

NEWSLETTER

DELINQUENCY TAX AMNESTY

- Revenue Regulation No. 04-19, implementing the Tax Amnesty Act allows taxpayers with delinquent accounts as of 24 April 2019 to apply for amnesty within one (1) year from its date of effectivity, or until 24 April 2020.
- The taxpayers covered by RR 04-19 and the corresponding amnesty rates are outlined as follows:
 - ◊ Taxpayers with delinquent accounts (*i.e., those who have failed to pay the taxes due on the due date provided in a Final Assessment Notice ("FAN") or Formal Letter of Demand which has not been the subject of a valid protest, or if protested, has been denied and not appealed*), particularly:
 - ◆ Delinquent accounts with an application for a compromise settlement, on or before 24 April 2019, whether or not denied or pending – **40% of the basic tax assessed**;
 - ◆ Delinquent withholding tax liabilities arising from non-withholding of taxes – **40% of the basic tax assessed**;
 - ◆ Delinquent estate tax liabilities – **40% of the basic tax assessed**;
- Taxpayers with pending criminal cases, whether with the Office of the Prosecutor, the Department of Justice, or the courts, for criminal offenses under Chapter II of Title X and Section 275 of the National Internal Revenue Code – **50% of the basic tax assessed**;
- Taxpayers with final and executory judgments from the courts on or before 24 April 2019 – **60% of the basic tax assessed**;
- Withholding tax liabilities of withholding agents arising from a failure to remit the same – **100% of the basic tax assessed**.

ESTATE TAX AMNESTY

- The Estate Tax Amnesty covers the estates of Decedents who died on or before 31 December 2017, with or without assessments, whose estate taxes remain unpaid or have accrued as of 31 December 2017.
- In lieu of the outstanding estate taxes, penalties and interests, the Estate Tax Amnesty only imposes an Estate Tax Amnesty Rate ("ETAR") of **6% on the Decedent's Net Estate at the time of his/her death**.
- If an Estate Tax Return has already been previously filed with the BIR but not all the properties of the Decedent were included, the **6% ETAR shall be based on Net Undeclared Estate of the decedent**.
- Estates covered by the Estate Tax Amnesty have a period of two (2) years or until 15 June 2021 to avail of the benefits of the tax amnesty.
- Estates which have fully complied with all the conditions of the tax amnesty, including the payment of the 6% ETAR, shall be immune from the payment of all outstanding estate taxes, penalties and interests arising from the failure to pay estate taxes prior to 31 December 2017, and from all appurtenant civil, criminal, and administrative cases and penalties under the National Internal Revenue Code .
- Properties included in the estate of the decedent that are also subject of a taxable donation or sale shall still be assessed for the applicable taxes and penalties of the said donation or sale.

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THE FIRM

More than two decades after its founding on 01 July 1990, Villanueva Gabionza & Dy Law Offices continues to evolve into the dynamic legal institution it set out to become: a veritable terminal base for a spectrum of local and international clientele with varied and exigent legal needs.

Multi-disciplinary thrust includes in-depth, composite and active practices in fields of civil, criminal, labor, commercial and corporate law, mergers and acquisition, litigation, taxation, securities, banking, finance, Intellectual property, estate planning, transportation, labor, maritime, aviation, immigration and public service law.

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“Service Beyond Expectations”.

Announcement

*Congratulations to the
newly promoted Junior
and Senior Associates!*

JUSTIN JAMES D. FRANCISO
Senior Associate

**KATRINA VERONICA G.
RAYMUNDO-BANGUIS**
Senior Associate

MARTIN VICTORINO S. CUSI
Junior Associate 3

RICHARD ANDREW P. VELASCO
Junior Associate 2

PHIMIE GLAINNE G. LIM
Junior Associate 2

IAN DANIEL B. GALANG
Junior Associate 1

ANGELIQUE CLAUDINE T. LIM
Junior Associate 1

RAMON GABRIEL K. CARASIG
Junior Associate 1

ANNAROSE MEL M. CRUZ
Junior Associate 1

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