REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Certificate of Tax Exemption No:
HSH-370-2022
AUG 22 2022

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **NC RODRIGUEZ CONSTRUCTION**, an entity engaged by the **Municipal Government of Abulug, Cagayan**[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 house construction of 58 socialized housing units in Abulug Resettlement Project located at Brgy. Dana-ili, Abulug, Cagayan, intended for the calamity victims of Abulug and will be used as a relocation site for the qualified beneficiaries. Moreover, the delivery of 58 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 **NC RODRIGUEZ 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 **NC RODRIGUEZ CONSTRUCTION** must issue VAT Exempt official receipts on its gross receipts from the said socialized housing project.

Moreover, the Deeds executed by the Landowners in favor of the Local Government Unit of Abulug, Cagayan over the parcels of land described below, to wit:

Deeds	Date	Name of Landowners/ Sellers	Transfer Certificate of Title No.	Area (Sq.m.)	Area Transferred (Sq. m.)	Location
Extra-Judicial Settlement of Estate and Deed of Absolute Sale	July 5, 2020	Florencia C. Manguba Elmer C. Manguba Scarlito C. Manguba[4]				

[1] Per Contract Agreement dated July 8, 2021.
[2] As adjusted using the 2010 Consumer Price Index values per Revenue Regulation No. 8-2021 dated June 11, 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] This Certificate of Tax Exemption does not include exemption from estate tax on the transfer of TCT No. T- from its registered owner, Sabas Manguba, to his heirs.