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

Certificate of Tax Exemption No.
CMP-

CERTIFICATE OF TAX EXEMPTION

issued to

Name of Seller[1]	TIN	Address
MELISSA Y. PANGAN		
ROY S. GUIAO		

-and-

Name of Homeowners Association (HOA)	TIN	Address
TOWNHOMES SAN FERNANDO HOMEOWNERS ASSOCIATION, INC.		City Hall A. Consunji St., Brgy. Sto. Rosario, San Fernando City, Pampanga

This certifies that the Deeds of Absolute Sale entered by the Sellers, respectively, and the HOA, both dated April 13, 2022, over the parcels of land described below, to wit:

Transfer Certificate of Title No.	Total Area (sq.m.)	Transferred (sq.m.)	Area of CMP (sq.m.)	Location
				Brgy. Panipuan, City of San Fernando, Pampanga
		1		Brgy. Panipuan, City of San Fernando, Pampanga

being a Community Mortgage Program (CMP) under Turnkey Modality of Social Housing Finance Corporation, and a Socialized Housing Project[2] is not subject to creditable withholding tax (CWT)/capital gains tax (CGT) pursuant to Sections 20 (d) and 32 (b) of Republic Act (RA) No. 7279, as amended[3]. Furthermore, the sale shall not be subject to 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 consideration per beneficiary shall not exceed the VAT-exempt threshold[4] provided in RR No. 8-2021. The transaction is, however, subject to documentary stamp tax under Section 196 of the Tax Code of 1997, as amended.

It is, however, understood that this Certificate of Tax Exemption 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 of Authority to

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[1] The Sellers were represented by Ms. Ofelia B. Tan, President of Baque Corporation, who is likewise acting on behalf of the Corporation as per Secretary's Certificate dated February 18, 2022.

[2] Per Certification by the Department of Human Settlements and Urban Development (DHSUD) dated May 2, 2022

[3] As amended by RA No. 10884 otherwise known as the "Balanced Housing Development Program Amendments"

[4] Not more than Two Million Pesos (₱2,000,000.00), as adjusted to Three Million One Hundred Ninety-Nine Thousand Two Hundred Pesos (₱3,199,200.00) in 2011 using the 2010 Consumer Price Index values

Register 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 Certificate Authorizing Registration (CAR). The CAR shall only be issued after the submission of the requirements provided under Revenue Memorandum Order (RMO) No. 15-2003.

The Bureau of Internal Revenue (BIR) shall conduct verification and post-audit that the actual occupants of the property transferred under the CMP are qualified beneficiaries and therefore, the seller is entitled to exemption from CGT, and VAT imposed under Sections 24 (D) (1) or 27 (D) (5), and Section 109 (1) (P), respectively, of the Tax Code, as amended.

This Certificate 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 MAY 2 7 20__ , _____.

CAESAR R. DULAY
Commissioner of Internal Revenue

K-I

By:
MARISSA O. CABREROS
Deputy Commissioner
Legal Group
Officer-in-Charge

0879

27 MAY 2022