DEC 19 2025

**REVENUE MEMORANDUM ORDER NO. 048 - 2025**

SUBJECT : *Streamlining of Requirements for the Application of a Certificate of Tax Exemption for Socialized and Economic Housing Projects Pursuant to Republic Act No. 7279 and Executive Order No. 226*

TO : *All Internal Revenue Officials, Employees and Others Concerned*

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SECTION 1. Background –

Republic Act (RA) No. 10884, also known as the "Balanced Housing Development Program Amendments", introduced key enhancements to the incentives granted under Section 20 of RA No. 7279[1]. Notably, the law expressly states that a socialized housing certification issued by the Housing and Land Use Regulatory Board (HLURB)[2] is already sufficient for a developer to qualify for tax exemption, thereby removing additional layers of approval and simplifying compliance for housing developers, viz:

> *"SEC. 20. Incentives for Private Sector Participating in Socialized Housing – To encourage greater private sector participation in socialized housing and further reduce the cost of housing units for the benefit of the underprivileged and homeless, the following incentives shall be extended to the private sector:*
>
> *xxx xxx xxx*
>
> ***Provided, That a socialized housing certification issued by the Housing and Land Use Regulatory Board shall be sufficient for the purpose of availment of tax exemption:** Provided, further, That upon application for exemption, a lien on the title of the land shall be annotated by the Register of Deeds: Provided, furthermore, That the socialized housing development plan has already been approved by the appropriate government agencies concerned: **Provided, finally, That all the savings realized by virtue of this provision shall accrue in favor of the beneficiaries** subject to the implementing guidelines to be issued by the Housing and Urban Development Coordinating Council."* (Emphasis supplied)



[1] An Act to Provide for A Comprehensive and Continuing Urban Development and Housing Program, Establish the Mechanism for Its Implementation, And for Other Purposes.
[2] The regulatory functions formerly exercised by the HLURB are now vested in the Department of Human Settlements and Urban Development.

Further, the Bureau of Internal Revenue (BIR), as one of the principal signatories to the Joint Memorandum Circular (JMC) entitled *"Streamlining and Digitalizing the Processes Involved in the Acquisition, Construction and Development, and Disposition of All Housing Developments"* plays a vital role in advancing the government's efforts to simplify, standardize, and digitalize the processes for land acquisition, development, construction, and disposition of all housing projects. The JMC aims to reduce procedural bottlenecks, minimize delays, enhance transparency and strengthen inter-agency coordination.

Within this framework, the BIR's role is crucial in ensuring efficiency in the fiscal and tax-related aspects of housing development. Specifically, the BIR is mandated to streamline the application process for tax exemptions or rulings involving socialized and economic housing projects. Key provisions of the JMC relating to the BIR's responsibilities include:

> *"SECTION 6. ROLES AND RESPONSIBILITIES OF SIGNATORY AGENCIES*
>
> *xxx xxx xxx*
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> *6.14. The BIR shall provide the streamlined application process for the application of a BIR Ruling / Certificate of Tax Exemption for housing developers undertaking socialized and economic housing projects pursuant to Republic Act No. 7279, as amended and Executive Order No. 226, as amended. However, without the need for a BIR ruling, creditable withholding tax shall not be imposed on income payments made to BOI Registered Business Enterprises related to their registered project or activity during the Income Tax Holiday availment period."*
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> *xxx xxx xxx*
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> *8.10.2. BIR Tax Exemption for other Housing Development Projects*
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> *The BIR shall implement a streamlined process for BIR Ruling or Certificate of Tax Exemption applications within sixty (60) working days upon issuance of this JMC. To facilitate this, the eHOPC platform shall provide a mechanism capable of generating the necessary documentary requirement required by the BIR to be able to process these applications efficiently."*

SECTION 2. Requirement for a Certificate of Tax Exemption. –

To implement the above provisions of the aforesaid JMC and RA No. 10884, this Order is hereby issued to streamline the documentary requirements[3] for the application of a ruling / Certificate of Tax Exemption (CTE) for socialized housing projects pursuant to Section 20 of RA No. 7279, as amended, and economic housing projects pursuant to Executive Order (EO) No. 226. Therefore, to avail of the above CTE, applicants need only to submit the required ***Socialized Housing Certification***[4], which shall be attached to a letter request in compliance with Section 4 of Revenue Memorandum Order No. 9-2014.

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[3]See Annex 1 for the checklist of documentary requirements.

[4] See Annexes 1-A to 1-E for the sample format of the Socialized Housing Certification.

SECTION 3. Authorized Signatory. –

Pursuant to Section 7 of the National Internal Revenue Code of 1997, as amended, the authority to sign rulings or CTEs on tax incentives for socialized housing projects under RA No. 7279 and economic housing projects under EO No. 226 is hereby delegated to the Deputy Commissioner of the Legal Group of the BIR.

SECTION 4. Repealing Clause. –

Any revenue issuance which is inconsistent with this Order is deemed revoked, repealed, or modified accordingly.

SECTION 5. Effectivity. –

This Order shall take effect immediately. All concerned are enjoined to give this Order a wide publicity as possible.

**CHARLITO MARTIN R. MENDOZA**
Commissioner of Internal Revenue



***K1-RPT***