

Commonwealth Act No. 141 of 1936

AND AN ACT TO AMEND COMPILE THE LAWS RELATIVE TO LANDS OF THE PUBLIC DOMAIN

TITLE I

TITLE AND APPLICATION OF THE ACT, LANDS TO WHICH IT REFERS, AND CLASSIFICATION, DELIMITATION, AND SURVEY — THEREOF FOR CONCESSION

CHAPTER I

Short Title of the Act, Lands to Which it Applies, and Officers Charged With Its Execution

SECTION 1. The short title of this Act shall be "The Public Land Act.

SECTION 2. The provisions of this Act shall apply to the lands of the public domain; but timber and mineral lands shall be governed by special laws and nothing in this Act provided shall be understood or construed to change or modify the administration and disposition of the lands commonly called "friar lands" and those which, being privately owned, have reverted to or become the property of the Commonwealth of the Philippines, which administration and disposition shall be governed by the laws at present in force or which may hereafter be enacted.

SECTION 3. The Secretary of Agriculture and Commerce shall be the executive officer charged with carrying out the provisions of this Act through the Director of Lands, who shall act under his immediate control.

SECTION 4. Subject to said control, the Director of Lands shall have direct executive control of the survey, classification, lease, sale or any other form of concession or disposition and management of the lands of the public domain, and his decisions as to questions of fact shall be conclusive when approved by the Secretary of Agriculture and Commerce.

SECTION 5. The Director of Lands, with the approval of the Secretary of Agriculture and Commerce shall prepare and issue such forms, instructions, rules, and regulations consistent with this Act, as may be necessary and proper to carry into effect the provisions thereof and for the conduct of proceedings arising under such provisions.

CHAPTER II

Classification, Delimitation, and Survey of Lands of the Public Domain, for the Concession Thereof

SECTION 6. The President, upon the recommendation of the Secretary of Agriculture and Commerce, shall from time to time classify the lands of the public domain into —

- (a) Alienable or disposable;
- (b) Timber, and
- (c) Mineral lands,

and may at any time and in a like manner transfer such lands from one class to another, for the purposes of their administration and disposition.

SECTION 7. For the purposes of the administration and disposition of alienable or disposable public lands, the President, upon recommendation by the Secretary of Agriculture and Commerce, shall from time to time declare what lands are open to disposition or concession under this Act.

SECTION 8. Only those lands shall be declared open to disposition or concession which have been officially delimited and classified and, when practicable, surveyed, and which have not been reserved for public or quasi-public uses, nor appropriated by the Government, nor in any manner become private property, nor those on which a private right authorized and recognized by this Act or any other valid law may be claimed, or which, having been reserved or appropriated, have ceased to be so. However, the President may, for reasons of public interest, declare lands of the public domain open to disposition before the same have had their boundaries established or been surveyed, or may, for the same reason, suspend their concession or disposition until they are again declared open to concession or disposition by proclamation duly published or by Act of the National Assembly.

SECTION 9. For the purpose of their administration and disposition, the lands of the public domain alienable or open to disposition shall be classified, according to the use or purposes to which such lands are destined, as follows:

- (a) Agricultural
- (b) Residential commercial industrial or for similar productive purposes
- (c) Educational, charitable, or other similar purposes
- (d) Reservations for town sites and for public and quasi-public uses.

The President, upon recommendation by the Secretary of Agriculture and Commerce, shall from time to time make the classifications provided for in this section, and may, at any time and in a similar manner, transfer lands from one class to another.

SECTION 10. The words "alienation," "disposition," or "concession" as used in this Act, shall mean any of the methods authorized by this Act for the acquisition, lease, use, or benefit of the lands of the public domain other than timber or mineral lands.

TITLE II

Agricultural Public Lands

CHAPTER III

Forms of Concession of Agricultural Lands

SECTION 11. Public lands suitable for agricultural purposes can be disposed of only as follows, and not otherwise:

- (1) For homestead settlement

- (2) By sale
- (3) By lease
- (4) By confirmation of imperfect or incomplete titles:
 - (a) By judicial legalization
 - (b) By administrative legalization (free patent).

SECTION 12. Any citizen of the Philippines over the age of eighteen years, or the head of a family, who does not own more than twenty-four hectares of land in the Philippines or has not had the benefit of any gratuitous allotment of more than twenty-four hectares of land since the occupation of the Philippines by the United States, may enter a homestead of not exceeding twenty-four hectares of agricultural land of the public domain.

SECTION 13. Upon the filing of an application for a homestead, the Director of Lands, if he finds that the application should be approved, shall do so and authorize the applicant to take possession of the land upon the payment of five pesos, Philippine currency, as entry fee. Within six months from and after the date of the approval of the of the application, the applicant shall begin to work the homestead, otherwise he shall lose his prior right to the land.

SECTION 14. No certificate shall be given or patent issued for the land applied for until at least one-fifth of the land has been improved and cultivated. The period within which the land shall be cultivated shall not be less than one or more than five years, from and after the date of the approval of the application. The applicant shall, within the said period, notify the Director of Lands as soon as he is ready to acquire the title. If at the date of such notice, the applicant shall prove to the satisfaction of the Director of Lands, that he has resided continuously for at least one year in the municipality in which the land is located, or in a municipality adjacent to the same, and has cultivated at least one-fifth of the land continuously since the approval of the application, and shall make affidavit that no part of said land has been alienated or encumbered, and that he has complied with all the requirements of this Act, then, upon the payment of five pesos, as final fee, he shall be entitled to a patent.

SECTION 15. At the option of the applicant, payment of the fees required in this chapter may be made to the municipal treasurer of the locality, who, in turn, shall forward them to the provincial treasurer. In case of delinquency of the applicant, the Director of Lands may, sixty days after such delinquency has occurred, either cancel the application or grant an extension of time not to exceed one hundred and twenty days for the payment of the sum due.

SECTION 16. If at any time before the expiration of the period allowed by law for the making of final proof, it shall be proven to the satisfaction of the Director of Lands, after due notice to the homesteader, that the land entered is under the law not subject to home-stead entry, or that the homesteader has actually changed his residence, or voluntarily abandoned the land for more than six months at any one time during the years of residence and occupation herein required, or has otherwise failed to comply with the requirements of this Act, the Director of Lands may cancel the entry.

SECTION 17. Before final proof shall be submitted by any person claiming to have complied with the provisions of this chapter, due notice, as prescribed by the Secretary of

Agriculture and Commerce shall be given to the public of his intention to make such proof, stating therein the name and address of the homesteader, the description of the land, with its boundaries and area, the names of the witness by whom it is expected that the necessary facts will be established, and the time and place at which, and the name of the officer before whom, such proof will be made.

SECTION 18. In case the homesteader shall suffer from mental alienation, or shall for any other reason be incapacitated from exercising his rights personally, the person legally representing him may offer and submit the final proof on behalf of such incapacitated person.

SECTION 19. Not more than one homestead entry shall be allowed to any one person, and no person to whom a homestead patent has been issued by virtue of the provisions of this Act regardless of the area of his original homestead, may again acquire a homestead; Provided, however, That any previous homesteader who has been issued a patent for less than twenty-four hectares and otherwise qualified to make a homestead entry, may be allowed another homestead which, together with his previous homestead shall not exceed an area of twenty-four hectares.

SECTION 20. If at any time after the approval of the application and before the patent is issued, the applicant shall prove to the satisfaction of the Director of Lands that he has complied with all the requirements of the law, but cannot continue with his homestead, through no fault of his own, and there is a *bona fide* purchaser for the rights and improvements of the applicant on the land, and that the conveyance is not made for purposes of speculation, then the applicant, with the previous approval of the Director of Lands may transfer his rights to the land and improvements to any person legally qualified to apply for a homestead, and immediately after such transfer, the purchaser shall file a homestead application for the land so acquired and shall succeed the original homesteader in his rights and obligations beginning with the date of the approval of said application of the purchaser. Any person who has so transferred his rights may not again apply for a new homestead. Every transfer made without the previous approval of the Director of Lands shall be null and void and shall result in the cancellation of the entry and the refusal of the patent.

