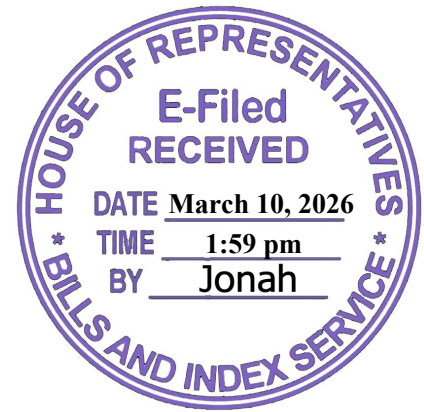


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

20th Congress
First Regular Session

House Bill No. 8410



Introduced by **REPRESENTATIVE EMIGDIO P. TANJUATCO III**

EXPLANATORY NOTE

Republic Act No. 11213 established an estate tax amnesty mechanism that promoted voluntary compliance and produced additional revenues for the government. In recognition of the continuing need to facilitate settlement of estate tax liabilities, Congress later extended the period to avail through Republic Act Nos. 11569 and 11956. These enactments reflected a clear legislative policy to expand participation and provide taxpayers with additional time to comply.

At the same time, the extensions were enacted only after the lapse of the original periods for availment under the law. Although this course of action demonstrated a desire to preserve the estate tax amnesty program, it also underscored the need for greater predictability, consistency, and discipline in the design of temporary fiscal relief measures.

Several pending bills now seek once more to extend the period of availment and to widen the scope of estates covered. However, the most recent extension has likewise already expired. While Congress undoubtedly possesses full authority to amend tax legislation, the repeated revival of an estate tax amnesty period that has already ended raises legitimate concerns as to legislative stability and the structural soundness of temporary fiscal interventions. By its nature, an amnesty is meant to operate within a defined and limited period. Repeated reopening of an expired estate tax amnesty availment window risks transforming an exceptional remedial measure into something resembling a continuing tax regime.

Instead of repeatedly extending an estate tax amnesty period that has already lapsed, this bill adopts a clearer and more forward-looking legislative approach. It proposes a renewed and self-contained estate tax amnesty framework with specific coverage, definite duration, and express safeguards.

Expanded Coverage, Revenue Mobilization, and Institutional Safeguards

In considering the appropriate structure of an estate tax amnesty, it is necessary to recall the character of estate tax itself. Estate tax is imposed on the privilege of transmitting property upon death. It arises by operation of law and becomes due regardless of any pending or subsequent dispute involving ownership, title, or the alleged illegality of the acquisition of property. As a transfer tax, it is fiscally distinct from criminal, civil, forfeiture, or other proceedings that may involve the same assets.

The prior estate tax amnesty law also revealed certain structural limitations that reduced the full revenue potential of the measure. In particular, the blanket exclusion of estates with properties involved in specified pending proceedings removed from coverage estates that were often high in value and complex in character. Consequently, substantial estate tax liabilities that had already accrued by operation of law remained outside the reach of collection.

Although those exclusions appear to have been intended to preserve the rights of private parties and the enforcement and recovery powers of the State, they also had the effect of narrowing the tax base and constraining revenue generation. Estate tax liability exists independently of civil actions among private parties involving ownership or title, as well as forfeiture actions, anti-graft proceedings, money laundering cases, and similar actions or proceedings involving the Government. The authority of the courts to resolve private claims, and of the Government to prosecute offenses or recover unlawfully acquired assets, should not prevent the collection of transfer taxes that are already due.

For this reason, the proposed bill adopts a broader and more practical Estate Tax Amnesty framework. It grants a one-time opportunity for estates of decedents who died on or before a specified date to settle outstanding estate tax liabilities at a uniform rate of six percent (6%), under simplified documentary and procedural requirements. The objective is to convert unrealized or dormant tax exposure into immediate fiscal receipts, improve administrative efficiency, and enable the Bureau of Internal Revenue to focus its enforcement efforts on present and future compliance.

A key component of the proposed measure is the clarification of the limited legal effect of availment. Payment under the amnesty settles estate tax liability only. It does not determine ownership, cure defective title, legalize unlawful acquisition, or extinguish liabilities under laws not expressly covered by the amnesty. The proper parties, as well as the government, remain fully authorized to pursue recovery, forfeiture, reversion, or criminal prosecution in accordance with existing law. In this way, fiscal settlement remains separate from the adjudication of substantive rights and liabilities.

