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

RA No. 7279
BIR Ruling No. 053-15
#066-2016
2-19-2016

BETTER LAND HOMEOWNERS ASSOCIATION, INC.
Purok 6, Brgy. San Antonio, Los Baños, Laguna

Attention : **NORMA H. ALBARICO**
President

Gentlemen:

This refers to the letter of Ma. Ana R. Oliveros, President of the Social Housing Finance Corporation (SHFC) dated November 4, 2015, endorsing the sale transaction between Ariel C. Rivera and Better Land Homeowners Association, Inc. for exemption from the payment of Capital Gains Tax and other taxes in accordance with the Republic Act (RA) No. 7279, otherwise known as the "Urban Development and Housing Act of 1992".

Documents submitted disclose that Ariel C. Rivera (TIN) (hereinafter referred to as Landowner) is the registered owner of a parcel of land, identified as Lot 5-A, of the subd., plan (LRC) Psd-302197, approved as a non-subd., project, being a portion of Lot 5, Psd-50765, LRC Rec. No. F. Patent covered by Transfer Certificate of Title (TCT) No. ssued by the Registry of Deeds for the Calamba Branch. The aforesaid property is situated at Brgy. San Antonio, Los Baños, Laguna with an area of Sixteen Thousand square meters (16,000 sq.m.), more or less. Better Land Homeowners Association, Inc. (TIN), on the other hand, is a homeowner's organization duly registered with the Housing and Land Use Regulatory Board (HLURB). On February 17, 2015, the parties executed a Deed of Absolute Sale whereby the Landowner transferred and conveyed the subject property to Better Land Homeowners Association, Inc. at an agreed price of Pesos (P). Pursuant to the certification issued by SHFC, the subject property covered by TCT No. actually comprises a Community Mortgage Program (CMP) Project and shall be proportionately distributed to the association's qualified member-beneficiaries[1]. For this purpose, Better Land Homeowners Association, Inc. secured a housing loan under the CMP, a financing assistance program of the SHFC a subsidiary of the National Home Mortgage Finance Corporation (NHMFC). Documentary Stamp Tax (DST) due on the sale has been paid.

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[1] see Annex for the masterlist of qualified beneficiaries

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In support of its request, Better Land Homeowners Association, Inc. has completely submitted on November 13, 2015 the following documents:

1) SHFC letter application for tax exemption;
2) Certification of the President of the SHFC that the subject property qualifies and is actually a CMP project;
3) SHFC Letter of Guaranty No.
4) Certified true copy of the Deed of Absolute Sale to the Community Association;
5) Certified true copy of the Articles of Incorporation of the Community Association;
6) Certified true copy of the Masterlist of Qualified Beneficiaries duly certified by the SHFC;
7) Certified true copies of the TCT and Latest Tax Declaration of the Property Sold to the Community Association;
8) Certified true copy of the Location Plan of the Lot Sold to the Community Association;
9) TIN ID /BIR Certificate of Registration of the seller and the Homeowner Association; and
10) *Other pertinent documents*

In reply, please be informed that pursuant to Section 32 of RA No. 7279, pertinent portions of which state that:

> *" Sec. 32. Incentives. — To encourage its wider implementation, participants in the CMP shall be granted with the following privileges or incentives:*
>
> *xxx xxx xxx*
>
> *(b) Properties sold under the CMP shall be exempted from the capital gains tax; and"*

the landowners who sold their properties for use in a socialized housing project are exempt from the payment of capital gains tax.

Such being the case, the sale by Ariel C. Rivera to Better Land Homeowners Association, Inc. of the subject property covered by TCT No. 87796 is exempt from the capital gains tax.

Upon issuance of this letter of exemption, and upon registration of the document of sale, a lien on the Certificate of Title of the land to be issued in the name of the Homeowner's Association shall be annotated by the Register of Deeds having jurisdiction over the property, to the effect that the said property shall be used for socialized housing pursuant to RA No. 7279. (BIR Ruling No. 053-15 dated February 27, 2015)

However, the documentary stamp tax is not one of the taxes covered by the tax exemption clause in Sec. 32 of RA 7279. Accordingly, the landowners are liable to pay

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the documentary stamp tax on the document conveying the afore-stated property imposed under Section 196 of the Tax Code of 1997, based on the consideration contracted to be paid for such realty or its fair market value determined in accordance with Section 6 (E) of the said Code, whichever is higher.

