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

Certificate of Tax Exemption No.
DT-0619-2020

CERTIFICATE OF TAX EXEMPTION

issued to

Name of Donor	TIN	Address
SOUTH CITY HOMES INC.		B2 L13 South City Drive, South City Homes Subd., Sto. Tomas, Biñan, Laguna 4025

This certifies that the donation under the Deed of Donation dated June 13, 2016, executed by the donor in favor of:

Name of Donee	TIN	Address
OBLATES OF SAINT JOSEPH (PHILIPPINE PROVINCE), INC.		Marauoy, Lipa City, Batangas 4217

covering the following properties, with improvements, to wit:

Nature of Property	Transfer Certificate of Title Nos./Tax Declaration Nos.	Area (sq.m.)	Area Donated (sq.m.)	Location
Lot		5,768	5,768	South City Homes, Calabuso, Biñan, Laguna
Lot		5,096	5,096	South City Homes, Calabuso, Biñan, Laguna

being a gift in favor of a **religious** corporation is exempt from the payment of the donor's tax pursuant to Section 101 (A)(3)[1] of the Tax Code of 1997, as amended, subject to the condition that not more than thirty percent (30%) of said gift shall be used by the donee for administration purposes.

The donation is, however, subject to value-added tax (VAT) since the donor is a VAT-registered real estate developer and the donated properties are deemed ordinary assets, pursuant to Section 4.106-7 of Revenue Regulations No. 16-2005, the same being considered a transaction deemed sale.

Moreover, Section 185 of Regulations No. 26, otherwise known as the Revised Documentary Stamp Tax Regulations, implementing Title VII of the Tax Code, provides that conveyances of realties not in connection with a sale, to trustees or other persons without consideration are not taxable. Accordingly, the Deed of Donation is likewise not subject to the documentary stamp tax prescribed under Section 196 of the Tax Code of 1997, as amended, but only to the documentary stamp tax of P15.00[2] imposed under Section 188 of the same Code.

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[1] Now Section 101 (A)(2) of the Tax Code of 1997 as amended by Republic Act No. 10963.
[2] The old DST rate of 15.00 is used since the donation took place prior to the effectivity of R.A. No. 10963.

CTE No. DT-0619-2020
Date issued OCT 2 8 2020

This Certificate of Tax Exemption 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 OCT 2 8 2020.

CAESAR R. DULAY
Commissioner of Internal Revenue

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