February 6, 2019

CERTIFICATE OF TAX EXEMPTION NO. 145-19

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN :

This certifies that the Deed of Absolute Sale (DOAS) executed by and between the **Landowners** and the **National Housing Authority (NHA)** over the parcel of land described below, to wit:

Date	Name of Landowners	Original Certificate of Title (OCT) No.	Area (Sq. m.)	Area Transferred (Sq. m.)	Location
Oct. 08, 2018	Heirs of AAA, [1] namely: 1. BBB; 2. CCC; 3. DDD; 4. EEE.	129	228,300	61,320	Brgy. Kampinganon, Bantayan, Cebu

which shall be used for the socialized housing project of the NHA known as **Villa Mercedes 1** under its Yolanda Permanent Housing Program, consisting of 750 units, located at Site 1, Brgy. Kampinganon, Bantayan, Bantayan Island, Cebu, are **not subject** [2] to **capital gains tax (CGT)/creditable withholding tax (CWT) and documentary stamp tax (DST)** pursuant to Sections 19 and 20 of Republic Act (RA) No. 7279, as amended by RA No. 10884 (Balanced Housing Development Program Amendments) dated July 17, 2016. Moreover, **BSP & Company, Inc.**, (TIN: 000-000-000-000), the entity engaged [3] by the NHA for the procurement of fully developed lots and completed housing units at **Villa Mercedes 1** consisting of 750 units, is likewise **exempt** from **project-related income taxes, CWT, and value added tax (VAT)** [4] on its income received directly in connection with the said socialized housing project, pursuant to Section 20 (d) (1) and (3) of RA No. 7279, as amended.

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

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(RD) to effect transfer of the land titles in the name of the NHA without the necessary Certificate Authorizing Registration (CAR) issued by this Bureau. In this regard, this CTE, together with the documentary requirements provided under Revenue Memorandum Order (RMO) No. 15-2003, shall be presented to the Revenue District Office (RDO) concerned in order for the latter to issue the CAR.

Upon application for exemption, a lien on the titles of the lands shall be annotated by the concerned RD having jurisdiction over the properties, to the effect that the same are to be applied or are being applied to a socialized housing project pursuant to RA No. 7279, as amended.

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 6th day of February, 2019.

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

Footnotes

1. Sole heir of FFF and GGG.
2. The herein tax exemption does not cover estate tax due, if any, on the transfer of the property from the deceased landowners (Spouses FFF and GGG) to AAA, and the transfer from AAA to his respective heirs.
3. Contract for the Procurement of Fully Developed Lots and Completed Housing Units dated April 30, 2018.
4. BSP & Company, Inc. is exempt from VAT pursuant to Section 20 (d) (3) of RA No. 7279, as amended, since the project was awarded on December 07, 2017 or prior to the effectivity of RA No. 10963 (TRAIN Law).

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