Bringing In Revenues
for Nation-Building

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Quezon City

BAGONG PILIPINAS

Certificate of Tax Exemption No.:
PSH- 074-2025

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **RAEMULAN LANDS, INC.** (the Company), with Taxpayer Identification Number ( ), is exempt from income tax 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 sale of socialized house and lot units for residential and dwelling purposes to qualified beneficiaries in **Pasinaya Homes Prime Central**, consisting of **1,792** house and lot units located at **Brgy. Timalan, Naic, Cavite**, a project duly registered with the Department of Human Settlements and Urban Development (DHSUD) under Certificate of Registration No. and License to Sell No. both dated March 08, 2023, provided that the selling price of said house and lot units does not exceed P580,000.00[1] per house and lot packages.

Moreover, the sale by the Company of residential lot valued at P) and below, or house and lot and other residential dwellings valued at P3,199,200.00 and below, is exempt from value-added tax (VAT) pursuant to Section 109 (1) (P) of the National Internal Revenue Code (Tax Code) of 1997, as amended. Provided, however, that beginning January 01, 2021, the exemption from VAT shall only apply to sale of house and lot and other residential dwellings[2] with selling price of not more than P3,199,200.00[3].

Furthermore, the Deeds of Absolute Sale executed by the Landowners in favor of **RAEMULAN LANDS, INC.** over the parcels of land described below, to wit:

Date	Name of Landowners	Transfer Certificate of Title (TCT) Nos.	Area (sq. m.)	Transferred (sq. m.)	Location
Dec 03, 2018	Adanateva Philippine, Inc.		19,158	19,158	Naic, Cavite
Dec 03, 2018	Eddie Gobing married to Grace Gobing		24,595	24,595	
Dec 03, 2018	Andres Chua married to Rosalina Dela Cruz	20	29,044	29,044	
Dec 03, 2018	Adanateva Philippine, Inc.		24,922	24,922	
Total			**97,719**	**97,719**	

which shall be used for the abovementioned socialized housing project are not subject to capital gains tax pursuant to Section 20 (d) (2) of RA No. 7279, as amended, and to VAT pursuant to Section 109 (1) (P) of the Tax Code of 1997, as amended.

It is observed, however, that documentary stamp tax (DST) is not one of the taxes covered by the tax exemption clause in Section 20 of RA No. 7279. Thus, the documents conveying the properties shall be subject to DST imposed under Section 196 of the Tax Code of 1997, as

[1] The maximum selling price is pegged at **P580,000.00** per house & lot based on DHSUD License to 3.
[2] Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to RA No. 10963.
[3] As adjusted using the 2010 Consumer Price Index values pursuant to Revenue Regulation (RR) No. 8-2021 dated June 11, 2021.
[4] Already in the name of Raemulan Lands, Inc. under TCT No. (
[5] Already in the name of Raemulan Lands, Inc. under TCT No. (
[6] Already in the name of Raemulan Lands, Inc. under TCT No.
[7] Already in the name of Raemulan Lands, Inc. under TCT No.

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amended, based on the consideration contracted to be paid for such realties or on their fair market value determined in accordance with Section 6 (E) of the same Code, whichever is higher. Likewise, lots/units classified as Economic Housing, not being covered by RA No. 7279, shall be subject to the payment of appropriate taxes.

The grant of tax exemption herein is subject to the compliance with the provisions of applicable Bureau of Internal Revenue (BIR) rules and regulations and the Terms and Conditions stated hereof. The Company is liable, however, for all other applicable taxes not enumerated above.

This Certificate of Tax Exemption 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 _____, _____.

Very truly yours,

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue

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TERMS AND CONDITIONS OF THE CERTIFICATE OF TAX EXEMPTION

1. The exemption from income and creditable withholding taxes covers only income directly attributable to the revenues generated from the project, **Pasinaya Homes Prime Central** consisting of **1,792** house and lot units, located at **Brgy. Timalan, Naic, Cavite.** Such exemption shall cover revenues from **1,792** house and lot units with selling price not exceeding **P580,000.00** per house and lot packages.

2. The developer shall submit the sworn statement of the buyer that he is eligible as a socialized housing beneficiary provided under Section 5 (A) of Revenue Regulation No. 11-97 to the Bureau of Internal Revenue during the processing of the Certificate Authorizing Registration (CAR) for the transfer of the socialized housing unit.

3. It is understood that the CAR shall only be issued after it is established upon proper verification by the Revenue District Officer concerned that, considering the rules on valuation of real property, the actual selling price per sale transaction of the house and lot packages in this case does not really exceed P580,000.00.