



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Revenue Region No. 8A - Makati City
Office of the Regional Director



APRIL 28, 2025

D|eLA202300016690|AUDM29-050-2024-073013|00227

FINAL DECISION ON DISPUTED ASSESSMENT

The President
KOLIN MARKETING, INC.
1854 Sta. Rita St.
Guadalupe Nuevo, Makati City
TIN: 004-661-920-000

Sir/Madam:

This refers to your letter dated January 16, 2025 which was received by this Office on **January 20, 2025**. Please be informed that your protest against our **Calendar Year 2022** deficiency tax assessments in the amounts of **P134,727.62, P813,376.24 and P10,827.83** representing **Income Tax, Value Added Tax and Expanded Withholding Tax** respectively, the subject matter of our **Formal Letter of Demand (FLD) / Final Assessment Notice (FAN)** dated **January 13, 2025** are hereby **adjusted** in accordance with **Section 228 of the National Internal Revenue Code of 1997 (NIRC), as amended**, as implemented by **Revenue Regulations (RR) No. 12-99**, as amended by **RR No. 18-2013**, to wit:

I. VALUE ADDED TAX

Vatable receipts subject to 12% per VAT return	P	<u>65,199,453.48</u>
Output tax due	P	7,823,934.42
Less: Net creditable input taxes, net of carry over	P	7,556,985.81
Less: Discrepancy per reinvestigation		
Disallowed input taxes - invoicing requirements		<u>501,971.97</u>
VAT payable	P	<u>768,920.58</u>
Less: VAT payments		<u>266,948.61</u>
Basic tax due	P	<u>501,971.97</u>
Add: 12% Interest (01.26.23 to 05.30.25)		<u>141,102.26</u>
TOTAL AMOUNT DUE	P	<u>643,074.23</u>

II. EXPANDED WITHHOLDING TAX (FWE eLA202300016690|AUDM29-050-2024-073013|00078)

Basic tax due	P	8,667.77
Add: 12% Interest (02.01.23 to 05.30.25)		<u>2,419.38</u>
TOTAL AMOUNT DUE	P	<u>11,087.15</u>
TOTAL AMOUNT PAYABLE	P	<u>654,161.38</u>

The complete details covering the aforementioned discrepancies established during the original investigation of this case, the facts transpired during the conduct of reinvestigation of your case, and the discussion together with the laws, rules, regulations and jurisprudence which are the basis of the herein decision are shown below, as part of due process requirements provided by **RR No. 18-2013** in relation to **Revenue Memorandum Circular (RMC) No. 11-2014**.

RESULT OF REINVESTIGATION

Reception and evaluation of additional documents submitted during the conduct of reinvestigation in support to your contentions set forth in the aforesaid Protest Letter within the reglementary period provided by *RR No. 18-2013*, disclosed that the same are not the **Relevant Documents** defined in the case of *CIR v. First Express Pawnshop Company Inc., G.R. Nos. 172045-46 dated June 16, 2009, 589 SCRA 253*, where Supreme Court explained that the "relevant supporting documents" are those documents **necessary to support the legal basis** in disputing assessment, as **determined by the taxpayer**.

Hence, the deficiency taxes set forth in our *FLD/FAN* dated **January 13, 2025** are hereby **REITERATED**, except for the following discussions to wit:

I. INCOME TAX

A.) *Disallowed expenses due to non-withholding*

Since you are amenable to pay the resulting deficiency expanded withholding tax inclusive of statutory increments, the herein assessment is hereby **dropped** pursuant to *RR No. 6-2018*.

II. VALUE ADDED TAX

A.) *Unsupported zero-rated sales*

During reinvestigation, it was noted that the zero-rated sales to Lakepower Converter, Inc., Metrococo Export Corp., and Daiki OM Aluminum Industry, Inc. were in fact directly attributable to their registered activity or project, of which is in compliance with the provisions of *RR No. 21-2021*. Hence, the herein assessment is hereby **dropped**.

This is our final decision, thus, **you are required to pay your aforesaid deficiency tax liabilities through the duly authorized agent bank in which you are enrolled using the electronic BIR Payment Form (eBIR Form 0605)**. Afterwards, submit copy thereof to the **Assessment Division, this Region, located at 35th Floor, Exportbank Plaza, Chino Roces cor., Sen. Gil Puyat Ave., Makati City** on or before **May 30, 2025** for updating of your records and cancellation of the herein assessment if warranted.

In case you disagree, you may appeal this decision through ***Request for Reconsideration*** before the Office of the Commissioner of Internal Revenue with address at BIR National Office Building, Agham Road, Diliman, Quezon City or to the Court of Tax Appeals (CTA) within thirty (30) days from date of receipt hereof, (*copy furnished : Assessment Division, 35th Floor, Exportbank Plaza, Chino Roces cor., Sen. Gil Puyat Ave., Makati City*), otherwise our said assessment shall become **final, executory and demandable**.

Please be informed that the entire docket case will be forwarded to the Collection Division of this Region for enforcement of collection remedies as provided by law, based on the following instances, to wit:

1. Failure to file a ***Request for Reconsideration*** within thirty (30) days from date of receipt of this decision which render the case **final, executory and demandable**; or
2. Failure to copy furnish the ***Assessment Division*** of the ***Request for Reconsideration*** filed.

Very truly yours,

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue

By:



RENATO N. MOLINA
Regional Director