



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
Second Regular Session

HOUSE BILL NO. 10709



Introduced by Representative Ma. Victoria Co-Pilar

EXPLANATORY NOTE

In the landmark case of *Jennifer C. Josef v. Evalyn G. Ursua* (G.R. No. 267469, February 5, 2025), the Supreme Court clarified that same-sex cohabitants are not governed by Article 147 of the Family Code because they are not legally capacitated to marry each other. Nevertheless, their property relations may be governed by Article 148, provided that actual contribution to the acquisition of property is established. The Court further held that documentary acknowledgments of contribution constitute competent evidence of ownership and that a party who has expressly recognized another's proprietary interest may be estopped from subsequently denying such interest.

While the decision significantly advances the protection of equitable property rights, its application remains dependent upon judicial interpretation on a case-by-case basis. There is currently no express statutory provision recognizing documentary acknowledgments of contribution or establishing clear evidentiary standards for cohabiting persons whose unions are not covered by Article 147.

This measure seeks to codify the doctrine established by the Supreme Court by expressly recognizing that any person who has actually contributed money, property, or industry to the acquisition, improvement, preservation, or amortization of property during cohabitation may establish co-ownership through competent evidence, regardless of the legal nature of the parties' relationship, consistent with Article 148 of the Family Code.

It must be clarified that this measure neither alters the existing laws on marriage nor creates a new form of civil union. It merely protects legitimate property rights founded upon actual contribution and equity.

In view of the foregoing, the immediate passage of this bill is earnestly sought.



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AN ACT

STRENGTHENING THE PROPERTY RIGHTS OF PERSONS WHO HAVE ACTUALLY CONTRIBUTED TO THE ACQUISITION OF PROPERTY DURING COHABITATION NOT GOVERNED BY ARTICLE 147 OF THE FAMILY CODE, AMENDING ARTICLE 148 OF EXECUTIVE ORDER NO. 209, OTHERWISE KNOWN AS THE "FAMILY CODE OF THE PHILIPPINES," AND FOR OTHER PURPOSES

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 "*Equitable Property Rights of Cohabitants Act*."

SEC. 2. Declaration of Policy. It is the policy of the State to protect property rights, uphold fairness and equity, prevent unjust enrichment, and recognize ownership based on actual contribution in accordance with the Constitution and existing civil laws.

The State likewise recognizes that persons who have actually contributed to the acquisition or improvement of property should not be deprived of their lawful proprietary interests solely because legal title is registered in another person's name.

SEC. 3. Article 148 is hereby amended to read as follows:

"Article 148. In cases of cohabitation not falling under the preceding Article, only properties acquired through the actual joint contribution of money, property, industry, labor, or services shall be owned by the parties in common in proportion to their respective contributions. ~~In the absence of proof to the contrary, their contributions and corresponding shares are presumed to be equal.~~

ACTUAL CONTRIBUTION MAY BE ESTABLISHED THROUGH ANY COMPETENT EVIDENCE, INCLUDING BUT NOT LIMITED TO:

- (A) WRITTEN AGREEMENTS;
- (B) ACKNOWLEDGMENTS OF CONTRIBUTION;
- (C) RECEIPTS, BANK RECORDS, AND FINANCIAL DOCUMENTS;
- (D) PROOF OF PAYMENT OF PURCHASE PRICE, LOAN AMORTIZATIONS, TAXES, INSURANCE, RENOVATIONS, REPAIRS, OR IMPROVEMENTS;
- (E) TESTIMONIAL AND OTHER ADMISSIBLE EVIDENCE.

AN ACKNOWLEDGMENT EXECUTED BY ONE PARTY RECOGNIZING THE OWNERSHIP INTEREST OR FINANCIAL CONTRIBUTION OF ANOTHER SHALL CONSTITUTE *PRIMA FACIE* EVIDENCE OF SUCH CONTRIBUTION.

A PARTY WHO VOLUNTARILY ACKNOWLEDGES THE PROPRIETARY INTEREST OF ANOTHER SHALL BE ESTOPPED FROM SUBSEQUENTLY DENYING SUCH ACKNOWLEDGMENT ABSENT PROOF OF FRAUD, MISTAKE, INTIMIDATION, UNDUE INFLUENCE, OR FALSIFICATION.

UPON PROOF OF ACTUAL JOINT CONTRIBUTION, OWNERSHIP SHALL BE PRESUMED EQUAL UNLESS COMPETENT EVIDENCE ESTABLISHES A DIFFERENT PROPORTION. The same rule and presumption shall apply to joint deposits of money and evidences of credit.

If one of the parties is validly married to another, his or her share in the co-ownership shall accrue to the absolute community or conjugal partnership existing in such valid marriage. If the party who acted in bad faith is not validly married to another, his or her shall be forfeited in the manner provided in the last paragraph of the preceding Article.

The foregoing rules on forfeiture shall likewise apply even if both parties are in bad faith.

SEC. 4. Right to Partition. Any co-owner whose ownership has been established under this Act or Article 148 of the Family Code shall possess the right to demand partition of the property at any time, unless partition is prohibited by law or by a valid agreement.

SEC. 5. Annotation of Equitable Interest. A person claiming ownership under this Act may cause the annotation of an adverse claim or notice of equitable interest upon the certificate of title in accordance with existing laws governing land registration.

SEC. 6. Clarificatory Clause. Nothing in this Act shall be construed as:

- (a) recognizing or creating marriage or civil union between persons not authorized under existing laws;
- (b) modifying the requisites for marriage under the Family Code; or

(c) diminishing rights otherwise granted under the Civil Code, Family Code, or other special laws.

This Act solely governs proprietary rights arising from actual contribution.

SEC. 7. Presumption of Contribution. In case of doubt in the existence of cohabitation or actual contribution in the acquisition of property, co-habitation and equal contribution shall be presumed to prevent unjust enrichment and to give effect to the true intent of the parties.

SEC. 8. Implementing Rules and Regulations. Within ninety (90) days from the effectivity of this Act, the Department of Justice, in coordination with the Land Registration Authority and the Supreme Court, insofar as procedural matters are concerned, shall formulate the necessary implementing rules and regulations.

SEC. 9. Separability Clause. If any provision of this Act is declared unconstitutional or invalid, the remaining provisions shall remain in full force and effect.

SEC. 10. Repealing Clause. All laws, executive orders, rules and regulations inconsistent with this Act are hereby repealed or modified accordingly.

SEC. 11. Effectivity. This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.