Republic of the Philippines
Department of Finance
BUREAU OF INTERNAL REVENUE
National Office
Quezon City

Bringing in Revenues for Nation-building

Certificate of Tax Exemption No:
NSH– 086-2025

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **PACIFIC CONCRETE PRODUCTS, 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 663 socialized housing units in Sariaya Residences located at Brgy. Janagdong 1, Sariaya, Quezon, intended for the relocation and resettlement of informal settler families affected by the Department of Transportation's ongoing Philipine National Railways – South Long Haul project.

Moreover, the delivery of 663 socialized housing units in Sariaya Residences 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 as adjusted tc 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

However, the purchases of goods/articles by **PACIFIC CONCRETE PRODUCTS, 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 CONCRETE PRODUCTS, INC.** must issue VAT Exempt official receipts on its gross receipts from the said socialized housing project.

Moreover, the Deeds of Absolute Sale, executed by the landowners in favor of **PACIFIC CONCRETE PRODUCTS, INC.** over the parcels of land described below, to wit:

Name of Landowners/Sellers	Transfer Certificate of Title No.	Area (Sq.m.)	Area Transferred (Sq. m.)	Location
William G. De Torres Lamberto G. De Torres Jose G. De Torres Wilma G. De Torres Helen G. De Torres Carolito G. De Torres	1	40,499	40,499	Brgy. Janagdong 1, Municipality of Sariaya, Quezon

[1] Per Contract Agreement dated November 21, 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.

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Jocelyn Nadera, Manalo	022	3,116	3,116	Brgy. Janagdong 1 Municipality of Sariaya, Quezon
	022 5	9,880	9,880	
	022	38,802	38,802	

which shall be used for the above-mentioned socialized housing project is not subject to capital gains tax pursuant to Section 20 (d)(2) of Republic Act (RA) No. 7279, as amended by RA No. 10884 (Balanced Housing Development Program Amendments) dated July 17, 2016. The transaction is, however, subject to documentary stamp tax under Section 196 of the National Internal Revenue Code of 1997, 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 to effect transfer of the land titles in the name of the buyer without the necessary Certificate Authorizing Registration (CAR) issued by 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 BIR ascertains that the facts are different, then this Certificate shall be considered null and void.

Issued this _____ day of APR 16 2025, _____.

ROMEO D. LUMAGUI, JR.
Commissioner of Internal Revenue

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