It is, however, understood that this ruling 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 buyer without the necessary certificate of authority to register issued by this Bureau. In this regard, this ruling 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 RMO15-2003. (BIR Ruling No. 053-15 dated February 27, 2015)

Notwithstanding the foregoing, the Bureau of Internal Revenue shall conduct verification and post-audit that the actual occupants of the property transferred under the CMP are qualified beneficiaries and therefore, the sellers are entitled to exemption from capital gains tax or income tax imposed under the Tax Code of 1997.

This ruling is being issued on the basis of the foregoing facts as represented. However, if upon investigation, it will be ascertained that the facts are different, then this ruling shall be considered as null and void.

Very truly yours,

KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

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	Name of Beneficiary	Blk. No.	Lot No.	Total Area (sq.m.)
1	ABELLO, LUCELY F.	1	24	63.76
2	ARACO, EMMANUEL S.	1	16	63.76
3	AVIO, VICTOR A.	1	8	63.76
4	BATALLER, JANEDA B.	1	25	79.70
5	DELDA, MICHAEL A.	1	19	63.76
6	DIMAPILIS, ANGELITO A.	1	26	73.32
7	DIO, GINA O.	1	18	63.76
8	EROLES, MHEL T.	1	4	63.76
9	GALO, WILMA D.	1	20	63.76
10	LERADO, JACQUELINE A.	1	22	63.76
11	LIM, JOSE L.	1	3	63.76
12	MAGSIPOC, MELBA P.	1	1	73.32
13	MARIANO, Michael L.	1	10	63.76
14	PEDIMONTE ROGELIO R.	1	6	63.76
15	MIRANDA, JEN P.	1	9	63.76
16	PARADO, ERIC V.	1	23	63.76
17	RENEGADO, RAMIL M.	1	15	63.76
18	RODGRIGUEZ, DELIA F.	1	11	63.76
19	Saginsin , Severina R.	1	13	63.76
20	SANCHEZ, LOIDA D.	1	2	78.10
21	SUNGAHID, JISAMEN O.	1	12	63.76
22	TAGAPAN, TIRSO G.	1	7	63.76
23	TORIO, MARY JEAN P.	1	21	63.76
24	TRIMOR, MACARIA A.	1	17	63.76
25	TULIO, ELENA G.	1	5	63.76
26	VILLAMAYOR, JOSIE A.	1	14	63.76
27	ALINEA BYRON E.	2	11	63.76
28	ALINEA, VLADIMiR E.	2	9	63.76
29	ALVARADO, ELIBETH P.	2	5	63.76
30	BAIS, CHRISTSELDA A.	2	10	63.76
31	BALAGUER, RAMIL A.	2	7	63.76
32	BALDO, CRISTINA S.	2	24	63.76
33	BANASIHAN ,AGAPITO P.	2	16	63.76
34	BELLEZA WILMA N.	2	6	63.76
35	BELLEZA, HENRY N.	2	8	63.76
36	BOLAÑOS, GLORIA Z.	2	23	63.76
37	CAMPOLLO, ANGELINE C.	2	18	63.76