SECTION 21. Any non-Christian Filipino who has not applied for a home-stead, desiring to live upon or occupy land on any of the reservations set aside for the so-called "non-Christian tribes" may request a permit of occupation for any tract of land of the public domain reserved for said non-Christian tribes under this Act, the area of which shall not exceed four hectares. It shall be an essential condition that the applicant for the permit cultivate and improve the land, and if such cultivation has not been begun within six months from and after the date on which the permit was received, the permit shall be cancelled. The permit shall be for a term of one year. If at the expiration of this term or at any time prior thereto, the holder of the permit shall apply for a homestead under the provisions of this chapter, including the portion for which a permit was granted to him, he shall have the priority, otherwise the land shall be again open to disposition at the expiration of the permit.

For each permit the sum of one peso shall be paid.

CHAPTER IV

Sale

SECTION 22. Any citizen of lawful age of the Philippines, and any such citizen not of lawful age who is a head of a family, and any corporation or association of which at least sixty per centum of the capital stock or of any interest in said capital stock belongs wholly to citizens of the Philippines, and which is organized and constituted under the laws of Philippines, and corporate bodies organized in the Philippines authorized under their charters to do so; may purchase any tract of public agricultural land disposable under this Act, not to exceed one hundred and forty-four hectares in the case of an individual and one thousand and twenty-four hectares in that of a corporation or association, by proceeding as prescribed in this chapter: *Provided*, That partnerships shall be entitled to purchase not to exceed one hundred and forty-four hectares for each member thereof. but the total area so purchased shall in no case exceed the one thousand and twenty-four hectares authorized in this section for associations and corporations.

SECTION 23. No person, corporation, association, or partnership other than those mentioned in the last preceding section may acquire or own agricultural public land or land of any other denomination or classification, which is at the time or was originally, really or presumptively, of the public domain, or any permanent improvement thereon, or any real right on such land and improvement: *Provided, however*, That persons, corporations, associations or partnerships which, at the date upon which the Philippine Constitution took effect, held agricultural public lands or land of any other denomination, that belonged originally, really or presumptively, to the public domain, or permanent improvements on such lands, or a real right upon such lands and Constitution took improvements, having acquired the same under the laws and regulations in force at the date of such acquisition, shall be authorized to continue holding the same as if such persons, corporations, associations, or partnerships were qualified under the last preceding section; but they shall not encumber, convey, or alienate the same to persons, corporations, associations, or partnerships not included in section twenty-two of this Act, except by reason of hereditary succession, duly legalized and acknowledged by competent courts.

SECTION 24. Lands sold under the provisions of this chapter must be appraised in accordance with section one hundred and sixteen of this Act. The Director of Lands shall announce the sale thereof by publishing the proper notice once a week for six consecutive weeks in the Official Gazette, and in two newspapers one published in Manila and the other published in the municipality or in the province where the lands are located, or in a neighboring province, and the same notice shall be posted on the bulletin board of the Bureau Of Lands in Manila, and in the most conspicuous place in the provincial building and the municipal building of the province and municipality, respectively, where the land is located, and, if practicable, on the land itself; but if the value of the land does not exceed two hundred and forty pesos, the publication in the *Official Gazette* and newspapers may be omitted. The notices shall be published one in English and the other in Spanish or in the local dialect, and shall fix a date not earlier than sixty days after the date of the notice upon which the land will be awarded to the highest bidder, or public bids will be called for, or other action will be taken as provided in this chapter.

SECTION 25. Public agricultural lands which are not located within ten (10) kilometers from the boundaries of the city proper in chartered cities or within five (5) kilometers from the municipal hall or town occupants plaza of any municipality may be sold to actual occupants who do not own any parcel of land or whose total land holdings do not exceed five hectares and who comply with the minimum requirements of Commonwealth Act numbered one hundred forty-one, as amended, and who have resided on the land applied for at least two years prior to the date of the application. cdt

All bids must be sealed and addressed to the Director of Lands and must have inclosed therewith cash or certified check, treasury warrant, or post-office money order payable to the order of the Director of Lands for ten *per centum* of the amount of the bid, which amount shall be retained in case the bid is accepted as part payment of the purchase price: *Provided*, That no bid shall be considered the amount of which is less than the appraised value of the land.

In addition to existing publication requirements in section twenty-four of Commonwealth Act Numbered one hundred forty-one, as amended, notices and of applications shall be posted for a period of not less than thirty days in at least three conspicuous places in the municipality where the parcel of land is located, one of which shall be at the municipal building, and other, in the barrio council building of the barrio where the land is located.

SECTION 26. Upon the opening of the bids, the land shall be awarded to the highest bidder. If there are two or more equal bids which are higher than the others, and one of such equal bids is that of the applicant, his bid shall be accepted. If, however, the bid of the applicant is not one of such equal and higher bids, the Director of Lands shall at once submit the land for public bidding, and to the person making the highest bid on such public auction the land shall be awarded. In any case, the applicant shall always have the option of raising his bid to equal that of the highest bidder, and in this case the land shall be awarded to him. No bid received at such public auction shall be finally accepted until the bidder shall have deposited ten *per centum* of his bid, as required in Section twenty-five of this Act. In case none of the tracts of land that are offered for sale or the purchase of which has been applied for, has an area in excess of twenty-four hectares, the Director of Lands may delegate to the District Land Officer concerned the power of receiving bids, holding the auction, and proceeding in accordance with the provisions of this Act, but the District Land Officer shall submit his recommendation to the Director of Lands, for the final decision of the latter in the case.

The District Land Officer shall accept and process any application for the purchase of public lands not exceeding five hectares subject to the approval of the Director of Lands within sixty days after receipt of the recommendation of said District Land Officer.

SECTION 27. The purchase price shall be paid as follows: The balance of the purchase price after deducting the amount paid at the time of submitting the bid, may be paid in full upon the making of the award, or in not more than ten equal annual installments from the date of the award.

SECTION 28. The purchaser shall have not less than one-fifth of the land broken and cultivated within five years after the date of the award; and before any patent is issued, the purchaser must show of occupancy, cultivation, and improvement of at least one-fifth of the land applied for until the date on which final payment is made: *Provided, however*, That in case land purchased is to be devoted to pasture, it shall be sufficient compliance with this condition if the purchaser shall graze on the land as many heads of his cattle as will occupy at least one-half of the entire area at the rate of one head per hectare.

SECTION 29. After title has been granted, the purchaser may not, within a period of ten years from such cultivation or grant, convey or encumber or dispose said lands or rights thereon to any person, corporation or association, without prejudice to any right or interest of the Government in the land: *Provided*, That any sale and encumbrance made in violation of the provisions of this section, shall be null and void and shall produce the effect of annulling the acquisition and reverting the property and all rights thereto to the State, and all payments on the purchase price theretofore made to the Government shall be forfeited.

SECTION 30. If at any time after the date of the award and before the issuance of patent, it is proved to the satisfaction of the Director of Lands, after due notice to the purchaser, that the purchaser has voluntarily abandoned the land for more than one year at any one time, or has otherwise failed to comply with the requirements of the law, then the land shall revert to the State, and all prior payments made by the purchaser and all improvements existing on the land shall be forfeited.

SECTION 31. No person, corporation, association, or partnership shall be permitted, after the approval of this Act, to acquire the title to or possess as owner any lands of the public domain if such lands, added to other lands belonging to such person, corporation, association, or partnership shall give a total area greater than area the acquisition of which by purchase is authorized under this Act. Any excess in area over this maximum and all right, title, interest, claim or action held by any person, corporation, association, or partnership resulting directly or indirectly in such excess shall revert to the State.

This section shall, however, not be construed to prohibit any person, corporation, association, or partnership authorized by this Act to require lands of the public domain from making loans upon real necessary for the recovery of such loans; but in this case, as soon as the excess above referred to occurs, such person, corporation, association, or partnership shall dispose of such lands within five years, for the purpose of removing the excess mentioned. Upon the land in excess of the limit there shall be paid, so long as the same is not disposed of, for the first year a surtax of fifty per centum additional to the ordinary tax to which such property shall be subject, and for each succeeding year fifty per centum shall be added to the last preceding annual tax rate, until the property shall have been disposed of.