The bill also promotes administrative efficiency by reducing documentary requirements, allowing electronic filing and payment, and treating tax settlement as distinct from the subsequent transfer of properties. This streamlined approach is intended to encourage wider participation while preserving safeguards necessary to protect the public interest.

By removing unduly restrictive disqualifications while expressly preserving the rights of private parties and the enforcement and recovery powers of the State, the proposed bill offers a balanced and defensible policy framework. It expands the taxable universe, hastens revenue collection, reduces extended disputes over tax liabilities, and helps return idle or immobilized assets to productive participation in the formal economy.

Policy Conclusion and Legislative Imperative

There remains a continuing and substantial need for an Estate Tax Amnesty measure in view of its demonstrated fiscal and administrative value. Prior enactments have shown that such measures encourage voluntary compliance, facilitate the regularization of unsettled estates, and generate meaningful revenues by converting accrued but unrealized tax liabilities into actual collections.

A fresh statutory enactment is now warranted. An estate tax amnesty whose operative period has already expired should not, as a matter of sound legislative policy, be reopened indefinitely through repeated extension. If estate tax amnesty is to remain an instrument of

tax administration, it should be maintained through deliberate reenactment based on present conditions and expressed through clear and definite legislative parameters.

At the same time, the structure of the measure should not be unnecessarily narrow. Estate tax is a transfer tax that arises by operation of law upon death. Its assessment and collection are fiscally separate from collateral disputes involving title, ownership, forfeiture, or other proceedings affecting estate property. Such matters may continue under their own legal regimes and should not stand in the way of collecting taxes that have already accrued.

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



EMIGDIO P. TANJUATCO III
2nd District, Rizal Province

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

20th Congress
First Regular Session

House Bill No. **8410**

Introduced by **REPRESENTATIVES EMIGDIO P. TANJUATCO III**

AN ACT GRANTING AMNESTY IN THE PAYMENT OF ESTATE TAX

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

SECTION 1. Short Title. — This Act shall be known as the “Estate Tax Amnesty Act of 2026.”

SECTION 2. Declaration of Policy. — It is hereby declared the policy of the State to strengthen revenue mobilization, promote voluntary compliance, and enhance fiscal stability through the adoption of efficient and accessible mechanisms for the settlement of outstanding tax liabilities.

To address the continued existence of uncollected estate tax obligations and to improve revenue administration, the State hereby adopts this Act as a comprehensive measure to facilitate the regularization of estate tax liabilities and ensure the prompt collection of revenues lawfully due to the government.

Towards this end, the State shall:

- 1) Provide a one-time and comprehensive opportunity for estates with outstanding estate tax liabilities to settle such obligations under simplified and standardized procedures designed to encourage broad participation;
- 2) Establish a framework for availment that promotes revenue recovery, reduces prolonged enforcement actions, and fosters finality in the settlement of estate tax liabilities;
- 3) Improve administrative efficiency by minimizing the cost and burden of pursuing long-outstanding assessments, thereby enabling the Bureau of Internal Revenue and the courts to redirect resources toward current and future compliance efforts; and
- 4) Advance a modern, technology-driven tax system through streamlined documentary requirements, standardized forms, and digital platforms that facilitate compliance and expand the tax base.

SECTION 3. Definition of Terms. — For purposes of this Act:

- 1) Basic tax assessed refers to the latest amount of tax assessment issued by the Bureau of Internal Revenue against the taxpayer, exclusive of interest, penalties, and surcharges.
- 2) Net estate refers to the gross estate less all allowable deductions as provided in the National Internal Revenue Code of 1997, as amended, or the applicable estate tax laws prevailing at the time of death of the decedent.
- 3) Net undeclared estate refers to the difference between the total net estate valued at the time of death and the net estate previously declared with the Bureau of Internal Revenue, if any.

SECTION 4. Coverage.

There is hereby authorized and granted a tax amnesty, hereinafter called Estate Tax Amnesty, which shall cover the estate of decedents who died on or before 31 December 2025, with or without assessments duly issued therefor, whose estate taxes have remained unpaid or have accrued as of 31 December 2025.

Availment of the Estate Tax Amnesty under this Act shall be permitted notwithstanding any pending assessment, investigation, civil, criminal, or administrative case, at any stage thereof, including actions for recovery of property, forfeiture, or reversion, involving estate tax liabilities covered by this Act.