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38	CORONEL, SENADORA G.	2	20	63.76
39	DAÑO, ANITA L.	2	3	63.76
40	DEMONTAÑO, RUDY B.	2	22	63.76
41	FORROSUELO, MERCY D.	2	19	63.76
42	JEBONE, RONNIE L.	2	25	79.70
43	KALIGAYAHAN, RODRIGO M.	2	17	63.76
44	MACASAET REX DIEL	2	14	63.76
45	MARCELINO, AMELITA	2	2	66.95
46	MENDOZA, GUILLERMO T.	2	26	73.32
47	NAPALANG, ROBERT C.	2	4	63.76
48	Orillo, Merlinda y W.	2	21	63.76
49	OTERO, RICHARD DE LOS REYES	2	12	63.76
50	PABULAYAN, GERTRUDES S.	2	1	63.76
51	RECODIG, EMILY O.	2	13	63.76
52	RECOHERMOSO christopher	2	15	63.76
53	ALFORTE, REYNA MAY V.	3	11	63.76
54	BAGONGON, MA. DEBORAH V.	3	16	63.76
55	BANDALA, MILDRED G.	3	23	94.04
56	CABALTERA JOBERT I.	3	5	63.76
57	CATAPANGAN, RON RON J.	3	14	63.76
58	DE LOS SANTOS GEMMA B.	3	13	63.76
59	ESTRELLA, JENNET G.	3	9	63.76
60	FAJARDO, MELINDA B.	3	1	102.01
61	FORTUNA ,RONALD J.	3	12	63.76
62	GAJETO, JAQUELYN S.	3	15	63.76
63	GIBE, LEON O.	3	10	63.76
64	JARAMILLA, MARICEL DELA ROSA	3	17	63.76
65	MARQUEZ, AGAPITO MAGPUSAO	3	19	63.76
66	MILAGROSA, MARCIAL M.	3	4	63.76
67	OLMILLA, MARITES B.	3	18	63.76
68	OMERES, AMELITA O.	3	2	105.20
69	PALMERO, RENE M.	3	8	63.76
70	MARTOS, CRISTINA R.	3	7	63.76
71	RAMIREZ, LIZA T.	3	22	63.76
72	RAZON, GLORIA L.	3	21	63.76
73	RIVERA, GRECY L.	3	3	63.76
74	SALES, JOAN I.	3	6	63.76
75	TACSIAT, JOSILYN F.	3	20	63.76
76	ZOILO, MILMA G.	3	24	87.67
77	ANTONIO, JINKY ROSE DELOS REYES	4	12	63.76
78	ARAZO, MA.LEONILA T.	4	1	102.01
79	ARIENDA, WILMA L.	4	19	63.76
80	BALAGUER, JR. DONATO A.	4	16	63.76
81	DACIR, ERNESTO S. JR.	4	20	63.76

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82	DE MESA, JULIO P.	4	10	63.76
83	ASTORGA , BELMA T.	4	24	76.51
84	ENTRATA, JENNIFER D.	4	23	84.48
85	FELIX, JOSE RANDY D.	4	18	63.76
86	FERNANDEZ, ALBERT G.	4	15	63.76
87	GAPOY REY, G.	4	17	63.76
88	LOUIS, MELINDA E.	4	3	63.76
89	Manaquil , Lita C.	4	21	63.76
90	MARAVILLA, CARLITO jr. B.	4	7	63.76
91	MILLADO, SHEILLA E.	4	14	63.76
92	OCENAR, MICHELLE V.	4	4	63.76
93	RANGASA, JOSEPHINE P.	4	8	63.76
94	RIOLA, TERESA C.	4	5	63.76
95	TATEL, CRISTINA T.	4	2	105.20
96	TIMAJO, GENOVEVA F.	4	11	63.76
97	TIMAJO, LARRY T.	4	9	63.76
98	TIMAJO, MARGIE I.	4	13	63.76
99	VENERAYAN, LOURDES D.	4	22	63.76
100	ZALAMEDA, JOI ANNE B.	4	6	63.76
101	ALABATA, FLORENTINO I.	5	13	63.76
102	ALBARICO, NORMA H.	5	15	100.42
103	CASTRO , ARNEL F.	5	1	87.67
104	DAVO, ROSALINDA T.	5	9	63.76
105	EUSEBIO, MARY ROSE L.	5	11	63.76
106	GONZALES, MARIA MADONNA S.	5	14	63.76
107	GOROSPE, RICARTE Q.	5	10	63.76
108	LENOX, MARILYN G.	5	18	63.76
109	MACATABAS, PABLO JR. M.	5	17	63.76
110	MANALO, ARISTEO V.	5	4	63.76
111	MILA, MARISSA R.	5	5	63.76
112	MONTAJES, ANTONIO O.	5	16	63.76
113	MORALES, ROSALITA A.	5	19	78.10
114	OLAZO, MARISSA P.	5	3	63.76
115	PASCUA, MIRIAM G.	5	7	63.76
116	PASTOR, ROSEBEL A.	5	6	63.76
117	RAMIREZ, BRIGETTE T.	5	2	63.76
118	RESURRECCION, DONNA LYN L.	5	12	63.76
119	YUNTING, JANNY S.	5	8	63.76
120	ANTARAN, DELIA M.	6	2	76.51
121	BAUTISTA, JOSELITO T.	6	18	63.76
122	FIDELI,LESLIE DELOS REYES	6	19	63.76
123	GALICIA, NOEL B.	6	20	63.76
124	JATICO, GEMMA L.	6	5	63.76
125	MERCADO, GRACE C.	6	6	63.76

