affected may, within thirty (30) days from the receipt of the decision denying the claim or after the expiration of the one hundred twenty day-period, appeal the decision or the unacted claim with the Court of Tax Appeals."

24. Clearly, the law requires the **submission of complete documents in support of the application filed** with the Bureau of Internal Revenue before the 120-day audit period shall apply, and **before the taxpayer could avail of judicial remedies as provided for in the law**, petitioner's failure to comply with the duly mandated legal requirements in such claims for refund/tax credit warranted the denial by inaction of the administrative claim.

25. In case such as this, before judicial inquiry into the issue of whether taxpayers, in general, are entitled to a refund/tax credit under substantive law may be considered, they have an initial burden to discharge. They must prove that they complied with all the administrative requirements continuing up to judicial review. In other words, before **trial de novo** proceeds and disposes of the issue of refund entitlement under **substantive** law, it must first be proved that there was **procedural** compliance in pursuing the

administrative claim leading to the **appellate** proceedings. As stated by the Honorable Supreme Court:

> "Petitioner's contention that non-compliance with Revenue Regulations 3-88 could not have adversely affected its case in the CTA indicates a failure on its part to appreciate the nature of the proceedings in that court. **First a judicial claim for refund or tax credit in the CTA is by no means an original action but rather an appeal by way of petition for review of a previous, unsuccessful administrative claim. Therefore, as in every appeal or petition for review, a petitioner has to convince the appellate court that the quasi-judicial agency a quo did not have any reason to deny its claims. In this case, it was necessary for petitioner to show the CTA not only that it was entitled under substantive law to the grant of its claims but also that it satisfied all the documentary and evidentiary requirements for an administrative claim for refund or tax credit.** Second, cases filed in the CTA are litigated de novo. Thus, a petitioner should prove every minute aspect of its case by presenting, formally offering and submitting its evidence to the CTA. **Since it is crucial for a petitioner in a judicial claim for refund or tax credit to show that its administrative claim should have been granted in the first place, part of the evidence to be submitted to the CTA must necessarily include whatever is required for the successful prosecution of an administrative claim**." (*Emphasis and underscoring supplied*)

26. Petitioner failed to substantiate its claim for refund/issuance of tax credit certificate in the amount of P340,826,261.32 representing alleged erroneously paid excise taxes for the period of March and April 2013.

27. In the case entitled ***Commissioner of Internal Revenue vs. Rosemarie Acosta***, the Supreme Court had the occasion to say:

> "xxx Noteworthy, the requirements under Section 230 (now Section 204) for refund claims are as follows:
>
> 1. A **written claim** for refund or tax credit must be filed by the taxpayer with the Commissioner;
>
> 2. The claim for refund must be a **categorical demand** for reimbursement;

> 3. The claim for refund or tax credit must be filed, or the suit or proceeding therefor must be commenced in court **within two (2) years from date of payment of the tax or penalty regardless of any supervening cause**.
>
> In our view, the law is clear. A claimant must first file a written claim for refund, **categorically demanding recovery of overpaid taxes** with the CIR, before resorting to an action in court. This obviously is intended, first, **to afford the CIR an opportunity to correct the action of subordinate officers**; and second, to notify the government that such taxes have been questioned, and the notice should then be borne in mind in estimating the revenue available for expenditure xxx." (Emphasis and underscoring supplied)

28. In the present case, petitioner failed to submit all the necessary documents needed for the application of its refund.

29. The purpose of requiring the filing of the administrative claim for refund/tax credit and submission of supporting documents relevant to a claim for tax refund/credit is to give the administrative agency concerned the opportunity to ascertain the veracity and validity of the claim. This is the very essence, the very substance of the doctrine of exhaustion of administrative remedies. The doctrine rests upon the presumption that the administrative body, board, or officer, if given the chance to correct its mistake or error, may amend its decision on a given matter and decide it properly. Thus, noncompliance with a condition precedent renders the Petition for Review dismissible.

30. The failure of petitioner to substantiate its claim for refund before the office of the respondent and the filing of the instant petition before this Honorable Court deprived respondent of the opportunity to fully exercise her function to decide claims for refund, correct, modify or affirm the findings of her subordinates. It must be remembered, that in the case of ***Jariol vs. Commission on Elections***, the Supreme Court reasoned that a party must not merely initiate the prescribed administrative procedure to obtain relief, the party concerned must pursue this relief until the appropriate conclusion takes place before seeking judicial intervention in order to give the administrative body an opportunity to decide the matter by itself correctly and prevent unnecessary and premature resort to the court.

31. The power to tax is the most effective instrument to raise needed revenues to finance and support the myriad activities of the government for the delivery of basic services essential to the promotion of the general welfare and enhancement of peace, progress and prosperity of the people. Consequently, any delay in implementing tax measures would be to the detriment of the public. It is for this reason that claims for refund are required to be done within certain time frames.

32. Exemptions from taxation are highly disfavored in law and he who claims exemption must be able to justify his claim by the clearest grant of organic or statutory law. An exemption from the common burden cannot be permitted to exist upon vague implications (***Asiatic Petroleum Co. vs Llanes, 49 Phil. 466 cited in Collector of Internal Revenue v Manila Jockey Club, Inc., 98 Phil. 670***).

33. In an action for refund, the burden of proof is on the taxpayer to establish its right to refund, and failure to sustain the burden is fatal to the claim for refund. Hence, a taxpayer is charged with the heavy burden of proving that he has complied with and satisfied all the statutory and administrative requirements to be entitled to the tax refund. Failure to comply therewith warrants a dismissal of the taxpayer's claim for refund. Respondent humbly submits that petitioner failed to establish its right to refund.

34. It can never be emphasized enough that in this jurisdiction tax refunds/ credits are in the nature of tax exemptions, hence, laws relating to them call for a strict application against the claimant. As held by the Honorable Supreme Court:

> "Tax refunds are in the nature of tax exemptions, and are to be construed *strictissimi juris* against the entity claiming the same. Thus, the burden of proof rests upon the taxpayer to establish by sufficient and competent evidence, its entitlement to a claim for refund."

35. Taxes collected are presumed to be in accordance with laws and regulations.

36. Claims for refund are construed strictly against the claimant for the same partake of the nature of exemption from taxation (***Commissioner of Internal Revenue vs. Ledesma, 31 SCRA 95***) and as such, they are looked upon with disfavor (***Western Minolco Corp. vs. Commissioner of Internal Revenue, 124 SCRA 1211)***. Basic is the rule that tax refunds are regarded as tax exemptions that are in derogation of the sovereign authority and are to be construed in strictissimi juris against the person or entity claiming the exemption (***Philippine Phosphate Fertilizer Corporation***

v. Commissioner of Internal Revenue, G.R. No. 141973, June 28, 2005). The law does not look with favor on tax exemptions and that he who would seek to be thus privileged must justify it by words too plain to be mistaken and too categorical to be misinterpreted (***Sea-Land Service. Vs. Court of Appeals, 357 SCRA 444***).

37. Based on the foregoing, petitioner's claim for refund has no basis in fact and in law. Thus, the instant petition should be denied for lack of merit."

Meanwhile, for CTA Case No. 9035, well within the extended period[21] granted by the Court, respondent filed his Answer (Re: Petition for Review dated 30 April 2015)[22] through registered mail on July 29, 2015, and was received by this Court on August 10, 2015. He alleged the same special and affirmative defenses he raised in his Answer in CTA Case No. 9017, except for the defense that the claim for refund was filed out of time as required by Sec. 204 (c) of the NIRC of 1997, as amended.

The Pre-Trial Conference for CTA Case No. 9017 was set on August 6, 2015[23], while the Pre-Trial Conference for CTA Case No. 9035 was set on September 17, 2015.[24]

The Pre-Trial Brief for the Petitioner [25] and the Respondent's Consolidated Pre-Trial Brief[26] in CTA Case No. 9017 were both filed on July 31, 2015.

On August 26, 2015, the parties filed their Joint Stipulation of Facts and Issues[27] for CTA Case No. 9017. This was approved and adopted by the Court in the Pre-Trial Order[28] issued on September 17, 2015.

Meanwhile, the Respondent's Pre-Trial Brief[29] for CTA Case No. 9035 was filed on September 11, 2015, while the Pre-

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[21] Docket, CTA Case No. 9035, Vol. 5, Orders dated June 2, 2015 and July 1, 2015, pp. 3390, and 3396.
[22] *Id.*, Vol. 5, pp. 3397-3408.
[23] Docket, CTA Case No. 9017, Vol. IV, Notice of Pre-Trial Conference, pp. 1812-1813.
[24] Docket, CTA Case No. 9035, Vol. 5, Notice of Pre-Trial Conference, pp. 3411-3412.
[25] Docket, CTA Case No. 9017, Vol. IV, pp. 1817-1823.
[26] *Id.*, Vol. IV, pp. 1824-1827.
[27] *Id.*, Vol. IV, pp. 1907-1913.
[28] *Id.*, Vol. IV, pp. 1956-1962.
[29] Docket, CTA Case No. 9035, Vol. 5, pp. 3413-3416.

Trial Brief for the Petitioner[30] was submitted on September 14, 2015.

On September 21, 2015, petitioner filed a Motion for Consolidation[31] of CTA Case No. 9035 with CTA Case No. 9017. This was granted by the Court in the Resolution[32] dated September 23, 2015.

Thereafter, the parties submitted their Consolidated Joint Stipulation of Facts and Issues[33] on October 6, 2015. This was approved and adopted by the Court in the Pre-Trial Order[34] issued on October 12, 2015.

Upon motion[35] of petitioner, the Court commissioned Mr. Elrey T. Ramos as the Independent Certified Public Accountant (ICPA) for the case.[36]

During trial, petitioner presented the following witnesses: Mr. Jaime Bernardo Silva[37], its Tax Officer; Mr. Amadeo G. Guevarra[38], its Cost Accountant; and Mr. Elrey T. Ramos[39], the Court-commissioned ICPA.

Petitioner's Formal Offer of Evidence[40] was filed on March 10, 2016. This was resolved by the Court in the Resolution[41] dated May 6, 2016, and petitioner's Exhibits "P-1", "P-5", "P-6", "P-7", "P-8", "P-9", "P-10", "P-11", "P-11-a", "P-11-b", "P-11-c", "P-11-d", "P-11-e", "P-11-f", "P-11-g", "P-11-h", "P-11-i", "P-11-j", "P-11-k", "P-11-l", "P-11-m", "P-11-n", "P-11-o", "P-11-p", "P-11-q", "P-11-r", "P-11-s", "P-11-t", "P-11-u", "P-11-v", "P-11-w", "P-11-x", "P-11-y", "P-11-z", "P-11-aa", "P-11-bb", "P-

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30 Docket, CTA Case No. 9035, Vol. 5, pp. 3420-3428.
31 CTA Case Nos. 9017 and 9035, Dockets vol. IV and vol. 5, pp. 1967-1969 and 3434-3436.
32 CTA Case Nos. 9017 and 9035, Dockets vol. IV and vol. 5, pp. 1971-1972 and 3437-3438.
33 Docket, CTA Case No. 9017, Vol. IV, pp. 2005-2013.
34 *Id.*, Vol. IV, pp. 2014-2021.
35 *Id.*, Vol. IV, Motion for the Appointment of Mateo Ramos Celestino Llona & Co. CPAs as Independent Certified Public Accountant, pp. 1914-1917.
36 *Id.*, Vol. IV, pp. 2200-2202 and 2206-2207.
37 *Id.*, Vol. IV, Exhibit "P-31", Judicial Affidavit of Jaime Bernardo Silva, pp. 2155-2162; *Id.*, Vol. IV, Minutes of the Hearing dated October 26, 2015, p. 2200-2201.
38 *Id.*, Vol. IV, Exhibit "P-32", Amended Judicial Affidavit of Amadeo G. Guevarra, pp. 2032-2046; *Id.*, Vol. IV, Minutes of the Hearing dated October 26, 2015, p. 2200-2201.
39 *Id.*, Vol. V, Exhibit "P-34", Judicial Affidavit of Elrey T. Ramos, pp. 2255-2269; *Id.*, Vol. V, Minutes of the Hearing dated January 25, 2016, p. 2270.
40 *Id.*, Vol. V, pp. 2287-2299.
41 *Id.*, Vol. V, pp. 2411-2413.