The person, corporation, association, or partnership owning the land in excess of the limit established by this Act shall determine the portion of land to be segregated.

At the request of Secretary of Agriculture and Commerce, the Solicitor-General or the officer acting in his stead shall institute the necessary proceedings in the proper court for the purpose of determining the excess portion to be segregated, as well as the disposal of such portion in the exclusive interest of the Government.

SECTION 32. This chapter shall be held to authorize only one purchase of the maximum amount of land hereunder by the same person, corporation, association, or partnership; and no corporation, association, or partnership, any member of which shall have received the benefits of this chapter or of the next following chapter, either as an individual or as a member of any other corporation, association, or partnership, shall purchase any other lands of the public domain under this chapter. But any purchaser of public land, after having made the last payment upon and cultivated at least one-fifth of the land purchased, if the same shall be less than the maximum allowed by this Act, may purchase successively additional agricultural public land adjacent to or not distant from the land first purchased, until the total area of such purchases shall reach the maximum established in this chapter: *Provided*, That in making such additional purchase or purchases, the same conditions shall be complied with as prescribed by this Act for the first purchase.

CHAPTER V

Lease

SECTION 33. Any citizen of lawful age of the Philippines, and any corporation or association of which at least sixty per centum of the capital stock or of any interest in said

capital stock belongs wholly to citizens of the Philippines, and which is organized and constituted under the laws of the Philippines, may lease any tract of agricultural public land available for lease under the provisions of this Act, not exceeding a total of one thousand and twenty-four hectares. If the land leased is adapted to and be devoted for grazing purposes, an area not exceeding two thousand hectares may be granted. No member, stockholder, of officer, representative, attorney, agent, employee or bondholder of any corporation or association holding or controlling agricultural public land shall apply, directly or indirectly, for agricultural public land except under the homestead and free patent provisions of this Act: *Provided*, That no lease shall be permitted to interfere with any prior claim by settlement or occupation, until the consent of the occupant or settler is first had, or until such claim shall be legally extinguished, and no person, corporation, or association shall be permitted to lease lands hereunder which are not reasonably necessary to carry on his business in case of an individual, or the business for which it was lawfully created and which it may lawfully pursue in the Philippines, if an association or corporation.

SECTION 34. A notice of the date and place of the auction of the right to lease the land shall be published and announced in the same manner as that prescribed for the publication and announcement of the notice of sale, in section twenty-four of this Act.

SECTION 35. All bids must be sealed and addressed to the Director of Lands and must have enclosed therewith cash or a certified check, Treasury warrant, or post-office money order payable to the order of the Director of Lands, for a sum equivalent to the rental for at least, the first three months of the lease: *Provided*, That no bid shall be considered in which the proposed annual rental is less than three per centum of the value of the land according to the appraisal made in conformity with section one hundred and sixteen of this Act.

SECTION 36. The auction of the right to lease the land shall be conducted under the same procedure as that prescribed for the auction sale of agricultural lands as described in section twenty-six of this Act: *Provided*, That no bid shall be accepted until the bidder shall have deposited the rental for at least the first three months of the lease.

SECTION 37. The annual rental of the land leased shall not be less than three per centum of the value of the land, according to the appraisal and reappraisal made in accordance with section one hundred sixteen of this Act; except for lands reclaimed by the Government, which shall not be less than four per centum of the appraised and reappraised value of the land: *Provided*, That one-fourth of the annual rental of these lands reclaimed prior to the approval of this Act shall accrue to the construction and improvement portion of the Portworks Funds: And provided, further, That the annual rental of not less than four per centum of the appraised and reappraised value of the lands reclaimed using the Portworks Fund after the approval of this Act shall all accrue to the construction and improvement portion of the Portworks Fund. But if the land leased is adapted to and be devoted for granting purposes, the annual rental shall be not less than two per centum of the appraised and reappraised value thereof- Every contract of lease under the provisions of this chapter shall contain a cause to the effect that are appraisal of the land leased shall be made every ten years from the date of the approval of the lease, if the term of the same shall be in excess of ten years. In case the lessee is not agreeable to the reappraisal and prefers to give up his contract of lease, he shall notify the Director of Lands of his desire within the six months next preceding the date on which the reappraisal takes effect, and in case his request is approved, the Director of Lands may, if the lessee should so desire, proceed in accordance with section one hundred of this Act.

SECTION 38. Leases shall run for a period of not more than twenty-five years, but may be renewed once for another period of not to exceed twenty-five years, in case the lessee shall have made important improvements which, in the discretion of the Secretary of Agriculture and Commerce justify a renewal. Upon the final expiration of the lease, all buildings and other permanent improvements made by the lessee, his heirs, executors, administrators, successors, or assigns shall become the property of the Government, and the land together with the said improvements shall be disposed of in accordance with the provisions of chapter five of this Act.

SECTION 39. It shall be an inherent and essential condition of the lease that the lessee shall have not less than one-third of the land broken and cultivated within five years after the date of the approval of the lease: *Provided*, however, That in case the land leased is to be devoted to pasture, it shall be sufficient compliance with this condition if the lessee shall graze on the land as many heads of cattle as will occupy at least one-half of the entire area at the rate of one head per hectare.

SECTION 40. The lessee shall not assign, encumber, or sublet his rights without the consent of the Secretary of Agriculture and Commerce, and the violation of this condition shall avoid the contract: *Provided*, That assignment, encumbrance, or subletting for purposes of speculation shall not be permitted in any case: *Provided, further*, That nothing contained in this section shall be understood or construed to permit the assignment, encumbrance, or subletting of lands leased under this Act, or under any previous Act, to persons, corporations, or associations which under this Act, are not authorized to lease public lands.

SECTION 41. The lease of any lands under this chapter shall not confer the right to remove or dispose of any valuable timber except as provided in the regulations of the Bureau of Forestry for cutting timber upon such lands. Nor shall such lease confer the right to remove or dispose of stone, oil, coal, salts, or other minerals, or medicinal mineral waters existing upon the same. The lease as to the part of the land which shall be mineral may be canceled by the Secretary of Agriculture and Commerce, after notice to the lessee, whenever the said part of the land is more valuable for agricultural purposes.

The commission of waste or violation of the forestry regulations by the lessee shall work a forfeiture of his last payment of rent and render him liable to immediate dispossession and suit for damage.

SECTION 42. After having paid rent for at least the first two years of the lease, and having complied with the requirements prescribed in section thirty nine, the lessee of agricultural public land with an area than the maximum allowed by law, may lease successively additional agricultural public land adjacent to or near the land originally leased until the total- area of such leases shall reach the maximum established in this chapter: *Provided*, That in making such additional lease, the same conditions shall be complied with as prescribed by this Act for the first lease.

SECTION 43. During the life of the lease, any lessee who shall have complied with all the conditions thereof and shall have the qualifications required by section twenty-two, shall have the option of purchasing the land leased subject to the restrictions of chapter five of this Act.

CHAPTER VI

Free Patents

SECTION 44. Any natural-born citizen of the Philippines who is not the owner of more than twenty-four hectares and who since July fourth, nineteen hundred and twenty-six or prior thereto, has continuously occupied and cultivated, either by himself or through his predecessors-in-interest, a tract or tracts of agricultural public lands subject to disposition, or who shall have paid the real estate tax thereon while same has not been occupied by any person shall be entitled, under the provisions of this chapter, to have a free patent issued to him for such tract or tracts of such land not to exceed twenty-four hectares.

