REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE

Quezon City

Certificate of Tax Exemption No:
NSH - 266 - 2021

CERTIFICATE OF TAX EXEMPTION

TO ALL WHOM IT MAY CONCERN:

This certifies that **CSE BUILDERS** with Taxpayers Identification Number (TIN) ... a private entity engaged by the National Housing Authority (NHA), is exempt from project-related income taxes, 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 sale of 64 Duplex type housing units under the National Housing Authority (NHA)'s Resettlement Assistance Program for Local Government Units.

Moreover, the sale by **CSE BUILDERS** of the 64 Duplex type housing units is exempt from value-added tax (VAT) pursuant to Section 109 (1) (P) of the National Internal Revenue Code of 1997, as amended, provided that the selling price thereof does not exceed P3,199,200.00 per house and lot package[1]; provided further, that beginning January 1, 2021, the exemption from VAT shall only apply to sale of house and lot and other residential dwellings.[2]

However, the purchases of goods/articles by **CSE BUILDERS** 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 **CSE BUILDERS** must issue VAT-exempt official receipts on its gross receipts from the said socialized housing project.

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 (RD) to effect transfer of the land title in the name of the buyer without the necessary Certificate Authorizing Registration (CAR) 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 CAR.

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 26 2021.

CAESAR R. DULAY
Commissioner of Internal Revenue

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