

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATIONS CODE (SRC) AND SRC RULE 17(a)-1(b)(3) THEREUNDER

1. **January 3, 2008**
Date of Report (Date of earliest event reported)
2. **152747**
SEC Identification Number
3. **050-000-153-790**
BIR Tax Identification Number
4. **AYALA LAND, INC.**
Exact Name of registrant as specified in its charter
5. **MAKATI CITY, PHILIPPINES**
Province, country or other jurisdiction of incorporation
6. [] (SEC Use Only)
Industry Classification Code
7. **30/F, Tower One, Ayala Triangle, Ayala Avenue, Makati City**
Address of principal office
7. **1226**
Postal code
8. **(632) 848-5313**
Registrant's telephone number, including area code
9. **Not Applicable**
Former name or former address, if changed since last report
10. Securities registered pursuant to Sections 4 and 8 of the SRC

As of September 30, 2007

Title of Each Class	Number of Shares of Common Stock Outstanding	Amount of Debt Outstanding
COMMON SHARES	13,034,603,880	P 10.63 Billion

Indicate the item numbers reported herein : **Please refer to attached letter**

Re: ALI-KHI Hotel Project Tax Perks

Pursuant to the requirements of the Securities Regulations Code, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AYALA LAND, INC.

Registrant



ALFONSO JAVIER D. REYES

Deputy Compliance Officer

Date : **January 3, 2008**



SEC Reg. No. 152747
SEC Sec. Code No. E-5000

January 3, 2008

PHILIPPINE STOCK EXCHANGE

4/F PSE Center, Exchange Road
Ortigas Center, Pasig City

Attention: **Atty. Pete M. Malabanan**
Head, Disclosure Department

Dear Atty. Malabanan,

This has reference to PSE's letter, dated January 2, 2008, requesting Ayala Land to confirm/deny the veracity of the information contained in the news article published in The Philippine Star entitled "ALI-KHI hotel proj to get tax perks."

Please be advised that the said article is generally correct, subject, however, to the following clarifications:

- KHI-Manila Properties, Inc., a company which is 20% owned by Ayala Land, Inc., has indeed applied for a fiscal incentive package with the Board of Investments (BOI) under the government's medium Term Development Plan for tourism. However, we have not received any formal notification on the granting of such incentives from the BOI to date.
- The land was already turned over by ALI to KHI-ALI Manila, Inc. last December 2007. The Ansons Department Store and the transport terminals which previously occupied part of the land to be developed have already been relocated. Ansons currently occupies the first two floors of a new carpark building between Makati Shangri-La and Landmark. The jeepney terminal has moved to the first parking level of the Park Square 1 carpark beside Dusit Hotel while the FX/AUV terminal has moved to EDSA carpark.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alfonso', written over a horizontal line.

ALFONSO JAVIER D. REYES
Deputy Compliance Officer

cc:

SECURITIES AND EXCHANGE COMMISSION
SEC Building, EDSA, Mandaluyong City

Attention: **Director Justina F. Callangan**
Corporation Finance Department