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

**Certificate of Tax Exemption No.**
**NSH - 094 - 2022**

# CERTIFICATE OF TAX EXEMPTION

**TO WHOM IT MAY CONCERN:**

This certifies that the the Deeds of Absolute Sale (DOAS) executed by and between the landowner and the **National Housing Authority (NHA)** over the parcels of land described below, to wit:

| Date of DOAS | Name of Landowner/ Seller | Transfer Certificate of Title (TCT) No. | Area (sq. m.) | Area Transferred (sq. m) | Location |
|---|---|---|---|---|---|
| Nov. 29, 2021 | Baque Corporation as representative of Maria Cristina Bonifacio[1] | | 10,015 | 9,481 | Bo. San Felipe, Mun. of San Fernando, Prov. of Pampanga |
| | | | 10,022 | 10,022 | |
| | | | 10,000 | 9,281 | |
| | | | 20,013 | 20,013 | |
| Jan. 31, 2022 | Baque Corporation as attorney-in-fact of Cornelio & Lilia Lorenzo | | 10,000 | 10,000 | Bo. Calulut & Panipuan, Mun. of San Fernando, Prov. of Pampanga |
| Jan. 31, 2022 | Baque Corporation as attorney-in-fact of Sps. Abelardo & Arnida Pineda | | 4,433 | 4,433 | |
| | | | 10,000 | 10,000 | |
| Jan. 31, 2022 | Baque Corporation[2] | | 3,009 | 3,009 | Bo. of Calulut, Mun. of San Fernando, Prov. of Pampanga |
| | | | 606 | 606 | |
| | | | 4,383 | 4,383 | |

which shall be used for **San Fernando View Residences**, a socialized housing project of the NHA under Community Based Initiative Approach Program intended for the qualified beneficiaries of informal settler families affected by the clearing of PNR ROWs within the PNR-N2 area, consisting of 1,295 house and lot packages located at Brgys. San Felipe (625 units), Calulut (68 units) and Panipuan (602 units), all in San Fernando City, Pampanga, to be undertaken by **Baque Corporation** is not subject to capital gains tax/income tax/creditable withholding tax, documentary stamp tax (DST) and value added tax (VAT), pursuant to Sections 19 and 20 of Republic Act (RA) No. 7279 and Section 109 (1) (P) of the National Internal Revenue Code (Tax Code) of 1997, as amended, provided that the selling price thereof does not exceed P3,199,200.00 per house and lot package; provided further, that beginning

[1] Owner of TCT No. and authorized representative for TCT Nos.
[2] See Annex "A"

CTE NO. NSH - _____
Date issued _____

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[4].

However, the purchases of goods/articles by **Baque Corporation** 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 **Baque Corporation** must issue VAT-exempt official receipts 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 the concerned Register of Deeds (RD) 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 together with the documentary requirements provided under Revenue Memorandum Order No. (RMO) 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 concerned RD having jurisdiction over the property, 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 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 MAR 15 2022, _____.

**CAESAR R. DULAY**
Commissioner of Internal Revenue

By: 050431

K-1/

[3] Sale of lot only, regardless of the price, shall be subject to VAT starting January 1, 2021 pursuant to RA No. 10963.
[4] As adjusted using the 2010 Consumer price Index values pursuant to RR No. 8-2021 dated June 11, 2021