April 12, 2019

CERTIFICATE OF TAX EXEMPTION NO. 246-19

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN :

This certifies that **GLS CONSTRUCTION AND GENERAL MERCHANDISE** (TIN: 000-000-000-000), an 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 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 NHA's Yolanda Permanent Housing Program, to wit:

Date of Notice of Award	**Date of Contract Agreement**	**Contract Price (Php)**	**Project Name**	**Location**	**No. of Socialized Housing Units subject of tax exemption**
September 19, 2017	Dec. 04, 2017 [1] Dec. 18, 2017 [2]	P_____	Seawoods Residences	Brgy. Camoboan, Tabogon, Cebu	184

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 Deed of Absolute Sale executed by the Landowner in favor of the NHA over the parcel of land described below, to wit:

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Date of Deed of Absolute Sale	Name of Landowner/Seller	Original/Transfer Certificate of Title No.	Area (Sq. m.)	Area Transferred (Sq. m.)	Location
April 12, 2018	AAA, BBB and CCC	OP-42963	23,407	16,374.36	Brgy. Camoboan, Tabogon, Cebu

which shall be used for the above-mentioned socialized housing project, is not subject to capital gains tax and documentary stamp tax under Sections 19 and 20 of Republic Act (RA) No. 7279.

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

Issued this 12th day of April, 2019.

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

Footnotes

1. Date acknowledged by National Housing Authority.
2. Date acknowledged by GLS Construction and General Merchandise.

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