**December 19, 2018**

# CERTIFICATE OF TAX EXEMPTION NO. 1434-18

## CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN :

This certifies that **LIBERTY LAND CORPORATION** with Taxpayers Identification Number (TIN) 000-000-000-000, is exempt from income tax and creditable withholding tax on its income received directly in connection with its economic and low-cost housing project, **Summerville-Palalan,** [1] **Lumbia, Cagayan De Oro City**, consisting of **280** units located at Palalan, Lumbia, Cagayan De Oro City, a project duly registered with the Board of Investments (BOI) under Registration No. 2017-156 dated June 13, 2017, for a period of **3** years beginning from **June 2017** or actual start of commercial operations/selling, whichever is earlier, but in no case earlier than the date of registration of the project with the BOI, pursuant to Executive Order No. 226, otherwise known as the "Omnibus Investments Code of 1987" and Section 2.57.5 (B) (2) of Revenue Regulations (RR) No. 2-98, as amended.

Moreover, the sale by the Company of residential lot valued at P1,919,500.00 and below, or house and lot and other residential dwellings valued at P3,199,200.00 and below, is VAT-exempt under Section 109 (1) (P) of the National Internal Revenue Code of 1997, as amended. Provided, however, that beginning January 01, 2021, the VAT exemption shall only apply to sale of house and lot and other residential dwellings [2] with selling price of not more than Two Million Pesos (Php2,000,000.00).

However, the sale of units in excess of **280** residential units (per HLURB License to Sell No. 031724, the excess is 1 unit) shall be subject to the payment of appropriate taxes under the National Internal Revenue Code of 1997, as amended.

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

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that the facts are different, then this Certificate shall be considered null and void.

Issued this 19th day of December, 2018.

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

## Footnotes

1. Per Certifications of the City Planning and Development Office of Cagayan De Oro City and the HLURB dated August 22, 2018 and August 14, 2018 respectively, Palalan is a sitio at Barangay Lumbia, Cagayan De Oro City.
2. Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to Republic Act (RA) No. 10963.

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