IRREVOCABLE STANDBY LETTER OF CREDIT

Date: [Insert Date]

Letter of Credit Number: [Insert Number]

Beneficiary:
[Name of Tax Authority/Government Agency]
[Department/Address]
[City, State, Zip Code]

Applicant:
[Company Name/Taxpayer Name]
[Tax Identification Number]
[Address]
[City, State, Zip Code]

Amount: [Insert Currency and Amount in Figures] ([Insert Amount in Words])

Expiry Date: [Insert Date]

Place of Expiry: [At the counters of Issuing Bank]

To the Beneficiary:

We hereby establish our Irrevocable Standby Letter of Credit No. [Number] in your favor, at the request of and for the account of the Applicant, up to the aggregate amount of [Amount].

This Standby Letter of Credit is issued to guarantee the payment of tax liabilities, including but not limited to [Specify Tax Type, e.g., Customs Duties, VAT, Income Tax, or Appeal Security], interest, and penalties owed by the Applicant to the Beneficiary.

Funds under this Letter of Credit are available to you against your sight draft(s) drawn on [Name of Issuing Bank], accompanied by a written statement signed by an authorized official of the [Tax Authority Name] certifying that:

"The Applicant has failed to pay the required tax obligations under [Reference Law/Assessment Number/Case Number] and the amount drawn represents the balance due and unpaid at the time of this drawing."

Partial drawings are permitted. This Letter of Credit shall be reduced automatically by the amount of any drawings paid hereunder.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented to us at [Bank Address] on or before the Expiry Date.

This credit is subject to the Uniform Customs and Practice for Documentary Credits (2007 Revision), International Chamber of Commerce Publication No. 600 (UCP 600) [or International Standby Practices (ISP98)].

Yours faithfully,

[Authorized Signature]
[Name of Issuing Bank]
[Title/Department]