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

Certificate of Tax Exemption No:
NHA - 375 - 223

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **LAK-K BUILDERS CO.**, an entity engaged by the National Housing Authority (NHA), 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 375 socialized housing units (two-storey duplex type) in **Pilgrim Heights Residences**, located in Brgy. Pugaro, Manaoag, Pangasinan, a socialized housing project of the NHA under its AFP/PNP and Other Government Employees Housing Project.

Moreover, the delivery of the **375** 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 per house and lot package; provided further, that beginning January 1, 2021, the exemption from VAT shall only apply to sale of house and lot and other residential dwellings with selling price of not more than P3,199,200.00.

However, the purchases of goods/articles by **LAK-K BUILDERS CO.** 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 **LAK-K BUILDERS CO.** 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 Landowner in favor of the NHA over the parcel of land described below, to wit;

Date of Deed of Absolute Sale	Name of Landowner	Transfer Certificate of Title No.	Aggregate Area (sq. m.)	Area Transferred for NHA Utilization (sq.m.)	Location of Property/ies
August 31, 2021	Nestor P. Quiambao married to Fe Quiambao		55,905	53,136	

which shall be used for the above-mentioned socialized housing project, is not subject to capital gains tax/creditable withholding tax, documentary stamp tax and VAT pursuant to Sections 19 and 20 of Republic Act (RA) No. 7279 and Section 109(1)(P) of the 1997 Tax Code, as amended.

CTE No. [illegible]
Date issued [illegible]

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 title in the name of the NHA without the Certificate Authorizing Registration (CAR) issued by this Bureau. In this regard, this CTE, together with the documentary requirements provided under RMO No. 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 title of the land shall be annotated by the Register of Deeds having jurisdiction over the property, to the effect that the same is to be applied or are being applied to a socialized housing project pursuant to RA 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 [illegible], _____.

CAESAR R. DULAY
Commissioner of Internal Revenue

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