

BUREAU OF INTERNAL REVENUE
REVENUE REGULATIONS
NO. 8-2021

Implementation of the VAT Provisions under RA No. 11534 or the “Corporate Recovery and Tax Incentives for Enterprises Act” (CREATE)

VAT Treatment for Sales of Real Properties under RR No. 8-2021

Sales of Real Properties	RR No. 8-2021
Sale of real properties not primarily held for sale to customer of held for lease in the ordinary course of trade or business	Exempt
Sale of real property utilized for low-cost and socialized housing	Exempt
Sale of residential lot valued at P1.5M and below	Not exempt
House and lot and other residential dwellings	Exempt if the selling price is P2M and below (this is adjusted to P3,199,200 by RR 16-2011 using the 2010 CPI values)

Note: Adjustments introduced by CREATE increasing the VAT exempt threshold to P2.5M for a residential lot and P4M for house and lot and other residential dwellings was vetoed by the President.

Source:
Revenue Regulation No. 8-2021