REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Sec. 109 (1)(B) of the NIRC of 1997;
BIR Ruling No. 816-2018
VAT-371-2022
AUG 22 2022

SANTEH FEEDS CORPORATION
701 The Richwell Center, #102 Timog Avenue
Sacred Heart, Quezon City 1103

Attention : **Mr. Philip L. Ong**
President

Gentlemen:

This refers to your request on behalf of SANTEH FEEDS CORPORATION for certificate of exemption from value-added tax (VAT) in the manufacture and sale of fish meals, pursuant to Section 109 (1)(B) of the National Internal Revenue Code (Tax Code) of 1997, as amended.

Documents submitted show that SANTEH FEEDS CORPORATION, is a corporation organized and existing under Philippine laws; that it is duly registered with the Securities and Exchange Commission (SEC); and that as shown in its Articles of Incorporation, its primary purpose is *"to engage in the business of milling, manufacturing, processing, packing and repacking, buying and selling at wholesale, exporting and importing and otherwise dealing in all kinds of feeds; primary and supplementary ingredients and/or other cereals, agricultural products, implements and machineries, particularly but not limited to feeds and agricultural chemicals"*.

SANTEH FEEDS CORPORATION was issued by the Bureau of Animal Industry (BAI) with the following Certificates of Registration, to wit:

Feed Establishment Registration Certificate	BAI Reg. No.	Commercial Mixed Feed Manufacturer
Feed Establishment Registration Certificate	BAI Reg. No.	Feed Importer
Feed Establishment Registration Certificate	BAI Reg. No.	Feed Exporter
Feed Establishment Registration Certificate	BAI Reg. No.	Commercial Feed Trader

with License To Operate, to wit:

BAI LTO No.	Veterinary Drug and Product Distributor/Importer	Valid from July 15, 2020 to July 24, 2022

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Records also show that SANTEH FEEDS CORPORATION is engaged in the sale of the following feed products:

	NAME OF PRODUCT	CLASSIFICATION	BAI FEED PRODUCT REGISTRATION NO.	VALID UNTIL
1	TATEH MILKFISH BREEDER PELLET	Aqua Feed		12/31/2021
2	TATEH CRAB GROWER POWDER	Aqua Feed		12/31/2021
3	TATEH CRAB STARTER POWDER	Aqua Feed		12/31/2021
4	TATEH MILKFISH PRE-STARTER 2 SURFER PELLET	Aqua Feed		12/31/2021
5	TATEH RABBITFISH FEED No. 2 PRE-STARTER PELLET	Aqua Feed		12/31/2021
6	TATEH EEL FINISHER PELLET	Aqua Feed		12/31/2021
7	TATEH EEL GROWER PELLET	Aqua Feed		12/31/2021
8	TATEH EEL PRE-STARTER 2 PELLET	Aqua Feed		12/31/2021
9	TATEH EEL STARTER PELLET	Aqua Feed		12/31/2021
10	TATEH CRAB PRE-STARTER MASH	Aqua Feed		12/31/2021
11	TATEH CATFISH FINISHER SURFER PELLET	Aqua Feed		12/31/2021
12	TATEH CATFISH GROWER SURFER PELLET	Aqua Feed		12/31/2021
13	TATEH CATFISH STARTER PREMIUM CRUMBLE	Aqua Feed		12/31/2021
14	TATEH CATFISH STARTER PREMIUM FRY MASH	Aqua Feed		12/31/2021
15	TATEH CATFISH STARTER SURFER PELLET	Aqua Feed		12/31/2021
16	TATEH MILKFISH FINISHER ECS PELLET	Aqua Feed		12/31/2021
17	TATEH MILKFISH FINISHER PREMIUM EXTRUSINK PELLET	Aqua Feed		12/31/2021
18	TATEH MILKFISH FINISHER SURFER PELLET	Aqua Feed		12/31/2021
19	TATEH MILKFISH GROWER PREMIUM EXTRUSINK PELLET	Aqua Feed		12/31/2021
20	TATEH MILKFISH GROWER ECS PELLET	Aqua Feed		12/31/2021
21	TATEH MILKFISH GROWER SURFER PELLET	Aqua Feed		12/31/2021
22	TATEH MILKFISH PRE-STARTER SURFER PELLET	Aqua Feed		12/31/2021

