REVENUE MEMORANDUM CIRCULAR NO. 102-2019 issued on October 4, 2019 clarifies additional issues relative to the implementation of Estate Tax Amnesty pursuant to the provisions under Title II of Republic Act No. 11213 (Tax Amnesty Act), as implemented by Revenue Regulations (RR) No. 6-2019.

If the estate involves several stages of succession and the succeeding decedents, during their lifetime, owned separate properties other than the properties emanating from the first decedent, the Estate Tax Amnesty Return shall be individually filed at the Revenue District Office (RDO) having jurisdiction over the last residence of each decedent. The option to file at only one (1) RDO is not available in this instance.

A supplemental Extra Judicial Settlement covering the undeclared real or personal property is required in the availing of Estate Tax Amnesty.

If there is no more tax due and what is left is merely the issuance of Certificate Authorizing Registration (CAR), the heirs who want to avail of Estate Tax Amnesty should request for the issuance and release of CAR subject to presentation of proof of payment and previously submitted documentary requirements.

If the decedent has an on-going investigation in an RDO which is different from the revenue district that has jurisdiction over his domicile, the Estate Tax Amnesty shall be filed with the RDO having jurisdiction over the last residence of the decedent. However, the on-going investigation shall be consolidated in the RDO where the Estate Tax return shall be filed.

Pursuant to Revenue Memorandum Order No. 62-2010, the Electronic Certificate Authorizing Registration (eCAR) shall be issued only after the submission of report of investigation by the Revenue Officer (RO) on the other internal revenue tax liabilities, and after payment of deficiency taxes, if any. However, if the filer insists that the eCAR be issued even without the results of audit, or even without the payment of deficiency taxes, the eCAR may be issued provided that the filer shall post a bond, either through a bonding company or a cash bond, which will be used to settle any deficiency tax liability. The concerned RO shall be required to prepare a proposed assessment on other tax liabilities which shall be the basis of the bond to be posted by the executor/administrator/heirs of the decedent.

The filer can still avail of Estate Tax Amnesty even if a deficiency tax was noted by the Assessment Division as long as the deficiency Estate Tax is not yet a delinquent account and the decedent died on or before December 31, 2017. The issuance of Certificate of Availment (CA) is sufficient.

The filer can avail of the Estate Tax Amnesty even if the owner’s copy of the Transfer Certificate of Title (TCT) was lost, provided that the filer shall submit a certified true copy of the OCT/TCT/CCT of the subject property, which is issued by the Register of Deeds (RD)/Land Registration Authority (LRA).

The filer can still avail of Estate Tax Amnesty even if the RD’s copy of the OCT/TCT/CCT was lost. The Owner’s Copy of the OCT/TCT/CCT, together with a Certificate of Loss issued by the RD, shall be submitted for purposes of Estate Tax Amnesty availment. However, only the CA shall be issued while the eCAR shall be issued only when the certified true copy of the reconstituted title is submitted. The CA will contain the list of properties subject of Estate Tax Amnesty. It shall also reflect a statement that, “In case there are properties covered under Section 3 of RR No. 6-2019 which are included in the application for Estate Tax Amnesty, the application pertaining to such properties shall be considered null and void.”

In case there is a pending case filed in court regarding the heirship of the properties of the estate which was previously filed/settled extrajudicially and a CAR had been issued thereof, the judicial expenses for the pending court case cannot be claimed as deduction from gross estate for the undeclared properties. Further, no further deductions shall be allowed for
undeclared properties since deductions are deemed to have been claimed in the previous Estate Tax return filed, except for the share of the surviving spouse on the undeclared conjugal property.

Medical expenses are treated as special item of deduction under Section 86 (A) of the Tax Code, as implemented by RR No. 2-2003, which should not affect the share of the surviving spouse.

In case the decedent has many heirs, one of the heirs cannot adjudicate his/her share only. Self-adjudication is allowed if there is only one (1) heir. In this case, an EJS signed by all the heirs is required.

In general waiver or renunciation of rights, interest and participation, there is no donation pursuant to the provisions of the Civil Code on Succession. Since there is no donation, it follows in this case that there is also no Documentary Stamp Tax (DST) due. Hence, there is no need for the taxpayer to file a Donor’s Tax Return and DST Return.