11-cc-1" to "P-11-cc-4", "P-11-dd-1" to "P-11-dd-4", "P-31", "P-31-a", "P-32", "P-32-a", "P-33", "P-33-a", "P-34", "P-34-a", "P-2", "P-2-a", "P-2-c", "P-2-f", "P-2-j", "P-2-m", "P-2-n", "P-2-q", "P-2-r", "P-2-d", "P-2-e-1", and "P-2-e-2", "P-2-e-3", "P-2-g", "P-2-h", "P-2-i", "P-2-k" and "P-2-l", "P-2-o-1" and "P-2-o-2", "P-2-s-1" and "P-2-s-2", "P-2-t-1" and "P-2-t-2", "P-2-u", "P-2-v", "P-2-w", "P-2-x", "P-2-y", "P-2-z", "P-2-aa", "P-2-bb", "P-2-dd", "P-2-ee", "P-20", "P-30", "P-30-a-1", "P-30-a-2", "P-30-a-3", "P-30-a-4", "P-30-b-1", "P-30-b-2", "P-30-b-3", "P-30-b-4", "P-30-c-1", "P-30-c-2", "P-30-c-3", "P-30-d-1", "P-30-d-2", "P-30-d-3", "P-30-d-4", "P-30-e-1", "P-30-e-2", "P-30-e-3", "P-30-e-4", "P-30-f-1", "P-30-f-2", "P-30-f-3", "P-30-f-4", "P-30-g-1", "P-30-g-2", "P-30-g-3", "P-30-g-4", "P-30-h-1", "P-30-h-2", "P-30-h-3", "P-30-h-4", "P-30-i-1", "P-30-i-2", "P-30-i-3", and "P-30-i-4", were admitted into evidence.

However, the Court denied the admission of Exhibits "P-33-b", "P-33-c", and "P-33-d", on the ground that the duly marked exhibits cannot be found in the records of the case; while Exhibit "P-2-c" was likewise denied for failure of the said exhibit formally offered to correspond with the document actually marked.

Petitioner filed a Motion for Reconsideration (of the Resolution Promulgated on May 6, 2016 with Request to Amend the Formal Offer of Evidence)[42] on May 16, 2016 praying for the admission of its denied exhibits.

In the Resolution[43] dated August 2, 2016, the Court partially granted petitioner's Motion for Reconsideration and admitted Exhibit "P-2-b". However, Exhibits "P-33-b", "P-33-c", and "P-33-d", were still denied admission on the ground that the duly marked exhibits cannot be found in the records of the case.

On August 8, 2016, petitioner filed an Omnibus Motion for Leave (a) To Withdraw and Mark the Annexes to ICPA Report and (b) To Recall the ICPA as Witness and (c) To Defer the Submission of the Amended Formal Offer of Evidence[44].

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[42] Docket, CTA Case No. 9017, Vol. V, pp. 2414-2417.
[43] *Id.*, Vol. V, pp. 2425-2427.
[44] *Id.*, Vol. V, pp. 2428-2430.

This was granted by the Court in the Resolution[45] dated October 20, 2016.

The Supplemental Formal Offer of Evidence w/ Amendment and Manifestation pursuant to October 20, 2016 Resolution[46] was filed on December 12, 2016. This was resolved by the Court in the Resolution[47] dated July 17, 2017 admitting most of petitioner's exhibits. However, some of petitioner's exhibits were denied admission for not having been found in the records of the case; and for failure of the exhibits formally offered to correspond with the documents actually marked.

Petitioner filed a Motion for Partial Reconsideration of the Resolution dated July 17, 2017[48] for the admission of its denied exhibits.

In the Resolution[49] dated September 22, 2017, the Court granted petitioner's Motion for Partial Reconsideration and admitted petitioner's exhibits denied admission in the Resolution dated July 17, 2017 for failure of the exhibits formally offered to correspond with the documents actually marked.

Thereafter, respondent presented as his witness Revenue Officer Evangeline M. Casipe[50]. During the hearing on November 27, 2017, the presentation of respondent's last witness was dispensed with after the counsels of the parties stipulated that the denial of the claim for refund was based purely on legal issues.[51]

The respondent's Memorandum[52] was filed on December 21, 2017; while the Memorandum for the Petitioner[53] was filed on February 5, 2018. Thus, in the Resolution[54] dated

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[45] Docket, CTA Case No. 9017, Vol. V, pp. 2436-2437.
[46] *Id.*, Vol. V, pp. 2528-2558.
[47] *Id.*, Vol. V, pp. 2581-2568.
[48] *Id.*, Vol. V, pp. 2569-2576.
[49] *Id.*, Vol. V, pp. 2616-2618.
[50] *Id.*, Vol. V, Exhibit "R-3", Judicial Affidavit of Revenue Officer Evangeline M. Casipe, pp. 2603-2607; *Id.*, Vol. V, Minutes of the Hearing dated October 25, 2017, p. 2628.
[51] *Id.*, Vol. V, Minutes of the Hearing and Order dated November 27, 2017, pp. 2644 and 2645.
[52] *Id.*, Vol. V, pp. 2646-2658.
[53] *Id.*, Vol. V, pp. 2670-2692.
[54] *Id.*, Vol. V, p. 2693.

February 12, 2018, the instant Petitions for Review were submitted for decision.

ISSUE

The parties stipulated the following issue[55] for this Court's disposition:

> "WHETHER PETITIONER IS ENTITLED TO THE REFUND OF EXCISE TAXES PAID ON FINISHED GOODS PRODUCED FROM TAX-PAID RAW MATERIALS, IN THE AMOUNTS OF:
>
> 1) ₱340,826,261.32 FOR THE MONTHS OF MARCH TO APRIL CALENDAR YEAR 2013; AND
>
> 2) ₱671,069,789.10" FOR THE MONTHS OF MAY, JUNE AND JULY CALENDAR YEAR 2013."

Petitioner's Arguments

Petitioner argues that it is entitled to the refund of excise taxes paid on finished goods produced from tax-paid raw materials, in the amount of ₱1,011,896,050.42, considering that Section 12 (C) of Revenue Regulations (RR) No. 17-2012 is an unauthorized administrative legislation resulting to depriving distillers such as petitioner of claiming refund of tax. It submits that Section 170 of the NIRC of 1997, as amended, contains a proviso stating that where a rectifier makes use of spirits upon which the excise tax has been paid, no further tax shall be collected on any rectified spirits produced exclusively therefrom.

Petitioner claims that the finished goods from which excise taxes were paid under the new law were produced from tax-paid raw materials. Thus, the Excise Taxes paid on Compounded Liquor produced from tax-paid raw materials violates Section 170 of the NIRC despite the fact that the latter was not amended by RA No. 10351.

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[55] Docket, CTA Case No. 9017, Vol. IV, III. Issues, CJSFI, p. 2006.

Moreover, petitioner submits that Revenue Regulations No. 17-2012, runs counter to the express provision of Section 170; thus, denying the tax credit/refund of excise tax already paid on ethyl alcohol, or deduction from the total excise tax due on compounded liquors. Thus, it argues that these administrative issuances serve not just to carry out the provisions of RA. 10351 but also serve to amend the NIRC by disregarding the application of Section 170 thereof.

Petitioner also contends that RA No. 10351 does not impose taxes on raw materials of distilled spirits. It alleges that the authors of the new statute intended for the tax to be imposed on the compounded liquor with increased rates. It avers that the clear intent of the framers of the statute is merely to shift the imposition of the excise tax on the finished goods and no longer on its raw materials.

Likewise, petitioner argues that considering it paid tax on its compounded liquors produced from tax paid raw materials, there is double taxation. It contends that once the excise tax on raw materials have been paid as part of its components, there should not be further tax on such finished goods.

Furthermore, petitioner alleges that the excise tax paid pursuant to the implementing rules issued by the respondent should be considered as erroneous payment and hence recoverable under the principle of *Solutio Indebiti* for no one, not even the State, should enrich itself at the expense of another.

Lastly, petitioner argues that the imposition of excise taxes on both raw materials and compounded liquor on distillers with separate facilities violates the constitutional guarantee of equal protection of the laws.

Respondent's Counter-Arguments

Respondent counter-argues that petitioner's claim for refund was filed out of time as required by Sec. 204 (C) of the NIRC of 1997.

Moreover, respondent contends that the petition fails to state a cause of action for failure to exhaust administrative remedies and must be dismissed outright.

Furthermore, respondent argues that there is no double taxation because the first excise tax is paid on a different finished product (i.e. ethyl alcohol) and the second excise tax is paid on another different finished product (i.e. liquor).

Respondent also contends that it is incumbent upon petitioner to prove that it is entitled to the refund sought because a claim for refund is not *ipso facto* granted upon filing of the claim.

Finally, respondent maintains that petitioner is not entitled to the refund of the alleged payment of excise taxes in the aggregate amount of ₱340,826,261.32 for the period of March and April 2013 and the alleged payment of excise taxes in the aggregate amount of ₱671,069,789.10 for the period of May to July 2013. The alleged payments were neither erroneous nor illegal.

RULING OF THE COURT

Petitioner is entitled to file a claim for refund of excise taxes paid on finished goods produced from tax-paid raw materials.

Petitioner claims that it is entitled to the refund of excise taxes paid on finished goods produced from tax-paid raw materials, considering that Section 12(C) of RR No. 17-2012 is an unauthorized administrative legislation.

The Court agrees with petitioner.

Republic Act (RA) No. 10351[56], enacted by Congress on December 19, 2012, restructured the excise tax on alcohol and tobacco products by amending pertinent sections of the National Internal Revenue Code (NIRC).

Pertinent to this case is Section 141 of the NIRC of 1997, as amended, which reads as follows:

[56] "An Act restructuring the excise tax on alcohol and tobacco products by amending Sections 141, 142, 143, 144, 145, 8, 131 and 288 of Republic Act no. 8424, otherwise known as the National Internal Revenue Code of 1997, as amended by Republic Act no. 9334, and for other purposes"

"**Section 141**. *Distilled Spirits.* – On distilled spirits, subject to the provisions of Section 133 of this Code, an excise tax shall be levied, assessed and collected based on the following schedules:

"(a) Effective on January 1, 2013

(1) An ad valorem tax equivalent to fifteen percent (15%) of the net retail price (excluding the excise tax and the value-added tax) per proof; and

(2) In addition to the ad valorem tax herein imposed, a specific tax of Twenty pesos (P20.00) per proof liter.

