

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

August 26, 2011

**REVENUE MEMORANDUM CIRCULAR NO. 36-2011**

**SUBJECT: BIR Rulings on Socialized Housing under Republic Act No. 7279**

**TO : All Internal Revenue Officials, Employees and Others Concerned**

---

This Circular is issued to clarify BIR rulings 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 RR17-01 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 P400,000.00 per issuance of HUDCC Memorandum Circular No. 1, Series of 2008 promulgated on December 11, 2008, as implemented by Revenue Memorandum Circular No. 30-2009 dated May 14, 2009) 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. (underscoring supplied)"*

From the foregoing, the P400,000.00 price ceiling applies to house and lot packages, and that if only lots are sold, the price ceiling should only be P160,000.00/lot (40% of P400,000.00).

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

(Original Signed)  
**KIM S. JACINTO-HENARES**  
Commissioner of Internal Revenue  
**005364**