CTA Form No. 8 (For DCC)

22-000262-0068

REPUBLIC OF THE PHILIPPINES
COURT OF TAX APPEALS
QUEZON CITY

SPECIAL FIRST DIVISION

CTA CASE NO. 10874

INSPIRO RELIA GLOBAL SHARED SERVICES, INC. REGIONAL OPERATING HEADQUARTERS,
Petitioner,

- versus -

COMMISSIONER OF INTERNAL REVENUE,
Respondent.

NOTICE OF RESOLUTION

To:

OFFICE OF THE SOLICITOR GENERAL
134 Amorsolo Street, Legazpi Village
Makati City

ATTY. ALBERT C. ARPON
ATTY. CARL FITRI A. HUSSIN
ATTY. DYRENE MARA S. ROSARIO
Bureau of Internal Revenue-Revenue Region No.8A
36th Floor, Export Bank Plaza Building
313 Sen. Gil Puyat Avenue cor. Chino Roces Avenue
Makati City

EMMANUEL C. ALCANTARA AND ASSOCIATES LAW OFFICES
5th Floor, SGV I Building
6760 Ayala Avenue
1226 Makati City

GREETINGS:

You are hereby notified by these presents that on **July 8, 2026,** a Resolution was rendered in the above-entitled case, copy of which is attached hereto.

Quezon City, Philippines, **July 9, 2026.**

Atty. Mary Grace S. Ringpis
Executive Clerk of Court II

REPUBLIC OF THE PHILIPPINES
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SPECIAL FIRST DIVISION

INSPIRO RELIA GLOBAL SHARED SERVICES, INC. REGIONAL OPERATING HEADQUARTERS, *Petitioner,*	**CTA CASE NO. 10874**
	Members:
-versus-	**BACORRO-VILLENA,** *Acting Chairperson, and* **CUI-DAVID,** *JJ.*
COMMISSIONER OF INTERNAL REVENUE, *Respondent.*	Promulgated: JUL 0 8 2026 ; 4:00PM

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RESOLUTION

CUI-DAVID, J.:

For resolution is respondent's ***Motion for Partial Reconsideration (Re: Decision dated 18 March 2026)*** [***Motion for Partial Reconsideration***], filed on April 8, 2026, with petitioner's ***Comment/Opposition,*** filed on April 16, 2026.

Respondent seeks reconsideration and reversal of the *Decision* dated March 18, 2026 (the assailed *Decision*), which partially granted the petitioner's *Petition for Review*. The dispositive portion of the assailed *Decision* reads:

> **WHEREFORE**, in light of the foregoing, the present *Petition for Review (of Petitioner Inspiro Relia Global Shared Services, Inc. – Regional Operating Headquarters)* is **PARTIALLY GRANTED.**
>
> Accordingly, respondent is **ORDERED** to **REFUND** or **ISSUE A TAX CREDIT CERTIFICATE** in favor of petitioner in the total amount of **₱37,322,919.46**, representing its excess and unutilized creditable withholding taxes for taxable year 2019.
>
> **SO ORDERED.**

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In his *Motion for Partial Reconsideration,* respondent argues that petitioner failed to substantiate its prior years' excess tax credits that were utilized to settle its income tax due for taxable year (**TY**) 2019. Thus, it failed to establish that the creditable taxes withheld (**CWT**) at issue in this case remain unutilized. Respondent likewise reiterates that a tax refund, being in the nature of a tax exemption, must be construed *strictissimi juris* against the taxpayer claiming it.

On the other hand, petitioner avers that the assailed *Decision* has already squarely addressed and resolved the issue of its entitlement to the subject refund, having categorically found that it has complied with all the requisite conditions. It further maintains that, for the covered period, the income tax overpayment of ₱118,875,268.00, and the CWT for TY 2019 of ₱38,752,049.00 remained excess and unutilized and, thus, constitutes the subject present claim for refund. These amounts were independently verified by the Independent Certified Public Accountant and were fully substantiated and properly attributable to the income declared for TY 2019. Petitioner also clarified that the present claim pertains only to the CWT for TY 2019, which remained excess and unutilized.

Moreover, petitioner contends that the validity of its tax credits, including those carried over from previous years, was effectively examined and not disallowed by the Bureau of the Internal Revenue, as evidenced by the Judicial Affidavit of Revenue Officer Esmail G. Garim, respondent's witness.

The instant *Motion for Partial Reconsideration* must fail.

After a judicious evaluation of the parties' submissions, the Court finds no cogent reason to modify or overturn the assailed *Decision.* The arguments raised by respondent have already been thoroughly considered, resolved, and addressed in the assailed *Decision.* In the absence of any new or significant grounds warranting reconsideration, the Court's conclusion in the assailed *Decision,* that petitioner complied with the three requisites for the refund of its excess and unutilized CWT for TY 2019, but only in the reduced amount of ₱37,322,919.46, stands.

Respondent primarily contends that petitioner failed to substantiate its prior-year excess tax credits used to settle its income tax liability for TY 2019. However, it bears stressing

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that, with regard to prior years' excess tax credits, the submission of a taxpayer's annual income tax return (ITR) for the immediately preceding taxable period is sufficient to support the carryover of such credits to the current taxable period.

Furthermore, the Supreme Court, in *Commissioner of Internal Revenue v. Philippine National Bank*, clarified that "the presentation of the annual ITR would suffice in proving that prior year's excess credits were not utilized for the taxable year in order to make a final determination of the total tax due."[1]

Notwithstanding the foregoing, petitioner correctly points out that the present claim for refund pertains to the CWT accumulated during the four quarters of TY 2019, in the total amount of ₱38,752,049.00,[2] and not to prior years' excess tax credits. With respect to this amount, the Court sustains its finding that petitioner is entitled to a partial refund.

WHEREFORE, premises considered, respondent's *Motion for Partial Reconsideration (Re: Decision dated 18 March 2026)* is hereby **DENIED** for lack of merit.

SO ORDERED.

LANEE S. CUI-DAVID
Associate Justice

I CONCUR:

JEAN MARIE A. BACORRO-VILLENA
Associate Justice

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1 G.R. No. 212699, March 13, 2019 [Per J. Reyes, J. Jr, Second Division].
2 Exhibit "P-15", Schedule 8, Docket – Vol. II, p. 719.