



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila



Nineteenth Congress
Third Regular Session

HOUSE BILL NO. **11043**

**Introduced by Representatives Aurelio “Dong” D. Gonzales Jr.,
David “Jay-Jay” C. Suarez, Robert Ace S. Barbers,
Bienvenido M. Abante Jr., Dan S. Fernandez,
Joseph Stephen “Caraps” S. Paduano, Romeo M. Acop,
Johnny Ty Pimentel, Gerville “Jinky Bitrics” R. Luistro,
Ramon Rodrigo L. Gutierrez, Francisco Paolo P. Ortega V,
Jefferson F. Khonghun and Jonathan Keith T. Flores**

EXPLANATORY NOTE

This bill seeks to provide for a civil forfeiture in favor of the State any unlawfully acquired real estate properties by any foreign national.

The prohibition against land ownership by aliens is undoubted and is primarily found in Article XII, Sections 7 and 8 of the 1987 Constitution, which states:

“Sec. 7. Save in cases of hereditary succession, no private lands shall be transferred or conveyed except to individuals, corporations, or associations qualified to acquire or hold lands of the public domain.

“Sec. 8. Notwithstanding the provisions of Section 7 of this Article, a natural-born citizen of the Philippines who has lost his Philippine citizenship may be a transferee of private lands, subject to limitations provided by law.”

This prohibition has existed since the 1935 Constitution, further acknowledging the paramount importance of reserving to Filipinos the country's most finite resource: its land.

On the other hand, thousands of aliens have been flocking to the Philippines to establish Philippine Offshore Gaming Operators (POGOs) which has turned out to be closely linked to criminal activities such as human trafficking and illegal drugs.

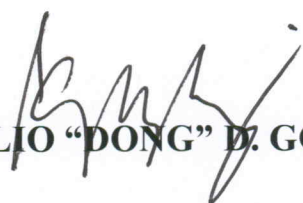
Upon further investigation on POGOs, it was also discovered that these aliens are effectively acquiring Filipino citizenship by securing falsified birth certificates, passports and driver's licenses with the help of corrupt public officers in the local civil registrars, Department of Foreign Affairs, and Land Transportation Authority. Using these falsified public documents, these unscrupulous aliens are able to skirt the constitutional prohibition on foreign land ownership.

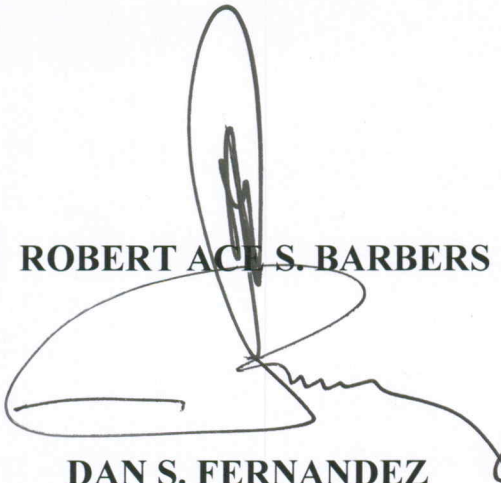
The continued violation to the provisions of our Constitution on alien land ownership cannot be allowed to continue. More so that the primary violators belong to the POGO industry which has already been banned from the Philippines by His Excellency President Ferdinand R. Marcos, Jr. This measure seeks to implement such directive.

In fact, the issue of illegal POGOs has already pushed several lawmakers to move for the immediate forfeiture proceedings against said foreign entities and individuals who exploited legal loopholes in the acquisition of Philippine properties.

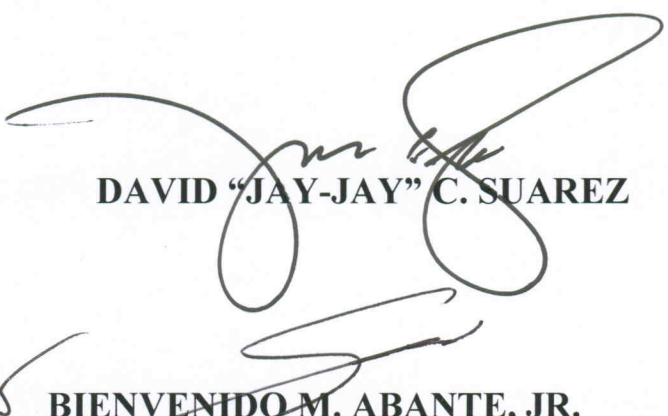
Moving forward, it is then imperative to never let such activities to continue in the Philippines. Thus, by reiterating existing policies against foreign land ownership, establishing the necessary communications framework for better enforcement of the prohibition on foreign land ownership, and allocating for public use any real property acquired through successful forfeiture proceedings, the corrupt practices may be curbed, if not totally eliminated.

