January 24, 2020

BIR RULING NO. OT-026-20

Revenue Memorandum Order No. 009-2014;
Revenue Bulletin No. 1-2003; BIR Ruling No.
413-15

Abad, Alcantara & Associates
8th Floor, Citibank Center, 8741 Pasco de Roxas,
Makati City 1226

Attention: *AAA*

Gentlemen :

This refers to your letter dated April 29, 2019 relative to the request of your client, BBB, to exclude the parcel of land [1] located in Barangay Bacungan, Puerto Princesa, covered by Public Land Application No. 045316-1027 and Free Patent Application (FPA-045316-567), in the estate of her deceased father, CCC.

It is argued that the subject property should not be included in the estate of CCC because the Free Patent Application (FPA-045316-567) in the name of CCC, never resulted in ownership before his death on 19 March 1997.

In reply thereto, please be informed that Revenue Memorandum Order (RMO) No. 9-2014 provides the following requirements for request for ruling:

"SECTION 4. Letter Requests for Ruling. —

A letter request is a sworn statement executed under oath by the individual taxpayer or by the authorized official/representative of the corporation, partnership or entity containing the following:

(1) Factual background of the request for ruling, including:

a. names, addresses, and taxpayer identification numbers of all interested parties;

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b. a complete statement of the business reasons for the transaction; and

c. a detailed description of the transaction or circumstances involved.

(2) The issues/questions raised or conclusions sought to be confirmed by the taxpayer;

(3) The legal grounds and the relevant authorities supporting the position of the taxpayer;

(4) List of documents submitted; and

(5) Affirmations stating that:

1. a similar inquiry has not been filed and is not pending in another office of the Bureau;

2. there is no pending case in litigation involving the same issue/s and the same taxpayer or related taxpayer;

3. the issue/s subject of the request is not pending investigation, on-going audit, administrative protest, claim for refund or issuance of tax credit certificate, collection proceeding or judicial appeal; and

4. the documents submitted are complete and that no other documents will be submitted in connection with the request.

Unless otherwise stated in pertinent revenue issuances, all letter requests must be addressed to:

The Chief
Law and Legislative Division
BIR National Office Building
BIR Road, Quezon City

SECTION 5. General Documentary Requirements. —

In addition to the specific documentary requirements provided under applicable revenue issuances, a request for ruling must be accompanied by the following documents:

a. Certified true copy of all documents that are material to the transaction, including contracts, wills, deeds, agreements, and instruments;

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b. Proof that taxpayer is entitled to exemption or incentive; and

c. Special Power of Attorney or authorization in case the request is filed by a representative of the taxpayer.

Original documents should not be submitted because submitted documents become part of the Bureau's file and will not be returned to the taxpayer. Instead, certified true copies of all such documents duly certified by the appropriate government agency having custody of the original thereof, should be filed with the request. Each document, other than the request, should be labeled alphabetically and attached to the request in alphabetical order and properly placed in a folder." (Emphasis supplied)

As noted, the following documents were submitted: (1) photocopy of the Public Land Application; (2) photocopy of certificate issued by the Land Registration Authority that the said parcel has no file that the same is in the name of CCC; and (3) the photocopy of the Certificate of Death of CCC. The submitted documents, however, were incomplete, and the same were all photocopies in direct contravention of what was required by RMO No. 9-2014.

It must be pointed out that Section 2 of RMO No. 9-2014 provides that *"[A]side from matters declared as 'No-Ruling Areas' in Revenue Bulletin No. 1-2003, as amended by Revenue Bulletin No. 2-2003, non-compliance with any of the requirements under this Circular may prevent the Bureau from issuing an opinion on the request for ruling."* Moreover, Section 2 (u) of Revenue Bulletin No. 01-2003 provides that *"[R]equest for rulings that are not accompanied by complete documents or information as provided in Revenue Memorandum Circular Nos. 39-2001 and 14-2001, Revenue Memorandum Order Nos. 32-2001, and 1-2000 in relation to BIR Form 0901 or where the relevant regulations or issuances specify."*

Pursuant to the foregoing, this Office shall not rule on the issues raised as the application for ruling was not compliant with the above revenue issuances.

Very truly yours,

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

Footnotes

1. Particularly described as Lot No. 11718, Survey No. Cad. 800-0, with an area of 49,675 square meters.

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