REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

Secs. 90 (C) and 91 (B) of the National Internal Revenue Code of 1997, as amended; Revenue Regulations No. 12-2018;
BIR Ruling No. 033-2015
CT-115-2021
APR 20 2021

ELEAZAR V. DE GUZMAN

Sir:

This refers to your letter dated February 1, 2021, requesting for an extension of thirty (30) days within which to pay the estate tax due on the estate of your late wife, CRISTETA AUSTRIA DE GUZMAN ("the Decedent").

Based on the Certificate of Death issued by the New York City Department of Health and Mental Hygiene on February 11, 2020 and signed by Steven P. Schwartz, Ph.D., City Registrar, on February 13, 2020, the Decedent died on February 10, 2020 at 3:20 PM (New York, USA Time) or on February 11, 2020 at 4:20 PM (Philippine Time). Also, it is represented that you are having difficulty retrieving all the requirements for the payment of the tax due because of the COVID19 pandemic.

In reply thereto, please be informed that Section 90 (C) of the National Internal Revenue Code (Tax Code) of 1997, as amended, provides as follows:

"SEC. 90. Estate Tax Returns. —

xxx xxx xxx

(C) Extension of Time. — The Commissioner shall have authority to grant, in meritorious cases, a reasonable extension not exceeding thirty (30) days for filing the return."

Further, Section 91 (B) of the Tax Code of 1997, as amended, provides the allowable extension of time for the payment of the corresponding estate tax, to wit:

"SEC. 91. Payment of tax. —

xxx xxx xxx

(B) Extension of Time. — When the Commissioner finds that the payment on the due date of the estate tax or of any part thereof would impose undue hardship upon the estate or any of the heirs, he may extend the time for payment of such tax or any part thereof not to exceed five (5) years, in case the estate is settled through the courts, or two (2) years in case the estate is settled extrajudicially. In such case, the amount in respect of which the extension is granted shall be paid on or before the date of the expiration of the period of the

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extension, and the running of the Statute of Limitations for assessment as provided in Section 203 of this Code shall be suspended for the period of any such extension."

Based on the foregoing representations, this Office finds justifiable reason to grant the requesting party an extension to file the estate tax return of thirty (30) days counted from February 11, 2021, which is the last day for the filing of the estate tax return of the Decedent. Considering that March 13, 2021 falls on a non-working day, the filing of the said estate tax return of the Decedent is hereby extended up to March 15, 2021.

Moreover, the requesting party is also granted two (2) years, in case the estate is settled extrajudicially, or five (5) years, in case the estate is settled through the courts, within which to pay the estate tax, provided that the executor, or administrator, or beneficiary, shall furnish a bond in such amount, not exceeding double the amount of the tax and with such sureties as the Commissioner deems necessary, conditioned upon the payment of the said tax in accordance with the terms of the extension.

It shall be understood, however, that the estate shall be liable for the corresponding interest that shall have accrued thereon up to the time of payment of the estate tax due on the transmission by the said estate of its properties in favor of the heirs pursuant to Section 249 of the Tax Code of 1997, as amended.

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,

CAESAR R. DULAY
Commissioner of Internal Revenue

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