A member of the national cultural minorities who has continuously occupied and cultivated, either by himself or through his predecessors-in-interest, a tract or tracts of land, whether disposable or not since July 4, 1955, shall be entitled to the right granted in the preceding paragraph of this section: *Provided*, That at the time he files his free patent application he is not the owner of any real property secured or disposable under this provision of the Public Land Law

SECTION 45. The President of the Philippines (Prime Minister), upon recommendation of the Secretary of Natural Resources, shall from time to time fix by proclamation the period which applications for Proclamation free patents may be filed in the district, chartered city, of period province, municipality or region specified in such proclamation, and upon the expiration of the period so designated, unless the same be extended by the President (Prime Minister) all the land comprised within such district, chartered city, province, municipality or region subject thereto under the provisions of this chapter may be disposed of as agricultural public land without prejudice to the prior right of the occupant and cultivator to acquire such land under this Act by means other than free patent. The time to be fixed in the entire Archipelago for the filing of applications under this Chapter shall not extend beyond December 31, 1987, except in the provinces of Agusan del Norte, Agusan del Sur, Cotabato, South Cotabato, Bukidnon, Lanao del Norte, Lanao del Sur, Davao del Norte, Davao del Sur, Davao Oriental, Sulu, Mt. Province, Benguet, Kalinga-Apayao, and Ifugao where the President of the Philippines, upon recommendation of the Secretary of Natural Resources, shall determine or fix the time beyond which the filing of applications under this Chapter shall not extend. The period fixed for any district, chartered city, province, or municipality shall begin to run thirty days after the publication of the proclamation in the Official Gazette and if available in one newspaper of general circulation in the city, province or municipality concerned. A certified copy of said proclamation shall be furnished by the Secretary of Natural Resources within 30 days counted from the date of the presidential proclamation to the Director of Lands and to the provincial board, the municipal board or city council and barangay council affected, and copies thereof shall be posted on the bulletin board of the Bureau of Lands at Manila and at conspicuous places in the provincial building and at the municipal building and barangay hall or meeting place. It shall moreover, be announced by government radio whenever available, in each of the barrios of the municipality.

SECTION 46. If, after the filing of the application and the investigation, the Director of Lands shall be satisfied of the truth of the allegations contained the application and that the applicant comes within the provisions chapter, he shall cause a patent to issue to the applicant or his legal successor for the tract so occupied and cultivated, provided its area does not exceed twenty-four hectares: *Provided*, That no application shall be finally acted upon until notice thereof has been published in the municipality and barrio in which the land is located and adverse claimants have had an opportunity to present their claims.

CHAPTER VII

Judicial Confirmation of Imperfect or Incomplete Titles

SECTION 47. The persons specified in the next following section are hereby granted time, not to extend beyond December 31, 1987 within which to take advantage of the benefit of this chapter: Provided, That this extension shall apply only where the area applied for does not exceed 144 hectares. *Provided, further,* That the several periods of time designated by the President in accordance with section forty-five of this Act shall apply also to the lands comprised in the provisions of this chapter, but this section shall not be construed as prohibiting any of said persons from acting under this chapter at any time prior to the period fixed by the President.

SECTION 48. The following-described citizens of the Philippines, occupying lands of the public domain or claiming to own any such lands or an interest therein, but whose titles have not been perfected or completed, may apply to the Court of First Instance of the province where the land is located for confirmation of their claims and the issuance of a certificate of title therefor, under the Land Registration Act , to wit:

(a) Those who prior to the transfer of sovereignty from Spain to the prior United States have applied for the purchase, composition or other form of grant of lands of the public domain under the laws and royal decrees then in force and have instituted and prosecuted the proceedings in connection therewith, but have with or without default upon their part, or for any other cause, not received title therefor, if such applicants or grantees and their heirs have occupied and cultivated said lands continuously since the filing of their applications.

(b) Those who by themselves or through their predecessors in interest have been in open, continuous, exclusive, and notorious possession and occupation of agricultural lands of the public domain, under a bona fide claim of acquisition or ownership, for at least thirty years immediately preceding the filing of the application for confirmation of title except when prevented by war or *force majeure*. These shall be conclusively presumed to have performed all the conditions essential to a Government grant and shall be entitled to a certificate of title under the provisions of this chapter.

(c) Members of the national cultural minorities who by themselves or through their predecessors-in-interest have been in open, continuous, exclusive and notorious possession and occupation of lands of the public domain suitable to agriculture, whether disposable or not, under a bona fide claim of ownership for at least 30 years shall be entitled to the rights granted in sub-section (b) hereof.

SECTION 49. No person claiming title to lands of the public domain not possession of the qualifications specified in the last preceding section may apply for the benefits of this chapter.

SECTION 50. Any person or persons, or their legal representatives or successors in right, claiming any lands or interest in lands under the provisions of this chapter, must in every case present an application to the proper Court of First Instance, praying that the validity of the alleged title or claim be inquired into and that a certificate of title be issued to them under the provisions of the Land Registration Act.

The application shall conform as nearly as may be in its material allegations to the requirements of an application for registration under the Land Registration Act, and shall be accompanied by a plan of the land and all documents evidencing a right on the part of the applicant to the land claimed. The application shall also state the citizenship of the applicant and shall set forth fully the nature of the claim and when based upon proceeding initiated under Spanish laws, it shall specify as exactly as possible the date and form of application for purchase composition or other form of grant, the extent of the compliance with the conditions required by the Spanish laws and royal decrees for the acquisition of legal title, and if not fully complied with, the reason for such noncompliance, together with a statement of the length of time such land or any portion thereof has been actually occupied by the claimant or his predecessors in interest; the use made of the land, and the nature of the inclosure, if any. The fees provided to be paid for the registration of lands under the Land Registration Act shall be collected from applicants under this chapter.

SECTION 51. Applications for registration under this chapter shall be heard in the Court of First Instance in the same manner and shall be subject to the same procedure as established in the Land Registration Act for other applications, except that a notice of all such applications, together with a plan of the lands claimed, shall be immediately forwarded to the Director of Lands, who may appear as a party in such cases: *Provided*, That prior to the publication for hearing, all of the papers in said case shall be transmitted papers by the clerk to the Solicitor General or officer acting in his stead, in order that he may, if he deems it advisable for the interests of the Government, investigate all of the facts alleged in the application or otherwise brought to his attention. The Solicitor-General shall return such papers to the clerk as soon as practicable within three months.

The final decree of the court shall in every case be the basis for the original certificate of title in favor of the person entitled to the property under the procedure prescribed in section forty-one of the Land Registration Act.

SECTION 52. In cadastral proceedings, instead of an application, an answer or claim may be filed with the same effect as in the procedure provided in the last preceding two sections.

SECTION 53. It shall be lawful for the Director of Lands, whenever in the opinion of the President the public interests shall require it, to cause to be filed in the proper Court of First Instance, through the Solicitor-General or the officer acting in his stead, a petition against the holder, claimant, possessor, or occupant of any land who shall not have voluntarily come in under the provisions of this chapter or of the Land Registration Act, stating in substance that the title of such holder, claimant, possessor, or occupant is open to discussion; or that the boundaries of any such land which has not been brought into court as aforesaid are open to question; or that it is advisable that the title to such lands be settled and adjudicated, and praying that the title to any such land or the boundaries thereof or the right to occupancy thereof be settled and adjudicated. The judicial proceedings under this section shall be in accordance with the laws on adjudication of title in cadastral proceedings.

SECTION 54. If in the hearing of any application arising under this chapter the court shall find that more than one person or claimant has an interest in the land, such conflicting interests shall be adjudicated by the court and decree awarded in favor of the person or persons entitled to the land according to the laws, but if none of said person is entitled to the land, or if the person who might be entitled to the same lacks the qualifications required by this Act for acquiring agricultural land of the public domain, the decision shall be in favor of the Government.

SECTION 55. Whenever, in any proceedings under this chapter to secure registration of an incomplete or imperfect claim of title initiated prior to the transfer of sovereignty from Spain to the United States, it shall appear that had such claims been prosecuted to completion under the laws prevailing when instituted, and under the conditions of the grant then contemplated, the conveyance of such land to the applicant would not have been gratuitous, but would have involved payment therefor to the Government, then and in that event the court shall, after decreeing in whom title should vest, further determine the amount to be paid as a condition for the registration of the land. Such judgment shall be certified to the Director of Lands by the clerk of the court for collection of the amount due from the person entitled to conveyance.

