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

Certificate of Tax Exemption No:
359-2018

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **PALM BEACH REALTY AND DEVELOPMENT CORPORATION,** with Tax Identification Number , is exempt from income tax, creditable withholding tax (CWT) and value-added tax (VAT) pursuant to Section 20 of Republic Act (RA) No. 7279 and Section 109(1)(P) of the Tax Code of 1997, as amended, on its income received directly in connection with its sale of socialized housing units in **Pueblo de Laiya**, consisting of **46** lots and units, located at Brgy. Laiya, San Juan, Batangas, a project duly registered with the Housing and Land Use Regulatory Board (HLURB) under Certificate of Registration No. and License to Sell No. , provided that the selling price per house and lot does not exceed P450,000.00[2].

Nonetheless, it is observed that documentary stamp tax (DST) is not one of the taxes covered by the tax exemption clause in Section 20 of RA No. 7279. Such being the case, the owner/project developer/seller shall be liable to pay the documentary stamp tax imposed under Section 196 of the Tax Code of 1997, as amended, on the documents conveying the properties, based on the consideration contracted to be paid for such realties or on their fair market value determined in accordance with Section 6 (E) of the same Code, whichever is higher. Sale of economic housing units, not being covered by RA No. 7279, shall be subject to the payment of appropriate taxes.

The grant of tax exemption herein is subject to the compliance with the provisions of applicable BIR rules and regulations and the Terms and Conditions stated at the back hereof. The Company is liable, however, for all other applicable taxes not discussed above.

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 _____ day of MAR 08 2018.

CAESAR R. DULAY
Commissioner of Internal Revenue
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[1] Amends License to Sell No. dated February 18, 2015
[2] Per License to Sell No. , the maximum selling price per house and lot is pegged at P450,000.00