February 6, 2020

CERTIFICATE OF TAX EXEMPTION NO. NSH-146-20

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN :

This certifies that **FLORIDABLANCA CONSTRUCTION AND DEVELOPMENT CORPORATION** 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), [1] 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 house and lot packages under the National Housing Authority (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**
August 11, 2017	April 11, 2018	P_____	St. Francis Park Homes 1	Brgy. Kangwayan, Madridejos Site 1, Bantayan Island, Cebu	750 housing units
July 28, 2017	April 11, 2018	P_____	St. Francis Park Homes 3	Brgy. Kangwayan, Madridejos Site 3, Bantayan Island, Cebu	750 housing units
July 28, 2017	April 11, 2018	P_____	St. Francis Park Homes 4	Brgy. Kangwayan, Madridejos Site 4, Bantayan Island, Cebu	750 housing units

However, the purchases of goods/articles by **FLORIDABLANCA CONSTRUCTION AND DEVELOPMENT CORPORATION** shall be subject to VAT, even if the said purchases are to be used for the said socialized housing projects, since VAT

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is an indirect tax which can be passed on by the seller of the goods/services. It shall be understood that **FLORIDABLANCA CONSTRUCTION AND DEVELOPMENT CORPORATION** must issue VAT-exempt official receipts on its gross receipts from the said socialized housing projects.

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	Name of Landowners	Transfer Certificate of Title (TCT)	Area (Sq. m.)	Area Transferred (Sq. m.)	Location
June 07, 2019	1. AAA, married to BBB 2. CCC 3. DDD 4. EEE	102-2019000339	102,665	102,665	Brgy. Kangwayan, Madridejos, Cebu

which shall be used for the above-mentioned socialized housing projects, is not subject to capital gains tax (CGT) and documentary stamp tax (DST) pursuant to Sections 19 and 20 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 (RD) to effect transfer of the land title in the name of the NHA 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 6th day of February, 2020.

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

Footnotes

1. Floridablanca Construction and Development Corporation is exempt from VAT pursuant to Section 20 (d) (3) of RA No. 7279, as amended, since the projects were awarded prior to the effectivity of RA No. 10963 (TRAIN Law).

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