(b) Effective on January 1, 2015

(1) An ad valorem tax equivalent to twenty percent (20%) of the net retail price (excluding the excise tax and the value-added tax) per proof; and

(2) In addition to the ad valorem tax herein imposed, a specific tax of Twenty pesos (P20.00) per proof liter.

(c) In addition to the ad valorem tax herein imposed, the specific tax rate of Twenty pesos (P20.00) imposed under this Section shall be increased by four percent (4%) every year thereafter effective on January 1, 2016, through revenue regulations issued by the Secretary of Finance.

Medicinal preparations, flavoring extracts, and all other preparations, except toilet preparations, of which, excluding water, distilled spirits form the chief ingredient, shall be subject to the same tax as such chief ingredient.

This tax shall be proportionally increased for any strength of the spirits taxed over proof spirits, and the tax shall attach to this substance as soon as it is in existence as such, whether it be subsequently separated as pure or impure spirits, or transformed into any other substance either in the process of original production or by any subsequent process.

'Spirits or distilled spirits' is the substance known as ethyl alcohol, ethanol or spirits of wine, including all dilutions, purifications and mixtures thereof, from whatever source, by whatever process produced, and shall include whisky, brandy, rum, gin and vodka, and other similar products or mixtures.

'Proof spirits' is liquor containing one-half (1/2) of its volume of alcohol of a specific gravity of seven thousand nine hundred and thirty-nine ten thousandths (0.7939) at fifteen degrees centigrade (15°C). A 'proof liter' means a liter of proof spirits.

'Net retail price' shall mean the price at which the distilled spirits is sold on retail in at least five (5) major supermarkets in Metro Manila, excluding the amount intended to cover the applicable excise tax and the value-added tax. For distilled spirits which are marketed outside Metro Manila, the 'net retail price' shall mean the price at which the distilled spirits is sold in at least five (5) major supermarkets in the region excluding the amount intended to cover the applicable excise tax and the value-added tax.

Major supermarkets, as contemplated under this Act, shall be those with the highest annual gross sales in Metro Manila or the region, as the case may be, as determined by the National Statistics Office, and shall exclude retail outlets or kiosks, convenience or sari-sari stores, and others of a similar nature: Provided, That no two (2) supermarkets in the list to be surveyed are affiliated and/or branches of each other: Provided, finally, That in case a particular distilled spirit is not sold in major supermarkets, the price survey can be conducted in retail outlets where said distilled spirit is sold in Metro Manila or the region, as the case may be, upon the determination of the Commissioner of Internal Revenue.

The net retail price shall be determined by the Bureau of Internal Revenue (BIR) through a price survey under oath.

The methodology and all pertinent documents used in the conduct of the latest price survey shall be submitted to the Congressional Oversight Committee on the Comprehensive Tax Reform Program created under Republic Act No. 8240.

Understatement of the suggested net retail price by as much as fifteen percent (15%) of the actual net retail price shall render the manufacturer or importer liable for additional excise tax equivalent to the tax due and difference between the understated suggested net retail price and the actual net retail price.

Distilled spirits introduced in the domestic market after the effectivity of this Act shall be initially taxed according to their suggested net retail prices.

'Suggested net retail price' shall mean the net retail price at which locally manufactured or imported distilled spirits are intended by the manufacturer or importer to be sold on retail in major supermarkets or retail outlets in Metro Manila for those marketed nationwide, and in other regions, for those with regional markets. At the end of three (3) months from the product launch, the Bureau of Internal Revenue shall validate the suggested net retail price of the new brand against the net retail price as defined herein and initially determine the correct tax on a newly introduced distilled spirits. After the end of nine (9) months from such validation, the Bureau of Internal Revenue shall revalidate the initially validated net retail price against the net retail price as of the time of revalidation in order to finally determine the correct tax on a newly introduced distilled spirits.

All distilled spirits existing in the market at the time of the effectivity of this Act shall be taxed according to the tax rates provided above based on the latest price survey of the distilled spirits conducted by the Bureau of Internal Revenue.

The methodology and all pertinent documents used in the conduct of the latest price survey shall be submitted to the Congressional Oversight Committee on the Comprehensive Tax Reform Program created under Republic Act No. 8240.

Manufacturers and importers of distilled spirits shall, within thirty (30) days from the effectivity of this Act, and within the first five (5) days of every third month thereafter, submit to the Commissioner a sworn statement of the volume of sales for each particular brand of distilled spirits sold at his establishment for the three-month period immediately preceding.

Any manufacturer or importer who, in violation of this Section, misdeclares or misrepresents in his or its sworn statement herein required any pertinent data or information shall, upon final findings by the Commissioner that the violation was committed, be penalized by a summary cancellation or withdrawal of his or its permit to engage in business as manufacturer or importer of distilled spirits.

Any corporation, association or partnership liable for any of the acts or omissions in violation of this Section shall be fined treble the amount of deficiency taxes, surcharges and interest which may be assessed pursuant to this Section.

Any person liable for any of the acts or omissions prohibited under this Section shall be criminally liable and penalized under Section 254 of this Code. Any person who willfully aids or abets in the commission of any such act or omission shall be criminally liable in the same manner as the principal.

If the offender is not a citizen of the Philippines, he shall be deported immediately after serving the sentence, without further proceedings for deportation."

This amendment changed the previous tax treatment of distilled spirits by removing the tax classification system (*i.e.* raw material and net price) upon which the specific tax was paid, into a system where all distilled spirits (from whatever source or raw material) would be subject to a specific tax per proof liter and *ad valorem* tax on the net retail price per proof. Instead of the excise tax being paid on the raw materials, it is now imposed upon the finished goods upon removal from the place of production.

To implement the provisions of the above statute, the Secretary of Finance issued Revenue Regulations (RR) No. 17-2012[57] which was published on December 28, 2012. The pertinent provision of this issuance is Section 12(c) which disallowed the tax crediting of the excise taxes paid under the old law on the raw materials inventory by the end of the year 2012, against excise taxes due on the compounded liquor, to wit:

> "**SEC. 12. TRANSITORY PROVISIONS.** – Upon the effectivity of the Act, the following transitory provisions shall be strictly observed by all concerned:
>
> (c) The specific tax that was paid on the physical inventory of ethyl alcohol held in possession by manufacturers of compounded liquors as of the effectivity of the Act subsequently used as raw materials in the production of compounded liquors shall not be entitled to tax credit/refund or shall not be deducted from the total excise tax due on compounded liquors."

Thereafter, respondent issued RMC No. 3-2013, which clarified that both ethyl alcohol and compounded liquor are considered distinct distilled spirit products and are thus separate taxable items under the new law, to wit:

> "2. Taxability of distilled spirits under Section 3 of R.R. No. 17-2012.
>
> Section 141 of the Tax Code of 1997, as amended, defined "Spirits or distilled spirits", for purposes of excise taxation, is the substance known as ethyl alcohol, ethanol or spirits of wine, including all dilutions, purifications and mixtures thereof, from whatever source, by whatever process produced, and shall include whisky, brandy, rum, gin and vodka, and other similar products or mixtures.

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[57] SUBJECT: Prescribing the Implementing Guidelines on the Revised Tax Rates on Alcohol and Tobacco Products Pursuant to the Provisions of Republic Act No. 10351 and to Clarify Certain Provisions of Existing Revenue Regulations, December 21, 2012.

> In line with the aforesaid definition of distilled spirits, all end-products, such as ethyl alcohol, ethanol or other similar products or mixtures are separate and distinct distilled spirits apart from the above-enumerated alcoholic products (*i.e.* whisky, brandy, rum, etc.) and therefore, the same should be likewise subjected to the imposition of a separate and distinct excise tax prescribed under the same Section of the Tax Code."

However, respondent then issued RMC No. 18-2013[58] which allowed the non-payment of excise tax on ethyl alcohol that were purchased after the issuance of RMC No. 3-2013 provided that they be used as raw materials in the manufacture of compounded liquors and provided still that certain requirements such as posting of surety bonds are complied, to wit:

> "This Circular is hereby issued to amend Revenue Memorandum Circular (RMC) No. 3-2013 in so far as ethyl alcohol is concerned.
>
> For this purpose, the importation of ethyl alcohol or ethanol intended for re-sale or for the manufacture of compounded liquors shall be subject to excise tax unless the importer thereof is a holder of a Permit to Operate as importer of ethyl alcohol or ethanol or as manufacturer of compounded liquors as the case maybe, duly issued by this Bureau and has posted a surety bond, in addition to the importer's bond prescribed under Section 160 of the National Internal Revenue Code (NIRC) of 1997, as amended.
>
> xxx xxx xxx
>
> The excise tax that has already been paid on ethyl alcohol or ethanol pursuant to RMC No. 3-2013 shall not be entitled to tax credit / refund or shall not be deducted from the total excise tax due on compounded liquors."

Nevertheless, RMC No. 18-2013 still maintained that taxes previously paid on the raw materials (i.e. ethyl alcohol / ethanol inventory at the time of the effectivity of the new excise tax law) are still not subject to refund/ credit to the manufacturers.

At the outset, the Court reaffirms the time-honored doctrine that, the law prevails over the administrative regulations implementing it. The authority to promulgate implementing rules proceeds from the law itself. To be valid, a

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[58] SUBJECT: Further Clarifying the Taxability of Distilled Spirits Provided under Revenue Memorandum Circular No. 3-2013, February 15, 2013.

rule or regulation must conform to and be consistent with the provisions of the enabling statute. As such, it cannot amend the law either by abridging or expanding its scope.[59]

In the implementation of statutes, the will and intention of its authors must be determined. Legislative intent is part and parcel of the law, the controlling factor in interpreting a statute. In construing a statute, the proper course is to start out and follow the true intent of the legislature and to adopt the sense that best harmonizes with the context and promotes in the fullest manner the policy and objects of the legislature. In fact, any interpretation that runs counter to the legislative intent is unacceptable and invalid.[60]

Under R.A. No. 10351, the clear legislative intent is that raw materials (such as ethyl alcohol) are not subject to tax since the excise tax on distilled spirits should be on the final product.[61]

However, Section 12(c) of its implementing regulation, RR No. 17-2012, and RMC No. 18-2013 disallowed the tax crediting of the excise taxes paid under the old law on the raw materials (i.e. ethyl alcohol / ethanol inventory at the time of the effectivity of the new excise tax law), against excise taxes due on the compounded liquor. This, in effect, subjected petitioner to paying excise tax twice, first on the raw materials and second on the finished products produced. Thus, this part of the transitory provision of RR. 17-2012 and RMC No. 18-2013 should be struck down for lack of legal basis.

Moreover, petitioner argues that there is double taxation in this case.

Respondent, on the other hand, counter-argues that there is no double taxation because the first excise tax is paid on a different finished product (i.e. ethyl alcohol) and the second excise tax is paid on another different finished product (i.e. liquor).

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[59] *Felix B. Perez and Amante G. Doria vs. Philippine Telegraph and Telephone Company and Jose Luis Santiago*, G. R. No. 152048, April 7, 2009.

[60] *League of Cities of the Philippines, et al. vs. Commission on Elections, et al.*, G.R. Nos. 176951, 177499, & 178056, December 21, 2009.

[61] See The Bicameral Conference Report on the disagreeing provisions of House Bill No. 5727 and Senate Bill No. 3299 as reported in the Journal of the Senate (Session 42 Tuesday, December 11, 2012, at p. 1194), http://www.senate.gov.ph/lisdata/1479312570!.pdf; last accessed: January 21, 2019.

