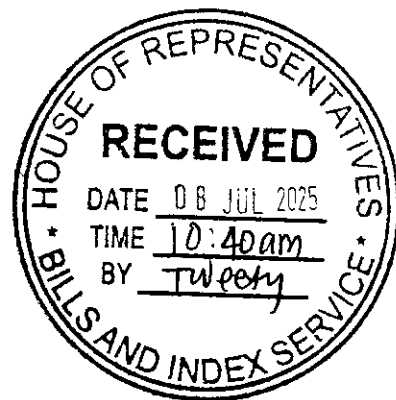


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

House Bill No. **1571**



Introduced by Honorable Roy M. Loyola

EXPLANATORY NOTE

Land denotes the quantity and character of the interest or estate which the tenant may own in land. (Black's Law Dictionary Revised 4th Edition). Land is considered as one of the most valuable economic resources of not just a person but even that of the State.

In our jurisdiction, we use the Torrens System of Registration. (Section 2, P.D. 1529). The System is the most effective measure to guarantee integrity of land titles. The best evidence of ownership of land or an interest therein is the Certificate of Title issued under the System. Certificates of Title are supposed to be indefeasible and incontrovertible. Titles, once registered, should not thereafter be impugned, altered, changed, modified, enlarged, or diminished, except in some direct proceeding permitted by law. Otherwise, all security in registered titles would be lost. (*Albienda vs. C.A.*, 135 SCRA 402, 1985). Accordingly, persons dealing with land or any interest therein are required to put full faith and credit on what appears on the face of the Title.

Unfortunately, in recent times, there has been alarming increase in the incidents of fake or falsified titles. Worse, it appears that these spurious Titles were issued by the concerned public officials in connivance with private individuals. If this illegal practice is allowed to continue, our country will be flooded with fake or falsified titles each inflicting harm on the integrity of the System, to the detriment of country's economic stability and security.

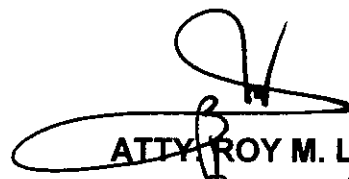
As our laws stand today, it is Presidential Decree No. 1529, otherwise known as the "Property Registration Decree" which is the primary piece of legislation that governs land registration. It amended and codified the various laws relative registration of properties. Of course, provisions of all other related laws, such as Commonwealth Act No. 141, Act No. 496, and Presidential Decree No. 27 which are not inconsistent therewith still continues to be in force and effect.

Regrettably, while the Property Registration Decree, in its ~~whereas~~ clauses, acknowledged the need "to strengthen the Torrens system" and the need "to adopt

safeguards to prevent anomalous titling of property", it failed to institute penal provisions, in case of violation thereof. Thus, the law lacks "teeth", so to speak, to accomplish its objectives. A person responsible for the issuance of a fake or falsified Title may only be held criminally liable for perjury under Article 183 of the Revised Penal Code; and/or Falsification of public documents under either Article 171 or Article 172 of the same Code. The penalty for perjury is a mere *arresto mayor* in its maximum period to *prision correccional* in its minimum period. On the other hand, the maximum penalty imposable for falsification is a mere *prision mayor* and a fine not to exceed P5,000.00.

This proposed bill, which has been filed since Fifteenth Congress, seeks remedy and stop the nefarious practice of anomalously titling land, amending for the purpose the provisions of Article 171 and 172 of the Revised Penal Code, by increasing its penalty, if the falsification involves a Certificate of Land Title or any Land Patent Application, deed, instrument or documents in support thereof, reasonably connected with and calculated to cause the issuance of a Certificate of Land Title. In addition, the offense shall be deemed a heinous offense involving ***economic sabotage*** if the fair market value of the land as shown by its Tax Declaration issued by the City or Provincial Assessor, or the Zonal Valuation as determined by the Commissioner of Internal Revenue, whichever is higher, or the aggregate value thereof, where the falsification or series or combination of falsifications involves more than one (1) Title is at least Ten Million Pesos (P10,000,000.00)

In this light, the undersigned seeks the support of his colleagues in approving this bill.