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126	NAVALES, JUAN A.	6	4	63.76
127	NERI, LYNLY U.	6	3	63.76
128	NERY, JOEL P.	6	17	63.76
129	NOCHE , MA.LUISA J.	6	16	63.76
130	PASCUAL. JOHNNY S.	6	9	63.76
131	PERALES, GLORIA O.	6	11	63.76
132	RAMOS, EMMANUEL P.	6	14	63.76
133	RANCES, BELINDA u.	6	13	63.76
134	RANCES, JENIFER R.	6	15	63.76
135	TANDANG, ARLYN D.	6	21	63.76
136	TAPIRE, ELMER N.	6	10	63.76
137	TAWAY, JULIUS F.	6	8	63.76
138	TOLEDO, ALVIN T.	6	24	84.48
139	TORRES, MARVIN R.	6	23	82.89
140	VILLAFRANCA, EDMOND S.	6	1	79.70
141	VILLARTA, JEROSE T.	6	22	63.76
142	YAMSON, ARLENE R.	6	12	63.76
143	YUNTING, JESON S.	6	7	63.76
144	AJERO, JOSEFINA L.	7	17	63.76
145	AJERO, RIZA O.	7	11	63.76
146	ASILO, JAIME N.	7	2	79.70
147	AZOTEA, ANGELES L.	7	23	79.70
148	BARORO, MARICEL V.	7	9	63.76
149	BARRAMEDA, ANA LIZA B.	7	21	63.76
150	BARRAMEDA, EMMA B.	7	19	63.76
151	Batitis, Irza Krister G.	7	16	63.76
152	CAINTIC, NOEL A.	7	10	63.76
153	CANGAO, SHELDON B.	7	6	63.76
154	CAPAYA, CRISPIN B.	7	12	63.76
155	CATENA, HASMIN A.	7	13	63.76
156	DE MESA, OFELIA P.	7	7	63.76
157	DEGORIO EMILY M.	7	14	63.76
158	DONILLA, MOLINA G.	7	3	63.76
159	DOMINGO, ERIC P.	7	15	63.76
160	FAJARDO, CARMELITA S.	7	18	63.76
161	JACLA, RUBEN G.	7	4	63.76
162	MACASINAG , NOE S.	7	1	81.29
163	MAGAS, ARMAN P.	7	8	63.76
164	MICOSA JR. DORICO L.	7	24	81.29
165	Sabedoria, Joselito I.	7	20	63.76
166	TAWAY, JOYCE f.	7	5	63.76
167	YAP, JHUNE MARK V.	7	22	63.76
168	AJERO, EMELYN A.	8	16	63.76
169	AJERO, LORNA L.	8	14	63.76

