

To be filled up by BIR

DLN:



Republika ng Pilipinas
Kagawaran ng Pananalapi
Kawanihan ng Rentas Internas

**VAP AVAILMENT FORM
IMPROPERLY ACCUMULATED
EARNINGS TAX**

Pursuant to Revenue Regulations No. 8-2001

BIR Form No.

2106-IAE

July 2001

The Commissioner of Internal Revenue
BIR National Office Building
Diliman, Quezon City

DATE
(mm/dd/yyyy)

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Sir:

We hereby apply for the privilege of last priority in the audit and investigation for taxable year

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 of our improperly accumulated earnings tax liabilities as follows:

I UNFILED/UNPAID IMPROPERLY ACCUMULATED EARNINGS TAX

(Please check appropriate box)

☐

With Previously Filed Return

Unpaid recognized liability per records (Cumulative Balance)

P _____

☐

Without Previously Filed Return

Unpaid recognized liability per records (Cumulative Balance)

Unrecorded tax due for the unfiled return for the covered year

_____ P _____

II AVAILMENT/COMPUTATION OF VAP AMOUNT:

A. Condition No. 1

5% of the Improperly Accumulated Earnings Tax due
on improperly accumulated taxable income earned
starting January 1, 1998 (See Schedule 1)

P _____

B. Condition No. 2

Additional unpaid tax due for the covered year per taxpayer's computation

VAP Amount

(The higher amount computed under conditions A and B)

III TOTAL AMOUNT PAYABLE (Sum of I and II)

P _____

Schedule 1

Improperly Accumulated Earnings Tax due on improperly accumulated
taxable income earned starting January 1, 1998

P _____

Multiply by: 5%

Amount (To Condition No. 1)

P _____

We declare, under the penalties of perjury, that this statement has been made in good faith, verified by us, and to the best of our knowledge and belief is a true, correct and complete declaration.

TAXPAYER'S PRINTED NAME

SIGNATURE OVER PRINTED NAME OF
TP/TP AUTHORIZED REPRESENTATIVE

TIN

ADDRESS

TAX AGENT ACCREDITATION NO.

(To be filled up by BIR)

Remarks:

☐

Complete as to documentary requirements

☐

Others

Evaluated by: _____

SIGNATURE OVER PRINTED NAME

Approved by: _____

SIGNATURE OVER PRINTED NAME

Received by: _____

SIGNATURE OVER PRINTED NAME

BIR Form No. 2106 - IAE
GUIDELINES AND INSTRUCTIONS

WHO ARE COVERED

Corporations as defined and subject to tax under the provisions of the National Internal Revenue Code of 1997.

EXCEPTIONS:

1. Those covered by a Preliminary Assessment Notice (PAN), or by a Final Assessment Notice (FAN), or by a Collection Letter issued on or before July 31, 2001;
2. Persons under investigation as a result of verified information filed by a Tax Informer under Section 282 of the Tax Code, as amended, duly processed and recorded in the BIR Official Registry Book on or before July 31, 2001;
3. Tax fraud cases already filed and pending in Court for adjudication; and
4. Those with unpaid tax liability as reflected in the books of accounts/records or financial statements and tax return of the covered year unless they first pay the same prior to availment, or at the same time as the date of availment.

WHERE TO FILE AND PAY

1. **For Non-large taxpayers.-** The VAP-applicant taxpayer shall file the prescribed application and payment forms, in triplicate copies, and pay the corresponding VAP amount together with the unpaid basic tax/unpaid balance to the Accredited Agent Bank (AAB) within the revenue district where such applicant-taxpayer is required to register. In the absence of any AAB, filing and payment should be made to the authorized Revenue Collection Officer/Deputized Municipal Treasurer of the Revenue District Office where the applicant-taxpayer is required to register and/or file the return.
2. **For Large Taxpayers. –** VAP applicant-taxpayers, classified as large taxpayers by the Bureau, shall file the prescribed application and payment forms, in triplicate copies, and pay the VAP amount together with the unpaid basic tax/unpaid balance to the AAB located at the BIR National Office Building. In case of taxpayers under the jurisdiction of the Large Taxpayers District Office (LTDO), filing and payment shall be made with the AABs of the LTDO.

BIR OFFICE TO PROCESS VAP APPLICATIONS AND ATTACHMENTS

1. **For VAP applications on covered years where returns have been filed. –** The VAP application and VAP payment forms, together with the required attachments, shall be filed with the Technical Working Group (TWG) of the Regional Office having jurisdiction over the place where the VAP – applicant taxpayer is required to register. However, if the taxpayer availing of VAP is registered in a Revenue District Office (RDO) located outside the province where the Regional Office is situated, such VAP application may be filed with the said RDO, which in turn shall transmit the same, after pre-processing, to the Regional Office for final processing.
In case of large taxpayers, including those under the jurisdiction of LTDO, such applications shall be filed with the Large Taxpayers Service (LTS) at the National Office of the Bureau of Internal Revenue.
2. **For VAP applications on covered years where no returns have been filed. –** The VAP applications and VAP payment forms shall be filed and submitted to the Technical Working Group (TWG) of the Regional Office, or RDO (for districts located outside the province of the regional office) or Large Taxpayers Service, whichever office has jurisdiction over the applicant-taxpayer, for processing and evaluation. Upon evaluation, these Offices shall forward the documents and their recommendations to the TWG of the Assessment Service (National Office), which will forward the same to the MANCOM for approval or disapproval, after further review and evaluation.

Once the VAP application is approved, a Certificate of Qualification shall be issued. If application is disapproved, a Notice of Disqualification shall be issued.

ATTACHMENTS:

1. Fully accomplished required tax return for the taxable period covered by VAP availment, in case no returns have been filed; (please attach photocopy of the filed income tax return for the covered year)
2. A copy of the income tax return and improperly accumulated earnings tax return originally filed, if any, together with duly filed financial statements for the taxable period covered by the VAP availment, in case returns have been filed;
3. Verified copy of the VAP Payment Form, duly validated by the Accredited Agent Bank (AAB) and the corresponding AAB Official Receipt or Revenue Official Receipt issued by the concerned Revenue Collection Officer/Deputized Municipal Treasurer, in the absence of AAB, whichever is applicable, evidencing receipt of payment.

NOTE: The Alphanumeric Tax Code (ATC) to be used in Item No. 6 of BIR Form No. 0607 (VAP Payment Form) shall be MC 032.