

centers for their affiliates, subsidiaries or branches in the Asia-Pacific Region and do not earn or derive income from the Philippines;

- K. Transactions which are exempt under international agreements to which the Philippines is a signatory or under special laws, except those under Presidential Decree Nos. 66, 529 and 1590;
- L. Sales by agricultural cooperatives duly registered with the Cooperative Development Authority to their members as well as sale of their produce, whether in its original state or processed form, to non-members; their importation of direct farm inputs, machineries and equipment, including spare parts thereof, to be used directly and exclusively in the production and/or processing of their produce;
- M. Gross receipts from lending activities by credit or multi-purpose cooperatives duly registered with the Cooperative Development Authority whose lending operation is limited to their members;
- N. Sales by non-agricultural, non-electric and non-credit cooperatives duly registered with the Cooperative Development Authority: Provided, That the share capital contribution of each member does not exceed Fifteen thousand pesos (P15,000) and regardless of the aggregate capital and net surplus ratably distributed among the members;
- O. Export sales by persons who are not VAT-registered;
- P. Sale of real properties not primarily held for sale to customers or held for lease in the ordinary course of trade or business or real property utilized for low-cost and socialized housing as defined by Republic Act No. 7279, otherwise known as the Urban Development and Housing Act of 1992, and other related laws, house and lot and other residential lot valued at Two million five hundred thousand pesos (P2,500,000.00) and below, house and lot, and other residential dwellings valued at Four million two hundred thousand pesos (P4,200,000.00) and below: Provided, That beginning January 1, 2024 and every three (3) years thereafter, the amounts herein shall be adjusted to present values using the Consumer Price Index, as published by the Philippine Statistics Authority (PSA);
- Q. Lease of a residential unit with a monthly rental not exceeding fifteen thousand pesos (P15,000) (2008 (2), 2009 Bar)
- R. Sale, importation, printing or publication of books, and any newspaper, magazine, journal, review bulletin, or any such educational reading material covered by the UNESCO Agreement on the Importation of Educational, Scientific and Cultural Materials, including the digital or electronic format thereof. Provided, That the materials enumerated herein are not devoted principally to the publication of paid advertisements;
- S. Transport of passengers by international carriers;
- T. Sale, importation or lease of passenger or cargo vessels and aircraft, including engine, equipment and spare parts thereof for domestic or international transport operations;
- U. Importation of fuel, goods, and supplies used for international shipping or air transport operations;
- V. Services of bank, non-bank financial intermediaries performing quasi-banking functions, and other non-bank financial intermediaries, including those rendered through different digital platforms;
- W. Sale or lease of goods and services to senior citizens and persons with disability, as provided under Republic Act Nos 9994 (Expanded Senior Citizens Act of 2010) and 10754 (An Act Expanding the Benefits and Privileges of