Double taxation means taxing the same property twice when it should be taxed only once; that is, taxing the same person twice by the same jurisdiction for the same thing. It is obnoxious when the taxpayer is taxed twice, when it should be but once.[62]

In this case, petitioner was imposed excise tax on ethyl alcohol used as raw material in the production of compounded liquor and was then again imposed excise tax upon removal of the compounded liquor from the place of production.

However, it must be noted that the ethyl alcohol taxed in this case, is not a finished product considering that it is used as raw material in the production of compounded liquor.

Moreover, to avoid double taxation, the BIR has clarified that ethyl alcohol and ethanol will not be subject to tax upon their importation or removal from place of production, if they will be used as raw materials in the production of compounded liquors. The latter are the ones which are subject to tax. However, the importer must be the manufacturer itself of compounded liquors; or the local seller is a duly registered distillery which directly delivers ethyl alcohol or ethanol to the manufacturer of compounded liquors. In either case, the importer or the distillery must post a surety bond, which is in addition to the manufacturer s bond under Section 160 of the 1997 NIRC, as amended.[63]

In view of the foregoing, there was double taxation in this case.

Lastly, petitioner argues that the compounded liquors produced from the tax-paid raw materials are not subject to the new tax rates prescribed under RA No. 10351. It contends that Section 170 is still prevailing and in full force and effect as it has not been changed, amended or repealed by the new law. Thus, the payments made therein should be considered in light of said Section 170 of the NIRC of 1997, as amended, which reads as follows:

> "SEC. 170. **Requirements Governing Rectification and Compounding of Liquors.** – Persons engaged in the

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[62] *The City of Manila, et al. vs. Coca-cola Bottlers Philippines, Inc.* G.R. No. 181845, August 4, 2009.

[63] A Treatise on Philippine Internal Revenue Taxes, Atty. Eric R. Recalde (2014), p. 680.

> rectification or compounding of liquors shall, as to the mode of conducting their business and supervision over the same, be subject to all the requirements of law applicable to distilleries: *Provided*, That where a rectifier makes use of spirits upon which the excise tax has been paid, no further tax shall be collected on any rectified spirits produced exclusively therefrom: *Provided, further*, That compounders in the manufacture of any intoxicating beverage whatever, shall not be allowed to make use of spirits upon which the excise tax has not been previously paid."

Now, prior to the amendment of Section 141 of the NIRC of 1997, as amended, excise taxes were collected upon removal of the raw materials from place of production, and no additional taxes were paid by petitioner upon removal of the compounded liquors produced from such raw materials pursuant to Section 170 of the 1997 NIRC, as amended. When R.A. No. 10351 was implemented, the immediate payment of excise taxes on the removals of the compounded liquor was required.

This shift in taxation from raw materials to finished goods introduced in R.A. No. 10351, did not make said Section 170 inoperative.

Basic is the rule in statutory construction that a provision of a statute should be so construed as not to nullify or render nugatory another provision of the same statute. Thus, to give life to the obvious intendment of the law and to avoid a construction which would render Sec. 170 of the 1997 NIRC, as amended, meaningless, these provisions should be interpreted that all finished goods, be it ethyl alcohol, compounded liquor or distilled spirits, etc. are subject to excise tax pursuant to R.A. No. 10351. However, if used as raw materials in the production of compounded liquor, then Section 170 should apply. This interpretation harmonizes the provisions of Section 141, as amended by R.A. No. 10351 and Section 170, both of the NIRC.

Thus, ethyl alcohol and ethanol will not be subject to tax upon their importation or removal from place of production, if they will be used as raw materials in the production of compounded liquors.

In this case, petitioner has existing tax paid ethanol or ethyl alcohol at the time of the effectivity of R.A. No. 10351, that were used as raw materials in the production of rectified spirits or compounded liquor. Thus, applying Section 170 of the 1997 NIRC, as amended, no further tax should have been collected on any rectified spirits or compounded liquor produced exclusively therefrom.

Considering the foregoing, petitioner, therefore, has erroneously paid excise tax on the removals of compounded liquor which used tax-paid raw materials for the periods covering March to April 2013 and May to July 2013. Thus, petitioner is entitled to file a claim for refund of excise taxes paid on finished goods produced from these tax-paid raw materials.

Timeliness of the filing of the claim

The Court finds it proper to determine first whether petitioner's claim for refund was timely filed.

Pertinent to the resolution of this matter are Sections 204(C) and 229 of the National Internal Revenue Code (NIRC) of 1997, as amended, which provide for the procedure governing the refund of erroneously paid taxes, to wit:

> **SEC. 204.** ***Authority of the Commissioner to Compromise, Abate and Refund or Credit Taxes.*** – The Commissioner may-
>
> 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 stamped 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 xxx.
>
> **SEC. 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 a written claim therefore, refund or credit any tax, where on the face of the return upon which payment was made, such payment appears clearly to have been erroneously paid."

The foregoing provisions govern all kinds of refund or credit of internal revenue taxes collected erroneously or illegally, pursuant to the NIRC[64]. Section 204(C) applies to administrative claims filed with the BIR, while Section 229 refers to judicial actions for the recovery of the tax.

In the case of *Commissioner of Internal Revenue vs. Goodyear Philippines, Inc.*,[65] the Supreme Court held that Section 229 of the NIRC of 1997, as amended, states that judicial claims for refund must be filed within two (2) years from the date of payment of the tax or penalty, providing further that the same may not be maintained until a claim for refund or credit has been duly filed with the Commissioner of Internal Revenue (CIR).

Thus, the settled rule is that both the claim for refund with the BIR and the subsequent appeal to the Court of Tax Appeals must be filed within the two-year period from the date of payment of the tax.[66]

In the case of excise taxes, the goods subject to such tax cannot leave the place where it was manufactured without paying the corresponding excise tax. Section 130(A)(2) of the NIRC of 1997, as amended, states:

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[64] *CIR vs. Central Azucarera Don Pedro*, L-28467, February 28, 1973; *CIR vs. Insular Lumber Co.*, L-24221, December 11, 1967.

[65] G.R. No. 216130, August 3, 2016.

[66] *Commissioner of Internal Revenue vs. Victorias Milling Co., Inc. and The Court of Tax Appeals*, G.R. No. L-24108, January 3, 1968; *Collector vs. J. N. Sweeney, A. O. Baigrie, and Ramon Burgas*, G.R. No. L-12178, August 21, 1959; *P.J. Kiener Company, Ltd. v. Saturnino David*, G.R. No. L-5163, April 23, 1953.

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.-*

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**: xxx (*Emphasis supplied*)

Relative thereto, Section 11 of Revenue Regulations (RR) No. 02-97, provides that:

SECTION 11. *Time, Manner and Place of Payment.* —
11.1 *For Locally produced Alcohol Products.*

1) *FILING OF RETURN* — Any person liable to pay specific tax on locally produced alcohol products shall before removal of such products, file in triplicate a consolidated return (BIR Form 2200) and supporting attachments (BIR Form 2201 and 2207) setting forth the registered brand names and brand codes, the total production during the return period, the quantity to be removed and the excise tax due.

2) *PAYMENT OF SPECIFIC TAX*

a) When to Pay — Unless otherwise especially allowed, excise tax due locally manufactured or produced alcohol products shall be paid by the manufacturer before removal from the place production, or by the person who is found in possession of untaxed domestically produced alcohol products.

b) ***Advance Payment or Deposit* — Every person liable to pay specific tax who is authorized to avail of the advance payment scheme may be allowed to effect removals of exciseable articles from his place of production without prior filing of the prescribed excise tax return and supporting attachments provided he has sufficient balance of deposits with the BIR to cover full payment of the excise tax due on said removals. The prescribed excise tax return and all attachments may be filed with a duly accredited bank or duly authorized collection agents not later than the first working day of the calendar week immediately after the week of actual removals. Payment of excise tax deposits shall be made by filing in triplicate a Payment Form (BIR Form No. 0605)** (*Emphasis supplied*)

In the instant case, petitioner availed of the advance payment or deposit scheme with regard to the excise taxes due on its locally produced compounded liquor. Thus, as correctly pointed out by petitioner, the two (2) year period prescribed in Sections 204 and 229 of the 1997 NIRC, as amended, should be reckoned from the date of actual withdrawal/removal of the compounded liquor from its place of production, because it is only at this point when the deposits are recognized as payments for excise tax, broken down into ad valorem and specific tax components.

Records show that petitioner paid advance excise tax deposits for its compounded liquor products from all of its four (4) plant locations in the aggregate sum of ₱1,617,083,382.40. The said amount being supported by Excise Tax Returns (BIR Forms No. 2200-A), duly filed and paid by petitioner thru the BIR's (Electronic Filing and Payment System) eFPS, is broken down as follows:

Exhibit No. (BIR Form No. 2200-A)	Advance Excise Tax Deposits	EFPS Payment Transaction Date
Quiapo Plant		
P-46-1.1	₱ 15,000,000.00	1/23/2013
P-46-1.2	30,000,000.00	2/7/2013
P-46-1.4	7,000,000.00	3/25/2013
P-46-1.5	1,010,000.00	4/3/2013
Subtotal	*₱ 53,010,000.00*	
Bacolod Plant		
P-46-2.1	₱ 25,000,000.00	1/23/2013
P-46-2.2	30,000,000.00	1/29/2013
P-46-2.3	30,000,000.00	2/5/2013
P-46-2.4	30,000,000.00	2/13/2013
P-46-2.5	30,000,000.00	2/25/2013
P-46-2.6	50,000,000.00	3/1/2013
P-46-2.7	70,000,000.00	3/8/2013
P-46-2.8	35,000,000.00	3/21/2013
P-47-1.1 page 24	35,000,000.00	5/17/2013
P-47-1.1 page 36	35,000,000	6/14/2013
P-47-1.2	35,000,000	6/21/2013
P-47-1.5	35,000,000	7/18/2013
P-47-1.6	35,000,000	7/23/2013
P-47-1.7	35,000,000	7/10/2013
Subtotal	*₱ 510,000,000.00*	
Cabuyao Plant		
P-46-3.1	₱ 65,000,000.00	1/23/2013
P-46-3.2	75,000,000.00	2/7/2013

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P-46-3.3	50,000,000.00	2/13/2013
P-46-3.4	25,000,000.00	2/13/2013
P-46-3.5	75,000,000.00	2/25/2013
P-46-3.6	75,000,000.00	3/11/2013
P-46-3.7	20,000,000.00	3/22/2013
P-46-3.8	30,000,000.00	4/4/2013
P-47-2.1	25,000,000	5/28/2013
P-47-2.2	30,000,000	6/6/2013
P-47-2.3	30,000,000	6/14/2013
P-47-2.4	50,000,000	6/27/2013
P-47-2.6	40,000,000	7/3/2013
P-47-2.8	40,000,000	7/11/2013
P-47-2.9	40,000,000	7/23/2013
Subtotal	*₱ 670,000,000.00*	
Cagayan Plant		
P-46-4.1	₱ 55,000,000.00	1/23/2013
P-46-4.2	45,000,000.00	2/7/2013
P-46-4.3	18,000,000.00	2/8/2013
P-46-4.4	38,000,000.00	2/13/2013
P-46-4.5	28,000,000.00	3/5/2013
P-46-4.6	30,000,000.00	4/3/2013
P-46-4.7	20,000,000.00	4/17/2013
P-47-3.1	30,000,000	5/28/2013
P-47-3.2	30,000,000	6/14/2013
P-47-3.3	30,000,000	6/27/2013
P-47-3.5	73,382	7/2/2013
P-47-3.6	30,000,000	7/11/2013
P-47-3.7	30,000,000	7/23/2013
Subtotal	*₱ 384,073,382.40*	
Total	**₱ 1,617,083,382.40**	

On the other hand, as per the Court-commissioned Independent CPA (ICPA)'s verification of petitioner's Excise Taxpayer's Removal Declarations [ETRD] (BIR Forms No. 2299), the excise taxes due on the removal of all its compounded liquor products from the four (4) plant locations for the same period amounted to ₱1,561,782,624.02, summarized as follows[67]:

Summary Per Location					
Plant Location	**Exhibit**	**Proof Liter**	**Specific Tax (A)**	**Ad Valorem Tax (B)**	**Total Excise Tax (A+B)**
QUIAPO	P-44-1	1,711,761.35	₱ 34,235,227.00	₱ 15,927,434.86	₱ 50,162,661.86
BACOLOD	P-44-2	17,793,462.30	355,964,427.48	164,645,390.40	617,375,001.24
CABUYAO	P-44-3	20,893,191.96	417,863,839.20	199,318,398.04	373,635,143.04
CAGAYAN	P-44-4	12,512,375.04	250,247,500.80	123,387,642.24	520,609,817.88
		52,910,790.65	**₱1,058,310,994.48**	**₱503,278,865.54**	**₱1,561,782,624.02**

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[67] Exhibit "P-44".

