



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Quezon City

Certificate of Tax Exemption No:

NSH - 277 - 2021

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **Rotaflex Construction and Development Corporation**, an entity engaged by the **National Housing Authority (NHA)**, is exempt from project-related income taxes/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 the acquisition of 1,053 developed lots and completed housing units in **Fountain of Beauty Residences**, a socialized housing project of the NHA under the NHA's Community-Based Initiative Approach for the benefit of the underprivileged families rendered homeless by recent typhoons including TS Usman, located at Brgy. Coyaoyao, Tigaon, Camarines Sur.

Moreover, the acquisition of the said 1,053 developed lots and completed housing units shall be exempt from value-added tax (VAT) pursuant to Section 109 (1) (P) of the National Internal Revenue Code (Tax Code) of 1997, as amended, provided that the selling price thereof does not exceed P3,199,200.00¹ per house and lot package; provided further, that beginning January 01, 2021, the exemption from VAT shall only apply to sale of house and lot and other residential dwellings² valued at P3,199,200.00.

However, the purchases of goods/articles by **Rotaflex Construction and Development Corporation** shall be subject to VAT, even if the said purchases are to be used for the above-mentioned socialized housing project, since VAT is an indirect tax which can be passed on by the seller of the goods/services. It shall be understood that **Rotaflex Construction and Development Corporation** must issue VAT-exempt official receipts on its gross receipts from the said socialized housing project.

Furthermore, the Deeds of Absolute Sale made and executed by and between the Landowner/s and the NHA over the parcels of land described below, to wit:

Date	Name of Landowner/s	Original/Transfer Certificate of Title No/s.	Tax Declaration (TD) No/s.	Area (sq. m.)	Transferred (sq. m.)	Location
June 01, 2021	Rotaflex Construction and Development Corporation			31,626	31,626	Brgy. Coyaoyao, Tigaon, Camarines Sur
June 01, 2021	Rotaflex Construction and Development Corporation ³	-		50,003 ⁴	50,003	

¹ As adjusted using the 2010 Consumer Price Index values per Revenue Regulations (RR) No. 8-2021 dated June 11, 2021.

² Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to RA No. 10963.

³ With Deed of Absolute Sale dated December 03, 2020 executed by and between the registered landowner, John Vincent Cruz Molina, and Rotaflex Construction and Development Corporation.

⁴ Per TD No. , the total area subject of the sale is 50,003 square meters.

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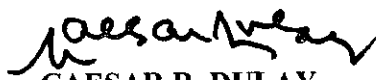
which shall be used for the above mentioned socialized housing project, are not subject to income tax/capital gains tax/expanded withholding tax and documentary stamp tax pursuant to Sections 19 and 20 of RA No. 7279 and to VAT pursuant to Section 109 (1) (P) of the Tax Code of 1997, as amended.

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 titles in the name of the NHA without the necessary certificates of authority to register issued by this Bureau. In this regard, this CTE shall be presented to the Revenue District Office (RDO) concerned in order for the latter to issue the Certificates Authorizing Registration (CARs). The CARs shall only be issued after the submission of the complete requirements provided under Revenue Memorandum Order (RMO) No. 15-2003.

Upon application for exemption, a lien on the titles of the lands shall be annotated by the Register of Deeds having jurisdiction over the properties, to the effect that the same are to be applied or are being applied to a socialized housing project pursuant to RA No. 7279.

This CTE 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 JUL 30 2021, _____.


CAESAR R. DULAY
Commissioner of Internal Revenue

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