REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Quezon City

OT-032-2020
JAN 2 4 2020

NORA G. NOVELA
Purok Gumamela, Mahayahay, Iligan City

Madame:

This has reference to your letter addressed to President Rodrigo Roa Duterte, through the Presidential Complaint Center.

You represent that you are the second wife of PSINSP Dominador O. Novela who died on May 27, 2016 and have legal claim over the decedent's pension and benefits as a retired PNP officer. In addition, you are asking the Bureau of Internal Revenue (BIR) to help process and pay the decedent's estate tax.

In reply, please be informed that Sec. 85 of the National Internal Revenue Code (NIRC) of 1997, as amended, states that:

> *"Sec. 85. Gross Estate. – The value of the gross estate of the decedent shall be determined by including the value at the time of his death of all property, real or personal, tangible or intangible, wherever situated: Provided, however, That in the case of nonresident decedent who at the time of his death was not a citizen of the Philippines, only that part of the entire gross estate which is situated in the Philippines shall be included in his taxable estate."*

It must be emphasized that tax is a burden that everyone must bear, in order to live in a civilized society where the state has the financial ability to defray the necessary expenses of the government. The term "Estate Tax" has been defined as the tax levied on the transmission of the properties of the decedent at the time of death and is based on the value of the net estate regardless of the number of heirs or their relationship to the decedent.

The BIR shall not determine whether you are the legal heir of the decedent, as the same is outside our jurisdiction. However, the settlement of the estate of the late PSINSP Dominador O. Novela must be addressed to the Revenue District Office (RDO) of the BIR where the decedent was domiciled at the time of his death and the payment of the tax due thereon, if any, must be done in said RDO accordingly.

For your information and guidance.

Very truly yours,

CAESAR R. DULAY
Commissioner of Internal Revenue

032343

Copy Furnished:
Asec. Jaime Llaguno Mabilin
Presidential Complaint Center
Office of the President, Malacañang, Manila
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