REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

Section 90(C) & 91(B), NIRC of 1997
BIR Ruling No. 020-11; BIR Ruling No. 506-14
342-2016

6-29-2016
Date

MS. MA. NENITA V. NOLASCO
No. 5898 Matilde St., Poblacion,
Makati City

Dear Ms. Nolasco,

This refers to your letter dated January 22, 2016 requesting for an extension period within which to file the Estate Tax Return of your late father and to pay the full amount of the tax due on his estate as allowed by Section 90 of the Tax Code of 1997, as amended.

It is represented that your father, AMADO LIZA VICENCIO, died intestate on September 30, 2015; that upon his death, he was a resident of No. 5898 Matilde St., Poblacion, Makati City; that since your mother is of advanced age and suffering from dementia, you are left to handle the settlement of your father's estate and to collate all documents needed for it; that the period provided by the Tax Code to settle the estate of your late father is nearly up; and that the you are constrained to request for the extension of the period to file and pay because you are still in the process of gathering the necessary papers and obtaining government certifications required for filing the return and likewise concerned with the state of your finances in order to pay the taxes that will be due since you have already spent much for your parents' medications and hospitalizations.

In reply thereto, please be informed that Sections 90(C) and 91(B) of the Tax Code of 1997, as amended, provide:

> "SEC. 90. Estate Tax Returns. —
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> xxx xxx xxx
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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."

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"SEC. 91. Payment of tax. —

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

If an extension is granted, the Commissioner may require the executor, or administrator, or beneficiary, as the case may be, to 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."

Considering your personal circumstances and that of having difficulties in completing the required documents from government agencies, your request for an extension to file the estate tax return of the late AMADO LIZA VICENCIO is hereby granted for a period of thirty (30) days counted from March 30, 2016 which is the last day to file the estate tax return, or until **April 29, 2016.**

Furthermore, since you have financial constraints in coming up with the amount of estate tax due, your request for extension of two (2) years (where the estate will be settled extra-judicially) within which to pay the estate tax is hereby granted. Thus, the heirs shall pay the estate tax within 2 years reckoned from actual filing of the return or on April 29, 2016, 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. *(BIR Ruling Nos. 020-11 dated January 26, 2011; 506-14 dated December 29, 2014)*

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It shall be understood, however, that the estate shall be liable for the corresponding interest that shall have accrued from April 29, 2016 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. *(BIR Ruling Nos. 020-11 dated January 26, 2011; 506-14 dated December 29, 2014)*

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,

KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

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JUN 24 2016

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