Bringing In Revenues
for Nation-Building

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
National Office Building
Quezon City

BAGONG PILIPINAS

Certificate of Tax Exemption No.
BOI-LEH- 083 - 2025

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **NATIONBUILDERS GLOBAL DEVELOPMENT & LOGISTICS CORP.,** (the "Company") with Taxpayer Identification Number ("TIN") -), is exempt from income tax and creditable withholding tax on its income received directly in connection with its economic and low-cost housing project, **Nueva Vida One – Mabuhay Subdivision,** consisting of **120** house and lot units used solely for family home or dwelling purposes, located at Brgy. Mabuhay, General Santos City, a project duly registered with the Board of Investments ("BOI") under Certificate of Registration No)1 dated January 2, 2024, for a period of **six (6) years** beginning from April 2024 or the ... start of commercial operations/selling whichever is earlier, but in no case earlier from the date of registration of the project with the BOI, pursuant to Executive Order ("EO") No. otherwise known as the "Omnibus Investments Code of 1987" and Section 2.57.5 (B) (2) of Revenue Regulations ("RR") No. 2-98, as amended.

Moreover, the sale by the Company of residential house and lot and other residential dwellings value at P3,199,200.00, [1] as adjusted to P3,600,000.00 beginning January 1, 2024, and below, is 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, however, that the sale of residential lot only, regardless of value, is subject to VAT.[2]

However, the sale in excess of the **120** house and lot units provided under BOI Certificate of Registration No. if any, including those units used for commercial purposes such as leasing, retail stores, offices, etc., shall be subject to the payment of appropriate taxes under the Tax Code of 1997, as amended.

The grant of tax exemption herein is subject to the compliance with the provisions of applicable BIR rules and regulations and the Terms and Conditions stated at the back hereof. The Company is liable, however, for all other applicable taxes not discussed above.

The 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 APR 15 2025

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue

[1] As adjusted using the Consumer Price Index value per RR No. 8-2021 date June 11, 2021.
[2] Sale of lot only, regardless of the price, hall be subject to VAT starting January 01,2021 pursuant to RA No. 10963

CTE No. BOI-UEH-083-2025
Date issued APR 15 2025

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 revenue generated from the project, **Nueva Vida One – Mabuhay Subdivision,** consisting of **120** house and lot units used solely for family home or dwelling purposes, located at Brgy. Mabuhay, General Santos City. Such exemption shall not cover revenues from units with selling price exceeding P2,500,000.00. Moreover, the 120 house and lot units covered by License to Sell No.) dated August 18, 2023 issued by the Department of Human Settlements and Urban Development shall not be sold for more than P2,500,000.00 per house and lot.

2. In the computation of the project's Income Tax Holiday ("ITH"), the following shall apply:

   a. Only income generated from the sale of housing units (**Nueva Vida One – Mabuhay Subdivision**) with selling price not exceeding P2,500,000.00 and used solely for family home or dwelling purposes and not for commercial purposes such as leasing, retail stores, offices, etc. shall be qualified.

   b. Interest income from in-house financing shall not be considered as revenues generated from the registered activity.

3. The Company's entitlement to ITH for its BOI-registered housing project is subject to the compliance with the provisions of the Specific and General Terms and Conditions of its BOI Registration.

4. Pursuant to Section 4 of Republic Act ("RA") No. 10708,[3] the Company is required to file its tax returns and pay its tax liabilities, on or before the deadline as provided under the Tax Code of 1997, as amended, using the electronic system for filing and payment of taxes of the BIR. It shall file with BOI a complete annual tax incentives report of its income-based tax incentives, VAT and duty exemptions, deductions, credits or exclusions from the tax base, as may be provided under EO No. 226 and RA No. 11534,[4] within the periods prescribed under RA No. 10708's Implementing Rules and Regulations and Joint Memorandum Circular No. 1-2016 dated September 1, 2016.

5. The Company shall be constituted as a withholding agent for the government if it acts as employer and any of its employees receive compensation income subject to compensation withholding tax, or if it makes payments to individuals or corporations subject to the withholding taxes at source as required under Title II, Chapter XIII and Section 57 of the Tax Code of 1997, as amended, and implemented by RR No. 2-98, as amended.

6. The Company is required to file on or before the 15th day of the forth month following the close of its accounting period, a Profit and Loss Statement and Balance Sheet with the Annual Information Return under oath, stating its gross income and expenses incurred during the taxable year.

7. Finally, the Company's books of account and other pertinent records shall be subject to periodic examination by revenue enforcement officers of this Bureau for the purpose of ascertaining whether it is complying with the conditions under which it has been granted tax exemption or tax incentives and its tax liability, if any, pursuant to Section 235 of the Tax Code of 1997, as amended.

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[3] *Act Enhancing Transparency in the Management and Accounting of Tax Incentives Administered by Investment Promotion Agencies.*
[4] Corporate Recovery and Tax Incentives for Enterprises Act (CREATE).