In view of the foregoing, the immediate approval of this bill is highly and earnestly recommended.


AURELIO "DONG" D. GONZALES, JR.

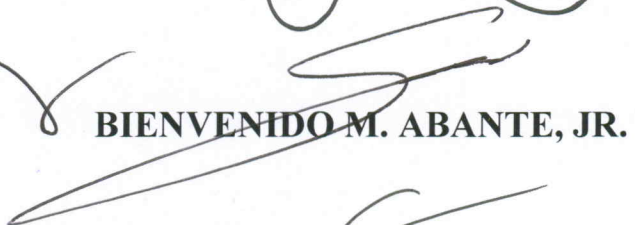


ROBERT ACE S. BARBERS

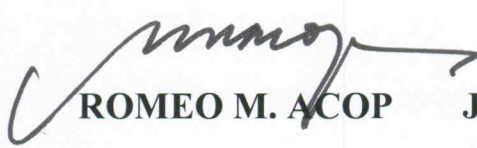


DAVID "JAY-JAY" C. SUAREZ

DAN S. FERNANDEZ



BIENVENIDO M. ABANTE, JR.



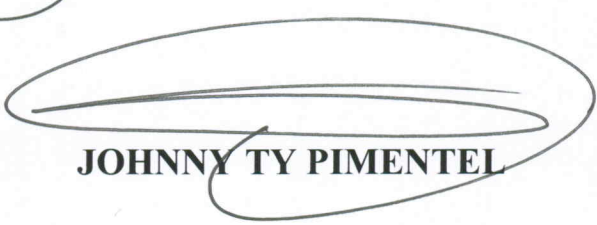
ROMEO M. ACOP



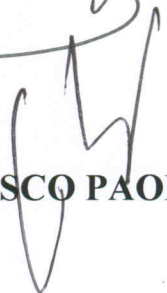
JOSEPH STEPHEN "CARAPS" S. PADUANO



GERVILLE "JINKY BITRICS" R. LUISTRO



JOHNNY TY PIMENTEL



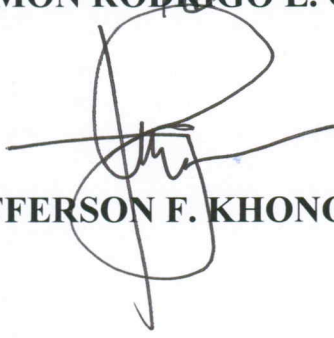
FRANCISCO PAOLO P. ORTEGA V



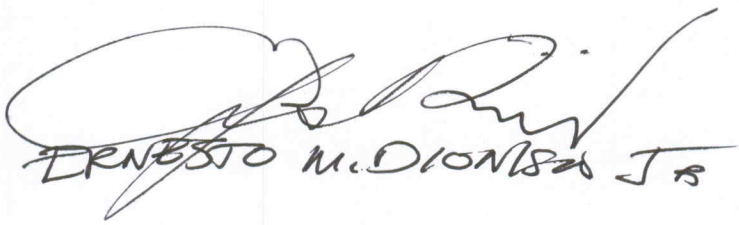
RAMON RODRIGO L. GUTIERREZ



JONATHAN KEITH T. FLORES



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1 **AN ACT**
2 **PROVIDING FOR A CIVIL FORFEITURE IN FAVOR OF THE STATE**
3 **ANY UNLAWFULLY ACQUIRED REAL ESTATE PROPERTIES BY**
4 **ANY FOREIGN NATIONAL**
5

6 *Be it enacted by the Senate and House of Representatives of the Philippines in*
7 *Congress assembled:*
8

9 **SECTION 1. *Short Title.*** – This Act shall be known as the “*Civil*
10 *Forfeiture Act.*”

11 **SEC. 2. *Declaration of Policy.*** – It is the policy of the State to preserve
12 the ownership of land for Filipinos. Save in cases of hereditary succession, no
13 private lands shall be transferred or conveyed except to individuals, corporations,
14 or associations qualified to acquire or hold lands of the public domain. Toward
15 this end, the State shall adopt measures to monitor the transfer of ownership of

1 lands and institute civil forfeiture proceedings if any land is transferred to
2 unqualified foreign national.

3 SEC. 3. ***Civil Forfeiture.*** – Any real estate property transferred or
4 conveyed to unqualified foreign national, natural or juridical, in violation of the
5 Constitutional prohibition is null and void and vests no rights and creates no
6 obligations.