Summary Per Month

Period	Proof Liter	Specific Tax (A)	Ad Valorem Tax (B)	Total Excise Tax (A+B)
January	7,967,793.49	₱ 159,360,194.12	₱ 74,886,824.06	₱ 234,247,018.18
February	10,819,122.99	216,401,048.16	99,238,507.26	315,639,555.42
March	8,651,613.49	173,044,052.60	82,640,797.10	**255,684,849.70**
April	2,847,367.02	56,947,726.44	28,193,685.18	85,141,411.62
May	5,336,258.19	106,746,840.24	51,139,523.34	157,886,363.58
June	8,403,473.40	168,088,886.16	81,661,654.38	249,750,540.54
July	8,885,162.07	177,722,246.76	85,710,638.22	263,432,884.98
TOTAL	**52,910,790.65**	**₱1,058,310,994.48**	**₱503,471,629.54**	**₱1,561,782,624.02**

It should be noted that the advance excise tax deposits of ₱1,617,083,382.40 are more than enough to cover the excise taxes due of ₱1,561,782,624.02.

After deducting the total excise taxes paid for the months of January and February 2013, we will arrive at the total amount of claim amounting to ₱1,011,896,050.42 (i.e., ₱1,561,782,624.02 less ₱234,247,018.18 less ₱315,639,555.42) covering the periods of March 1, 2013 to April 30, 2013 (CTA Case No. 9017) and May 1, 2013 to July 31, 2013 (CTA Case No. 9035).

As stated earlier, the two-year prescriptive period shall be counted from the date of actual removal of petitioner's compounded liquor products from place of production. Thus, petitioner had until March 1, 2015 for CTA Case No. 9017 and May 1, 2015 for CTA Case No. 9035, at the earliest, to file its claim for refund both in the administrative and judicial levels.

The administrative claims[68] covering both periods of March 1, 2013 to April 30, 2013 (CTA Case No. 9017) and May 1, 2013 to July 31, 2013 (CTA Case No. 9035) were simultaneously filed on March 12, 2015; while the judicial claim for the period of March 1, 2013 to April 30, 2013 (CTA Case No. 9017)[69] was filed on March 26, 2015 and the judicial claim for the period of May 1, 2013 to July 31, 2013 (CTA Case 9035)[70] was filed on April 30, 2015.

Therefore, the Court finds that petitioner's claim in CTA Case No. 9035 (for the period of May 1, 2013 to July 31, 2013) was filed on time, whereas that in CTA Case No. 9017 (for the

[68] Docket, Vol. IV, Exhibit "P-1", pp. 1849-1854; and Docket, Vol. V, Exhibit "P-20", pp. 2342-2347.
[69] *Id.*, Vol. I, pp. 10-24.
[70] *Id.*, Vol. I, pp. 10-22.

period of March 1, 2013 to April 30, 2013) was belatedly filed as far as the period of March 1, 2013 to March 25, 2013 is concerned.

The Court observed that as per petitioner's claim, the total excise tax paid for the month of March 2013 is ₱255,684,849.70. However, as shown in the table below, the ICPA was only able to account for a total of only ₱250,556,739.22, representing excise taxes paid for the month of March 2013 with corresponding ETRDs.

Particulars	Quiapo	Bacolod	Cabuyao	Cagayan	Total
Excise Tax paid on Finished Goods Removal from March 1 - 12, 2013	₱ 2,027,575.20	₱ 48,852,820.80	₱ 67,162,564.20	₱ 15,239,132.64	₱ 133,282,092.84
Excise Tax paid on Finished Goods Removal from March 13 - 31, 2013	17,074,018.48	40,593,250.08	32,312,559.42	27,294,818.40	117,274,646.38
Total Excise tax paid for the month of March 2013	**₱19,101,593.68**	**₱89,446,070.88**	**₱99,475,123.62**	**₱42,533,951.04**	**₱250,556,739.22**

Due to the lack of supporting ETRDs, the Court is unable to ascertain whether the difference of ₱5,128,110.48 (i.e., ₱255,684,849.70 less ₱250,556,739.22) belongs to the prescribed or unprescribed portion of the claim, and therefore, said amount shall be disallowed.

Since prescription had already set in insofar as the claim for the period of March 1-25, 2013 is concerned (CTA Case No. 9017), petitioner is barred from claiming the excise taxes accounted for by the ICPA for March 1-12, 2013 in the amount of ₱133,282,092.84. Moreover, the excise taxes of ₱107,332,334.30 representing the prescribed portion of the claim for the period of March 13, 2013 to March 25, 2013 shall also be disallowed, broken down as follows:

PLANT LOCATION	EXCISE TAX PAID	Reference
QUIAPO	₱ 11,225,203.40	Exhibit P-50 and P-50-1 including sub-markings
CABUYAO	31,885,856.82	Exhibit P-51 and P-51-1 including sub-markings
BACOLOD	40,547,894.40	Exhibit P-52 and P-52-1 including sub-markings
CAGAYAN	23,673,379.68	Exhibit P-53 and P-53-1 including sub-markings
TOTAL	**₱ 107,332,334.30**	

The details of the ERTDs that comprise the above amounts are summarized as follows:

DATE	D.R./ ETRD NO.	BRAND	NO.OF CASES	NO. OF BOTTLES	SPECIFIC TAX DUE (P 20.00 per PL)	EXCISE TAX DUE/APPLIED (In PHP)	EXHIBIT
QUIAPO PLANT							
3/13/2013	494433	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-1.1
3/13/2013	494432	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-1.2
3/13/2013	494431	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-1.3
3/14/2013	494438	TANDUAY RHUM LIGHT 750 ML	960	11520	12.79	147,340.80	P-50-1-2.1
3/14/2013	494437	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-2.2
3/14/2013	494436	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-2.3
3/14/2013	494435	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-2.4
3/14/2013	494434	T.PHIL RHUM	60	720	32.10	23,112.00	P-50-1-2.5
3/15/2013	494444	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-3.1
3/15/2013	494443	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-3.2
3/15/2013	494442	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-3.3
3/15/2013	494441	TANDUAY RHUM LIGHT 750 ML	960	11520	12.79	147,340.80	P-50-1-3.4
3/15/2013	494440	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-3.5
3/15/2013	494439	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-3.6
3/19/2013	494455	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-4.1
3/19/2013	494454	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-4.2
3/19/2013	494453	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-4.3
3/19/2013	494452	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-4.4
3/19/2013	494451	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-4.5
3/19/2013	494450	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-4.6
3/19/2013	494449	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-4.7
3/19/2013	494448	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-4.8
3/19/2013	494447	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-4.9
3/19/2013	494446	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-4.10
3/19/2013	494445	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-4.11
3/20/2013	494473	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-5.1
3/20/2013	494472	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-5.2
3/20/2013	494471	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-5.3
3/20/2013	494470	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-5.4
3/20/2013	494469	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-5.5
3/20/2013	494468	TANDUAY RHUM DARK FIVE YEARS 750 ML	1440	17280	17.98	310,694.40	P-50-1-5.6

3/20/2013	494467	TANDUAY RHUM DARK FIVE YEARS 750 ML	1440	17280	17.98	310,694.40	P-50-1-5.7
3/20/2013	494466	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-5.8
3/20/2013	494465	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-5.9
3/20/2013	494464	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-5.10
3/20/2013	494463	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-5.11
3/20/2013	494462	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-5.12
3/20/2013	494461	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-5.13
3/20/2013	494460	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-5.14
3/20/2013	494459	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-5.15
3/20/2013	494458	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-5.16
3/20/2013	494457	TANDUAY RHUM DARK FIVE YEARS 750 ML	1100	13200	17.98	237,336.00	P-50-1-5.17
3/20/2013	494456	TANDUAY RHUM DARK FIVE YEARS 750 ML	1100	13200	17.98	237,336.00	P-50-1-5.18
3/21/2013	494486	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-6.1
3/21/2013	494485	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-6.2
3/21/2013	494484	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-6.3
3/21/2013	494483	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-6.4
3/21/2013	494482	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-6.5
3/21/2013	494481	TANDUAY RHUM DARK FIVE YEARS 750 ML	1440	17280	17.98	310,694.40	P-50-1-6.6
3/21/2013	494480	TANDUAY RHUM DARK FIVE YEARS 750 ML	1440	17280	17.98	310,694.40	P-50-1-6.7
3/21/2013	494479	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-6.8
3/21/2013	494478	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-6.9
3/21/2013	494477	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-6.10
3/21/2013	494476	CENTENNIAL RUM	7	70	336.02	23,521.40	P-50-1-6.11
3/21/2013	494475	T.PHIL RHUM	25	300	32.1	9,630.00	P-50-1-6.12
3/21/2013	494474	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10800	17.98	194,184.00	P-50-1-6.13
3/22/2013	494492	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-7.1
3/22/2013	494491	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-7.2
3/22/2013	494490	TANDUAY RHUM LIGHT 750 ML	1100	13200	12.79	168,828.00	P-50-1-7.3
3/22/2013	494489	TANDUAY RHUM DARK FIVE YEARS 750 ML	1100	13200	17.98	237,336.00	P-50-1-7.4
3/22/2013	494488	TANDUAY RHUM DARK FIVE YEARS 750 ML	1100	13200	17.98	237,336.00	P-50-1-7.5
3/22/2013	494487	TANDUAY RHUM LIGHT 750 ML	960	11520	12.79	147,340.80	P-50-1-7.6
TOTAL - QUIAPO PLANT						**11,225,203.40**	
CABUYAO PLANT							
3/13/2013	498329	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-1.1
3/13/2013	498328	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.2
3/13/2013	498327	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.3
3/13/2013	498326	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-1.4

