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

Certificate of Tax Exemption No.
CMP 327 - 2022

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that the Deed of Absolute Sale dated October 19, 2020, entered into by and between:

Name of Seller	TIN	Address
SAMAHAN TUNGO SA KAUNLARAN NG KOMUNIDAD NG CATMON HOMEOWNERS ASSOCIATION, INC.		219 F. Hernandez Street, Brgy. Catmon, Malabon City

-and-

Name of Buyer/Member-Beneficiary	TIN	Address
Marivic V. Santos		

over the parcel of land described below, to wit:

Transfer Certificate of Title No.	Total Area (sq.m.)	Area Transferred (sq.m.)	Location
	24	24	

being a Community Mortgage Program (CMP), is not subject to either the capital gains tax (CGT) imposed under Section 27 (D)(5) of the National Internal Revenue Code of 1997 (Tax Code), as amended, or the creditable withholding tax imposed under Revenue Regulations No. 2-98, as amended, considering that the said transfer of property is made only as a formality to finally effect the transfer of the said property to its member-beneficiary who has made full payment of the purchased subdivided lot and actually bought the same from the former owner through the Association. In other words, the association is merely transferring the ownership of the property to its member-beneficiary who actually owns the aforedescribed lot.

Moreover, the said transfer is not subject to the donor's tax imposed under Section 98 of the Tax Code, as amended, since there is no donative intent on the part of the Association to donate the said property to said member-beneficiary, considering that it could not donate property the ownership of which already belongs to the member-beneficiary.

Furthermore, it is noted that under Section 196 of the Tax Code, as amended, the deeds or documents subject to the documentary stamp tax (DST) imposed therein are those where the realty sold shall be granted, assigned, transferred, or otherwise conveyed to a purchaser or purchasers or to any other person or persons designated by such purchaser or purchasers, thereby excluding from its purview the instant case considering that the supposed purchaser is actually the owner thereof. Accordingly, the transfer of title of the subject lot in favor of the

C_ No. 527-2022
Date issued JUN 29 2022

above-named beneficiary is not subject to DST under Section 196 of the Tax Code, as amended. However, the notarial acknowledgment to the Deed of Absolute Sale is subject to the DST of P30.00 pursuant to Section 188 of the same Tax Code.

It is, however, understood that this Certificate of Tax Exemption (CTE) is never intended and shall not be construed as giving authority to the concerned Register of Deeds to effect transfer of the land title in the name of the buyer without the necessary Certificate Authorizing Registration (CAR) issued by this Bureau. In this regard, this Certificate shall be presented to the Revenue District Office (RDO) concerned in order for the latter to issue the CAR. The CAR shall only be issued after the submission of the requirements provided under Revenue Memorandum Order (RMO) No. 15-2003.

This CTE is being issued on the basis of the foregoing facts as represented. However, if upon investigation, it will be disclosed that the facts are different, then this ruling shall be considered null and void.

Issued this _____ day of JUN 29 2022, ______.

CAESAR R. DULAY
Commissioner of Internal Revenue

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