SECTION 5. Entitlement Under Estate Tax Amnesty.

An estate may enjoy the immunities and privileges of the Estate Tax Amnesty and pay an estate amnesty tax at the rate of six percent (6%) based on the decedent's total net estate at the time of death: Provided, That if an estate tax return was previously filed with the Bureau of Internal Revenue, the estate tax rate of six percent (6%) shall be based on net undeclared estate. The provisions of the National Internal Revenue Code of 1997, as amended, or the applicable estate tax laws prevailing at the time of death of the decedent, on valuation, manner of computation, and other related matters shall apply suppletorily, at the time of the entitlement: Provided, further, That if the allowable deductions applicable at the time of death of the decedent exceed the value of the gross estate, the heirs, executors, or administrators may avail of the benefits of estate tax amnesty, and pay the minimum estate amnesty tax of Five Thousand Pesos (P5,000).

SECTION 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 January 1, 2026 until December 31, 2030, file, either electronically or manually, with any authorized agent bank, Revenue District Office through its Revenue Collection Officer, or authorized tax software provider, a sworn Estate Tax Amnesty Return, in such forms as may be prescribed in the Implementing Rules and Regulations of this Act. The payments of the estate amnesty tax shall be made, either electronically or manually, at the time the Return is filed with any authorized agent bank, Revenue District Office through its Revenue Collection Officer, or authorized tax software provider: Provided, That the

appropriate Revenue District Office 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 authorized tax software provider concerned, to accept the estate amnesty tax payment: Provided, further, That for the availment of the estate tax amnesty, the requirements to be submitted to the Bureau of Internal Revenue by the filers of the estate tax amnesty shall be limited to the following:

1. Mandatory requirements:
 - a. Certified true copy of the Death Certificate (DC), or if not available, the certificate of no record of death from the Philippine Statistics Authority 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;
 - b. Taxpayer Identification Number (TIN) of decedent and heir/s;
 - c. For "claims against the estate" arising from contract of loan, notarized promissory note, if applicable;
 - d. Proof of the claimed "property previously taxed", if any;
 - e. Proof of the claimed "transfer for public use", if any; and
 - f. One (1) government-issued identification card (ID) of the executor/administrator of the estate, or if there is no executor or administrator appointed, the heirs, transferees, beneficiaries or authorized representatives.
2. For real property/ies, if any:
 - a. Certified true copy/ies of the transfer/original/condominium certificate/s of title of real property/ies;
 - b. Certified true copy/ies of the tax declaration/s of real property/ies, if untitled, including the improvement/s at the time of death or the succeeding available tax declaration/s issued nearest to the time of death of the decedent, if none is available at the time of death; and
 - c. Where declared property/ies has/have no improvement, Certificate/s of No Improvement at the time of death of the decedent issued by the appropriate assessor's office.
3. For personal property/ies, if applicable:
 - a. Certificate/s of Deposit/Investment Indebtedness owned by the decedent alone, or decedent and the surviving spouse, or decedent jointly with others;
 - b. Certificate/s of Registration of vehicle and other proof/s showing the correct value of the same;
 - c. Certificate/s or Certification/s of shares of stock;
 - d. Proof/s of valuation of shares of stock at the time of death; or
 - e. Proof/s of valuation of other types of personal property/ies.

4. Other requirements, if applicable:
 - a. If the person transacting/processing the transfer is the authorized representative, duly notarized original Special Power of Attorney (SPA) and/or, if one of the heirs is designated as executor/administrator, a sworn statement;
 - b. If the document is executed abroad, certification from the Philippine Consulate or Apostille; or
 - c. If the zonal value cannot be readily determined from the documents submitted, location plan/vicinity map.

In the absence of any of the documents required above, the Commissioner of Internal Revenue may request for alternative documents, as may be deemed appropriate.

The application for payment of estate amnesty taxes shall be a distinct and separate process from the application for transfer of properties: Provided, however, That the proof of settlement of the estate, whether judicial or extrajudicial, shall only be required by the Bureau of Internal Revenue for the issuance of the Electronic Certificate Authorizing Registration (eCAR) for the transfer of properties, and not for purposes of filing and payment of the estate taxes.

SECTION 7. Issuance and Effect of Certificate of Availment.

