

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Thirteenth Congress
Second Regular Session

HOUSE BILL NO. 5311



Introduced by Rep. EULOGIO "Amang" R. MAGSAYSAY

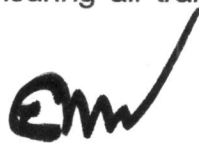
EXPLANATORY NOTE

ACT NUMBER 496, otherwise known as the Land Registration Act of 1902, as amended by Presidential Decree 1529 provides for judicial registration of lands. "The Torrens System was adopted in this country because it was believed to be the most effective measure to guarantee the integrity of land titles and to protect their indefeasibility once the claim of ownership is established. The main purpose of the Torrens System is to avoid possible conflicts of title to real estate and to facilitate transactions relative thereto by giving the public the right to rely upon the face of the Torrens Certificate of Title and to dispense with the need of inquiring further, except when the party concerned has actual knowledge of the facts and circumstances that should impel a reasonably cautious man to make such further inquiry." (Traders Royal Bank vs CA, 315 SCRA 190)

To date, Presidential Decree 1529 still governs the process of land registration, however, the Torrens System of Registration in the Philippines is so vague that many land titles are being falsified and fraudulently transferred. The concerned Registry of Deeds for each territorial jurisdiction, merely invokes its duty as that of ministerial in character. If one fraudulent transaction and/or transfer has transpired in their respective offices, it gives but severe burden to the aggrieved Land Owners and/or its buyer thereby jeopardizing their lawful interest. Analyzing the recurrent situations of fraudulent transfers, we may trace it back to the patent ambiguity of the required contents of a Certificate of Title in the following provision: "**Section 45., Chapter IV, P.D.1529. Statement of personal circumstances in the certificate. Every certificate of title shall set forth the full names of all persons whose interests make up the full ownership in the whole land, including their civil status, and the names of their respective spouses, if married, as well as their citizenship, residence and postal address. If the property covered belongs to the conjugal partnership, it shall be issued in the names of both spouses.**" The said provision does not give any security to the title at all. Anyone who is clever enough in terms of manipulating matters in his favor can easily turn landed individuals into innocent paupers in a snap. It may be

gleaned that the primordial intent of the fraud is to gain wealth. Disposition of properties/realities is one of the highest income generating activities in the Philippines, not to mention the huge amount of taxes derived therefrom, it being the case that 6% of the Zonal Valuation of the Property being sold or 6% of the face value of the transaction or whichever is higher being the basis thereof. The government collects from the people, revenues in form of Capital Gains Tax, Documentary Stamps and Transfer Fees.

The only way for our country to get out of this nightmare and grossly antiquated method of land transfer and/or registration is to strengthen the very system by way of restructuring the present *forma* of the Certificate of Title and solidifying the procedural aspect of Registration, thus the urgency to enact this bill. The succeeding act herein attached will address to answer our people's problem with regard to safety of land titles and eradicate fraudulent transfer to be able for our country to have a better and strong Torrens System of Registration. In effect, revitalizing the once potent real estate industry in aid of our sagging economy, and ensuring all transactions related thereto free from legal doubts and/or infirmities.



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AN ACT
SUPPLEMENTARY TO SEC. 45, CHAPTER IV OF PRESIDENTIAL DECREE 1529
UPGRADING THE SYSTEM OF LAND REGISTRATION OF THE PHILIPPINES TO
ENSURE THE GENUINENESS AND REGULARITY OF LAND TITLES AS A MATTER
OF PUBLIC INTEREST

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

Section 1. Short Title. – This act shall be known as the **“Fortification of Land Title Act.”**

Section 2. Declaration of Policy. – It is hereby declared the policy of the State that no person shall be deprived of life, liberty, or property without due process of law, nor shall any person be denied the equal protection of law.

In consonance with this, it is the duty of the State to protect land owners from being deprived of ownership due to machinations violative of the land registration procedure and its requisites.

Section 3. Purposes and Objectives. – The purposes and objectives of this Act are:

- a. To protect the rights of land owners over their property from incidents of land grabbing or malicious registration;
- b. To append identifications, personal to the land owner, to the existing requisites prior to acquiring a land title;
- c. To ensure the strict adherence to said additional requirements so as to expand the functions of the Register of Deeds from that of being purely ministerial.

Section 4. Coverage. – This Act shall cover all land titles previously issued and those which will be issued prospectively.

Section 5. Requisites to be Appended. – Land titles which have been issued prior to this Act must bear the following requisites on its face, to wit:

- a. Photograph/s of the registered owner or applicant land owner;
- b. Specimen signature/s of the registered owner or applicant land owner; and,
- c. List of the heirs and/or successors-in-interest of the registered owner or applicant land owner.

Section 6. Certification of Requisites. – The requisites enumerated in the immediately preceding provision must be duly sworn to and certified to be true, genuine and correct by any officer of the law duly commissioned to administer oath.

Section 7. Specimen Signature Cards. – Each office of the Registry of Deeds must keep specimen signature cards of registered owners for signature verification. There shall be one (1) legitimate signature verifier in each office of the Registry of Deeds.

Section 8. *Compliance Period.* – All registered land owners are given two (2) years to present their land titles to the Registry of Deeds exercising jurisdiction over the subject property for proper titling.

Section 9. *Assignment of Validation Expert.* – There shall be assigned to each office of the Registry of Deeds one expert on validation of land titles to ascertain genuineness of said document.

Section 10. *Appropriation.* – The Secretary of Justice shall immediately include in the programs of the Department of Justice the implementation of this Act, the funding of which shall emanate from the General Appropriations Act in its initial stages of implementation and in the succeeding years shall be drawn from fees collected from issuances of authenticated titles.

Section 11. *Rules and Regulations.* – The Department of Justice, through the Land Registration Authority, shall promulgate and issue the necessary rules and regulations for the implementation of this Act not more than sixty (60) days from its effectivity.

Section 12. *Separability Clause.* – Should any provision of this Act be declared unconstitutional by the court of law, such provision shall be severed from this Act and shall not affect the enforceability of the other remaining provisions.

Section 13. *Repealing Clause.* – All laws, presidential decrees, executive orders, and rules and regulations inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

Section 14. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in any two newspapers of general circulation.

Approved: