February 22, 2019

CERTIFICATE OF TAX EXEMPTION NO. 189-19

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN :

This certifies that **GLS CONSTRUCTION AND GENERAL MERCHANDISE** 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 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**
Sept. 19, 2017	Dec. 04, 2017 [1] Dec. 18, 2017 [2]	P_____	Lantawan Homes	Brgy. Antipolo, Tuburan (Mainland), Cebu	170 units

However, the purchases of goods/articles by **GLS CONSTRUCTION AND GENERAL MERCHANDISE** 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 **GLS CONSTRUCTION AND GENERAL MERCHANDISE** must issue VAT-exempt official receipts on its gross receipts from the said socialized housing project.

Moreover, the following Deeds executed by the Landowner in favor of the NHA over the parcels of land described below, to wit:

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Deeds	Date	Name of Landowner	Original Certificate of Title (OCT) No.	Area (Sq. m.)	Area Transferred (Sq. m.)	Location
Absolute Deed of Sale	Dec. 01, 2017 [3] Apr. 11, 2018 [4]	AAA	OP-59676	13,881	13,881	Barrio of Antipolo, Municipality of Tuburan, Province of Cebu
Affidavit of Self-Adjudication with Deed of Absolute Sale [5]	Dec. 01, 2017 [6] May 15, 2018 [7]	AAA	OP-58664	4,002	2,188.06	Antipolo, Tuburan, Cebu

which shall be used for the above-mentioned socialized housing project, are 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 February, 2019.

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

Footnotes

1. Date Acknowledged by the NHA.
2. Date acknowledged by GLS CONSTRUCTION AND GENERAL MERCHANDISE.
3 Date acknowledged by AAA.
4. Date Acknowledged by the NHA.

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5. The tax exemption does not cover estate tax due, if any, on the transfer of the share of BBB on the conjugal real property to AAA, the surviving spouse and only heir.
6. Date acknowledged by AAA.
7. Date Acknowledged by the NHA.

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