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

Certificate of Tax Exemption No:
655-2017

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **BORLAND 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 on its income received directly in connection with its sale of socialized housing units to qualified beneficiaries in **Margaret Homes Batch A & B**, consisting of **895** units, located at Brgy. San Vicente, Sta. Maria, Bulacan, a project duly registered with the Housing and Land Use Regulatory Board (HLURB) under Certificate of Registration No. and License to Sell Nos. (Batch A – 478 Lots/Units) and (Batch B – 417 Lots/Units), provided that the ceiling price per house and lot package does not exceed P450,000.00 for house and lot and P180,000.00 for lots only.

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 on the documents conveying the properties imposed under Section 196 of the Tax Code of 1997, as amended, 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. Likewise, lots/units classified as Economic Housing, not being covered by R.A. 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 DEC 19 2017 ______.

CAESAR R. DULAY
Commissioner of Internal Revenue

K-I-JAC

011935

CTE No. 655-2017
Date issued 12-19-2017

TERMS AND CONDITIONS
OF THE CERTIFICATE OF TAX EXEMPTION

1. The exemption from income, creditable withholding taxes and VAT covers only income directly attributable to the revenues generated from the **895**[1] socialized housing units in **Margaret Homes Batch A & B**, located at **Brgy. San Vicente, Sta Maria, Bulacan**.

2. The developer shall submit the sworn statement of the buyer that he is eligible as a socialized housing beneficiary under Section 5 (A) of Revenue Regulations (RR) No. 11-97 to the BIR during the processing of the Certificate Authorizing Registration (CAR) for the transfer of the title of the socialized housing unit.

3. It is understood that the Certificate Authorizing Registration (CAR) shall only be issued after it is established upon proper verification by the Revenue District Officer (RDO) concerned that, considering the rules on valuation of real property, the actual selling price per sale transaction of the socialized house and lot packages in this case does not really exceed ₱450,000.00 and ₱180,000.00 for lot only.

4. List of Socialized Housing Units which are credited to its Main Project, **Margaret Homes Batch A & B,** located at **Brgy. San Vicente, Sta. Maria, Bulacan,** per HLURB License to Sell Nos. 032566 (Batch A – 478 Lots/Units) and 031887 (Batch B – 149 Lots/Units), granted by the HLURB, Region III, San Fernando City, Pampanga to wit:

Margaret Homes Batch A		
Block No.	**Lot Nos.**	**No. of Lots**
9	23-28	6
10	2-9, 12-19	16
11	3-19, 24-41	35
12	3-19, 24-47	41
13	44-59, 64-85	38
14	55-81	27
15	51-76	26
16	29-48, 53-72	40
17	3-19, 24-43, 48-69	59
18	3-20, 25-40, 45-65	55
19	2, 3, 4, 7	4
23	3-19, 24-39, 44-54, 56	45
24	3-19, 24-35, 40-51, 55	42
25	3-14, 19-24	18
26	2-13, 16-18, 21-26, 29-33	26
	Total	**478**

[1] The maximum selling price is pegged at 450,000.00 based on HLURB License to Sell Nos and

CTE No. 655-2017
Date issued 12-19-2017

Margaret Homes Batch B		
Block No.	**Lots Nos.**	**No. of lots**
1	2, 3, 6-11, 14-19, 22-25	18
2	3-14	12
3	3-14	12
4	3	1
5	3-24, 26	23
6	5-10, 13-16	10
7	2-6	5
8	3-14, 16	13
9	6-17	12
13	3-19, 24-39	33
14	3-22, 27-50	44
15	3-22, 27-46	40
16	3-24	22
20	2-7, 10-17, 20-27, 30-35	28
21	3-18, 23-34, 39-54, 59-68	54
22	3-19, 24-31, 36, 43, 44, 47, 48, 49	31
27	2-9, 12-18	15
28	3-18, 23-28, 30	23
29	3, 5, 7, 9, 11, 13, 15, 17, 21-25	13
30	2-7, 10, 11	8
	Total	**417**