

(To be filled up by BIR)

DLN:



Republika ng Pilipinas
Kagawaran ng Pananalapi
Kawanihan ng Rentas Internas

VAP AVAILMENT FORM
Capital Gains Tax on Shares of Stocks
Not Traded in Local Stock Exchange
Pursuant to Revenue Regulations No. 8-2001

BIR Form No.

2106-CS

July, 2001

DATE (mm/dd/yyyy)	<table border="1"> <tr> <td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td> </tr> </table>										

The Commissioner of Internal Revenue

BIR National Office Building
Diliman, Quezon City

Sir:

I/We hereby apply for the privilege of last priority in the audit and investigation for taxable year _____ on the sale/exchange/other disposition of shares of stocks not traded in the local stock exchange as follows

of _____ al gains tax liabilities
(yyyy)

AVAILMENT/COMPUTATION OF VAP AMOUNT:

Scenario 1 - A return has been previously filed

- A.** Capital Gains Tax due based on original return filed P _____
- Multiply by: 20%
- Amount _____
- B.** Additional unpaid capital gains tax due for the covered year/transaction per taxpayer's computation _____
- C.** VAP Amount payable P _____
(The higher amount computed under conditions A & B)

Scenario 2 - No return has been filed and no payment has been made

- Capital Gains Tax due P _____
- Multiply by: 120%
- VAP Amount Payable P _____

I/We declare, under the penalties of perjury, that this statement has been made in good faith, verified by me/us, and to the best of my/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 requirement:

Others _____

Received by: _____

SIGNATURE OVER PRINTED NAME

Evaluated by: _____

SIGNATURE OVER PRINTED NAME

Approved by: _____

SIGNATURE OVER PRINTED NAME

Note:

1. Rates shall be based on the statutes in force at the time of the taxable transaction.
2. Prescribed valuation rules shall apply.
3. Deductions claimed shall be fully substantiated and supported in compliance with existing Revenue Memorandum Order.

**BIR Form No. 2106 - CS
GUIDELINES AND INSTRUCTIONS**

WHO ARE COVERED

1. Individuals (Including Estates and Trusts);
2. Corporations subject to tax under the provisions of the National Internal Revenue Code of 1997; and
3. Taxpayers enjoying preferential tax treatment under special laws such as but not limited to enterprises registered in accordance with RA 7227, RA 7916 or E.O. 226.

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.
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 capital gains tax return on sale, exchange, or disposition of shares of stocks not traded in Local Stock Exchange for the taxable transaction/year covered by VAP availment, in case no return has been filed;
2. Copy of the capital gains tax return on sale, exchange, or disposition of shares of stocks not traded in Local Stock Exchange originally filed, for the taxable transaction/year covered by VAP availment, if applicable;
3. Photocopy of duly validated VAP Payment Form and the corresponding AAB Official Receipt or Revenue Official Receipt issued by the concerned RCO/DMT, whichever is applicable, as proof of payment;
4. Other attachments required:

Proof of all deductions claimed;
Copy of the Notarized Deed of Sale or Exchange;
Certified true copy of Certificate of Shares of Stock sold;
Copy of the audited Financial Statement of the issuing corporation/institution or other relevant evidence to prove the fair market value of the shares sold; and
Proof of Documentary Stamp Tax payment.

NOTE:

In the certified true copy of the documents requested, photocopy thereof as verified and signed by the evaluation officer may be submitted

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