November 22, 2018

CERTIFICATE OF TAX EXEMPTION NO. 1408-18

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN :

This certifies that **SR. STO NIÑO DE CEBU RESOURCES & DEVELOPMENT CORPORATION** (TIN: 000-000-000-000) is exempt from income tax, creditable withholding tax (CWT) and value-added tax (VAT) 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, and Section 109 (1) (P) of the 1997 Tax Code, as amended, on its income received directly in connection with its sale of socialized housing lots to qualified beneficiaries in **Canyon Valley**, consisting of **130** lots, located at Bulac, Sta. Maria, Bulacan, a project duly registered with the Housing and Land Use Regulatory Board (HLURB) under Certificate of Registration No. 27196 and License to Sell No. 030859, provided that the selling price thereof shall not exceed P180,000.00 per lot.

Nonetheless, it is observed that documentary stamp tax (DST) is not one of the taxes covered by the tax exemption clause in Section 20 of RA No. 7279. Such being the case, the owner/project developer/seller shall be liable to pay the documentary stamp tax on the documents conveying the properties imposed under Section 196 of the Tax Code of 1997, as amended, based on the consideration contracted to be paid for such realties or on their fair market value determined in accordance with Section 6 (E) of the same Code, whichever is higher.

The grant of tax exemption herein is subject to the compliance with the provisions of applicable BIR rules and regulations and the Terms and Conditions stated at the back hereof. The Company is liable, however, for all other applicable taxes not discussed above.

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 22nd day of November, 2018.

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(SGD.) CAESAR R. DULAY
Commissioner of Internal Revenue

ATTACHMENT

TERMS AND CONDITIONS
OF THE CERTIFICATE OF TAX EXEMPTION

1. The exemption from income, creditable withholding taxes and VAT covers only income directly attributable to the revenues generated from the **130** [1] socialized lots in **Canyon Valley**, located at Bulac, Sta. Maria, Bulacan.

2. The developer shall submit the sworn statement of the buyer that he is eligible as a socialized housing beneficiary under Section 5 (A) of Revenue Regulations (RR) No. 11-97 to the BIR during the processing of the Certificate Authorizing Registration (CAR) for the transfer of the title of the socialized housing unit.

3. It is understood that the Certificate Authorizing Registration (CAR) shall only be issued after it is established upon proper verification by the Revenue District Officer (RDO) concerned that, considering the rules on valuation of real property, the actual selling price per sale transaction of the socialized lot in this case does not really exceed P180,000.00.

4. 91 lots are credited to Canyon Valley (PD 957) in compliance with Sec. 18 of RA No. 7279 covering Block 1 lots 48-66; Block 2 lots 33-34; Block 11 lots 1-23; Block 12 lots 1-37 & Block 13 lots 1-2.

Footnotes

1. The maximum selling price is pegged at 180,000.00 per lot based on HLURB License to Sell No. 030859.

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