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

Certificate of Tax Exemption No:
NSH-327-2021
SEP 08 2021

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **Verlin Konstrukt, 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 392 socialized housing units in Biliran Lucky Residences located at Brgy. Busali, Biliran, Biliran, intended for the families affected by Typhoon Yolanda under the NHA's Yolanda Permanent Housing Program. Moreover, the delivery of 392 socialized housing units shall be 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 that the selling price thereof does not exceed P3,199,200.00[2] 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[3] with selling price of not more than P3,199,200.00.

However, the purchases of goods/articles by **Verlin Konstrukt, 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 **Verlin Konstrukt, Inc.** must issue VAT Exempt official receipts on its gross receipts from the said socialized housing project.

Moreover, the Deed of Absolute Sale of a Portion of Real Property executed by the Landowners in favor of the NHA over the parcel of land described below, to wit:

Date	Name of Landowner/Seller[4]	Transfer Certificate of Title No.	Area (Sq.m.)	Area Transferred (Sq. m.)	Location
August 23, 2021	BSF Farm Workers and Beneficiaries Agrarian Reform Cooperative		52,419	52,419	

[1] Per Contract Agreement dated May 15, 2019.
[2] As adjusted using the 2010 Consumer Price Index values per Revenue Regulation No. 8-2021.
[3] Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to RA No. 10963.
[4] Resolution No. 015 dated July 1, 2021, was granted to Virgilio G. Tape, President of Verlin Konstrukt, Inc., to execute the Deed of Absolute Sale on behalf of BSF Farm Workers and Beneficiaries Agrarian Reform Cooperative for the sale of the property identified and described in TCT No.