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

Certificate of Tax Exemption No:
0699-2019

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **RAEMULAN LANDS, INC.**, with Tax Identification Number , is exempt from income tax and creditable withholding tax (CWT) pursuant to Section 20 (d) (1) of Republic Act (RA) No. 7279, as amended by RA No. 10884 (Balanced Housing Development Program Amendments) dated July 17, 2016, on its income received directly in connection with sale of socialized house and lot units for residential and dwelling purposes to qualified beneficiaries in **Pasinaya Homes West**, consisting of **227**[1] house and lot units located at **Brgy. Timalan, Naic, Cavite**, 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 of said housing units does not exceed P450,000.00[2] per house and lot packages.

Moreover, the sale by the Company of residential lot valued at P1,919,500.00 and below, or house and lot and other residential dwellings valued at P3,199,200.00 and below, is exempt from value-added tax (VAT) pursuant to Section 109 (1) (P) of the National Internal Revenue Code of 1997, as amended. Provided, however, that beginning January 01, 2021, the exemption from VAT shall only apply to sale of house and lot and other residential dwellings[3] with selling price of not more than P2,000,000.00.

It is observed, however, that documentary stamp tax 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 said Code, whichever is higher. Likewise, lots/units classified as Economic Housing, 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 enumerated 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 NOV 25 2019 _____.

CAESAR R. DULAY
Commissioner of Internal Revenue

K-1-GPS

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[1] Per License to Sell No. 112 house and lot units are authorized for sale and credited to **Pagsibol Village 2** with License to Sell No. while 115 house and lot units are authorized for sale and credited to **Asensa Subdivision** with License to Sell No. in compliance with Section 18 of Republic Act No. 7279. The balance of 4,440 house and lot units is covered by Certificate of Tax Exemption (CTE) No issued on May 31, 2019.

[2] The maximum selling price is pegged at P450,000.00 based on HLURB License to Sell No.

[3] Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to RA No. 10963.

CTE No. 0699-2019
Date issued NOV 25 2019

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 project, **Pasinaya Homes West** consisting of **227** house and lot units, located at **Brgy. Timalan, Naic, Cavite**. Such exemption shall cover revenues from **227** house and lot units with selling price not exceeding P450,000.00 per house and lot packages.

2. The developer shall submit the sworn statement of the buyer that he is eligible as a socialized housing beneficiary provided under Section 5 (A) of R.R. No. 11-97 to the BIR during the processing of the Certificate Authorizing Registration (CAR) for the transfer 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 house and lot packages in this case does not really exceed P450,000.00.

4. No. of units in compliance to Section 18 of RA 7279 as amended by RA10884 per **HLURB License No.**) granted by HLURB, Region STR, Dencris Business Center, Brgy. Halang, Calamba City, Laguna to wit:

Credited to:	License to Sell No.	Address	No. of Lots
Pagsibol Village 2		Brgy. Timalan, Naic, Cavite	112
Asensa Subdivision		Brgy. Timalan, Naic, Cavite	115