October 19, 2018

BIR RULING NO. 1273-18

Secs. 90 (C), 91 (B) and 249 of the NIRC,
as amended; BIR Ruling No. 475-2017

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Sir :

This refers to your letters dated May 8, 2017 and June 5, 2017 requesting for extension of time to file the estate tax return of the late BBB and pay the estate tax due thereon pursuant to Sections 90 (C) and 91 (B), respectively of the National Internal Revenue Code of 1997, as amended.

It is represented that BBB died on November 9, 2016; that until now, you have not yet completed all the necessary requirements for the said filing of her estate due to the following reasons:

a) all the land titles for the filing of the estate under the decedent's name have only been released last March 14, 2017 after the annotation process from the filed estate of her sister who died last March 11, 2015;

b) only after the said release that you were able to process the estate filing of her sister in Tagaytay City; and

c) in the consideration of the current expenses of your family (tuition fee and the likes), and the sudden death of your wife who died of a Stage 4 Breast Cancer;

and that due to the foregoing, you are requesting for an extension to file the estate tax return and to fully pay the estate tax due thereon.

In reply thereto, please be informed that Sections 90 (C) and 91 (B) of the Tax 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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(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."

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Based on the foregoing representations, this Office finds justifiable reason to grant the request for an extension to file the estate tax return for a period of thirty (30) days counted from May 09, 2017, which is the last day for filing of the estate tax return of the late BBB. Thus, the filing of the estate tax return of the decedent is hereby extended up to June 8, 2017. *(BIR Ruling No. 475-17 dated October 12, 2017)*

Moreover, your request for extension of the time within which to pay the estate tax is hereby granted up to the maximum period of two (2) years, reckoned from the actual filing of the return or on June 8, 2017, whichever comes first, 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,

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

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