The Acceptance Payment Form, and the Estate Tax Amnesty Return shall be submitted to the Revenue District Office after complete payment. The completion of these requirements shall be deemed full compliance with the provisions of this Act. A Certificate of Availment of the Estate Tax Amnesty shall be issued by the Bureau of Internal Revenue within fifteen (15) calendar days from submission to the Bureau of Internal Revenue of the Acceptance Payment Form and the Estate Tax Amnesty Return. Otherwise, the duplicate copies of the Acceptance Payment Form, stamped as received, and the Estate Tax Amnesty Return shall be deemed as sufficient proof of availment.

SECTION 8. Immunities and Privileges.

Estates covered by the Estate Tax Amnesty, which have fully complied with all the conditions set forth in this Act, including the payment of the estate amnesty tax shall be immune from the payment of all estate taxes, as well as any increments and additions thereto, arising from the failure to pay any and all estate taxes for the period ending December 31, 2025 and prior thereto, and from all civil, criminal, and administrative cases and penalties under the National Internal Revenue Code of 1997, as amended, arising solely from the non-payment or underpayment of estate taxes.

Without prejudice to compliance with applicable laws on succession as a mode of transfer, the Bureau of Internal Revenue, in coordination with the applicable regulatory agencies, shall set up a system enabling the transfer of title over properties to heirs and/or beneficiaries and cash withdrawals from the bank accounts of the decedent, when applicable.

Upon full compliance with all the conditions set forth in in this Act and the issuance of the Certificate of Availment, the estate tax amnesty granted under this Act shall become final and irrevocable.

SECTION 9. Service Delivery and Human Resources.

Availment of the Estate Tax Amnesty under this Act, the payment of the corresponding estate amnesty tax, and the issuance of the Certificate of Availment shall operate solely to settle the estate tax liability covered by such availment.

The payment of the estate amnesty tax and the subsequent transfer, registration, or issuance of title in favor of the heirs, transferees, or beneficiaries pursuant to such settlement shall not:

- 1) Constitute a conclusive determination, recognition, or adjudication of ownership over any property included in the estate;
- 2) Validate, legitimize, or cure any defect in title, unlawful acquisition, or void transaction;
- 3) Bar, prejudice, or estop any party or the Government, including any agency thereof, from instituting or pursuing any action for enforcement of lawful claims, forfeiture, reversion, or recovery of ill-gotten wealth; or
- 4) Extinguish liabilities arising under laws not expressly covered by the estate tax amnesty granted under this Act.

The legal effect of the estate tax amnesty shall be limited to the extinguishment of the estate tax liability corresponding to the properties declared, subject to compliance with the requirements of this Act.

The subsequent adjudication of ownership, forfeiture, reversion, or recovery, in favor of any party or the Government of any property declared under this Act shall not entitle the estate, heirs, transferees, or beneficiaries to any refund, credit, or reimbursement of the estate amnesty tax paid pursuant to this Act.

SECTION 10. Confidentiality and Non-use of Information and Data in the Statement of Total Assets and Statement of Assets, Liabilities, and Net worth.

Any information or data contained in, derived from, or provided by a taxpayer in the Estate Tax Amnesty Return and appurtenant documents shall be confidential and shall not be used as evidence in any investigation, prosecution, or proceeding involving estate tax liabilities covered by this Act, except as otherwise provided herein.

Nothing in this Section shall be construed to prohibit or restrict the use of such information or data in proceedings involving enforcement of lawful claims, forfeiture, reversion, or recovery of ill-gotten wealth, or violations of laws not expressly covered by the estate tax amnesty granted under this Act.

Any statement of assets, liabilities, and net worth, financial statements, information sheets, and any such other statements or disclosures that may have been previously submitted by the taxpayer as required by existing laws are deemed to have been amended by the Tax Amnesty Return filed under this Act and may not be used in proceedings involving estate tax liabilities covered by this Act, but may be used in proceedings not covered by the estate tax amnesty granted herein.

SECTION 11. Implementing Rules and Regulations.

The Secretary of Finance shall, in coordination with the Commissioner of Internal Revenue, promulgate and publish the necessary rules and regulations of this Act within ninety (90) days from its effectivity.

SECTION 12. Separability Clause.

If any provision of this Act is declared unconstitutional, the remainder of this Act or any provision not affected thereby shall remain in full force and effect.

SECTION 13. Repealing Clause.

All laws, presidential decrees or issuances, executive orders, letters of instruction, administrative orders, rules or regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 14. Effectivity.

This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,



EMIGDIO P. TANJUATCO III
2nd District, Rizal Province