3/13/2013	498325	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.5
3/13/2013	498324	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,872	56,160	6.09	342,014.40	P-51-1-1.6
3/13/2013	498323	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-1.7
3/13/2013	498322	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.8
3/13/2013	498321	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-1.9
3/13/2013	498320	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.10
3/13/2013	498319	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-1.11
3/13/2013	498318	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.12
3/13/2013	498317	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-1.13
3/13/2013	498316	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-1.14
3/13/2013	498315	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-1.15
3/13/2013	498314	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-1.16
3/13/2013	498313	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-1.17
3/13/2013	498312	TANDUAY RHUM LIGHT 750 ML	1,440	17,280	11.80	203,904.00	P-51-1-1.18
3/13/2013	498311	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-1.19
3/13/2013	498310	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-1.20
3/13/2013	498309	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-51-1-1.21
3/13/2013	498308	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-1.22
3/13/2013	498307	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.23
3/13/2013	498306	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.24
3/13/2013	498305	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-1.25
3/13/2013	498304	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.26
3/13/2013	498303	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-1.27
3/13/2013	498302	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1 28
3/13/2013	498301	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-1.29
3/13/2013	498300	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.30
3/13/2013	498299	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-1.31
3/13/2013	498298	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.32
3/13/2013	498297	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-1.33
3/13/2013	498296	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-1.34
3/13/2013	498295	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.35
3/13/2013	498294	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-1.36
3/14/2013	498360	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-2.1
3/14/2013	498359	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-2.2
3/14/2013	498358	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-2.3
3/14/2013	498357	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-2.4
3/14/2013	498356	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-2.5

3/14/2013	498355	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.6
3/14/2013	498354	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.7
3/14/2013	498353	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-2.8
3/14/2013	498352	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-2.9
3/14/2013	498351	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-2.10
3/14/2013	498350	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.11
3/14/2013	498349	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.12
3/14/2013	498348	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.13
3/14/2013	498347	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.14
3/14/2013	498346	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-2.15
3/14/2013	498345	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-2.16
3/14/2013	498344	TANDUAY RHUM E.S.Q. 750 ML	62	744	13.20	9,820.80	P-51-1-2.17
3/14/2013	498344	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,485	35,640	8.91	317,552.40	P-51-1-2.17
3/14/2013	498343	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-2.18
3/14/2013	498342	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-2.19
3/14/2013	498341	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-2.20
3/14/2013	498340	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-2.21
3/14/2013	498339	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.22
3/14/2013	498338	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.23
3/14/2013	498337	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.24
3/14/2013	498336	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.25
3/14/2013	498335	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-2.26
3/14/2013	498334	TANDUAY RHUM E.S.Q. 750 ML	256	3,072	13.20	40,550.40	P-51-1-2.27
3/14/2013	498334	TANDUAY RHUM DARK FIVE YEARS 375 ML	693	16,632	8.91	148,191.12	P-51-1-2.27
3/14/2013	498333	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-2.28
3/14/2013	498332	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-2.29
3/14/2013	498331	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-2.30
3/14/2013	498330	TANDUAY RHUM E.S.Q. 750 ML	900	10,800	13.20	142,560.00	P-51-1-2.31
3/15/2013	498383	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.1
3/15/2013	498382	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.2
3/15/2013	498381	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,521	45,630	6.09	277,886.70	P-51-1-3.3
3/15/2013	498381	TANDUAY RHUM LIGHT 750 ML	270	3,240	11.80	38,232.00	P-51-1-3.3
3/15/2013	498380	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-3.4
3/15/2013	498379	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10,800	17.98	194,184.00	P-51-1-3.5
3/15/2013	498378	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.6
3/15/2013	498377	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,872	56,160	6.09	342,014.40	P-51-1-3.7
3/15/2013	498376	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.8

3/15/2013	498375	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.9
3/15/2013	498374	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.10
3/15/2013	498373	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-3.11
3/15/2013	498372	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10,800	17.98	194,184.00	P-51-1-3.12
3/15/2013	498371	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10,800	17.98	194,184.00	P-51-1-3.13
3/15/2013	498370	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-3.14
3/15/2013	498369	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-3.15
3/15/2013	498368	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.16
3/15/2013	498367	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.17
3/15/2013	498366	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.18
3/15/2013	498365	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-3.19
3/15/2013	498364	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.20
3/15/2013	498363	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-3.21
3/15/2013	498362	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-3.22
3/15/2013	498361	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-3.23
3/16/2013	498404	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-4.1
3/16/2013	498404	TANDUAY RHUM DARK FIVE YEARS 375 ML	198	4,752	8.91	42,340.32	P-51-1-4.1
3/16/2013	498404	TANDUAY RHUM DARK FIVE YEARS 750 ML	180	2,160	17.98	38,836.80	P-51-1-4.1
3/16/2013	498403	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-51-1-4.2
3/16/2013	498402	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-51-1-4.3
3/16/2013	498401	TANDUAY RHUM DARK FIVE YEARS 250 ML	234	7,020	6.09	42,751.80	P-51-1-4.4
3/16/2013	498401	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-4.4
3/16/2013	498400	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,404	42,120	6.09	256,510.80	P-51-1-4.5
3/16/2013	498399	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-4.6
3/16/2013	498398	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10,800	17.98	194,184.00	P-51-1-4.7
3/16/2013	498397	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-4.8
3/16/2013	498396	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-4.9
3/16/2013	498395	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10,800	17.98	194,184.00	P-51-1-4.10
3/16/2013	498394	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10,800	17.98	194,184.00	P-51-1-4.11
3/16/2013	498393	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-4.12
3/16/2013	498392	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-4.13
3/16/2013	498391	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-4.14
3/16/2013	498390	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-4.15
3/16/2013	498389	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-4.16
3/16/2013	498388	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-4.17
3/16/2013	498387	TANDUAY RHUM LIGHT 750 ML	1,440	17,280	11.80	203,904.00	P-51-1-4.18
3/16/2013	498386	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-4.19

3/16/2013	498385	TANDUAY RHUM DARK FIVE YEARS 750 ML	900	10,800	17.98	194,184.00	P-51-1-4.20
3/16/2013	498384	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-4.21
3/18/2013	498417	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,638	49,140	6.09	299,262.60	P-51-1-5.1
3/18/2013	498416	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-5.2
3/18/2013	498415	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-5.3
3/18/2013	498414	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-5.4
3/18/2013	498413	TANDUAY RHUM DARK FIVE YEARS 375 ML	297	7,128	8.91	63,510.48	P-51-1-5.5
3/18/2013	498413	TANDUAY RHUM DARK FIVE YEARS 750 ML	630	7,560	17.98	135,928.80	P-51-1-5.5
3/18/2013	498412	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-5.6
3/18/2013	498411	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-5.7
3/18/2013	498410	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-5.8
3/18/2013	498409	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,755	52,650	6.09	320,638.50	P-51-1-5.9
3/18/2013	498409	TANDUAY RHUM LIGHT 750 ML	90	1,080	11.80	12,744.00	P-51-1-5.9
3/18/2013	498408	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-5.10
3/18/2013	498407	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-5.11
3/18/2013	498406	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-5.12
3/18/2013	498405	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-5.13
3/19/2013	498424	TANDUAY RHUM LIGHT 750 ML	360	4,320	11.80	50,976.00	P-51-1-6.1
3/19/2013	498424	TANDUAY RHUM DARK FIVE YEARS 375 ML	594	14,256	8.91	127,020.96	P-51-1-6.1
3/19/2013	498423	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-6.2
3/19/2013	498422	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-6.3
3/19/2013	498421	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-51-1-6.4
3/19/2013	498420	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-6.5
3/19/2013	498419	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-6.6
3/19/2013	498418	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-6.7
3/20/2013	498430	TANDUAY RHUM LIGHT 750 ML	720	8,640	11.80	101,952.00	P-51-1-7.1
3/20/2013	498430	TANDUAY RHUM DARK FIVE YEARS 250 ML	234	7,020	6.09	42,751.80	P-51-1-7.1
3/20/2013	498429	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-7.2
3/20/2013	498428	TANDUAY RHUM LIGHT 750 ML	810	9,720	11.80	114,696.00	P-51-1-7.3
3/20/2013	498428	TANDUAY RHUM DARK FIVE YEARS 250 ML	117	3,510	6.09	21,375.90	P-51-1-7.3
3/20/2013	498427	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-7.4
3/20/2013	498426	TANDUAY RHUM LIGHT 750 ML	810	9,720	11.80	114,696.00	P-51-1-7.5
3/20/2013	498426	TANDUAY RHUM DARK FIVE YEARS 750 ML	90	1,080	17.98	19,418.40	P-51-1-7.5
3/20/2013	498425	TANDUAY RHUM LIGHT 750 ML	1,440	17,280	11.80	203,904.00	P-51-1-7.6
3/21/2013	498436	BORACAY RUM MELON 700 ML	720	8,640	11.97	103,420.80	P-51-1-8.1
3/21/2013	498436	TANDUAY RHUM DARK FIVE YEARS 375 ML	219	5,256	8.91	46,830.96	P-51-1-8.1
3/21/2013	498435	BORACAY RUM MELON 700 ML	900	10,800	11.97	129,276.00	P-51-1-8.2

3/21/2013	498434	BORACAY RUM MELON 700 ML	900	10,800	11.97	129,276.00	P-51-1-8.3
3/21/2013	498433	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-8.4
3/21/2013	498432	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-8.5
3/21/2013	498431	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,872	56,160	6.09	342,014.40	P-51-1-8.6
3/22/2013	498454	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,404	42,120	6.09	256,510.80	P-51-1-9.1
3/22/2013	498454	TANDUAY RHUM LIGHT 750 ML	360	4,320	11.80	50,976.00	P-51-1-9.1
3/22/2013	498453	BORACAY RUM MELON 700 ML	900	10,800	11.97	129,276.00	P-51-1-9.2
3/22/2013	498452	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-9.3
3/22/2013	498451	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-9.4
3/22/2013	498450	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-9.5
3/22/2013	498449	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,872	56,160	6.09	342,014.40	P-51-1-9.6
3/22/2013	498448	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-9.7
3/22/2013	498447	BORACAY RUM MELON 700 ML	900	10,800	11.97	129,276.00	P-51-1-9.8
3/22/2013	498446	BORACAY RUM MELON 700 ML	900	10,800	11.97	129,276.00	P-51-1-9.9
3/22/2013	498445	BORACAY RUM MELON 700 ML	900	10,800	11.97	129,276.00	P-51-1-9.10
3/22/2013	498444	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-9.11
3/22/2013	498443	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-9.12
3/22/2013	498442	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-9.13
3/22/2013	498441	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-9.14
3/22/2013	498440	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-9.15
3/22/2013	498439	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-9.16
3/22/2013	498438	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-9.17
3/22/2013	498437	TANDUAY RHUM LIGHT 750 ML	1,440	17,280	11.80	203,904.00	P-51-1-9.18
3/23/2013	498468	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-51-1-10.1
3/23/2013	498467	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-10.2
3/23/2013	498466	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-10.3
3/23/2013	498465	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-10.4
3/23/2013	498464	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-51-1-10.5
3/23/2013	498463	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-10.6
3/23/2013	498462	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-10.7
3/23/2013	498461	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-10.8
3/23/2013	498460	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-10.9
3/23/2013	498459	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,872	56,160	6.09	342,014.40	P-51-1-10.10
3/23/2013	498458	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-10.11
3/23/2013	498457	BORACAY RUM MELON 700 ML	900	10,800	11.97	129,276.00	P-51-1-10.12
3/23/2013	498456	TANDUAY RHUM DARK FIVE YEARS 375 ML	990	23,760	8.91	211,701.60	P-51-1-10.13
3/23/2013	498455	TANDUAY RHUM LIGHT 750 ML	900	10,800	11.80	127,440.00	P-51-1-10.14

