November 22, 2018

CERTIFICATE OF TAX EXEMPTION NO. 1410-18

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN :

This certifies that **EDLY CONSTRUCTION** with Taxpayers Identification Number (TIN) 000-000-000-000, a private entity engaged by the National Housing Authority (NHA), is exempt from project-related income taxes, creditable withholding tax, and value added tax (VAT), pursuant to Section 20 (d) (1) and (3) 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 socialized housing units under the NHA's Yolanda Permanent Housing Program, to wit:

Date of Notice of Award	**Date of Contract Agreement**	**Contract Price**	**Project Name**	**Location**	**No. of Socialized Housing Units subject of tax exemption**
July 17, 2017	November 06, 2018	P_____	Sapi-an Ville 2	Brgy. Bilao, Sapian, Capiz	294 units

However, the purchases of goods/articles by **EDLY CONSTRUCTION** 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 **EDLY CONSTRUCTION** 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 Landowner in favor of the NHA over the parcel of land described below, to wit:

Date of the Deed of Absolute Sale	**Name of Landowner**	**Transfer Certificate of Title (TCT) No.**	**Area (Sq. m.)**	**Area Transferred (Sq.m.)**	**Location**

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Oct. 10, 2017	AAA	CARP2017000051 [1]	32,141	32,141	Brgy. Bilao, Sapian, Capiz

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

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 (RD) 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 CTE 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. Already in the name of the NHA under TCT No. 089-2017002132.

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