Upon payment to the Director of Lands of the price specified in the judgment, he shall so certify to the proper Court of First Instance and said court shall forthwith order the registration of the land in favor of the competent person entitled thereto. If said person shall fail to pay the amount of money required by the decree within a reasonable time fixed in the same, the court shall order the proceeding to stand dismissed and the title to the land shall then be in the State free from any claim of the applicant.

SECTION 56. Whenever any judgment of confirmation or other decree of the court under this chapter shall become final, the clerk of the court concerned shall certify that fact to the Director of Lands, with a certified copy of the decree of confirmation or judgment of the court and the plan and technical description of the land involved in the decree or judgment of the court.

SECTION 57. No title or right to, or equity in, any lands of the public domain may hereafter be acquired by prescription or by adverse possession or occupancy, or under or by virtue of any law in effect prior to American occupation, except as expressly provided by laws enacted after said occupation of the Philippines by the United States.

TITLE III

Lands for Residential, Commercial or Industrial Purposes and Other Similar Purposes

CHAPTER VIII

Classification and Concession of Public Lands Suitable for Residence, Commerce and Industry

SECTION 58. Any tract of land of the public domain which, being neither timber nor mineral land, is intended to be used for residential purposes or for commercial, industrial, or other productive purposes other than agricultural, and is open to disposition or concession, shall be disposed of under the provisions of this chapter and not otherwise.

SECTION 59. The lands disposable under this title shall be classified as follows:

- (a) Lands reclaimed by the Government by dredging, filling, or other means;
- (b) Foreshore;
- (c) Marshy lands or lands covered with water bordering upon the shores or banks of navigable lakes or rivers;

(d) Lands not included in any of the foregoing classes.

SECTION 60. Any tract of land comprised under this title may be leased or sold, as the case may be, to any person, corporation, or association authorized to purchase or lease public lands for agricultural purposes. The area of the land so leased or sold shall be such as shall, in the judgment of the Secretary of Agriculture and Natural Resources, be reasonably necessary for the purposes for which such sale or lease is requested, and shall in no case exceed one hundred and forty-four hectares: Provided, however, That this limitation shall not apply to grants, donations, transfers made to a province, municipality or branch or subdivision of the Government for the purposes deemed by said entities conducive to the public interest; but the land so granted donated, or transferred to a province, municipality, or branch or subdivision of the Government shall not be alienated, encumbered, or otherwise disposed of in a manner affecting its title, except when authorized by Congress: *Provided, further,* That any person, corporation, association or partnership disqualified from purchasing public land for agricultural purposes under the provisions of this Act, may lease land included under this title suitable for industrial or residential purposes, but the lease granted shall only-be valid while such land is used for the purposes referred to.

SECTION 61. The lands comprised in classes (a), (b), and (c) of section fifty-nine shall be disposed of to private parties by lease only and not otherwise, as soon as the President, upon recommendation by the Secretary of Agriculture and Commerce. shall declare that the same are not necessary for the public service and are open to disposition under this chapter. The lands included in class (d) may be disposed of by sale or lease under the provisions of this Act.

SECTION 62. The lands reclaimed by the Government by dredging, filling or otherwise shall be surveyed and may, with the approval of the Secretary of Agriculture and Commerce, be divided by the Director of Lands into lots and blocks, with the necessary streets and alley-ways between them, and said Director shall give notice to the public by publication in the Official Gazette or by other means, that the lots or blocks not needed for public purposes shall be leased for commercial or industrial or other similar purposes.

SECTION 63. Whenever it is decided that lands covered by this chapter are not needed for public purposes, the Director of Lands shall ask the Secretary of Agriculture and Commerce for authority to dispose of the same. Upon receipt of such authority, the Director of Lands shall give notice by public advertisement in the same manner as in the case of leases or sales of agricultural public land, that the Government will lease or sell, as the case may be, the lots or blocks specified in the advertisement, for the purpose stated in the notice and subject to the conditions specified in this chapter.

SECTION 64. The leases executed under this chapter by the Secretary of Agriculture and Commerce shall, among other conditions, contain the following:

(a) The rental shall not be less than three *per centum* of the appraised or reappraised value of the land plus one *per centum* of the appraised or reappraised value of the improvements, except for lands reclaimed by the Government which shall not be less than four *per centum* of the appraised or reappraised value of the land plus two *per centum* of the appraised or reappraised value of the improvements thereon: *Provided,* That twenty-five *per centum* of the total annual rental on all lands reclaimed prior to the approval of this Act and one *per centum* of the appraised or reappraised value of improvements shall accrue to the construction and improvement portion of the Portworks Fund: *And provided, further,* That the annual rental

on lands reclaimed using the Portworks Fund together with the fee due on account of the improvement thereon after the effectivity of this Act shall all accrue to the construction and improvement portion of the Portworks Fund.

(b) The land rented and the improvements thereon shall be reappraised every ten years if the term of the lease is in excess of that period.

(c) The term of the lease shall be as prescribed by section thirty-eight of this Act.

(d) The lessee shall construct permanent improvements appropriate for the purpose for which the lease is granted, shall commence the construction thereof within six months from the date of the award of the right to lease the land, and shall complete the said construction within eighteen months from said date.

(e) At the expiration of the lease or of any extension of the same, all improvements made by the lessee, his heirs, executors, administrators, successors, or assigns shall become the property of the Government.

(f) The regulation of all rates and fees charged to the public; and the annual submission to the Government for approval of all tariffs of such rates and fees.

(g) The continuance of the easements of the coast police and other easements reserved by existing law or by any laws hereafter enacted.

(h) Subjection to all easements and other rights acquired by the owners of lands bordering upon the foreshore or marshy land.

The violation of one or any of the conditions specified in the contract shall give rise to the rescission of said contract. The Secretary of Agriculture and Commerce may, however, subject to such conditions as he may prescribe, waive the rescission arising from a violation of the conditions of subsection (d), or extend the time within which the construction of the improvements shall be commenced and completed.

SECTION 65. The sale of the lands comprised in classes (c) and (d) of section fifty-nine shall, among others, comprise the following conditions:

(a) The purchaser shall make improvements of a permanent character appropriate for the purpose for which the land is purchased, shall commence work thereon within six months from the receipt of the order of award, and shall complete the construction of said improvements within eighteen months from the date of such award; otherwise the Secretary of Agriculture and Natural Resources may rescind the contract.

(b) The purchase price shall be paid in cash or in equal annual installments, not to exceed ten.

The contract of sale may contain other conditions not inconsistent with the provisions of this Act.

SECTION 66. The kind of improvements to be made by the lessee or the purchaser, and the plans thereof, shall be subject to the approval of the Secretary of Public Works and Communications, in case they are constructions or improvements which if by the Government, would properly have to be executed under the supervision of the Bureau of Public Works.

SECTION 67. The lease or sale shall be made through oral bidding; and adjudication shall be made to the highest bidder. However, where an applicant has made improvements on the land by virtue of a permit issued to him by competent authority, the sale or lease shall be made by sealed bidding as prescribed in section twenty-six of this Act, the provisions of which shall be applied wherever applicable. If all or part of the lots remain unleased or unsold, the Director of Lands shall from time to time announce in the Official Gazette or in any other newspapers of general circulation, the lease or sale of those lots, if necessary

SECTION 68. The Secretary of Agricultural and Commerce may grant to qualified persons temporary permission, upon payment of a reasonable charge, for the use of any portion of the lands covered by this chapter for any lawful private purpose, subject to revocation at any time when, in his judgment, the public interest shall require it.

TITLE IV

Lands for Educational, Charitable, and Other Similar Purposes

CHAPTER IX

Concession of Lands for Educational, Charitable, and Other Similar Purposes

SECTION 69. Whenever any province, municipality, or other branch or subdivision of the Government shall need any portion of the land of the public domain open to concession for educational, charitable or other similar purposes, the President, upon recommendation by the Secretary of Agriculture and Commerce, may execute contracts in favor of the same. in the form of donation, sale, lease, exchange, or any other form, under terms and conditions to be inserted in the contract; but land so granted shall in no case be encumbered or alienated, except when the public service requires their being leased or exchanged, with the approval of the President, for other lands belonging to private parties, or if the National Assembly disposes otherwise.

