



Lepanto Consolidated Mining Company

12 May 2023

Ms. Alexandra D. Tom Wong
Officer-in-Charge, Disclosures Department
Listings and Disclosure Group
PHILIPPINE STOCK EXCHANGE, INC.
9/F PSE Tower, BGC, Taguig City

RE: BusinessWorld (Online Edition) news article:

Gentlemen:

We refer to your letter asking for a clarification of the news article posted on BusinessWorld on May 12, 2023 Online Edition, to wit:

THE Court of Tax Appeals (CTA) has dismissed the appeal of Lepanto Consolidated Mining Co.'s refund claim worth P13.63 million representing its excess input value-added tax (VAT) traced to zero-rated sales for the third and fourth quarters of 2007.

In a 15-page decision made public on May 10, the tribunal said it did not have jurisdiction over the tax claim since the firm filed its appeal nine years after the 30-day period prescribed under the law.

"Undoubtedly having no jurisdiction over the present petition, the court finds no need to belabor itself with a determination of the amount of petitioner's refundable input value-added tax as any conclusion reached thereon will have no bearing on the case's outcome," according to the ruling written by Associate Justice Jean Marie A. Bacorro-Villena.

Under the country's tax code, when the commissioner of internal revenue (CIR) rejects or fails to act on a claim for a refund, the taxpayer is given 30 days from the receipt of an adverse decision or ruling to file a petition for review with the CTA.

The CIR is given 120 days to act on a disputed tax assessment otherwise, the decision would be final.

Lepanto argued that its petition was timely filed on May 10, 2019, since it received a copy of the Bureau of Internal Revenue (BIR)'s denial letter only on April 10, 2019.

The tribunal disagreed, saying the taxpayer must no longer wait for the CIR's decision when the mandated 120 period lapses.

"Considering the foregoing disquisitions, there is no precedent supporting the petitioner's (Lepanto) view that the period to file its judicial appeal should be counted from its receipt of the denial letter on April 10, 2019," it said. — John Victor D. Ordoñez

We confirm the accuracy of the foregoing.

Very truly yours,



ODETTE A. JAVIER
Vice President and
Asst. Corporate Secretary