



Republic of the Philippines
House of Representatives
Quezon City

TWENTIETH CONGRESS
First Regular Session

House Bill No. **3970**



Introduced by HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO

Explanatory Note

On February 14, 2019, Republic Act (R.A.) No. 11213 also known as the “Tax Amnesty Act” was signed into law, granting taxpayers a one-time opportunity to settle tax obligations through an estate tax amnesty program. It accorded tax reliefs to estates with deficiency estate taxes. However, many taxpayers failed to capitalize on the estate tax amnesty program because of the COVID-19 pandemic which severely restricted the movement of people, goods, services, and resources across all sectors of the country.

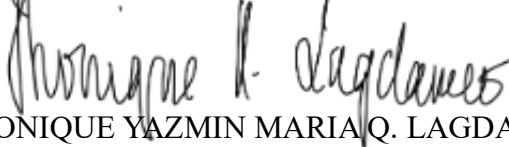
On June 30, 2021, in view of the adverse effects of the COVID-19 pandemic which caused tremendous disruptions not only to the economy, resulting in the closure of businesses and loss of jobs, but also to society in general, bringing about unquantifiable toll on human lives and human health, R.A. 11213 was amended by R.A. 11569. This amendatory legislation provided for a two-year extension within which to avail of the estate tax amnesty from June 15, 2021 to June 14, 2023. On August 5, 2023, the amnesty was again extended from June 15, 2023 to June 14, 2025 under R.A. 11956 in consideration of the predicament still affecting the entire country.

Notably, as originally intentioned, the Tax Amnesty Act and its subsequent amendments enhanced revenue administration and collection, generating revenue collection windfall to the government. The Bureau of Internal Revenue (BIR) managed to collect several billions in pesos from the estate tax amnesty.

Nevertheless, while the state of the COVID-19 pandemic as a public health emergency was finally lifted on July 22, 2023 by President Ferdinand “Bongbong” Romualdez Marcos Jr., its residual effects are still being felt across the whole spectrum of Philippine society. The situation has become even more challenging by economic inflation, which has begun to cool down only recently, and by the unpredictable global economic and geopolitical developments.

This proposed legislative measure thus seeks the extension of the period of availment of the estate tax amnesty for another five years, further amending for the purpose R.A. 11213 as amended by R.A. 11569 and R.A. 11956 to provide more than enough time for the concerned taxpayers to comply with the requirements to avail of the estate tax amnesty and to support the BIR in its revenue administration and collection. Under this proposal, however, the reckoning of the estate tax amnesty is adjusted to the period ending July 22, 2023 (the day of the lifting of the COVID-19 pandemic as a public health emergency) in order for the executor or administrator of the estate, the legal heirs, transferees or beneficiaries, as the case maybe, to settle the unpaid estate taxes of the decedents who died on or before such date.

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



HON. MONIQUE YAZMIN MARIA Q. LAGDAMEO
Makati City, First Legislative District



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1 AN ACT
2 EXTENDING THE PERIOD OF AVAILMENT OF THE ESTATE TAX AMNESTY
3 UNTIL JUNE 14, 2030, FURTHER AMENDING REPUBLIC ACT NO. 11213,
4 OTHERWISE KNOWN AS THE “TAX AMNESTY ACT” AS AMENDED BY
5 REPUBLIC ACT NOS. 11569 AND 11956, AND FOR OTHER PURPOSES

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

8 SECTION 1. Section 4 of Republic Act No. 11213, as amended by Republic Act Nos.
9 11569 and 11956, is hereby further amended to read as follows:

10 “Sec. 4. *Coverage.* - There is hereby authorized and granted a tax amnesty,
11 hereinafter called Estate Tax Amnesty, which shall cover the estate of
12 decedents who died on or before July 22, 2023, with or without assessments
13 duly issued therefor, whose estate taxes have remained unpaid or have
14 accrued as of July 22, 2023: *Provided, however,* That the Estate Tax
15 Amnesty hereby authorized and granted shall not cover instances
16 enumerated under Section 9 hereof.”

17 SEC. 2. Section 6 of Republic Act No. 11213, as amended by Republic Act Nos. 11569
18 and 11956, is hereby further amended to read as follows:

19 “Sec. 6. *Availment of the Estate Tax Amnesty; When and Where to File and*
20 *Pay.* - The executor or administrator of the estate, or if there is no executor
21 or administrator appointed, the legal heirs, transferees or beneficiaries, who
22 wish to avail of the Estate Tax Amnesty shall, within June 15, 2025 until
23 June 14, 2030, file, either electronically or manually, with any authorized
24 agent bank, Revenue District Office through the Revenue Collection Officer,
25 or authorized tax software provider, a sworn Estate Tax Amnesty Return, in
26 such forms as may be prescribed in the Implementing Rules and Regulations.
27 x x x”

28 SEC. 3. Section 8 of Republic Act No. 11213, as amended by Republic Act Nos. 11569
29 and 11956, is hereby further amended to read as follows:

30 “Sec. 8. *Immunities and Privileges.* - Estates covered by the Estate Tax
31 Amnesty, which have fully complied with all the conditions set forth in this
32 Act, including the payment of the estate amnesty tax shall be immune from
33 the payment of all estate taxes, as well as any increments and additions
34 thereto, arising from the failure to pay any and all estate taxes for the period
35 ending July 22, 2023 and prior years, and from all appurtenant civil, criminal,
36 and administrative cases and penalties under the National Internal Revenue
37 Code, of 1997, as amended. x x x”

38 SEC. 4. *Implementing Rules and Regulations.* – Within sixty (60) days from its
39 effectivity, the Secretary of Finance shall, in coordination with the Commissioner of
40 Internal Revenue, issue the necessary rules and regulations for the effective
41 implementation of this Act. Failure to promulgate the rules and regulations shall not
42 prevent the implementation of this Act upon its effectivity.

43 SEC. 5. *Repealing Clause.* — All laws, orders, rules and regulations which are
44 inconsistent with the provisions of this Act are hereby repealed or amended
45 accordingly.

46 SEC. 6. *Effectivity.* — This Act shall take effect fifteen (15) days after its publication
47 in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,