April 3, 2018

BIR RULING NO. 594-18

Sec. 2 (r) of Revenue Bulletin No. 01-03;
BIR Ruling No. 201-2015

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Madam :

This refers to your letter dated January 03, 2017, seeking reconsideration of the Legal Opinion dated July 28, 2016, rendered by the Legal Division of Revenue Region (RR) No. 05, Caloocan City, pertaining to your tax case.

Documents submitted disclosed that you filed an application for Certificate Authorizing Registration (CAR) involving the transfer of property from Sps. BBB and CCC (Mortgagor), in favor of BPI Family Bank (Mortgagee) and National Home Mortgage Finance Corporation (Assignee), which was sold at public auction; and that upon review of the documents submitted pursuant to Revenue Memorandum Order (RMO) No. 15-2003, Revenue District Office (RDO) No. 27, Caloocan City, you were assessed and computed two (2) transactions with corresponding penalties.

In reply, please be informed that requests for rulings on issues covered by an on-going assessment or audit by the Revenue District Offices of the Bureau is a "No-Ruling Area" under Section 2 (r) of Revenue Bulletin (RB) No. 01-03. Therefore, this Office is not allowed to dispense a ruling or render an opinion on the transaction under consideration. Section 2 (r) of Revenue Bulletin 01-03 provides:

> *"SECTION 2. List of No-Ruling Areas. — The following shall hereby be construed and identified as "No-Ruling Areas":*
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> xxx xxx xxx
>
> *r) Issue/s or transactions involving directly or indirectly the same taxpayer/s which is/are the subject of an investigation, on-going audit, administrative protest, claim for refund or issuance of tax credit certificate, collection proceedings, or a judicial appeal subject to Section 3 hereunder . . ."*

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In view of the fact that there is already an assessment issued by RDO 27, Caloocan City, this Office declines to issue a ruling on the issue raised.

Please be guided accordingly.

Very truly yours,

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

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