June 13, 2018

CERTIFICATE OF TAX EXEMPTION NO. 997-18

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN :

This certifies that **A5R DYNAMICS CONSTRUCTION CORP.** (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, 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:

Project Name	**Location**	**No. of Socialized Housing Units Subject of Tax Exemption**	**Date of Notice of Award**	**Date of Contract**	**Contract Price**
Brooksville 1	Brgy. Punta Salong, Manapla Site 1, Negros Occidental	500 (house and lot packages)	June 15, 2017	November 28, 2017 [1] November 29, 2017 [2]	P_____
Brooksville 2	Brgy. Punta Salong, Manapla Site 2, Negros Occidental	464 (house and lot packages)	June 15, 2017	November 28, 2017 [3] November 29, 2017 [4]	P_____

However, the purchases of goods/articles by **A5R DYNAMICS CONSTRUCTION CORP.** shall be subject to VAT, even if the said purchases are to be used for the socialized housing projects, since VAT is an indirect tax which can be passed on by the seller of the goods/services. It shall be understood that **A5R DYNAMICS CONSTRUCTION CORP.** must issue VAT-exempt official receipts on its gross receipts from the said socialized housing projects.

Moreover, the Deeds of Absolute Sale executed by the Landowners in favor of the NHA over the parcels of land described below, to wit:

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Date of Deed of Sale	Name of Landowner/Seller	Transfer Certificate of Title (TCT)	Area (Sq. m.)	Area Transferred	Location
November 27, 2017	AAA	091-2016008790	43,724	43,724	_____
November 27, 2017	BBB	091-2016008791	43,723	43,723	_____

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

It is, however, understood that this 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 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 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 13th day of June, 2018.

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

Footnotes

1. Date of Acknowledgement for A5R Dynamics Construction Corp.
2. Date of Acknowledgement for the NHA.
3. Date of Acknowledgement for A5R Dynamics Construction Corp.
4. Date of Acknowledgement for the NHA.

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