REVENUE MEMORANDUM CIRCULAR NO. 68-2019 issued on July 5, 2019
Clarifies certain issues relative to the implementation of Estate Tax Amnesty pursuant to the provisions of Republic Act No. 11213 (Tax Amnesty Act).

The estate of the decedent who died on or before December 31, 2017, who is not covered by the exceptions enumerated under Section 3 of Revenue Regulations (RR) No. 6-2019, is qualified to avail of tax amnesty.

The executor or administrator, legal heirs, transferees or beneficiaries (or filer) shall file the Estate Tax Amnesty Return (ETAR) with the Revenue District Office (RDO) having jurisdiction over the last residence of the decedent within two (2) years from the effectivity of RR No. 6-2019 or from June 15, 2019 to June 14, 2021. In case the estate has a previously issued Taxpayer Identification Number (TIN), the ETAR shall be filed with the RDO which issued the said TIN.

For non-resident decedent, the executor or administrator in the Philippines shall file the return with the RDO where such executor/administrator is registered or if not yet registered, at the RDO having jurisdiction over the legal residence of the executor/administrator. If there is no executor or administrator, the return shall be filed with RDO No. 39-South Quezon City.

If the properties involved are common properties of multiple decedents emanating from the first decedent, and no Estate Tax returns have been previously filed, the amnesty tax returns for every stage of transfer/succession may be filed together in any one (1) RDO having jurisdiction over the last residence of any of the decedents. If the estate has a previously issued TIN, the ETAR shall be filed with the RDO which issued the said TIN.

A rate of six percent (6%) based on the decedent’s total net taxable estate at the time of death shall be imposed at every stage of succession. The same rate shall be imposed on the value of the undeclared properties at the time of death, without deductions which 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 with a minimum amount for the payment of Estate Tax Amnesty of Five Thousand Pesos (P5,000.00) per decedent.

In case the decedent died at the time when there were estate and inheritance taxes imposed, the estate and inheritance taxes shall not be computed. The Estate Amnesty Tax rate of six percent (6%) shall cover both the unpaid estate and inheritance taxes, and shall be computed based on the net taxable estate. In computing the net taxable estate, the deductions to be applied in the Estate Tax Amnesty shall be based on the Estate Tax law prevailing at the time of death.

Payment of the Estate Amnesty Tax shall be made to any Authorized Agent Bank (AAB) under the jurisdiction of the concerned RDO. However, payment may be made to the Revenue Collection Officer (RCO) under the following instances:

a. In case of cash payment and the amount involved is Twenty Thousand Pesos (P20,000.00) and below; and

b. If the payment is thru manager’s/cashier’s check, irrespective of amount.

If there is no AAB in the RDO, payment shall be made to the RCO subject to the conditions in “a” and “b” above.

For purposes of Estate Tax Amnesty, instalment payment is not allowed. Partial of total withdrawal of cash in bank for payment of Estate Tax Amnesty may be allowed by the BIR upon written request of the taxpayer, without subjecting to the final withholding tax. The form of payment to be issued by the bank should be a manager’s/cashier’s check.
The voluntary payment made under Payment Form No. 0605, supposedly for Estate Tax Amnesty, prior to the effectivity of RR No. 6-2019, shall not be considered as valid payment for the amnesty. The voluntary payment in this case may be claimed for refund subject to existing rules and regulations on refund.

