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

Certificate of Tax Exemption No.
621-2017

CERTIFICATE OF TAX EXEMPTION

This certifies that the donation under the Deed of Donation dated June 25, 2008, as amended on June 15, 2011, executed by:

Name of Donors	TIN	Address
AVIDA LAND CORPORATION (Formerly: Laguna Properties Holdings, Inc.)		911 40th Street North, Bonifacio Triangle, Bonifacio Global City 1634, Taguig City
BALIBAGO LAND CORPORATION		Greenfield Corporate Center, 88 United Street, Greenfield District, Mandaluyong City 1550
MAUNONG DEVELOPMENT CORPORATION		Greenfield Corporate Center, 88 United Street, Mandaluyong City 1550

in favor of:

Name of Donee	TIN	Address
ROMAN CATHOLIC ARCHBISHOP OF LIPA		San Lorenzo Street, Mataas na Lupa, Lipa City 4217

covering the following properties:

Transfer Certificates of Title (TCTs)	Area (sq. m.)	Aggregate Area	Area Donated	Location
	20,000	30,000 square meters [Consolidated and subdivided into two (2) parcels of land denominated as Lot 1 (9,183 square meters, more or less), and Lot 2 (20,817 square meters, more or less)]	Lot 2 (20,817 square meters, more or less)	San Antonio, Sto. Tomas, Batangas
	2,500			
	2,500			
	5,000			

being a donation in favor of a religious organization, is exempt from the payment of the donor's tax pursuant to Section 101 (A) (3) of the National Internal Revenue Code of 1997, as amended, subject to the condition that not more than thirty percent (30%) of said gifts shall be used by the donee for administration purposes.

Since the donation involves parcels of land, the Register of Deeds shall annotate this condition at the back of the titles because failure to comply with the said condition shall subject the donation to donor's tax.

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 National Internal Revenue Code of 1997, as amended, but only to the documentary stamp tax of P15.00 imposed under Section 188 of the same Code.

However, the donation is subject to value-added tax (VAT) since the donors are VAT-registered real estate developers and the donated properties are deemed ordinary assets. Thus, the transfer is considered as "transaction deemed sale" pursuant to Section 106 (B) (1) of the National Internal Revenue Code of 1997, as amended, as implemented by Section 4.106-7 of Revenue Regulations (RR) No. 16-2005, as amended.

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 DEC 18 2017.

CAESAR R. DULAY
Commissioner of Internal Revenue

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