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23	TATEH MILKFISH STARTER PREMIUM EXTRUSINK PELLET	Aqua Feed		12/31/2021
24	TATEH MILKFISH STARTER PREMIUM EXTRUSINK CRUMBLE	Aqua Feed		12/31/2021
25	TATEH MILKFISH STARTER PREMIUM EXTRUSINK FRY MASH	Aqua Feed		12/31/2021
26	TATEH MILKFISH STARTER SURFER PELLET	Aqua Feed		12/31/2021
27	TATEH PANGASIUS FEED NO. 6 FINISHER 1 PELLET	Aqua Feed		12/31/2021
28	TATEH PANGASIUS FEED N0. 7 FINISHER 2 PELLET	Aqua Feed		12/31/2021
29	TATEH POMPANO NO. 1 MASH	Aqua Feed		12/31/2021
30	TATEH POMPANO NO. 2 CRUMBLE	Aqua Feed		12/31/2021
31	TATEH POMPANO NO. 3 STARTER PELLET	Aqua Feed		12/31/2021
32	TATEH POMPANO NO. 4 GROWER PELLET	Aqua Feed		12/31/2021
33	TATEH POMPANO NO. 5 FINISHER PELLET	Aqua Feed		12/31/2021
34	TATEH SEABASS FEED NO. 1 MASH	Aqua Feed		12/31/2021
35	TATEH SEABASS FEED NO. 2 CRUMBLE	Aqua Feed		12/31/2021
36	TATEH SEABASS FEED NO. 3 STARTER PELLET	Aqua Feed		12/31/2021
37	TATEH SEABASS FEED NO. 4 GROWER 1 PELLET	Aqua Feed		12/31/2021
38	TATEH SEABASS FEED NO. 5 GROWER 2 PELLET	Aqua Feed		12/31/2021
39	TATEH SEABASS FEED NO. 6 FINISHER 1 PELLET	Aqua Feed		12/31/2021
40	TATEH SEABASS FEED NO. 7 FINISHER PELLET	Aqua Feed		12/31/2021
41	TATEH SNAPPER FEED NO. 4 GROWER 1 PELLET	Aqua Feed		12/31/2021
42	TATEH SNAPPER FEED NO. 5 GROWER 2 PELLET	Aqua Feed		12/31/2021
43	TATEH SNAPPER FEED NO. 7 FINISHER 2 PELLET	Aqua Feed		12/31/2021
44	TATEH SNAPPER FEED NO. 1 PRE STARTER 1 MASH	Aqua Feed		12/31/2021
45	TATEH SNAPPER FEED NO. 2 PRE-STARTER 2 CRUMBLE	Aqua Feed		12/31/2021
46	TATEH SNAPPER FEED NO. 3 STARTER PELLET	Aqua Feed		12/31/2021
47	TATEH SNAPPER FEED NO. 6 FINISHER 1 PELLET	Aqua Feed		12/31/2021
48	TATEH TILAPIA FINISHER CL15 PELLET	Aqua Feed		12/31/2021