3/25/2013	498471	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-11.1
3/25/2013	498470	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-11.2
3/25/2013	498469	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,170	35,100	6.09	213,759.00	P-51-1-11.3
TOTAL - CABUYAO PLANT			**185,253**	**3,557,358**		**31,885,856.82**	
BACOLOD PLANT							
3/13/2013	504750	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-1.1
3/13/2013	504749	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-1.2
3/13/2013	504748	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-1.3
3/13/2013	504747	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.4
3/13/2013	504746	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.5
3/13/2013	504745	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.6
3/13/2013	504744	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.7
3/13/2013	504743	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.8
3/13/2013	445720	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-1.9
3/13/2013	445719	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-1.10
3/13/2013	445718	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-1.11
3/13/2013	445717	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.12
3/13/2013	445716	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.13
3/13/2013	445715	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.14
3/13/2013	445714	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.15
3/13/2013	445713	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.16
3/13/2013	445712	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.17
3/13/2013	445711	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.18
3/13/2013	445710	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-1.19
3/13/2013	445709	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-1.20
3/13/2013	445708	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-1.21
3/13/2013	445707	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-1.22
3/13/2013	445706	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-1.23
3/13/2013	445705	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-1.24
3/13/2013	445704	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-1.25
3/13/2013	445703	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-1.26
3/13/2013	445702	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-1.27
3/13/2013	445701	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-1.28
3/15/2013	445727	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-2.1
3/15/2013	445726	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-2.2
3/15/2013	445725	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-2.3
3/15/2013	445724	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-2.4

3/15/2013	445723	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-2.5
3/15/2013	445722	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-2.6
3/15/2013	445721	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-2.7
3/16/2013	445761	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-3.1
3/16/2013	445760	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-3.2
3/16/2013	445759	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-3.3
3/16/2013	445758	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-3.4
3/16/2013	445757	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-3.5
3/16/2013	445756	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-3.6
3/16/2013	445755	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.7
3/16/2013	445754	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.8
3/16/2013	445753	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.9
3/16/2013	445752	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.10
3/16/2013	445751	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.11
3/16/2013	445750	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.12
3/16/2013	445749	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-3.13
3/16/2013	445748	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-3.14
3/16/2013	445747	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-3.15
3/16/2013	445746	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-3.16
3/16/2013	445745	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-3.17
3/16/2013	445744	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-3.18
3/16/2013	445743	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-3.19
3/16/2013	445742	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-3.20
3/16/2013	445741	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-3.21
3/16/2013	445740	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-3.22
3/16/2013	445739	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-3.23
3/16/2013	445738	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.24
3/16/2013	445737	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.25
3/16/2013	445736	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.26
3/16/2013	445735	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.27
3/16/2013	445734	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.28
3/16/2013	445733	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-3.29
3/16/2013	445732	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-3.30
3/16/2013	445731	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-3.31
3/16/2013	445730	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-3.32
3/16/2013	445729	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-3.33
3/16/2013	445728	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-3.34

3/18/2013	445771	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-4.1
3/18/2013	445770	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-4.2
3/18/2013	445769	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-4.3
3/18/2013	445768	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-4.4
3/18/2013	445767	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-4.5
3/18/2013	445766	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-4.6
3/18/2013	445765	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-4.7
3/18/2013	445764	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-4.8
3/18/2013	445763	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-4.9
3/18/2013	445762	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-4.10
3/20/2013	445809	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-5.1
3/20/2013	445808	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-5.2
3/20/2013	445807	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-5.3
3/20/2013	445806	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-5.4
3/20/2013	445805	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-5.5
3/20/2013	445804	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-5.6
3/20/2013	445803	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-5.7
3/20/2013	445802	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-5.8
3/20/2013	445801	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-5.9
3/20/2013	445800	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-5.10
3/20/2013	445799	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-5.11
3/20/2013	445798	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-5.12
3/20/2013	445797	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-5.13
3/20/2013	445796	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-5.14
3/20/2013	445795	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-5.15
3/20/2013	445794	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-5.16
3/20/2013	445793	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-5.17
3/20/2013	445792	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-5.18
3/20/2013	445791	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-5.19
3/20/2013	445790	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-5.20
3/20/2013	445789	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-5.21
3/20/2013	445788	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-5.22
3/20/2013	445787	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-5.23
3/20/2013	445786	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-5.24
3/20/2013	445785	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-5.25
3/20/2013	445784	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.26
3/20/2013	445783	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.27

3/20/2013	445782	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.28
3/20/2013	445781	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.29
3/20/2013	445780	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.30
3/20/2013	445779	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.31
3/20/2013	445778	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.32
3/20/2013	445777	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.33
3/20/2013	445776	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.34
3/20/2013	445775	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.35
3/20/2013	445774	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.36
3/20/2013	445773	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.37
3/20/2013	445772	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-5.38
3/21/2013	445832	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-6.1
3/21/2013	445831	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-6.2
3/21/2013	445830	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-6.3
3/21/2013	445829	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,456	43,680	6.09	266,011.20	P-52-1-6.4
3/21/2013	445828	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-6.5
3/21/2013	445827	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-6.6
3/21/2013	445826	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-6.7
3/21/2013	445825	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-6.8
3/21/2013	445824	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-6.9
3/21/2013	445823	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-6.10
3/21/2013	445822	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-6.11
3/21/2013	445821	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-6.12
3/21/2013	445820	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-6.13
3/21/2013	445819	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-6.14
3/21/2013	445818	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-6.15
3/21/2013	445817	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-6.16
3/21/2013	445816	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-6.17
3/21/2013	445815	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-6.18
3/21/2013	445814	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-6.19
3/21/2013	445813	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-6.20
3/21/2013	445812	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-6.21
3/21/2013	445811	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-6.22
3/21/2013	445810	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-6.23
3/22/2013	445842	TANDUAY RHUM 65 375 ML	1,386	33,264	6.81	226,527.84	P-52-1-7.1
3/22/2013	445841	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-7.2
3/22/2013	445840	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-7.3

3/22/2013	445839	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,260	15,120	17.98	271,857.60	P-52-1-7.4
3/22/2013	445838	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-7.5
3/22/2013	445837	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-7.6
3/22/2013	445836	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,386	33,264	8.91	296,382.24	P-52-1-7.7
3/22/2013	445835	TANDUAY RHUM DARK FIVE YEARS 375 ML	212	5,088	8.91	45,334.08	P-52-1-7.8
3/22/2013	445835	TANDUAY RHUM DARK FIVE YEARS 750 ML	921	11,052	17.98	198,714.96	P-52-1-7.8
3/22/2013	445835	TANDUAY RHUM DARK FIVE YEARS 250 ML	76	2,280	6.09	13,885.20	P-52-1-7.8
3/22/2013	445835	TANDUAY RHUM 65 375 ML	59	1,416	6.81	9,642.96	P-52-1-7.8
3/22/2013	445834	TANDUAY RHUM 65 375 ML	1,089	26,136	6.81	177,986.16	P-52-1-7.9
3/22/2013	445834	TANDUAY RHUM DARK FIVE YEARS 375 ML	297	7,128	8.91	63,510.48	P-52-1-7.9
3/22/2013	445833	TANDUAY RHUM DARK FIVE YEARS 375 ML	99	2,376	8.91	21,170.16	P-52-1-7.10
3/22/2013	445833	TANDUAY RHUM DARK FIVE YEARS 250 ML	1,352	40,560	6.09	247,010.40	P-52-1-7.10
TOTAL - BACOLOD PLANT						**40,547,894.40**	
CAGAYAN PLANT							
3/13/2013	455532	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-53-1-1.1
3/13/2013	455531	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-53-1-1.2
3/13/2013	455530	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-1.3
3/13/2013	455529	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-1.4
3/14/2013	455540	TANDUAY RHUM DARK FIVE YEARS 750 ML	540	6,480	17.98	116,510.40	P-53-1-2.1
3/14/2013	455540	TANDUAY RHUM DARK FIVE YEARS 375 ML	594	14,256	8.91	127,020.96	P-53-1-2.1
3/14/2013	455539	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-2.2
3/14/2013	455538	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-2.3
3/14/2013	455537	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,440	17,280	17.98	310,694.40	P-53-1-2.4
3/14/2013	455536	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,440	17,280	17.98	310,694.40	P-53-1-2.5
3/14/2013	455535	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-2.6
3/14/2013	455534	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-2.7
3/14/2013	455533	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-2.8
3/15/2013	455551	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-3.1
3/15/2013	455550	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-3.2
3/15/2013	455549	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-3.3
3/15/2013	455548	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,440	17,280	17.98	310,694.40	P-53-1-3.4
3/15/2013	455547	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,440	17,280	17.98	310,694.40	P-53-1-3.5
3/15/2013	455546	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-3.6
3/15/2013	455545	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-3.7
3/15/2013	455544	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-3.8
3/15/2013	455543	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-3.9
3/15/2013	455542	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-3.10

3/15/2013	455541	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-3.11
3/16/2013	455554	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-4.1
3/16/2013	455553	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-4.2
3/16/2013	455552	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-4.3
3/18/2013	455566	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-5.1
3/18/2013	455565	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-5.2
3/18/2013	455564	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-5.3
3/18/2013	455563	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-5.4
3/18/2013	455562	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-5.5
3/18/2013	455561	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,440	17,280	17.98	310,694.40	P-53-1-5.6
3/18/2013	455560	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,440	17,280	17.98	310,694.40	P-53-1-5.7
3/18/2013	455559	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-5.8
3/18/2013	455558	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-5.9
3/18/2013	455557	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-5.10
3/18/2013	455556	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-5.11
3/18/2013	455555	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-5.12
3/19/2013	455575	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-6.1
3/19/2013	455574	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,440	17,280	17.98	310,694.40	P-53-1-6.2
3/19/2013	455573	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,440	17,280	17.98	310,694.40	P-53-1-6.3
3/19/2013	455572	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-6.4
3/19/2013	455571	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-6.5
3/19/2013	455570	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-6.6
3/19/2013	455569	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-6.7
3/19/2013	455568	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-6.8
3/19/2013	455567	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-6.9
3/20/2013	455584	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-7.1
3/20/2013	455583	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-53-1-7.2
3/20/2013	455582	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-53-1-7.3
3/20/2013	455581	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-53-1-7.4
3/20/2013	455580	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-7.5
3/20/2013	455579	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-7.6
3/20/2013	455578	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-7.7
3/20/2013	455577	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-7.8
3/20/2013	455576	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-7.9
3/21/2013	455597	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-8.1
3/21/2013	455596	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-8.2
3/21/2013	455595	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-8.3

