May 24, 2021

BIR RULING NO. OT-189-21

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

AAA
Mobile No.
For: The legitimate heirs of BBB

Madam :

This refers to your letter dated September 17, 2019, requesting for an extension of time within which to file the estate tax return and pay the estate tax due pursuant to Sections 90 (C) and 91 (B), respectively, of the National Internal Revenue Code of 1997, as amended.

It is represented that BBB (the "Decedent") died on September 21, 2018 and that the reason for the aforementioned requests is because "*there is a case for probate filed by an illegitimate heir of the Decedent and corresponding petitions were submitted by emerging expositors to the action for probate*" [1] and due to this, "*the Decedent's gross estate and legal representative is still at issue and the documents to support the same are still in the process of being collated*." [2]

In reply thereto, please be informed that Sections 90 (C) and 91 (B) of the National Internal Revenue Code of 1997, as amended, provide, *viz.*:

"SEC. 90. Estate Tax Returns. —

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(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."

"SEC. 91. Payment of tax. —

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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 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.

xxx xxx xxx"

Based on the foregoing representations, this Office finds justifiable reason to grant the request for an extension to file the estate tax return of thirty (30) days counted from September 21, 2019, which is the last day for filing of the estate tax return of the Decedent. Thus, the filing of the said estate tax return of the decedent is hereby extended up to October 21, 2019.

Moreover, the request for extension of the time of four (4) years within which to pay the estate tax is hereby granted, reckoned from the actual filing of the estate tax return and no later than October 21, 2023, 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 National Internal Revenue 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,

(SGD.) CAESAR R. DULAY
Commissioner of Internal Revenue

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Footnotes

1. As stated in the letter dated September 21, 2018.
2. *Id*.

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