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

Certificate of Tax Exemption No: NSH-335-2021

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **Edison Development and Construction, Inc.**, an entity engaged by the **National Housing Authority (NHA)**[1], is exempt from project-related income taxes and creditable withholding tax 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 construction/development of 631 socialized housing units in Mont Peak East located in Brgy. Baso, Cabucgayan, Biliran, intended for the families affected by Typhoon Yolanda under the NHA's Yolanda Permanent Housing Program. Moreover, the delivery of 631 socialized 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 P3,199,200.00[2] 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 dwellings[3] with selling price of not more than P3,199,200.00.

However, the purchases of goods/articles by **Edison Development and Construction, Inc.**, shall be subject to VAT, even if the said purchases are to be used for the 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 **Edison Development and Construction, Inc.** must issue VAT exempt official receipts on its gross receipts from the said socialized housing project.

Moreover, the Deed of Absolute Sale executed by the Landowners in favor of the NHA over the parcel of land described below, to wit:

Date of Deed of Absolute Sale	Name of Landowners /Sellers[4]	Transfer Certificate of Title No.	Area (Sq.m.)	Area Transferred (Sq. m.)	Location
February 13, 2020	Salvacion Arendayen Lacandazo		30,000	1,892	
February 13, 2020	Sps. Oliva Arendayen Salvatierra and Wilfredo B. Salvatierra		14,408	13,803	

[1] Per Contract Agreement dated March 8, 2018.
[2] As adjusted using the 2010 Consumer Price Index values per Revenue Regulation No. 8-2021.
[3] Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to RA No. 10963.
[4] Special Powers of Attorney were executed in favor of Helen Igano Nadera to execute the Deed of Absolute Sale on behalf of the landowners for the sale of the properties identified and described in TCT Nos.
and

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February 13, 2020	[illegible] iano [illegible]		29,999	14,951	
February 13; 2020	Jennilita Lauriano Arendayen		30,000	6,168 1,855	

which shall be used for the above-mentioned socialized housing project, is not subject to capital gains 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 concerned Register of Deeds to effect transfer of the land titles in the name of the buyer without the necessary Certificate Authorizing Registration (CAR) issued by this Bureau. In this regard, this CTE, together with the documentary requirements provided under Revenue Memorandum Order (RMO) No. 15-2003, shall be presented to the Revenue District Office (RDO) concerned in order for the latter to issue the CAR.

Upon application for exemption, a lien on the title of the land 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 SEP 2 7 2021 _____.

CAESAR R. DULAY
Commissioner of Internal Revenue

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