3/21/2013	455594	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-8.4
3/21/2013	455593	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-8.5
3/21/2013	455592	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-8.6
3/21/2013	455591	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-8.7
3/21/2013	455590	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-8.8
3/21/2013	455589	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-8.9
3/21/2013	455588	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-8.10
3/21/2013	455587	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-8.11
3/21/2013	455586	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-8.12
3/21/2013	455585	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-8.13
3/22/2013	455605	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-53-1-9.1
3/22/2013	455604	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-53-1-9.2
3/22/2013	455603	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-9.3
3/22/2013	455602	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-9.4
3/22/2013	455601	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-9.5
3/22/2013	455600	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-9.6
3/22/2013	455599	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-9.7
3/22/2013	455598	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-9.8
3/23/2013	455612	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-10.1
3/23/2013	455611	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-10.2
3/23/2013	455610	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-10.3
3/23/2013	455609	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-10.4
3/23/2013	455608	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-10.5
3/23/2013	455607	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-10.6
3/23/2013	455606	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,188	28,512	8.91	254,041.92	P-53-1-10.7
3/25/2013	455620	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-11.1
3/25/2013	455619	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-53-1-11.2
3/25/2013	455618	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-53-1-11.3
3/25/2013	455617	TANDUAY RHUM DARK FIVE YEARS 375 ML	1,584	38,016	8.91	338,722.56	P-53-1-11.4
3/25/2013	455616	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-11.5
3/25/2013	455615	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-11.6
3/25/2013	455614	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-11.7
3/25/2013	455613	TANDUAY RHUM DARK FIVE YEARS 750 ML	1,080	12,960	17.98	233,020.80	P-53-1-11.8
TOTAL - CAGAYAN PLANT						**23,673,379.68**	
GRAND TOTAL						**107,332,334.30**	

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Hence, only the remaining claim in the amount of ₱766,153,512.80 was timely filed within the two-year prescriptive period, computed as follows:

	CTA Case No. 9017	CTA Case No. 9035	Total
Amount of Claim per Petition for Review	₱ 340,826,261.32	₱ 671,069,789.10	₱1,011,896,050.42
Less: Prescribed Claim			
March 1-12, 2013	₱ 133,282,092.84		₱ 133,282,092.84
March 13-25, 2013	107,332,334.30		107,332,334.30
Portion of the claim for March 2013 which is unsupported by ETRDs, hence, considered to have prescribed	5,128,110.48		5,128,110.48
Total	₱ 245,742,537.62		₱ 245,742,537.62
Amount of Claim filed within the 2-yr prescriptive period	**₱ 95,083,723.70**	**₱671,069,789.10**	**₱766,153,512.80**

Proceeding with the determination of the proper refundable amount on the basis that petitioner has lawful claim over the erroneous imposition of excise taxes on the removal of its finished goods for the period March 26, 2013 to July 31, 2013, it is imperative for petitioner to convince the Court that the amount per instant claim is composed entirely of finished goods produced from tax-paid raw materials.

Petitioner alleges that the finished goods it produced from January to July 2013 for which excise taxes have been paid and are being claimed for refund, were produced from raw materials which were previously subjected to excise taxes. These raw materials allegedly came from its inventory on hand and in transit as of December 31, 2012 and from its importations for the period January 10 to February 15, 2013.

Ending Inventories as of December 31, 2012

The claimed inventory levels of raw materials on hand and in transit, and finished goods as of December 31, 2012 were reviewed and validated by the ICPA against the Inventory Count Sheets[71] prepared by the BIR. A summary of the validated inventories in proof liter with the corresponding excise taxes paid is presented below:

Particulars	In Proof Liters	Specific Tax Rate	Excise Tax Paid
Raw materials:			
On hand	40,301,135.81	₱14.68	₱ 591,620,673.69
In transit as at 12/31/2012	2,150,750.00	₱14.68	31,573,010.00

[71] Exhibits "P-40" to "P-40-3".

Finished Goods	6,991,603.16	₱14.68	102,636,734.36
Total	49,443,488.97		₱ 725,830,418.05
Based on Petition for Review	49,386,088.87		₱ 724,987,784.61
Difference	**57,400.10**		**₱ 842,633.44**

According to the ICPA, the difference of 57,400.10 proof liters with excise taxes of ₱842,633.44 was due to a mathematical error in the computation of proof liter for finished goods.

Tax-paid Raw Materials Purchases from August 2012 to December 2012

To prove that the ending inventories of raw materials as discussed were actually subjected to excise taxes, petitioner presented the local and imported purchases of alcohol for the period August to December 2012, which allegedly were the sources of the ending inventories as of December 31, 2012, and the corresponding payments of excise taxes due thereon were validated and checked by the ICPA against the pertinent purchase documents (i.e., accounts payable vouchers (APVs), sales invoices and delivery receipts) and the remittance of excise taxes to the BIR were confirmed by the ICPA with the local suppliers through confirmation request letters sent to the latter. The same are summarized as follows:[72]

	A	**B**	**C**	**D**	**E**
Supplier	**Quantity (Liters)**	**Alcohol Content**	**In Proof Liters (A x B=C)**	**Specific tax rate**	**Specific Tax Paid (C x D=E)**
Imported	12,061,988	190%	22,917,777.20	₱ 14.68	₱ 336,830,653.00
Local suppliers:					
Asian Alcohol	1,840,000	140%	2,576,000.00	14.68	37,815,680.00
Absolut Distillers	7,650,000	189%	14,458,500.00	14.68	212,250,780.00
Kooll Company	5,042,153	189%	9,529,669.17	14.68	139,895,543.42
	26,594,141		**49,481,946.37**		**₱726,394,972.71**

The Court finds that the supporting documents pertaining to petitioner's imported alcohol purchases such as the APVs, Bureau of Customs (BOC) import entry declarations, BOC assessment notices, and bank debit tickets[73] sufficiently prove petitioner's actual importation of alcohol from August to December 2012 and payment to the BOC of the related excise taxes in the amount of ₱336,830,653.00.

[72] Exhibit "P-41".
[73] Exhibits "P-41-1.1" to "P-41-1.40".

With regard to petitioner's local purchases of alcohol, the documents submitted by petitioner such as the APV listings, Sales Invoices, Delivery Receipts, etc.[74] and confirmation letters from suppliers[75] prove that petitioner was charged and billed for its alcohol purchases including the corresponding excise taxes by its local suppliers, namely, Asian Alcohol, Absolut Distillers and Kooll Company. However, these documents do not prove petitioner's actual payment of the excise taxes passed on by its local suppliers and the remittance thereof by its local suppliers to the BIR.

Raw Materials Purchased for January 2013 and February 2013

The Court-commissioned ICPA summarized petitioner's imported alcohol purchases from January 10, 2013 to February 15, 2013 as follows:[76]

APV No.	Date	Qty in Liters	Proof	Qty in Proof Liter	Excise Tax Rate	Excise Tax Paid	Exhibit
APV # 2800	1/10/2013	352,500	1.90	669,750	₱ 14.68	₱ 9,831,930.00	Exh. P-43.1
APV # 2832	1/25/2013	117,500	1.90	223,250	₱ 14.68	3,277,310.00	Exh. P-43.2
APV # 2835	1/29/2013	235,000	1.90	446,500	₱ 14.68	6,554,620.00	Exh. P-43.3
APV # 2848	2/1/2013	117,500	1.90	223,250	₱ 14.68	3,277,310.00	Exh. P-43.4
APV # 2859-A	2/8/2013	282,000	1.90	535,800	₱ 14.68	7,865,544.00	Exh. P-43.5
APV # 2836	1/29/2013	117,500	1.90	223,250	₱ 14.68	3,277,310.00	Exh. P-43.6
APV # 2865	2/15/2013	188,000	1.90	357,200	₱ 14.68	5,243,696.00	Exh. P-43.7
APV # 2866	2/15/2013	235,000	1.90	446,500	₱ 14.68	6,554,620.00	Exh. P-43.8
TOTAL		**1,645,000**		**3,125,500**		**₱45,882,340.00**	

However, the exhibits indicated in the above table were merely APV listings which do not prove actual importations of alcohol and payment of the corresponding excise taxes of ₱45,882,340.00.

To recapitulate, petitioner was able to establish actual payment of excise taxes only on its importation of raw materials for the period August 2012 to December 2012, detailed as follows:[77]

	A	B	C	D	E
Supplier	**Quantity (Liters)**	**Alcohol Content**	**In Proof Liters (A x B=C)**	**Specific tax rate**	**Specific Tax Paid (C x D=E)**
Imported	12,061,988	190%	22,917,777.20	₱ 14.68	₱ 336,830,653.00

[74] Exhibits "P-41-2", "P-41-3" and "P-41-4" with sub-markings.
[75] Exhibits "P-42" to "P-42.3".
[76] Exhibit "P-43".
[77] Exhibits "P-41", "P-41-1.1" to "P-41-1.40".

However, the Court cannot ascertain from the records which portion of the above purchases actually remained in petitioner's inventory of raw materials as of December 31, 2012.

Even granting, for the sake of argument, that the aforesaid entire purchases remained unutilized and formed part of petitioner's inventory as of December 31, 2012, the Court cannot determine with certainty the volume of finished goods that were produced therefrom.

The ICPA mentions in his report that "the proof liters of finished goods produced from January to July 2013 correspond to the proof liters quantity in the December 31, 2012 inventory and raw materials purchases of January and February 2013. This allegedly proves the correctness of the petitioner's claim that the finished goods were produced from the tax paid raw materials.[78]

However, absent documents supporting the quantity in proof liters of raw materials (alcohol) required to produce one (1) proof liter of finished goods (compounded liquor), the Court cannot verify the accuracy of the ICPA's concluding statement.

Moreover, a comparison of petitioner's claimed finished goods from January to July 2013 in proof liters with the proof liters of raw materials inventory as of December 31, 2012 plus the proof liters of raw materials purchases during January and February 2013 which were allegedly still subjected to specific tax, resulted to a difference of 7,334,154.84 in proof liters, to wit:

	In Proof Liters	
Finished Goods removed from January to July 2013 *(Exhibit "P-44")*		52,910,790.65
Raw Materials (on hand and in transit) as of December 31, 2012 per BIR count sheets *(Exhibit "P-40")*	42,451,135.81	
Raw Materials purchased during January and February 2013 that were still subjected to specific tax under the old	3,125,500.00	45,576,636.81

[78] Exhibit "P-36", p. 9.

law per BIR count sheets *(Exhibit "P-43")*		
Difference (in Proof Liters)		**7,334,154.84**

Neither petitioner nor the ICPA provided an explanation or reconciliation for the same. Moreover, supporting documents such as petitioner's Audited Financial Statements for the year ended December 31, 2012 were not submitted as evidence of the ending balance of raw materials inventory, hence our review relies on the report of the inventory stock taking done by the BIR.

The fact that the quantity of finished goods removed from January 2013 to July 2013 is greater than the combined ending inventories as of December 31, 2012 and the additional tax-paid raw materials purchases during January to February 2013 means that a certain portion of the finished goods removed already made use of raw materials purchases that were not subjected to excise taxes.

In sum, the Court finds that petitioner failed to prove the factual aspect of its claim for refund.

Well-settled is the rule that tax refunds are in the nature of tax exemptions. As such, they are regarded as derogation of sovereign authority and to be construed *strictissimi juris* against the person or entity claiming the refund[79]. Petitioner has the burden of proof to establish the factual basis of its claim for tax refund.

WHEREFORE, in view of the foregoing, petitioner's Petitions for Review in CTA Case Nos. 9017 and 9035 are **DENIED** for lack of merit.

SO ORDERED.

CATHERINE T. MANAHAN
Associate Justice

[79] *Commissioner of Internal Revenue vs. S.C. Johnson & Son, Inc.*, G.R. No 127105, June 25, 1999.

I CONCUR:

Juanito C. Castañeda, Jr.
JUANITO C. CASTAÑEDA, JR.
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's Division.

Juanito C. Castañeda, Jr.
JUANITO C. CASTAÑEDA, JR.
Associate Justice
Chairperson

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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.

ROMAN G. DEL ROSARIO
Presiding Justice