

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

NINETEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 7842



Introduced by **Representative Wilbert T. Lee**

AN ACT
EXTENDING THE PERIOD OF AVAILMENT OF THE ESTATE TAX
AMNESTY, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 11213, AS
AMENDED, OTHERWISE KNOWN AS THE “TAX AMNESTY ACT”

EXPLANATORY NOTE

According to a business article from McKinsey & Company¹, it could take around five years for the sectors that were most affected by the COVID-19 pandemic to get back to 2019-level contributions to the GDP. Undeniably, the pandemic significantly reduced the country’s economic activities. There were numerous lockdowns and community quarantines which led to the closure of businesses and unemployment. These severely affected the economic ability of the people in settling their estate taxes due to lack of money and resources.

Given the premise of economic recovery among many sectors that trickles down to our citizens, this measure seeks to grant and extend for an additional two (2) years the estate tax amnesty in the country as the amnesty period is about to lapse on 14 June 2023 under Republic Act No. 11569 which amended Republic Act No. 11213, otherwise known as “Tax Amnesty Act.”

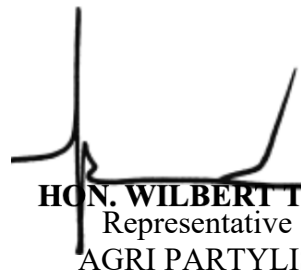
As the pandemic’s devastating impacts are still being felt in the Philippines as it works towards recovery, the emergence of the high inflation rate entered the picture. As of January 2023, the Philippine inflation rate hit a 14-year high of 8.7 percent. According to the Philippines Statistics Authority, the inflation rate slowed down to 8.6 percent in February 2023 from 8.7 percent in January of the same year. With the impact of the pandemic and the

¹McKinsey & Company (29 July 2020) *COVID-19 recovery in hardest-hit sectors could take more than 5 years*. Accessed last 29 March 2023 from: <https://www.mckinsey.com/featured-insights/sustainable-inclusive-growth/chart-of-the-day/covid-19-recovery-in-hardest-hit-sectors-could-take-more-than-5-years>

high inflation rate, it is incumbent upon the government to address and lessen the taxpayer's current burden.

Through this measure, the taxpayers who are in the process of recovering from the effects of their losses and the impact of the high inflation rate are given an additional opportunity and protection to pay their estate taxes including any increments and additions thereto, and civil, criminal, and administrative penalties under the National Internal Revenue Code through an extension of estate tax amnesty.

In view of the foregoing, the approval of this bill is earnestly sought.



HON. WILBERT T. LEE
Representative
AGRI PARTYLIST

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Section 6 of the Republic Act No. 11213, as amended, is hereby further amended to read as follows:

“SEC. 6. Availment of the Estate Tax Amnesty; When and Where to File and Pay. — The executor or administrator of the estate, or if there is no executor or administrator appointed, the legal heirs, transferees or beneficiaries, who wish to avail of the Estate Tax Amnesty shall, within [~~June 15, 2021~~] **JUNE 15, 2023** until [~~June 14, 2023~~] **JUNE 14, 2025**, file with the Revenue District Office of the Bureau of Internal Revenue, which has Jurisdiction over the last residence of the decedent, a sworn Estate Tax Amnesty Return, in such forms as may be prescribed in the Implementing Rules and Regulations. The payment of the amnesty tax shall be made at the time the Return is filed: Provided, That for nonresident decedents, the Estate Tax Amnesty Return shall be filed and the corresponding amnesty tax be paid at Revenue District Office No. 39, or any other Revenue District Office which shall be indicated in the Implementing Rules and Regulations:

Provided, further, That the appropriate Revenue District Officer shall issue and endorse an acceptance payment form, in such form as may be prescribed in the Implementing Rules and Regulations of this Act for the authorized agent bank, or in the absence thereof, the revenue collection agent or municipal treasurer concerned, to accept the tax amnesty payment:

1 *Provided*, finally, That the availment of the Estate Tax Amnesty and the issuance of
2 the corresponding Acceptance Payment Form do not imply any admission of criminal,
3 civil or administrative liability on the part of the availing estate."
4

5 **SEC. 2.** Within sixty (60) days from the effectivity of this Act, the Secretary of Finance shall,
6 in coordination with the Commissioner of Internal Revenue, issue the necessary rules and
7 regulations for the effective implementation of this Act.
8

9 **SEC 3. *Repealing Clause.*** – All laws, acts, decrees, executive orders, issuances, and rules
10 and regulations or parts thereof which are contrary to and inconsistent with this Act are
11 hereby repealed, amended, or modified accordingly.
12

13 **SEC 4. *Effectivity.*** – This Act shall take effect immediately following its publication in the
14 Official Gazette or in at least two (2) newspapers of general circulation.

Approved,