7 On behalf of the Republic of the Philippines, the Solicitor General shall
8 institute the civil forfeiture proceedings and may delegate the same to the
9 National Prosecution Service of the Department of Justice.

10 SEC 4. ***Presumption.*** – Except as otherwise allowed by law, any real estate
11 property acquired by any foreign national in the Philippines shall be presumed
12 *prima facie* to have been unlawfully acquired.

13 SEC. 5. ***Filing and venue of the petition.*** – Any taxpayer may file a
14 complaint before the city or provincial prosecutor who shall conduct a
15 preliminary investigation and certify to the Solicitor General that there is a
16 reasonable ground to believe that a violation of the prohibition on foreign land
17 ownership was committed and the respondent foreign national is probably guilty
18 thereof.

19 Upon proper determination, the Solicitor General shall, file a petition for
20 civil forfeiture before the regional trial court of the judicial region where the real
21 estate property is located.

1 SEC. 6. *Contents of the petition for civil forfeiture.* – The petition shall
2 contain the following information:

3 (a) The name and address of the respondent foreign national;

4 (b) A description with reasonable particularity of the real estate property;

5 and

6 (c) Such other information as may enable the court to determine whether
7 or not the respondent foreign national has unlawfully acquired real estate
8 property.

9 SEC. 7. *Period for the answer.* – The respondent foreign national shall
10 have a period of fifteen (15) days to answer the complaint or petition from the
11 receipt thereof from the city or provincial or prosecutor or the regional trial court.

12 SEC. 8. *Immunity.* – The Solicitor General may grant immunity from
13 criminal prosecution to any person who testifies to the unlawful manner by which
14 an unqualified foreign national has acquired the real estate property in question
15 in cases where such testimony is necessary to prove that the subject real estate
16 property was unlawfully acquired.

17 SEC. 9. *Effect of record of title.* – The fact that the real estate property has
18 been recorded in the Registry of Property or office of the Register of Deeds in the
19 name of the foreign national or of any person in collusion with the former shall
20 not preclude the institution of civil forfeiture proceedings.

21 SEC. 10. *Disposal.* – The real estate property successfully acquired through
22 the civil forfeiture proceedings shall be disposed in the following manner:

1 a. If the real estate property is agricultural land, the land shall be
2 distributed to qualified farmers in coordination with the Department of
3 Agrarian Reform; and

4 b. If the real estate property is non-agricultural land:

5 1. The land shall be used for the establishment of schools, hospitals
6 and other establishments for socialized services; or

7 2. The land may be donated to the local government unit where the
8 land is located and shall be used for social services facilities.

9 The President of the Philippines, however, may order that the non-
10 agricultural land, after determining that the establishment of social service
11 facilities, such as schools and hospitals, is no longer necessary, be turned-over to
12 the Privatization and Management Office of the Department of Finance for its
13 disposal.

14 SEC. 11. **Monitoring and Reporting.** – The Land Registration Authority
15 shall monitor any transfer or conveyance of lands and immediately report to the
16 Solicitor General any suspicious transfer or conveyance to any foreign national,
17 taking into account Commonwealth Act No. 108, as amended, commonly known
18 as the “*Anti-Dummy Law.*”

19 SEC. 12. **Role of Local Government Units.** – The local government units
20 (LGUs) shall, likewise, monitor any transfer of real estate properties within their
21 territorial jurisdiction and immediately report to the Solicitor General any
22 suspicious transfer to any foreign national. Further, the LGUs shall monitor and

1 ensure that the real estate properties in their territorial jurisdiction are utilized for
2 the purpose as appearing in the tax declaration

3 SEC. 13. ***Implementing Rules and Regulations.*** – Within ninety (90) days
4 from the approval of this Act, the Solicitor General shall, in coordination with the
5 Secretaries of Finance, Justice, Agrarian Reform, and the Chairperson of the
6 Anti-Money Laundering Council, promulgate the pertinent rules and regulations
7 for the effective implementation of this Act.

8 SEC. 14. ***Separability Clause.*** – If any provision or part of this Act is
9 declared unconstitutional, the remaining parts provisions not affected shall
10 remain in full force and effect.

11 SEC. 15. ***Repealing Clause.*** – All laws, ordinances, orders, rules,
12 regulations and other issuances or parts thereof which are inconsistent with this
13 Act are hereby repealed, amended or modified accordingly.

14 SEC. 16. ***Effectivity.*** – This Act shall take effect after fifteen (15) days
15 after its publication in the *Official Gazette* or in a newspaper of general
16 circulation.

17 Approved,