April 4, 2019

CERTIFICATE OF TAX EXEMPTION NO. 234-19

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN :

This certifies that the conveyance of a parcel of land [1] by way of Deed of Exchange dated March 8, 2006 by the **ROMAN CATHOLIC CHURCH OF CACERES** in favor of the **CITY GOVERNMENT OF NAGA**, which shall be utilized for the latter's socialized housing project, is exempt from capital gains tax pursuant to Section 20 (d) (2) of Republic Act No. 7279, otherwise known as the Urban Development and Housing Act of 1992.

Moreover, the transfer by the **CITY GOVERNMENT OF NAGA** of the parcel of land [2] in exchange for the above lot is not subject to capital gains tax or creditable withholding tax, the transfer being in the exercise of its essential governmental function to provide housing for its residents, in accordance with Section 32 (B) (7) (b) of the 1997 Tax Code, as amended.

The exchange of the two (2) lots, however, is subject to the documentary stamp tax imposed under Section 196 of the Tax Code of 1997, as amended, based on the real properties' fair market value determined in accordance with Section 6 (E) of the same Code, whichever is higher. A lien on the Transfer Certificate of Title (TCT) No. 48245 shall be annotated by the Register of Deeds having jurisdiction over the property, to the effect that the same is to be applied or is being applied to a socialized housing project pursuant to RA 7279.

It is 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 to effect transfer of the land titles in the name of the parties 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 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

Copyright 2020 CD Technologies Asia, Inc.

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

Issued this 4th day of April, 2019.

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

Footnotes

1. Covered by TCT No. 48245 (previously, TCT No. 26300), with an area of 9,986 located at San Felipe, Naga City.
2. Lot 1-B-1-A-1 covered by TCT No. 086-2014000603, with an area of 8,921 square meters, located at Brgy. Balatas, Naga City.

Copyright 2020 CD Technologies Asia, Inc.