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

**Certificate of Tax Exemption No:**
048-2017
2-9-17

# CERTIFICATE OF TAX EXEMPTION

This certifies that **J.C. TAYAG BUILDERS INCORPORATED** with Tax Identification Number , an entity engaged by the National Housing Authority (NHA), is exempt from project-related income taxes, creditable withholding tax and VAT, pursuant to Section 20 (d)(1) and (3) of Republic Act No. 7279, on its income received directly in connection with the construction/development of socialized housing units under the NHA's Yolanda Permanent Housing Program, to wit:

| Date of Notice of Award | Date of Contract Agreement | Contract Price (Php) | Project Name | Location | No. of Socialized Housing Units subject of tax exemption |
|---|---|---|---|---|---|
| December 16, 2015 | February 23, 2016 | | Quinapondan Town Ville Site 1 | Brgy. Buenavista, Quinapondan Eastern Samar | 343 |
| December 23, 2015 | February 23, 2016 | | Quinapondan Town Ville Site 2 | Brgy. Buenavista, Quinapondan Eastern Samar | 343 |
| December 23, 2015 | February 23, 2016 | | Quinapondan Town Ville Site 3 | Brgy. Buenavista, Quinapondan Eastern Samar | 124 |

However, the purchases of goods/articles by **J.C. TAYAG BUILDERS INCORPORATED** 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 **J.C. TAYAG BUILDERS INCORPORATED** must issue non-VAT official receipts on its gross receipts from the said socialized housing projects.

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Moreover, the Deeds of Absolute Sale entered by the Landowners and the NHA over the parcels of land described below, to wit;

| Date | Name of Landowner | Original Certificate of Title | Area (sq.m.) | Transferred (sq.m.) |
|---|---|---|---|---|
| February 22, 2016 | Solita M. Acid, Lolita M. Acid, Leo M. Acid, Lezario M. Acid, Victoriano M. Acid , Jr., Michael M. Acid and Liza Acid Lopez[1] | | 19,796 | 19,796 |
| February 22, 2016 | Felomina C. Acid | | 19,786 | 19,786 |
| February 22, 2016 | Mariano A. Pastor, Jr. | | 19,786 | 19,786 |

which will be used for the above mentioned socialized housing projects are **not subject** to **income tax/capital gains tax/expanded withholding tax, documentary stamp tax and value-added tax (VAT)** pursuant to Section 19 and 20 of Republic Act (RA) No. 7279 and Section 109 (1) (P) of the Tax Code of 1997, as amended.

It is, however, understood that this 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 buyer 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 the submission of the requirements provided under RMO No. 15-2003.

Upon application for exemption, a lien on the titles of the lands 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 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 _____.

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

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[1] Legal Heirs of Victoriano Acid by virtue of Extra Judicial Settlement of Estate (under Doc No. 120, Page No. 25, Book No. XVIII, Series of 2016, of Notary Public of Atty. Charlie S. Garcia dated February 9,2016)