November 22, 2018

CERTIFICATE OF TAX EXEMPTION NO. 1409-18

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN :

This certifies that **A5R DYNAMICS CONSTRUCTION CORP.** (TIN: 000-000-000-000), 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) and (3) of Republic Act No. 7279, on its income received directly in connection with the construction/development of socialized housing units under the National Housing Authority (NHA)'s Yolanda Permanent Housing Program, to wit:

Project Name	Location	No. of Socialized Housing Units Subject of Tax Exemption	Date of Notice of Award	Contract Price
St. Vincent Ferrer Homes 1	Site 1, Brgy. Banban, Bogo City, Cebu	750 units (house and lot packages)	July 17, 2017	P_____

However, the purchases of goods/articles by **A5R DYNAMICS CONSTRUCTION CORP.** 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 **A5R DYNAMICS CONSTRUCTION CORP.** must issue VAT-exempt official receipts on its gross receipts from the said socialized housing project.

Moreover, the Deed of Absolute Sale executed by the Landowners in favor of the NHA over the parcel of land described below, to wit:

Date of Deed of Sale	Name of Landowner/Seller	Transfer Certificate of Title (TCT)	Area (Sq. m.)	Area Transferred	Location
June 11,	AAA, BBB and CCC	T-130550 [2]	62,850	58,385	Brgy. Banban,

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2018	[1]				Bogo City, Cebu

which shall be used for the above-mentioned socialized housing project, is not subject to capital gains tax and documentary stamp tax pursuant to Sections 19 and 20 of Republic Act (RA) No. 7279.

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 Authorizing Registration (CAR) 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 CAR.

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.

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

Footnotes

1. Represented by Spouses DDD and EEE by virtue of a Special Power of Attorney which was annotated on the Title as Entry No. 2017000059 dated February 20, 2017.
2. As noted in the Title, it is now TCT No. 2016002902, the same having been transferred from Cebu, Cebu.

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