SECTION 70. Any tract of public land of the class covered by this title maybe sold or leased for the purpose of founding a cemetery, church, college, school, university, or other institutions for educational, charitable or philanthropical purposes or scientific research, the area to be such as may actually and reasonably be necessary to carry out such purpose, but not to exceed ninety-six hectares in any case. The sale or lease shall be made subject to the same conditions as required for the sale and lease of agricultural public land, but the Secretary of Agriculture and Commerce may waive the conditions requiring cultivation. The Secretary of Agriculture and Commerce, if conveyance he sees fit, may order the sale to be made without public auction, at a price to be fixed by said Secretary, or the lease to be granted without auction, at a rental to be fixed by him. In either case it shall be a condition that the purchaser or lessee or their successors or assigns shall not sell transfer, encumber or lease the land for the purposes of speculation or use it for any purpose other than that

contemplated in the application, and that the violation of this condition shall give rise to the immediate rescission of the sale or lease, as the case may be, and to the forfeiture to the Government of all existing improvements: *Provided*, That it shall in no case be sublet, encumbered or resold under the conditions above set forth except with the approval of the Secretary of Agriculture and Commerce.

TITLE V

Reservations

CHAPTER X

Town Site Reservations

SECTION 71. Whenever it shall be considered to be in the public interest to found a new town. the Secretary of Agriculture and Commerce shall direct the Director of Lands to have a survey made by his Bureau of the exterior boundaries of the site on which such town is to be established, and upon the completion of the survey he shall send the same to said Secretary, with his recommendations.

SECTION 72. The Secretary of Agriculture and Commerce, if he approves the recommendations of the Director of Lands, shall submit the matter to the President to the end that the latter may issue a proclamation reserving the land surveyed, or such part thereof as he may deem proper, as a town site, and a certified copy of such proclamation shall be sent to the Director of Lands and another to the register of deeds of the province in which the surveyed land lies.

SECTION 73. It shall then be the duty of the Director of Lands, after having recorded the proclamation of the President and the survey accompanying the same, and having completed the legal proceedings prescribed in chapter thirteen of this Act, to direct a subdivision in accordance with the instructions of the Secretary of Agriculture and Commerce, if there shall be such instructions, and if there shall not be any, then in the manner which may to the Director of Lands seem best adapted to the convenience and interest of the public and the residents of the future town.

SECTION 74. The plat of the subdivision shall designate certain lots for commercial and industrial uses and the remainder as residence lots, and shall also reserve and note the lots owned by private individuals as evidenced by record titles, or possessed or claimed by them as private property. Such lots, whether public or private, shall be numbered upon a general plan or system.

The plat prepared by the Director of Lands shall be submitted to the Secretary of Agriculture and Commerce for consideration, modification, amendment, or approval.

SECTION 75. Unless the necessary reservations are made in the proclamation of the President, the Director of Lands, with the approval of the Secretary of Agriculture and Commerce, shall reserve out of the land by him to be subdivided lots of sufficient size and convenient situation for public use, as well as the necessary avenues, streets, alleyways, parks, and squares. The avenues, streets, alleys, parks, plazas, and lots shall be laid out on the plat as though the lands owned or claimed by private persons were part of the public domain and part of the reservation, with a view to the possible subsequent purchase or condemnation thereof, if deemed necessary by the proper authorities.

SECTION 76. At any time after the subdivision has been made, the President may, in case the public interest requires it, reserve for public purposes any lot or lots of the land so reserved and not disposed of.

SECTION 77. If, in order to carry out the provisions of this chapter, it shall be necessary to condemn private lands within the limits of the new town, the President shall direct the Solicitor-General or officer acting in his stead to at once begin proceedings for condemnation, in accordance with the provisions of existing law.

SECTION 78. When the plat of subdivision has been finally approved by the Secretary of Agriculture and Commerce, the Director of Lands shall record the same in the records of his office and shall forward a certified copy of such record to the register of deeds of the province in which the land lies, to be by such register recorded in the records of his office

SECTION 79. All lots, except those claimed by or belonging to private parties and those reserved for parks, buildings, and other public uses, shall be sold, after due notice, at public auction to the highest bidder, after the approval and recording of the plat of subdivision as above provided, but no bid shall be accepted that does not equal at least two-thirds of the appraised value, nor shall bids be accepted from persons, corporations, associations, or partnerships not authorized to purchase public lands for commercial, residential or industrial purposes under the provisions of this Act. The provisions of sections twenty-six and sixty-five of this Act shall be observed in so far as they are applicable. Lots for which satisfactory bids have not been received shall be again offered for sale, under the same conditions as the first time, and if they then remain unsold, the Director of Lands shall be authorized to sell them at private sale for not less than two-thirds of their appraised value.

SECTION 80. All funds derived from the sale of lots shall be covered into the Philippine Treasury as part of the general funds.

SECTION 81. Not more than two residence lots and two lots for commercial and industrial uses in any one town site shall be sold to any one person, corporation, or association without the specific approval of the Secretary of Agriculture and Commerce.

SECTION 82. The Assembly shall have the power at any time to modify, alter, rescind, repeal, annul, and cancel, with or without conditions, limitation, exceptions, or reservations, all and any dispositions made by the executive branch of the Philippine Government by virtue of this chapter, and the exercise of this power shall be understood as reserved in all cases, as an inherent condition thereof.

CHAPTER XI

Reservations for Public and Semi-Public Purposes

SECTION 83. Upon the recommendation of the Secretary of Agriculture and Commerce, the President may designate by proclamation any tract or tracts of land of the public domain as reservations for the use of the Commonwealth of the Philippines or of any of its branches, or of the inhabitants thereof, in accordance with regulations prescribed for this purpose, or for quasi-public uses or purposes when the public interest requires it, including reservations for highways, rights of way for railroads, hydraulic power sites, irrigation systems, communal pastures or *leguas comunales*, public parks, public quarries, public fishponds, workingmen's village and other improvements for the public benefit.

SECTION 84. Upon recommendation of the Secretary of Agriculture and Commerce, the President, may by proclamation, designate any tract or tracts of the public domain for the exclusive use of the non-Christian Filipinos, including in the reservation, in so far as practicable, the lands used or possessed by them, and granting to each member not already the owner, by title or gratuitous patent, of four or more hectares of land, the use and benefit only of a tract of land not to exceed four hectares for each male member over eighteen years of age or the head of a family. As soon as the Secretary of the Interior shall certify that the majority of the non-Christian inhabitants of any given reservation have advanced sufficiently in civilization, then the President may order that the lands of the public domain within such reservation be granted under the general provisions of this Act to the said inhabitants, and the subdivision and distribution of said lands as above provided shall be taken into consideration in the final disposition of the same. But any non-Christian inhabitant may at any time apply for the general benefits of this Act provided the Secretary of Agriculture and Commerce is satisfied that such inhabitant is qualified to take advantage of the provisions of the same: *Provided*, That all grants, deeds, patents and other instruments of conveyance of land or purporting to convey or transfer rights of property, privileges, or easements appertaining to or growing out of lands, granted by sultans, datus, or other chiefs of the so-called non-Christian tribes, without the authority of the Spanish Government while the Philippines were under the sovereignty of Spain, or without the consent of the United States Government or of the Philippine Government since the sovereignty over the Archipelago was transferred from Spain to the United States, and all deeds and other documents executed or issued or based upon the deeds, patents, and documents mentioned, are hereby declared to be illegal, void, and of no effect.

