



Republic of the Philippines

## DEPARTMENT of AGRARIAN REFORM

ELLIPTICAL ROAD, DILIMAN, QUEZON CITY TELS. 997-031 TO 39

ADMINISTRATIVE ORDER NO. 08

Series of 1995

**SUBJECT:** Rules and Procedures Governing the Transferability of Lands Awarded to Agrarian Reform Beneficiaries (ARBs) Pursuant to Presidential Decree No. 27 as amended by Executive Order No. 228 and Republic Act No. 6657

### I. PREFATORY STATEMENT

Presidential Decree No. 27 provides that title to lands acquired pursuant thereto or the Land Reform Program of the Government shall not be transferable except by hereditary succession or to the Government. However, Section 6 of Executive Order No. 228 provides that ownership of lands acquired by farmer-beneficiaries may be transferred after full payment of amortizations.

Section 27 of R.A. No. 6657, on the other hand, provides that lands acquired by the beneficiaries under this Act may not be sold, transferred or conveyed except through hereditary succession, or to the government, the Land Bank of the Philippines (LBP), or other qualified beneficiaries for a period of ten (10) years.

Furthermore, second paragraph of the same Section provides that if the land has not yet been fully paid by the beneficiary, the rights to the land may be transferred or conveyed with prior approval of the DAR to any heir of the beneficiary or to any other beneficiary who, as a condition for such transfer or conveyance, shall cultivate the land himself. Failure to comply with the said condition shall mean that the land shall be transferred to the LBP, which shall issue the Notice of Availability of the land.

To clarify the application of the aforecited provisions of law, the following guidelines are hereby prescribed.

### II. POLICY STATEMENT

1. Lands awarded to ARBs pursuant to either P.D. No. 27 or R.A. No. 6657 may be transferred and registered by the Register of Deeds only after the issuance of a DAR clearance.
2. It shall be understood that although the transfer of awarded land is allowed, the productivity of the subject land be maintained and any change in the nature of its use shall not be allowed except with the approval of the DAR under its rules on conversion or exemption.



*"Tulong-tulong sa pagsulong"*



Consistent with the government's policy to preserve prime agricultural lands, irrigated or irrigable lands under A.O. No. 20, Series of 1992 of the Office of the President shall be non-negotiable for conversion. The non-negotiability shall be annotated at the back of the Transfer Certificate of Title (TCT) by the Register of Deeds (ROD).

3. Transfer of awarded lands under P.D. No. 27, as amended by E.O. No. 228 and R.A. No. 6657 may be allowed, provided the following shall be observed:
  - a. that the productivity of the land shall be maintained;
  - b. that the buyer will not exceed the aggregate landowner ceiling provided by law; and
  - c. that the ownership ceiling of five (5) hectares shall be imposed.
4. If awardee was identified as tenant as of 21 October 1972 and amortizations were fully paid, transfer of awarded lands by the original tenant or his heirs may be allowed, regardless of date of issuance of Emancipation Patent (EP). (P.D. No. 27, as amended by E.O. No. 228)
5. If the land was identified as tenanted after 1972, the transfer may be allowed only after the lapse of ten (10) years from the date of recognition of the tenants as stated in the Order of Placement issued pursuant to DAR Memorandum Circular No. 2, Series of 1978. (P.D. No. 27, as amended by E.O. No. 228)
6. If awardee is a transfer action reallocatee pursuant to an Order of Reallocation, transfer may be allowed provided ten (10) years have elapsed from the date of recognition of the reallocatee as stated in the final Order of Reallocation issued by the Regional Director (RD)/DAR Secretary. However, transfer to a reallocatee by virtue of succession by an heir shall not be subject to the ten (10) year period prohibition. (P.D. No. 27, as amended by E.O. No. 228 and R.A. No. 6657)
7. Transfer Certificate of Title (TCT) shall be issued by the Land Registration Authority (LRA) for lands transferred by an awardee to a transferee. (P.D. No. 27, as amended by E.O. No. 228)
8. No person shall be allowed to own more than five (5) hectares pursuant to the ownership ceiling as provided under R.A. No. 6657.
9. An awardee who shall dispose of his/her landholding shall no longer be qualified to become a beneficiary under CARP.

### III. OPERATING PROCEDURES

- A. The awardee/transferor shall file with the DAR Municipal Office (DARMO) a written request to transfer his/her awarded landholding, attaching the following required documents:



1. Certificate of Full Payment of Amortization to be issued by the LBP on lands financed by the said bank or by DAR in the case of lands covered by the Voluntary Land Transfer/Direct Payment Scheme (VLT/DPS);
2. Certification regarding Full Payment of Irrigation Fees (NIA);
3. Certification regarding Loans (equipment, production, etc. DAR/LBP);
4. Tax Clearance (Treasurer's Office); and
5. Affidavit of the transferor stating that the subject property has no pending case at the DARAB or any of its Adjudicators, the DAR, the Courts or at the Office of the President.

B. DAR Municipal Office (DARMO) shall:

1. process and review the documents submitted by the transferor;
2. require the buyer-transferee to submit the following required documents:
  - a. Affidavit of Aggregate Area of Agricultural Landholding
  - b. Certified copy of Income Tax Return
  - c. Residence Certificate
  - d. Certification to be issued by the Provincial Assessor's Office, regarding the extent of agricultural landholding within the province; and
3. forward the documents, together with his/her recommendations to the DAR Provincial Office (DARPO) within fifteen (15) days upon the receipt of the application.

C. DAR Provincial Office (DARPO) shall:

1. review and evaluate the documents and recommendations of the DARMO; and
2. if found in order, forward the same together with its recommendations to the DAR Regional Office, within ten (10) days upon receipt for proper action, otherwise return the application together with the supporting documents to the DARMO for further action.

D. DAR Regional Office through the Legal Division shall:

1. review and evaluate the documents and recommendations of the DARPO;
2. if found in order, prepare a draft decision within five (5) days from receipt of the same for consideration and signature of the Regional Director, otherwise return the application together with the supporting documents to DARPO for further action;
3. the Regional Director shall sign the order of approval or disapproval and forward the signed order to the Legal Division for proper disposition. Copies of the order shall be furnished the parties concerned, DARPO and DARMO; and
4. the decision of the Regional Director may be appealed to the Secretary through the Bureau of Agrarian Legal Assistance (BALA) within fifteen (15) days from receipt of the order.

#### IV. MONITORING AND REPORTING

For monitoring purposes, periodic reports on transferability/transfer action transactions shall be submitted to the Office of the Undersecretary for Field Operations through the Regional Office copy furnished BLAD and MIS.

#### V. REPEALING CLAUSE

All orders, circulars and other issuances inconsistent herewith are deemed repealed, amended or modified accordingly.

#### VI. EFFECTIVITY CLAUSE

These Guidelines shall take effect ten (10) days after publication in two (2) national newspapers of general circulation.

Quezon City, DECEMBER 18, 1995.

Published in two (2) national Newspapers  
of general circulation:

1. MANILA BULLETIN
2. PHILIPPINE STAR

Date of Publication - December 26, 1995

  
ERNESTO D. GARILAO  
Secretary

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