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49	TATEH TILAPIA FINISHER PREMIUM EXTRUSINK PELLET	Aqua Feed		12/31/2021
50	TATEH TILAPIA PRE-STARTER ZERO SURFER PELLET	Aqua Feed		12/31/2021
51	TATEH TILAPIA STARTER CRUMBLE CAGE X CRUMBLE	Aqua Feed		12/31/2021
52	TATEH TILAPIA STARTER PREMIUM EXTRUSINK PELLET	Aqua Feed		12/31/2021
53	TATEH VANNAMEI STARTER PELLET	Aqua Feed		12/31/2021
54	TATEH TILAPIA BREEDER PELLET	Aqua Feed		12/31/2021
55	TATEH FEEDS MILKFISH PRE-STARTER EXTRUSINK PELLET	Aqua Feed		12/31/2021
56	TATEH FEEDS TILAPIA GROWER AMINO PLUS 40 PELLET	Aqua Feed		12/31/2021
57	TATEH FEEDS TILAPIA PRE-STARTER EXTRUSINK PELLET	Aqua Feed		12/31/2021
58	TATEH MILKFISH FINISHER PREMIUM EXTRUFLOAT PELLET	Aqua Feed		12/31/2021
59	TATEH MILKFISH STARTER PREMIUM EXTRUFLOAT PELLET	Aqua Feed		12/31/2021
60	TATEH FEEDS RABBITFISH FINISHER PELLET	Aqua Feed		12/31/2021
61	TATEH FEEDS RABBITFISH GROWER PELLET	Aqua Feed		12/31/2021
62	TATEH FEEDS RABBITFISH STARTER PELLET	Aqua Feed		12/31/2021
63	TATEH TILAPIA FINISHER PREMIUM EXTRUFLOAT PELLET	Aqua Feed		12/31/2021
64	TATEH TILAPIA GROWER PREMIUM EXTRUFLOAT PELLET	Aqua Feed		12/31/2021
65	TATEH TILAPIA STARTER PREMIUM EXTRUFLOAT PELLET	Aqua Feed		12/31/2021
66	MILKFISH FINISHER CL 15 PELLET	Aqua Feed		12/31/2021
67	MILKFISH GROWER CL 15 PELLET	Aqua Feed		12/31/2021
68	TATEH FRY BOOSTER 2	Aqua Feed		12/31/2021
69	TATEH FRY BOOSTER 3	Aqua Feed		12/31/2021

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70	TATEH TILAPIA STARTER SURFER PELLET	Aqua Feed		12/31/2021
71	TATEH TILAPIA FINISHER SURFER PELLET	Aqua Feed		12/31/2021
72	TATEH TILAPIA GROWER PREMIUM EXTRUSINK PELLET	Aqua Feed		12/31/2021
73	TATEH TILAPIA GROWER SURFER PELLET	Aqua Feed		12/31/2021
74	TATEH TILAPIA PRE-STARTER SURFER PELLET	Aqua Feed		12/31/2021
75	TATEH TILAPIA STARTER AMINO PLUS 40 PELLET	Aqua Feed		12/31/2021
76	TATEH TILAPIA STARTER PREMIUM EXTRUSINK CRUMBLE	Aqua Feed		12/31/2021
77	TATEH TILAPIA STARTER PREMIUM EXTRUSINK FRY MASH	Aqua Feed		12/31/2021
78	TATEH VANNAMEI FINISHER PELLET	Aqua Feed		12/31/2021
79	TATEH VANNAMEI GROWER PELLET	Aqua Feed		12/31/2021
80	TATEH VANNAMEI PRE-STARTER 1 FRY MASH	Aqua Feed		12/31/2021
81	TATEH VANNAMEI PRE-STARTER 2 PELLET	Aqua Feed		12/31/2021
82	TILAPIA GROWER CL 15 PELLET	Aqua Feed		12/31/2021
83	TATEH CATFISH PRE-STARTER SURFER PELLET	Aqua Feed		12/31/2021
84	TATEH CATFISH PRE-STARTER ZERO SURFER PELLET	Aqua Feed		12/31/2021
85	TATEH CRAB FATTENER POWDER	Aqua Feed		12/31/2021
86	TATEH EEL FRY POWDER	Aqua Feed		12/31/2021
87	TATEH EEL PRE-STARTER 1 PELLET	Aqua Feed		12/31/2021
88	TATEH FRY SUPPLEMENT	Aqua Feed		12/31/2021
89	TATEH FRY BOOSTER 1	Aqua Feed		12/31/2021
90	TATEH GROUPER FEED NO. 2 CRUMBLE	Aqua Feed		12/31/2021
91	TATEH GROUPER FEED NO. 3 STARTER 1 PELLET	Aqua Feed		12/31/2021
92	TATEH GROUPER FEED NO. 4 STARTER 2 PELLET	Aqua Feed		12/31/2021
93	TATEH GROUPER FEED NO. 5 GROWER 1 PELLET	Aqua Feed		12/31/2021
94	TATEH GROUPER FEED NO. 6 GROWER 2 PELLET	Aqua Feed		12/31/2021
95	TATEH GROUPER FEED NO. 7 FINISHER 1 PELLET	Aqua Feed		12/31/2021

