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

Certificate of Tax Exemption No:
NSH - 145 - 2022

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **BILREY CONSTRUCTION**, an entity engaged by the **National Housing Authority (NHA)**, is exempt from project-related income taxes/creditable withholding tax (CWT) 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/procurement of additional 461 developed lots and completed housing units in **Kristoffee Heights**, a socialized housing project of the NHA under its Community-Based Initiative Approach intended for the relocation of informal settler families (ISFs) affected by the C-5 Southlink Expressway Project of the Department of Public Work and Highways, located at Brgys. Calubcob and Lusakan, Naic, Cavite.

Moreover, the delivery of the said additional 461 developed lots and completed housing units shall be 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 that the selling price thereof does not exceed P3,199,200.00 per house and lot package; provided further, that beginning January 01, 2021, the exemption from VAT shall only apply to sale of house and lot and other residential dwellings[1] with selling price of not more than P3,199,200.00.[2]

However, the purchases of goods/articles by **BILREY CONSTRUCTION** 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 **BILREY CONSTRUCTION** must issue VAT-exempt official receipts on its gross receipts from the said socialized housing project.

Furthermore, the Unilateral Deeds of Absolute Sale executed by the Landowner/s in favor of the NHA over the parcels of land described below, to wit:

Date	Name of Landowner/s[3]	Transfer Certificate of Title	Area (Sq. m.)	Area Transferred (Sq. m.)	Location
Oct. 21, 2021	Heirs of Victorina Vasquez-Diosomito; Heirs of Emilia Vasquez-Bigalbal; Bella Vasquez-Sebastian; Rosa Vasquez-Rodriguez; Cecilio V. Nazareno;[4] and Maximino O. Vasquez		48,092	48,092	Brgy. Lusakan, Naic, Cavite

[1] Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to RA No. 10963.
[2] As adjusted using the 2010 Consumer Price Index values per Revenue Regulations (RR) No. 8-2021 dated June 11, 2021.
[3] This Certificate of Tax Exemption (CTE) does not include exemption from estate tax which may be due, if any, on the estate of the deceased landowners to their respective heirs.
[4] Per Deed of Absolute Sale of Land dated July 31, 2002 and eCAR No. dated December 21, 2021, Cecilio V. Nazareno owned 10,306 square meter portion of

Date	Name of Landowner/s	Transfer Certificate of Title	Area (Sq. m.)	Area Transferred (Sq. m.)	Location
Oct. 21, 2021	Heir/s of Patricia Poblete Vasquez and Teofilo Vasquez[5]		17.190	17.190	Brgy. Lusakan, Naic, Cavite
	Maria De Ocampo		5.730	5.730	
Oct. 21, 2021	Cesar P. Carandang; Norma I. Nazareno; Engracia F. Nazareno; Marayma Sheila Marie N. Pronstroller; Ariel C. Nazareno; and Francisco D. Benesen		28.633	28.633	

which shall be used for the above mentioned socialized housing project, is not subject to income tax/capital gains tax (CGT)/expanded withholding tax and documentary stamp tax (DST) pursuant to Sections 19 and 20 of RA No. 7279 and to VAT pursuant to Section 109 (1) (P) of the Tax 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 the concerned Register of Deeds to effect transfer of the land titles in the name of the NHA without the necessary certificate of authority to register issued by this Bureau. In this regard, this CTE shall be presented to the Revenue District Office (RDO) concerned in order for the latter to issue the Certificate Authorizing Registration (CAR). The CAR shall only be issued after submission of the complete requirements provided under Revenue Memorandum Order (RMO) No. 15-2003.

Upon application for exemption, a lien on the titles of the land shall be annotated by the Register of Deeds having jurisdiction over the properties, 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 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 19 2022, _____.

CAESAR R. DULAY
Commissioner of Internal Revenue

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By:

MARISSA D. CABREROS
Deputy Commissioner
Legal Group
Officer-in-Charge 0101

[5] This CTE does not include exemption from estate tax which may be due, if any, on the estate of the deceased landowner/s to their respective heirs.

[6] This CTE does not include exemption from CGT, DST, and other transfer taxes which may be due, if any, on the transfer from the previous/registered landowners to the present owners (sellers).