Bringing In Revenues
for Nation-Building

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

BAGONG PILIPINAS

Certificate of Tax Exemption No:
NSH- 073-2025

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **E. M. CUERPO, INC./AINA CONSTRUCTION-JOINT VENTURE**, 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 of Six (6) – Four Storey Low Rise Buildings and Land Development, Disiplina Village Arkong Bato, Phase 1 (288 Units) located at M.H. Del Pilar St., Brgy. Arkong Bato, Valenzuela City, intended to provide housing units to benefit qualified Informal Settler Families (ISFs) affected by the Supreme Court's Mandamus to clear Manila Bay and those residing along dangerous areas in Valenzuela City.

Moreover, the delivery of the two hundred eighty eight (288) socialized housing units of the said project shall be exempt from value-added tax (VAT) pursuant to Section 109 (1)(P) of the National Internal Revenue Code of 1997, as amended, provided that the selling price thereof does not exceed P3,199,200.00, as adjusted to P3,600,000.00[2] per house and lot package to take effect beginning January 1, 2024, and below; provided further, that 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 ₱3,600,000.00.

However, the purchases of goods/articles by **E. M. CUERPO, INC./AINA CONSTRUCTION-JOINT VENTURE**, 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 **E. M. CUERPO, INC./AINA CONSTRUCTION-JOINT VENTURE** must issue VAT Exempt Sales Invoice on its gross receipts from the said socialized housing project.

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 to effect transfer of the land title in the name of the buyer without the necessary Certificate Authorizing Registration (CAR) issued this Bureau. In this regard, this CTE shall be presented to the Revenue District Office concerned in order for the latter to issue the CAR.

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

Issued this _____ day of APR 15 2025.

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue

K-1-JAC

[1] Per Contract Agreement dated December 22, 2023.
[2] As adjusted using the 2023 Consumer Price Index values pursuant to Revenue Regulations No. 1-2024 dated January 1, 2024.
[3] Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to RA No. 10963.