SECTION 85. Upon recommendation by the Secretary of Agriculture and Commerce, the President may, by proclamation designate any tract or tracts of land of the public domain for the establishment of agricultural colonies; and although the disposition of the lands to the colonists shall be made under the provisions of this Act, yet, while the Government shall have the supervision and management of said colonies, the Secretary of Agriculture and Commerce may make the necessary rules and regulations for the organization and internal administration of the same. The Secretary of Agriculture and Commerce may also, under conditions to be established by the Assembly, turn over a colony so reserved to any person or corporation, in order that such person or corporation may clear, break, and prepare for cultivation the lands of said colony and establish the necessary irrigation system and suitable roads and fences; but final disposition shall be made of the land in accordance with the provisions of this Act, subject, however, to such conditions as the National Assembly may establish for the reimbursement of the expense incurred in putting such lands in condition for cultivation: *Provided*, That the National Assembly may direct that such land so prepared for cultivation may be disposed of only by sale or lease.

CHAPTER XII

Provisions Common to Reservations

SECTION 86. A certified copy of every proclamation of the President issued under the provisions of this title shall be forwarded to the Director of Lands for record in his office, and a copy of this record shall be forwarded to the register of deeds of the province or city where the land lies. Upon receipt of such certified copy, the Director of Lands shall order the immediate survey of the proposed reservation if the land has not yet been surveyed, and as

soon as the plat has been completed, he shall proceed in accordance with the next following section.

SECTION 87. If all the lands included in the proclamation of the President are not registered under the Land Registration Act, the Solicitor-General, if requested to do so by the Secretary of Agriculture and Commerce, shall proceed in accordance with the provision of section fifty-three of this Act.

SECTION 88. The tract or tracts of land reserved under the provisions of section eighty-three shall be non-alienable and shall not be subject to occupation, entry, sale, lease, or other disposition until again declared alienable under the provisions of this Act or by proclamation of the President.

TITLE VI

General Provisions

CHAPTER XIII

Applications: Procedure, Concession of Lands, and Legal Restrictions and Encumbrances

SECTION 89. All applications filed under the provisions of this Act shall be addressed to the Director of Lands.

SECTION 90. Every application under the provisions of this Act shall be made under oath and shall set forth:

(a) The full name of applicant, his age, place of birth, citizenship, civil status, and post-office address. In case the applicant is a corporation, association or copartnership, the application shall be accompanied with a certified copy of its articles of incorporation, association or copartnership together with an affidavit of its President, manager, or other responsible officer, giving the names of the stockholders or members, their citizenship, and the number of shares subscribed by each.

(b) That the applicant has all the qualifications required by this Act in the case.

(c) That he has none of the disqualifications mentioned herein.

(d) That the application is made in good faith, for the actual purpose of using the land for the object specified in the application and for no other purpose, and that the land is suitable for the purpose to which it is to be devoted.

(e) That the application is made for the exclusive benefit of the application and not, either directly or indirectly, for the benefit of any other person or persons, corporation, association, or partnership.

(f) As accurate a description of the land as may be given, stating its nature the province, municipality, barrio, and sitio where it is located, and its

limits and boundaries, specifying those having reference to accidents of the ground or permanent monuments, if any.

(g) Whether all or part of the land is occupied or cultivated or improved, and by whom, giving his post-office address, and whether the land has been occupied or cultivated or improved by the applicant or his ascendant, the name of the ascendant, the relationship with him, the date and place of the death of the ascendant, the date when the possession and cultivation began, and description of the improvements made, accompanying satisfactory evidence of the relationship of the applicant with the ascendant, and of the death of the latter and the descendants left by him, in case it is alleged that he occupied and cultivated the land first; or whether there are indications of its having been occupied, cultivated, or improved entirely or partially, and if so, in what such indications consist, whether he has made investigations as to when and by whom such improvements were made, and if so, how such investigations were made and what was the result thereof; or whether the land is not occupied, improved, or cultivated either entirely or partially, and there are no indications of it having ever been occupied, improved, or cultivated, and in this case, what is the condition of the land.

(h) That the land applied for is neither timber nor mineral land and does not contain guano or deposits of salts or coal.

(i) That the applicant agrees that a strip forty meters wide starting from the bank on each side of any river or stream that may be found on the land applied for, shall be demarcated and preserved as permanent timberland to be planted exclusively to trees of known economic value, and that he shall not make any clearing thereon or utilize the same for ordinary farming purposes even after patent shall have been issued to him or a contract of lease shall have been executed in his favor. 68

SECTION 91. The statements made in the application shall be considered as essential conditions and parts of any concession, title, or permit issued on the basis of such application, and any false statements therein or omission of facts altering, changing, or modifying the consideration of the facts set forth in such statements, and any subsequent modification, alteration, or change of the material facts set forth in the application shall *ipso facto* produce the cancellation of the concession, title, or permit granted. It shall be the duty of the Director of Lands, from time to time and whenever he may deem it advisable, to make the necessary investigations for the purpose of ascertaining whether the material facts set out in the application are true, or whether they continue to exist and are maintained and preserved in good faith, and for the purposes of such investigation, the Director of Lands is hereby empowered to issue *subpoenas* and *subpoenas duces tecum* and, if necessary, to obtain compulsory process from the courts. In every investigation made in accordance with this section, the existence of bad faith, fraud, concealment, or fraudulent and illegal modification of essential facts shall be presumed if the grantee or possessor of the land shall refuse or fail to obey a *subpoena* or *subpoena duces tecum* lawfully issued by the Director of Lands or his authorized delegates or agents, or shall refuse or fail to give direct and specific answers to pertinent questions, and on the basis of such presumption, an order of cancellation may issue without further proceedings.

SECTION 92. Although the maximum area of public land that may be acquired is fixed, yet the spirit of this Act is that the rule which must determine the real area to be granted is the beneficial use of the land. The concession or disposition shall be for less than the maximum area authorized if, at the time of the issuance of the patent or of the concession or disposition, it shall appear that the applicant is utilizing and is only able to utilize a smaller area, even though the application is for a greater area. For the purposes of this section, the Director of Lands is authorized to determine the area that may be granted to the applicant, and to deny or cancel or limit any application for concession, purchase, or lease if convinced of the lack of means of the applicant for using the land for the purpose for which he has requested it.

SECTION 93. Lands applied for under this Act shall conform to the legal subdivisions and shall be contiguous if comprising more than one subdivision. If subdivisions have not been made on the date of the application, the lands shall be rectangular in form so far as practicable, but it shall be endeavored to make them conform to the legal subdivision as soon as the same has been made, provided the interests of the applicant or grantee are protected; and the subdivision assigned to the applicant or grantee shall, so far as practicable, include the land improved or cultivated. The regulations to be issued for the execution of the provisions of this section shall take into account the legal subdivision to be made by the Government and the inadvisability of granting the best land at a given place to only one person. cd i

SECTION 94. In case the legal subdivisions have already been made at the time of the filing of the application, no charge shall be made for the survey; but if the legal subdivisions have not yet been made, the cost of the survey shall be charged to the Government, except in the following cases:

(a) In purchases under chapters five and ten of this Act, the cost of the survey shall be charged to the purchaser if the same is a corporation, association, or partnership; in other purchases the purchaser, whoever it be, shall pay the total cost of the survey.

(b) In leases, the cost of the survey shall be paid by the lessee; but at any time after the first five years from the approval of the lease, and during the life of the same, the lessee shall be entitled to the reimbursement of one-half of the cost of the survey, if he shows to the satisfaction of the Director of Lands that he has occupied and improved a sufficient area of the land or incurred sufficient expenses in connection therewith to warrant such reimbursement.

SECTION 95. If before the delimitation and survey of a tract of public land the President shall declare the same disposable or alienable and such land shall be actually occupied by a person other than the applicant, the Director of Lands shall inform the occupant of his prior right to apply for the land and shall give him one hundred and twenty days time in which to file the application or apply for the concession by any of the forms of disposition authorized by this Act, if such occupant is qualified to acquire a concession under this Act.

SECTION 96. As soon as any land of the public domain has been surveyed, delimited, and classified, the President may, in the order issued by him declaring it open for disposition, designate a term within which occupants with improvements but not entitled to

free patents may apply for the land occupied by them, if they have the qualifications required by this Act.

