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

Certificate of Tax Exemption No:
PSHHF-23-2021

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **TRM CONSTRUCTION & DEVELOPMENT CORPORATION,** an entity engaged by the **Quezon City Government (LGU-QC),** 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 102 socialized housing units of three-storey walk-up in **Bistekville-13**, a socialized housing project of the Quezon City Government under the Quezon City Government's Socialized Housing Program intended for qualified Informal Settler Families (ISFs), located at Brgy. Bagbag, Quezon City.

Moreover, the acquisition of 102 socialized housing units of three-storey walk-up 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 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[1] with selling price of not more than P3,199,200.00[2].

However, the purchases of goods/articles by **TRM CONSTRUCTION & 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 **TRM CONSTRUCTION & DEVELOPMENT CORPORATION** must issue VAT-exempt official receipts on its gross receipts from the said socialized housing project.

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 NOV 0 3 2021.

CAESAR R. DULAY
Commissioner of Internal Revenue

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[1] Sale of lot only, regardless of the price, shall be subject to VAT starting January 01, 2021 pursuant to RA No. 10963.
[2] As adjusted using the 2010 Consumer price Index values pursuant to Revenue Regulations No. 8-2021 dated June 11, 2021