REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

May 8, 2014

REVENUE MEMORANDUM CIRCULAR NO. 35-2014

SUBJECT : Circularizing Relevant Portions of Housing and Urban Development Coordinating Council (HUDCC) Resolution No. 1, Series of 2013, 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 2013 promulgated on October 16, 2013 approving the adjustment of price ceiling for socialized housing:

"HUDCC RESOLUTION NO. 1
Series of 2013

"SOCIALIZED HOUSING PRICE CEILING ADJUSTMENT

"xxx xxx xxx

"WHEREAS, Section 15 (b) of Republic Act 8763, known as the Home Guaranty Act of 2000, states that the respective ceilings for socialized, low-cost, medium-cost, and open housing shall be jointly determined by the Housing and Urban Development Coordinating Council (HUDCC) and National Economic and Development Authority (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;

"xxx xxx xxx

"WHEREAS, in view of the prevailing price of raw land, horizontal development and government figures on residential construction, the private sector proposed to adjust the socialized housing price ceiling from P400,000 to P450,000, representing an increase of 12.5%;

"xxx xxx xxx

"WHEREAS, based on the evaluation of the proposed adjustment, both HUDCC and NEDA recommended the adjustment in the price ceiling of socialized housing;

"THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the price ceiling for horizontal socialized housing be adjusted P400,000.00 to P450,000.00.

"BE IT RESOLVED FURTHER, that this adjustment shall be effective fifteen days after publication of this resolution in a newspaper of general circulation.

"APPROVED this 16th day of October 2013, at Pasay City, Philippines.

"xxx xxx xxx"

Beginning December 18, 2013[1], the newly adjusted price ceiling of P450,000.00 for horizontal socialized housing shall apply to sale of real properties utilized for socialized housing, as defined under R.A. No. 7279 otherwise known as "Urban Development and Housing Act", and other related laws such as R.A. No. 7835 otherwise known as the "Comprehensive and Integrated Shelter Financing Act of 1994" and R.A. No. 8763 otherwise known as the "Home Guaranty Act of 2000".

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 concerned are hereby enjoined to be guided accordingly and give this circular as wide a publicity as possible.

(Original Signed)
KIM S. JACINTO-HENARES
Commissioner of Internal Revenue

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[1] HUDCC RESOLUTION No. 1 Series of 2013 took effect on December 18, 2013 after having satisfied the publication requirement as circularized by HUDCC Memorandum Circular No. 01 Series of 2014