REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Quezon City

May 14, 2009

REVENUE MEMORANDUM CIRCULAR NO. 30 - 2009

Subject : Circularizing Relevant Portions of HUDCC Resolution No. 1, Series of 2008, Approving the Adjustment of the Price Ceiling for Socialized Housing.

To : All Internal Revenue Officers and Others Concerned.

For the information and guidance of all internal revenue officials and employees, quoted hereunder are the relevant portions of the HUDCC Resolution No. 1, Series of 2008 promulgated on December 11, 2008 approving the adjustment of price ceiling for socialized housing :

"**HUDCC RESOLUTION NO. 1**
"Series of 2008

"**APPROVING THE ADJUSTMENT OF SOCIALIZED LOAN CEILING**

"

"WHEREAS, xxx xxx xxx

"**WHEREAS,** Section 15 of Republic Act 8763 (S.2000) or the Home Guaranty Act of 2000 states that the respective ceilings for socialized and low-cost housing shall be jointly determined by HUDCC and NEDA; provided that at any time, but not more than once every two (2) years, such ceilings may be reviewed or revised to conform with prevailing conditions;

"**WHEREAS,** the HUDCC approved and endorsed the last price ceiling adjustment for socialized housing on June 10, 2005 through Memorandum Circular No. 3, series of 2005, increasing the socialized housing package from P225,000 to P300,000. Subsequent Memorandum Circular Nos. 4 and 5, series of 2007, merely redefined the socialized and low-cost housing loan ceilings;

"**WHEREAS,** pursuant to HUDCC Memorandum Circular No. 5 dated 15 August 2007, the socialized and low cost housing definition refers to a housing package worth at most Php 300,000 and Php3,000,000, respectively;

"**WHEREAS,** in view of the increasing prices of construction materials, the different real estate associations submitted a request for the adjustment of socialized housing loan ceiling from P300,000 to P400,000 xxx xxx xxx

"**WHEREAS,** based on the joint review and evaluation of the proposed adjustment, both NEDA and HUDCC agreed that the price ceiling for socialized housing be adjusted to P400,000 xxx xxx xxx

"THEREFORE BE IT RESOLVED, AS IT IS HEREBY RESOLVED that the adjustment of the Low Cost Level 1-A socialized housing loan ceiling from P300,000 to P400,000 be APPROVED, as the same is hereby APPROVED.

" Xxx xxx xxx

"**APPROVED** this 11th day of December 2008, Makati City

" xxx xxx xxx

The newly adjusted price ceiling of P400,000 for socialized housing shall apply to sale of real properties utilized for socialized housing, as defined under RA No. 7279 otherwise known as "Urban Development and Housing Act", and other related laws such as RA No. 7835 otherwise known as the "Comprehensive and Integrated Shelter Financing Act of 1994" and RA No. 8763 otherwise known as the "Home Guaranty Act of 2000", beginning January 1, 2009.

All revenue issuances with provisions specifically mentioning the old price ceiling of socialized housing units such as Revenue Regulations No. (RR) 2-98, as amended by RR 17-2001 and RR 16-2005, are hereby amended or modified accordingly.

All internal revenue officers are hereby enjoined to give this Circular as wide a publicity as possible.

(Original Signed)
SIXTO S. ESQUIVIAS IV
Commissioner of Internal Revenue