Other clarifications made under the Circular are the following:

a. A TIN shall be issued for the estate of the decedent, if there is no existing TIN. All heirs, including minors, without TIN are required to secure their respective TIN.

b. In case the estate involves multiple decedent, one (1) Extra Judicial Settlement (EJS) for every stage of transfer/succession or one (1) EJS covering all the stages of transfer/succession with respect to the inherited share of the common property/ies emanating from the first decedent shall be submitted.

c. When no zonal valuation is available at the time of death, the Fair Market Value (FMV) appearing in the tax declaration issued at the date of death or the succeeding available tax declaration issued nearest to the date of death shall be used as reference in computing the value of the property at the time of death. If there is no tax declaration available at the time of death, the succeeding available tax declaration issued nearest to the date of death shall be used as reference.

d. For a real property covered by one (1) Title involving multiple succession one (1) eCAR only will be issued per real property, including the improvements, if any, provided that the ETARs are filed simultaneously at only one (1) RDO. All the names of the decedents as stated on the EJS or Judicial Settlement, as the case may be, will be shown on the eCAR.

e. The filer shall not be required to submit certificate of zonal valuation from the RDO where the property is located. The verification of zonal values can be made thru http://www.bir.gov.ph/index.php/zonal-values.html.

f. In case there is no Death Certificate issued by the Philippine Statistics Authority (PSA), the Certificate of No Record of Death from PSA and any valid secondary evidence including but not limited to those issued by any government agency/office sufficient to establish the fact of death of the decedent may be submitted.

g. The holder/buyer in a deed of sale transaction can avail of the Estate Tax Amnesty on behalf of the heirs provided that holder/buyer shall present the notarized EJS signed by all heirs together with complete documentary requirements.

h. A taxpayer who voluntary paid on August 15, 2018 the basic Estate Tax due of a decedent who died on December 31, 2017 but failed to pay the corresponding penalties can avail of the Estate Tax Amnesty on the unpaid penalties by paying the minimum Estate Tax Amnesty amount of Five Thousand Pesos (₱5,000.00) and filing the required ETAR.

i. If there is an on-going expropriation case on the property, the taxpayer can avail of the Estate Tax Amnesty, if the expropriation happened after the death of the decedent. In such case, the expropriated property will form part of the gross estate of the decedent. However, if the expropriation happened during the lifetime of the decedent, the expropriated property will not form part of the gross estate of the decedent.

j. The delinquent Estate Tax liability is not covered by the RR on Estate Tax Amnesty. It is covered by Section 3 of RR No. 4-2019 on tax amnesty on delinquencies.

k. If there is an on-going investigation on Estate Tax liabilities, the Estate Tax Amnesty can be availed since there is no Estate Tax due that is considered delinquent.
l. The taxpayer can avail of the Estate Tax Amnesty on the Estate Tax deficiency resulting from post review made by the Assessment Division.

m. An estate involving judicial settlement/last will of testament pending in court can avail the Estate Tax Amnesty, provided that the filer shall submit a certified true copy of the court resolution or leave of court, together with all the documentary requirements for Estate Tax Amnesty within the two-year availment period. However, only the CA shall be issued to the filer. The eCAR shall be issued upon presentation of the final order of the court.

n. An estate cannot avail of the tax amnesty if the filer failed to submit the validated Acceptance Payment Form (APF) with proof of payment to the concerned RDO within the two-year availment period of tax amnesty. Failure to submit the validated APF with proof of payment within the two-year period is tantamount to non-availment of the Estate Tax Amnesty. However, any payment made may be applied against the total regular Estate Tax due inclusive of penalties.

o. If the estate has an existing Estate Tax delinquency, a filer can still avail of the Estate Tax Amnesty for undeclared property provided that the undeclared property is not included in the list of properties covered in the existing Estate Tax delinquency. Further, the ETAR shall be filed in the RDO that issued the assessment.

p. Estate involving judicial settlement/last will of testament pending in court can avail the Estate Tax amnesty provided that the filer shall submit a certified true copy of the court resolution or leave of court, together with all the documentary requirements for Estate Tax Amnesty, within the two-year availment period. However, only the Certificate of Availment (CA) shall be issued to the filer. The electronic Certificate Authorizing Registration (eCAR) shall be issued upon presentation of the final order of the court.

Estate Tax Amnesty availment of taxpayers with specific scenarios (such as those with partial unpaid Estate Tax due, and those with undeclared property in the previously filed ETAR) are also contained in the Circular.