January 14, 2019

BIR RULING NO. 109-19

Sec. 223, Tax Code; 000-00

Soriano Ferrer & Partners Law Offices
15/F Strata 100 Building, Don F. Ortigas Jr. Rod.
Brgy. San Antonio, Pasig City 1605

Attention: *AAA*

Gentlemen :

This refers to your letter dated November 23, 2017 addressed to the Commissioner of Internal Revenue and letter dated October 10, 2017 addressed to DOF Assistant Secretary Mark Dennis Y.C. Joven requesting, on behalf of your client, **BBB** for nullification of BIR Ruling No. 365-2016 dated October 27, 2016, BIR Ruling No. 019-2017 dated January 31, 2017, and any other subsequent ruling/s in relation thereto.

As represented, the questioned rulings [1] were allegedly obtained by your client's brother, CCC ("CCC") by falsifying a Deed of Assignment (the "Deed"). The Deed dated May 26, 2015 was purportedly signed by their deceased mother, DDD ("DDD") who died on August 8, 2015 [2] or 3 months before its execution and which Deed was used by this Office as basis to justify and support the questioned rulings issued.

To verify the authenticity of the questioned Deed which appears to have been executed by DDD, a comparison to the original Deed as notarized and forming part of the notarial records of the Office of the Clerk of Court of Quezon City was made. [3] The following were noted in the copy of the Deed submitted to this Office by CCC: 1) DDD's bank accounts at UCPB J.P. Rizal Branch and BPI Gen. Malvar St., Taft Avenue Branch, are not reflected on the first page; 2) the signatures of DDD and CCC do not appear on the first page; and 3) the competent identification document details of the parties in the second page are missing in the copy of the Deed given to this Office by CCC. [4]

It appears that there is a question as to the validity of the Deed relied upon in the issuance of the questioned rulings. THEREFORE, this Office has no basis to favorably rule on the exclusion of the UCPB, BPI, and Metrobank deposit accounts, including interests and all earnings of such deposits, from the Estate of DDD in favor of CCC.

Accordingly, this ruling revokes BIR Ruling No. 365-2016 dated October 27,

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2016, BIR Ruling No. 019-2017 dated January 31, 2017, and any other subsequent ruling/s in relation thereto.

Furthermore, this Office recommends that this case be referred to the Regional Investigation, Revenue Region No. 6-Manila, for investigation of possible failure to include certain amounts in deposit accounts, including interests and all earnings thereof as part of the gross estate of the deceased and that the Estate of DDD be assessed deficiency estate tax, inclusive of penalties and pursue criminal prosecution of CCC for possible violations of the Tax Code.

Very truly yours,

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

Footnotes

1. See Annexes "F" and "D".
2. See Certification of Death with Registry No. 2015-011926 dated August 9, 2015.
3. See copy of Deed of Assignment as certified by the Acting Clerk of Court of the Regional Trial Court of Quezon City dated November 10, 2016.
4. See Annex "G".

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