



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

**TWENTIETH CONGRESS
FIRST REGULAR SESSION**

HOUSE BILL NO. **1628**



Introduced by Representatives

**DAVID "JAY-JAY" C. SUAREZ, BEINVENIDO M. ABANTE JR. ROMEO M. ACOP,
FRANCISCO PAOLO C. ORTEGA, ZIA ALONTO ADIONG, JEFFERSON F. KHONGHUN
ERNESTO M. DIONISIO, JR., RAMON RODRIGO L. GUTIERREZ, LORDAN G. SUAN,
GERVILLE "JINKY BITRICS" R. LUISTRO, FLORES, JONATHAN KEITH T.**

EXPLANATORY NOTE

This proposed measure seeks to authorize the civil forfeiture of real property unlawfully acquired by foreign nationals, ensuring that such assets are transferred in favor of the State.

The Philippine Constitution clearly prohibits land ownership by foreigners, a longstanding policy rooted in the national interest. Article XII, Sections 7 and 8 of the 1987 Constitution reaffirm this restriction by stating that, except in cases of hereditary succession, the ownership and transfer of private lands are limited only to individuals or entities qualified to hold land of the public domain. An exception exists for natural-born Filipinos who have lost their citizenship, allowing them to acquire land within the limitations set by law.

This constitutional safeguard has existed since the 1935 Constitution and highlights the importance of reserving the country's most finite and valuable resource—its land—for the benefit of Filipinos.

In recent years, however, the spread of Philippine Offshore Gaming Operators (POGOs), many operated by foreign nationals, has exposed major loopholes in the enforcement of this constitutional protection. Investigations have revealed that certain foreign individuals involved in POGO operations have used fraudulent schemes to bypass the land ownership restriction. These include acquiring fake birth certificates, passports, and driver's licenses, often with the assistance of corrupt officials from local civil registry offices, the Department of Foreign Affairs, and the Land Transportation Office.

Using these falsified documents, foreign nationals have posed as Filipinos and acquired land illegally. This misuse of public records not only violates the Constitution but also weakens the credibility of state institutions and the legal framework meant to protect national interests.

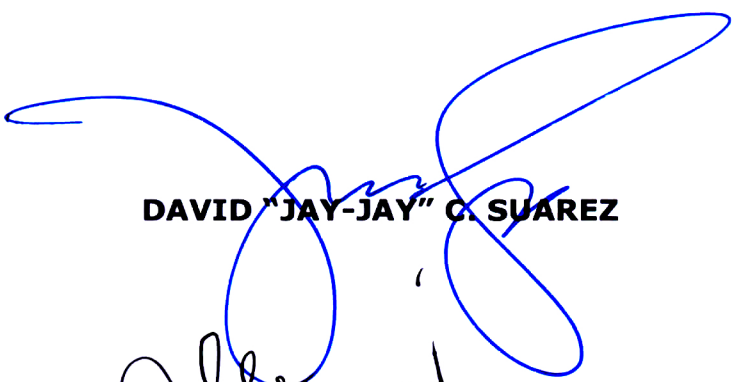
The issue is even more pressing given that many of these violators have ties to the POGO industry, which has already been ordered to cease operations by President Ferdinand R. Marcos Jr. due to its link to various forms of criminal activity, including human trafficking and drug-related offenses.

This measure seeks to reinforce existing constitutional provisions, provide for the forfeiture of real property acquired through illegal means, and allocate these properties for public benefit. It also proposes to strengthen coordination among government agencies to ensure stricter enforcement and to prevent future abuse.

During the 19th Congress, several lawmakers called for the forfeiture of assets connected to illegal POGO operations. This bill establishes the legal basis for such action and ensures that violators are held accountable.

This proposed legislation was deliberated on by the House Committee on Justice during the 19th Congress in two separate meetings, reflecting the urgency of the issue and the need for clear legislative action.

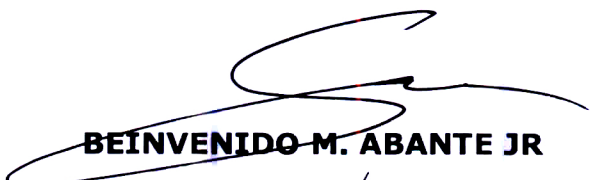
In view of the foregoing, the immediate approval of this bill is respectfully and strongly recommended.



DAVID "JAY-JAY" C. SUAREZ



ZIA ALONTO ADIONG



BEINVENIDO M. ABANTE JR



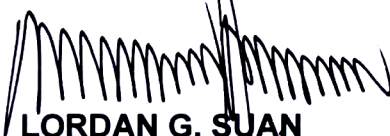
FRANCISCO PAOLO C. ORTEGA



ERNESTO M. DIONISIO, JR.



RAMON RODRIGO L. GUTIERREZ



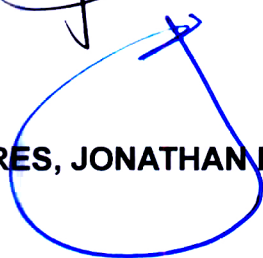
LORDAN G. SUAN



JEFFERSON F. KONGHUN



GERVILLE "JINKY BITRICS" R. LUISTRO



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**AN ACT
PROVIDING FOR CIVIL FORFEITURE IN FAVOR OF THE STATE ANY
UNLAWFULLY ACQUIRED REAL ESTATE PROPERTIES BY ANY FOREIGN
NATIONAL**

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

SEC. 1. **Short Title.**- This Act shall be known as the "*Civil Forfeiture Act.*"

SEC. 2. **Declaration of Policy.** - It is the policy of the State to preserve the ownership of land for Filipinos. 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. Toward this end, the State shall adopt measures to monitor the transfer of ownership of lands and institute civil forfeiture proceedings if any land is transferred to unqualified foreign national.

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

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

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

SEC. 5. ***Filing and venue of the petition.*** – Any taxpayer may file a complaint before the City or Provincial Prosecutor who shall conduct a preliminary investigation and certify to the Solicitor General that there is a reasonable ground to believe that a violation of the prohibition on foreign land ownership was committed and respondent foreign national is probably guilty thereof.

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

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

- a. The name and address of the respondent foreign national;
- b. A description with reasonable particularity of the real estate property; and
- c. Such other information as may enable the court to determine whether or not the respondent foreign national has unlawfully acquired real estate property.

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

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

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

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

- a. If the real estate property is agricultural land, the land shall be distributed to qualified farmers in coordination with the Department of Agrarian Reform; and
- b. If the real estate property is non-agricultural land:
 1. The land shall be used for the establishment of schools, hospitals and other establishments for socialized services; or
 2. The land may be donated to the local government unit where the land is located and shall be used for social services facilities.

The President of the Philippines, however, may order that the non-agricultural land, after determining that the establishment of social service facilities, such as schools and hospitals, is no longer necessary, be turned-over to

the Privatization and Management Office of the Department of Finance for its disposal.

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

SEC. 12. **Role of Local Government Units.** – The local government units (LGUs) shall, likewise, monitor any transfer of real estate properties within their territorial jurisdiction and immediately report to the Solicitor General any suspicious transfer to any foreign national. Further, the LGUs shall monitor and ensure that the real estate properties in their territorial jurisdiction are utilized for the purpose as appearing in the tax declaration.

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

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

SEC. 15. **Repealing Clause.-** All other laws, decrees, orders, rules and regulations or other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

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

Approved,