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96	TATEH GROUPER FEED NO. 8 FINISHER 2 PELLET	Aqua Feed		12/31/2021
97	TATEH GROUPER NO. 1 FRY MASH	Aqua Feed		12/31/2021
98	TATEH MILKFISH PRE-STARTER ZERO SURFER PELLET	Aqua Feed		12/31/2021
99	TATEH MONODON FINISHER PELLET	Aqua Feed		12/31/2021
100	TATEH MONODON GROWER PELLET	Aqua Feed		12/31/2021
101	TATEN MONODON PRE-STARTER 1 FRYMASH	Aqua Feed		12/31/2021
102	TATEH MONODON PRE-STARTER 2 CRUMBLE	Aqua Feed		12/31/2021
103	TATEH MONODON STARTER PELLET	Aqua Feed		12/31/2021
104	TATEH PANGASIUS BROODSTOCK PELLET	Aqua Feed		12/31/2021
105	TATEH PANGASIUS FEED NO. 1 PRE-STARTER 1 MASH	Aqua Feed		12/31/2021
106	TATEH PANGASIUS FEED NO. 2 PRE-STARTER 2 CRUMBLE	Aqua Feed		12/31/2021
107	TATEH PANGASIUS FEED NO. 3 PRE-STARTER PELLET	Aqua Feed		12/31/2021
108	TATEH PANGASIUS FEED NO. 4 GROWER 1 PELLET	Aqua Feed		12/31/2021
109	TATEH PANGASIUS FEED NO. 5 GROWER 2 PELLET	Aqua Feed		12/31/2021

In reply, please be informed that Section 109 (1)(B) of the Tax Code of 1997, as amended by Republic Act No. 10963, provides for the exemption from VAT on the sale or importation of feeds. The aforesaid provision reads, viz:

> "SEC. 109. Exempt Transactions. — (1) Subject to the provisions of subsection (2) hereof, the following transactions shall be exempt from the value-added tax:
>
> (B) *Sale or importation of fertilizers; seeds, seedlings and fingerlings; fish, prawn, livestock and poultry feeds, including ingredients, whether locally produced or imported, used in the manufacture of finished feeds (except specialty feeds for race horses, fighting cocks, aquarium fish, zoo animals and other animals generally considered as pets);*
>
> xxx xxx xxx"

The words "ingredients" and "feeds" are defined in Section 3 of Republic Act (RA) No. 1556 (An Act to Regulate and Control the Manufacturer, Importation, Labelling, Advertising, and Sale of Livestock and Poultry Feeds), otherwise known as

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the "Livestock and Poultry Feeds Act", as amended by Presidential Decree (PD) No. 7, as follows:

> *"Section 3. Definitions. – For the purpose of this Act, the following terms shall mean:*
>
> XXX XXX XXX
>
> *(d) "Feeds" or "Feeding Stuff" shall include all such articles to be used as feeds for the purpose of feeding purporting to supply proteins, carbohydrates, fats, minerals, vitamins, antibiotics and/or correcting nutritional disorders. Such articles may be locally produced or imported, mixed or in the form of simple ingredients.*
>
> XXX XXX XXX
>
> *(l) "Ingredients" means any single article of feed or feeding stuff which enters into the composition of a ration, concentrate, or supplement."*
>
> XXX XXX XXX

Based on the above-cited provision, the distribution/sale of feeds by SANTEH FEEDS CORPORATION is considered exempt from VAT pursuant to Section 109 (1)(B) of the Tax Code of 1997, as amended, provided that the feeds enumerated-above are used exclusively for the production of livestock and poultry feeds, and not for specialty feeds for race horses, fighting cocks, aquarium fish, zoo animals and other animals generally considered as pets.

This ruling is being issued on the basis of the foregoing facts as represented. However, if upon investigation, it will be disclosed that the facts are different, then this ruling shall be considered null and void.

Very truly yours,

LILIA CATRIS GUILLERMO
Commissioner of Internal Revenue

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