ATTY. ROY M. LOYOLA
Representative
Fifth District, Cavite

DOCUMENT IN SUPPORT THEREOF, REASONABLY CONNECTED WITH AND CALCULATED TO CAUSE THE ISSUANCE OF A CERTIFICATE OF LAND TITLE. PROVIDED THAT, THE PENALTY OF RECLUSION PERPETUA SHALL BE IMPOSED IF THE FAIR MARKET VALUE AS SHOWN BY ITS TAX DECLARATION ISSUED BY THE CITY OR PROVINCIAL ASSESSOR, OR ZONAL VALUATION AS DETERMINED BY THE COMMISSIONER OF INTERNAL REVENUE, OR AGGREGATE VALUE THEREOF, WHERE THE FALSIFICATION OR SERIES OR COMBINATION THEREOF INVOLVES MORE THAN ONE (1) TITLE IS AT LEAST TEN MILLION PESOS (P10,000,000.00).

SEC. 2. Article 172 of Act No. 3815, as amended, otherwise known as, the Revised Penal Code, is hereby amended to read as follows:

"Art. 172. Falsification by private individuals and use of falsified documents. - The penalty of prision correccional in its medium and maximum periods and a fine of not more that 5,000pesos shall be imposed upon:

(1) Any private individual who shall commit any of the falsifications enumerated in the next preceding article in any public or official document or letter of exchange or any other kind of commercial document;

PROVIDED, THAT, THE PENALTY OF PRISION MAYOR AND A FINE OF P25,000.00 SHALL BE IMPOSED IF THEDOCUMENT FALSIFIED IS A CERTIFICATE OF LAND TITLE OR ANY LAND PATENT APPLICATION, DEED, INSTRUMENT OR DOCUMENT IN SUPPORT THEREOF, REASONABLY CONNECTED WITH AND CALCULATED TO CAUSE THE ISSUANCE OF A CERTIFICATE OF LAND TITLE. PROVIDED THAT, THE PENALTY OF RECLUSION PERPETUA SHALL BE IMPOSED IF THE FAIR MARKET VALUE AS SHOWN BY ITS TAX DECLARATION ISSUED BY THE CITY OR PROVINCIAL ASSESSOR, OR ZONAL VALUATION AS DETERMINED BY THE COMMISSIONER OF INTERNAL REVENUE, OR AGGREGATE VALUE THEREOF, WHERE THE FALSIFICATION OR

SERIES OR COMBINATION THEREOF INVOLVES MORE THAN ONE (1)
TITLE IS AT LEAST TEN MILLION PESOS (P10,000,000.00).

CERTIFICATE OF LAND TITLE FOR PURPOSES OF THIS ARTICLE
AND THE IMMEDIATELY PRECEDING ARTICLE REFERS TO EVIDENCE
OF OWNERSHIP ISSUED PURSUANT TO THE ORDER OF THE COURT
OVER REGISTERED LAND OR THE MUNIMENT OF TITLE ISSUED BY A
GOVERNMENT ADMINISTRATIVE AGENCY FOR THE CONVEYANCE OF
SOME PORTION OF PUBLIC DOMAIN. IT INCLUDES, BUT IS NOT
LIMITED TO ORIGINAL CERTIFICATES OF TITLE (OCT), TRANSFER
CERTIFICATES OF TITLE (TCT), CERTIFICATE OF LAND OWNERSHIP
AWARDS (CLOA), LAND PATENTS, SALES PATENTS, HOMESTEAD
PATENTS, AND FREE PATENTS.

SEC. 3. If any provision of this Act shall be declared invalid or
unconstitutional, the remaining part or provisions not otherwise affected shall
remain in force.

SEC. 4. Any law, decree, ordinance, administrative circulars not
consistent with any provision of this Act is hereby amended, repealed or
modified accordingly.

SEC. 5. This Act shall take effect fifteen (15) days after its
complete publication in the Official Gazette or in at least two (2) newspapers of
general circulation.

Approved,