

*Commissioner of Internal Revenue v. Mirant Pagbilao Corporation: Prescribing the Correct Prescriptive Period?*

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This Comment discusses the implications of the Supreme Court's decision in *Commissioner of Internal Revenue v. Mirant Pagbilao Corporation* regarding the interpretation of the two-year prescriptive period for claiming unutilized input VAT payments, as provided in Section 112(A) of the 1997 Tax Code. In the said case, the prescriptive period was reckoned from the *close of the taxable quarter* when the sales were made. This, however, is contrary to their earlier decisions where the said prescriptive period was reckoned from the date of the *filing* of the quarterly VAT returns. With this change comes two important questions — (1) is the *Mirant* decision now the definitive rule on the matter? and (2) should it be applied retroactively?

This Comment answers these issues by looking into the premise of the *Mirant* decision vis-à-vis the decision of the Supreme Court in *Atlas Consolidated Mining and Development Corporation v. Commissioner of Internal Revenue*, which had a contrary ruling on the matter. It also examined various decisions made by the Court of Tax Appeals and considered the peculiarity of the facts in *Mirant* in order to determine its soundness and applicability to future tax cases.