



Republic of the Philippines  
**GOVERNMENT PROCUREMENT POLICY BOARD**  
**TECHNICAL SUPPORT OFFICE**



**NPM No. 010-2018**

12 April 2018

**MR. REX D. YURONG**  
*Presidential Staff Officer*  
**PRESIDENTIAL MANAGEMENT STAFF**  
**REGIONAL FIELD UNIT 7 (PMS REGION VII)**  
Door #1, Zomer Compound, Escario Extension,  
Brgy. Kamputhaw, Cebu City 6000

**Re: Lease of Real Property**

Dear Mr. Yurong:

This refers to your electronic mails (e-mails) pertaining to the procurement of services for the lease of office space of PMS Region VII. As represented, the prospective lessor that offers the most economical rental rate is not willing to submit Tax Clearance. Hence, your inquiry on whom to award the contract if ever all of the interested providers cannot submit any one of the legal requirements under Republic Act (RA) No. 9184 and its 2016 revised Implementing Rules and Regulations (IRR).

We wish to clarify that Tax Clearance is not among the documentary requirements for Negotiated Procurement under the Lease of Real Property and Venue modality embodied in Section 53. 10 of the 2016 IRR of RA 9184. Under Appendix "A"<sup>1</sup> of Annex "H"<sup>2</sup> of the 2016 IRR of RA 9184, only the following requirements are prescribed for the lease of privately-owned real property and venue, thus: (1) Mayor's or Business Permit; (2) PhilGEPS Registration Number; and (3) Income or Business Tax Return.

In view of the foregoing, we wish to emphasize that for Lease of Real Property and Venue, which includes lease of office space, the contract shall still be awarded to the lessor that submitted the lowest calculated and responsive quotation, that is, the lessor complied with the requirements prescribed in Appendix "A" of Annex "H" of the 2016 IRR of RA 9184 and passed the technical and financial requirements set by the procuring entity.

We hope that this opinion issued by the GPPB-TSO provided sufficient guidance on the matter. Note that this is issued on the basis of particular facts and situations presented, and may not be applicable given a different set of facts and circumstances. Should there be other concerns, please do not hesitate to contact us.

Very truly yours,

  
**DENNIS S. SANTIAGO**  
*Executive Director*



<sup>1</sup> Documentary Requirements for Alternative Methods of Procurement.

<sup>2</sup> Consolidated Guidelines for the Alternative Methods of Procurement.