

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

REVENUE MEMORANDUM CIRCULAR NO. 36-2014

SUBJECT : Clarifying the price ceiling of socialized lot only pursuant to Revenue Regulations (RR) No. 11-97, RR 17-01 and Housing and Urban Development Coordinating Council (HUDCC) Resolution No. 1, Series of 2013.

TO : All Internal Revenue Officers and Others Concerned

This Circular is issued to clarify on socialized housing which include a statement on the price ceiling for socialized housing units without provision as to the distinction of the price ceiling for house and lot packages and lots only. The definition of socialized housing was provided in Revenue Regulations (RR) No. 11-97 and reiterated in RR 17-01 to wit:

“Socialized Housing — refers to housing programs and projects covering houses and lots or homelots only that are undertaken by the government or the private sector for the underprivileged and homeless citizens, which shall include sites and services development, long-term financing, liberalized terms on interest payments, and as such other benefits in accordance with the provisions of Republic Act 7279.”

“A socialized housing unit shall not exceed P150,000.00 (now P450,000.00 per issuance of HUDCC Memorandum Circular No. 1, Series of 2013 promulgated on October 16, 2013) for a house and lot package, subject to periodic adjustment or increase as the Housing and Land Use Regulatory Board (HLURB) may effect from time to time. In the case of sale of homelots only, the price shall not exceed forty percent (40%) of the maximum limit prescribed for the house and lot package.”

From the foregoing, the P450,000.00 price ceiling applies to house and lot package, and that if only lot is sold, the price ceiling should only be P180,000.00/lot (40% of P450,000.00).

All concerned are hereby enjoined to be guided accordingly and give this circular as wide a publicity as possible.

(Original Signed)
KIM S. JACINTO-HENARES
Commissioner of Internal Revenue