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170	AVILA, ALEXANDER V.	8	3	63.76
171	AYES, NOEL C.	8	4	63.76
172	BOLAÑOS, FELICIDAD B.	8	23	79.70
173	BRIONES, BRIZEL ERIKA LHANE C.	8	7	63.76
174	DELA TORRE ANASTACIIA DELA CRUZ	8	18	63.76
175	ENCINAS,LEOMAR E.	8	6	63.76
176	FILIO, MARICON M.	8	21	63.76
177	GALANO, ADELITA A.	8	13	63.76
178	GIBAS, MA. LUISA S.	8	10	63.76
179	GRACILLA, PERCIVAL M.	8	19	63.76
180	GULAY, BENITO A.	8	22	63.76
181	GULAY, JOSELITO	8	20	63.76
182	GUMAYAO, MERIAM D.	8	24	81.29
183	LALAP, DONNA C.	8	12	63.76
184	LALONGISIP, ROBERTO A.	8	11	63.76
185	DE MESA, NOVA P.	8	15	63.76
186	MADAMBA, ROMEL B.	8	2	79.70
187	PLATINO, LILIBETH M.	8	5	63.76
188	SANGYON, MELITA D.	8	1	81.29
189	SORIANO, NERISSA F.	8	8	63.76
190	YADAO, ROGELIO V.	8	9	63.76
191	ZOILO, LORNA R.	8	17	63.76
192	ALVAREZ, ROLANDO D.	9	10	63.76
193	ANTONIO, CRISPIN A.	9	14	63.76
194	BOLAÑOS, JOHNSON B.	9	3	63.76
195	CERVANTES, GRACELYN B.	9	5	63.76
196	DELOS SANTOS, RENZ ALLAIN P.	9	6	63.76
197	ESCOSURA, MARY ANN Q.	9	4	63.76
198	GRIPON, SALVADOR M.	9	1	73.32
199	JOSE, AMIEL ALBERT S.	9	9	63.76
200	MAGAS, REYNALDO P.	9	2	63.76
201	NESPEROS CLIFORD	9	8	63.76
202	NIVAL, ALVIN V.	9	7	63.76
203	ODO, ROGER E.	9	15	76.51
204	ODOÑO, EMMA O.	9	11	63.76
205	OROLFO, MARY CHRIST B.	9	12	63.76
206	TEAÑO, PIO JR. T.	9	13	63.76
207	AGUILA, CRISTINA F.	10	5	63.76
208	ALVAREZ, LEAH JOY D.	10	26	63.76
209	AVERION, ARISTEO P.	10	3	63.76
210	AVERION, ARVIN P.	10	2	63.76
211	BELMONTE, ANDREW N.	10	8	63.76
212	Catelo, Remiel Eroles	10	18	63.76
213	DACIR, EUGENIO S.	10	24	63.76

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214	DEGORIO, JUNARD M.	10	7	63.76
215	Empillo, Elenita Lagahit	10	31	63.76
216	GASULAS, MA. CRISTINA N.	10	15	63.76
217	LAYOSA, CARMEN D.	10	9	63.76
218	LINABAN, LARRY G.	10	33	63.76
219	MACASINAG,DANTE M.	10	17	63.76
220	MARCOS, M.ARISSA C.	10	13	63.76
221	MASUNGSONG, PAULO L.	10	11	63.76
222	MUIT, EMIRLENA O.	10	23	63.76
223	MUIT,CHARLENE G.	10	22	63.76
224	Navarez, Rafael V.	10	4	63.76
225	OUANO, MARIO F.	10	25	63.76
226	PADILLA, MELCHOR DE RAMA	10	21	63.76
227	Palusa, Richard R.	10	14	63.76
228	PILLA, ERIC L.	10	10	63.76
229	PORTEA, SEVERINO L.	10	20	63.76
230	Rombano, Rogelio Alvarez	10	12	63.76
231	RENEVO, CRISTOPHER T.	10	6	63.76
232	RENTOSA, VICENTE B.	10	30	63.76
233	RESURIAGA, HILARIO A.	10	27	63.76
234	RESURIAGA, SALVACION A.	10	34	63.76
235	RIOVEROS, DENNIS R.	10	19	63.76
236	RODRIGUEZ, JOHN PAUL A.	10	16	63.76
237	RUIZ, MICHELLE DE CLARO	10	29	63.76
238	SALON, ERNESTO M.	10	1	68.54
239	SAPIN, LUZVIMINDA G.	10	28	63.76
240	TANGSON, PERCIVAL L.	10	32	63.76
241	VALDEZ, MARICRIS K.	10	35	68.54

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