REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

Certificate of Tax Exemption No:
NSH - 023 - 2022

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **Pacific Summit Construction Group, Inc.**, an entity engaged by the **National Housing Authority (NHA)**[1], is exempt from project-related income taxes and creditable withholding tax pursuant to Section 20 (d)(1) of Republic Act (RA) No. 7279, as amended by RA No. 10884 (Balanced Housing Development Program Amendments) dated July 17, 2016, on its income received directly in connection with the construction/development of 1,216 socialized housing units in Villaba Housing Project located in Brgy. Cabunga-an, Villaba, Leyte, intended for the families affected by Typhoon Yolanda under the NHA's Yolanda Permanent Housing Program. Moreover, the delivery of 1,216 socialized housing units shall be exempt from value-added tax (VAT) pursuant to Section 109 (1)(P) of the National Internal Revenue Code of 1997 (Tax Code), as amended, provided that the selling price thereof does not exceed P3,199,200.00[2] per house and lot package; provided further, that beginning January 01, 2021, the exemption from VAT shall only apply to sale of house and lot and other residential dwellings[3] with selling price of not more than P3,199,200.00.

However, the purchases of goods/articles by **Pacific Summit Construction Group, Inc.** shall be subject to VAT, even if the said purchases are to be used for the socialized housing project, since VAT is an indirect tax which can be passed on by the seller of the goods/services. It shall be understood that **Pacific Summit Construction Group, Inc.** must issue VAT Exempt official receipts on its gross receipts from the said socialized housing project.

Moreover, the following Deeds executed by the Landowners in favor of the NHA over the parcels of land described below, to wit:

Deeds	Date	Name of Landowner/s Seller/s[4]	Original Certificate of Title Nos.	Area (Sq.m.)	Area Transferred (Sq. m.)	Location
Extra Judicial Settlement with Deed of Absolute Sale	March 22, 2019	Heirs of Juanita L. Cantillas	CARP	13,418	13,418	Brgy. Cabunga-an, Villaba, Leyte

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[1] Per Contract Agreement dated February 11, 2019.
[2] As adjusted using the 2010 Consumer Price Index values per Revenue Regulation No. 8-2021 dated June 11, 2021.
[3] Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to RA No. 10963.
[4] This Certificate of Tax Exemption does not include exemption from estate tax on the transfer of OCT Nos. [redacted] and [redacted] from the registered owners to their heirs.

CTE No. NSH-023-2022
Date issued JAN 21 2022

Extra Judicial Settlement with Deed of Absolute Sale	March 22, 2019	Heirs of Regina C. Jamero	CARP	13,418	13,418	Brgy. Cabunga-an, Villaba, Leyte
Deed of Absolute Sale	March 22, 2019	Sweet Karen M. Albaño	CARP	59,645	15,000	Brgy. Cabunga-an, Villaba, Leyte

which shall be used for the above-mentioned socialized housing project, are not subject to capital gains tax and documentary stamp tax pursuant to Sections 19 and 20 of Republic Act (RA) No. 7279, and to VAT pursuant to Section 109 (1)(P) of the Tax Code, as amended.

It is, however, understood that this Certificate of Tax Exemption (CTE) is never intended, and shall not be construed, as giving authority to concerned Register of Deeds (RD) to effect transfer of the land titles in the name of the NHA without the necessary Certificate Authorizing Registration (CAR) issued by this Bureau. In this regard, this CTE, together with the documentary requirements provided under Revenue Memorandum Order (RMO) No. 15-2003, shall be presented to the Revenue District Office (RDO) concerned in order for the latter to issue the CAR.

Upon application for exemption, a lien on the titles of the lands, shall be annotated by the RD having jurisdiction over the properties, to the effect that the same are to be applied or are being applied to a socialized housing project pursuant to RA No. 7279.

This CTE is being issued on the basis of the facts and documents as represented and submitted. However, if upon investigation, the BIR ascertains that the facts are different, then this Certificate shall be considered null and void.

Issued this _____ day of JAN 21 2022, _____.

CAESAR R. DULAY
Commissioner of Internal Revenue

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