SECTION 97. If in the case of the two last preceding sections, the occupant or occupants have not made application under any of the provisions of this Act at the expiration of the time limit fixed, they shall lose any prior right to the land recognized by this Act, and the improvements on the land, if any, shall be forfeited to the Government.

SECTION 98. All rights in and interest to, and the improvements and crops upon, land for which an application has been denied or canceled or a patent or grant refused, or a contract or concession rescinded or annulled, shall also be forfeited to the Government.

SECTION 99. The Secretary of Agriculture and Commerce may order such improvements and crops to be appraised separately, for sale to the new applicant or grantee, or may declare such land open only to sale or lease.

SECTION 100. In case the cancellation is due to delinquency on the part of the applicant or grantee, the same shall be entitled to the reimbursement of the proceeds of the sale of the improvements and crops, after deducting the total amount of his indebtedness to the Government and the expense incurred by it in the sale of the improvements or crops and in the new concession of the land.

SECTION 101. All actions for the reversion to the Government of lands of the public domain or improvements thereon shall be instituted by the Solicitor-General or the officer acting in his stead, in the proper courts, in the name of the Commonwealth of the Philippines.

SECTION 102. Any person, corporation, or association may file an objection under oath to any application or concession under this Act, grounded on any reason sufficient under this Act for the denial or cancellation of the application or the denial of the patent or grant. If, after the applicant or grantee has been given suitable opportunity to be duly heard, the objection is found to be well founded, the Director of Lands shall deny or cancel the application or deny patent or grant, and the person objecting shall, if qualified, be granted a prior right of entry for a term of sixty days from the date of the notice.

SECTION 103. All the proofs, affidavits, and oaths of any kind required or necessary under this Act may be made before the justice of the peace ⁷¹ of the municipality in which the land lies, or before the judge or clerk of the Court of First Instance of the province in which the land lies, or before any justice of the peace or chargeable notary public of the province in which the land lies, or before any officer or employee of the Bureau of Lands authorized by law to administer oaths.

The fees for the taking of final evidence before any of the officials herein-before mentioned shall be as follows:

For each affidavit, fifty centavos.

For each deposition of the applicant or the witness, fifty centavos.

SECTION 104. Any owner of uncultivated agricultural land who knowingly permits application for the same to be made to the Government and the land to be tilled and improved by a bona fide grantee without protesting to the Bureau of Lands within one year after cultivation has begun, shall lose all to the part of the land so cultivated and improved, unless he shall bring action in the proper court before such action for recovery prescribes and obtains favorable judgment therein, in which case the court shall, upon its decision becoming final, order the payment to the grantee, within a reasonable period, of the indemnity fixed by said court for the cultivation and improvement.

SECTION 105. If at any time the applicant or grantee shall die before the issuance of the patent or the final grant of the land, or during the life of the lease, or while the applicant or grantee still has obligations pending towards the Government, in accordance with this Act, he shall be succeeded in his rights and obligations with respect to the land applied for or granted or leased under this Act by his heirs in law, who shall be entitled to have issued to them the patent or final concession if they show that they have complied with the requirements therefor, and who shall be subrogated in all his rights and obligations for the purposes of this Act.

SECTION 106. If at any time after the approval of the application and before the issuance of a patent or the final concession of the land, or during the life of the lease, or at any time when the applicant or grantee still has obligations pending with the Government, in accordance with this Act, it appears that the land applied for is necessary, in the public interest, for the protection of any source of water or for any work for the public benefit that the Government wishes to undertake, the Secretary of Agriculture and Commerce may order the cancellation of the application or the non issuance of the patent or concession or the exclusion from the land applied for of such portion as may be required, upon payment of the value of the improvements, if any.

SECTION 107. All patents or certificates for land granted under this Act shall be prepared in the Bureau of Lands and shall be issued in the name of the Government of the Republic of the Philippines under the signature of the President of the Philippines: *Provided*, however, That the President of the Philippines may delegate to the Secretary of Agriculture and Natural Resources 74 and/or the Under secretary for Natural Resources 74 the power to sign patents or certificates covering lands not exceeding one hundred forty-four hectares in area, and to the Secretary of Agriculture and Natural Resources 75 the power to sign patents or certificates covering lands exceeding one hundred forty-four hectares in area: *Provided, further*, That District Land Officers in every province are hereby empowered to sign patents or certificates covering lands not exceeding five hectares in area when the office of the District Land Officer is properly equipped to carry out the purposes of this Act: *Provided*, That no applicant shall be permitted to split the area applied for by him in excess of the area fixed in this section among his relatives within the sixth degree of consanguinity or affinity excepting the applicant's married children who are actually occupying the land: *Provided, finally*, That copies of said patents issued shall be furnished to the Bureau of Lands for record purposes. No patent or certificate shall be issued by the District Land Officer unless the survey of the land covered by such patent or certificate, whether made by the Bureau of Lands or by a private surveyor, has been approved by the Director of Lands. The Director of Lands shall promptly act upon all surveys submitted to him for approval and return the same to the District Land Officer within ninety days after receipt of such surveys by his office. In case of disapproval, the Director of Lands shall state the reasons therefor. Any person aggrieved by the decision or action of the District Land Officer may, within thirty days from receipt of the copy of the said decision, appeal to the Director of Lands. Such patents or certificates shall be effective only for the purposes defined in Section one hundred and twenty-two of the land Registration Act, and actual conveyance of the land shall be effected only as provided in said section.

All surveys pending approval by the Director of Lands at the time this Act takes effect shall be acted upon by him within ninety days from the effectivity of this Act.

SECTION 108. No patent shall issue nor shall any concession or contract be finally approved unless the land has been surveyed and an accurate plat made thereof by the Bureau of Lands.

SECTION 109. In no case shall any land be granted under the provisions of this Act when this affects injuriously the use of any adjacent land or of the waters, rivers, creeks, foreshore, roads, or roadsteads, or vest the grantee with other valuable rights that may be detrimental to the public interest.

SECTION 110. Patents or certificates issued under the provisions of this Act shall not include nor convey the title to any gold, silver, copper, iron, or other metals or minerals, or other substances containing minerals, guano, gums, precious stones, coal, or coal oil contained in lands granted thereunder. These shall remain to be property of the State.

SECTION 111. All persons receiving title to lands under the provisions of this Act shall hold such lands subject to the provisions hereof and to the same public servitudes as exist upon lands owned by private persons, including those with reference to the littoral of the sea and the banks of navigable rivers or rivers upon which rafting may be done.

SECTION 112. Said land shall further be subject to a right-of-way not exceeding sixty (60) meters in width for public highways, railroads, irrigation ditches, aqueducts, telegraph and telephone lines and similar works as the Government or any public or quasi-public service or enterprise, including mining or forest concessionaires, may reasonably require for carrying on their business, with damages for the improvements only. *77*

SECTION 113. The beneficial use of water shall be the basis, the measure, and the limit of all rights thereto, and the patents herein granted shall be subject to the right of the Government to make such rules and regulations for the use of water and the protection of the water supply, and for other public purposes, as it may deem best for the public good. Whenever, by priority of possession, rights to the use of water for mining, agricultural, manufacturing, or other purposes have vested and accrued, and the same are recognized and acknowledged by the local customs, or by the laws and decisions of the courts, the possessors and owners of such vested rights shall be maintained and protected in the same, and all patents granted under this Act shall be subject to any vested and accrued rights to ditches and reservoirs used in connection with such water rights as may have been acquired in the manner above described prior to April eleven, eighteen hundred and ninety-nine.

SECTION 114. There is hereby reserved from the operation of all patents, certificates, entries, and grants by the Government authorized under this Act the right to use for the purposes of power any flow of water in any stream running through or by the land granted, the convertible power from which at ordinary low water exceeds fifty horse power. Where the convertible power in any stream running through or by land granted under the authority of this Act thus exceeds fifty horsepower, and there is no means of using such power except by the occupation of a part of the land granted under authority of this Act, then so much land as is reasonably necessary for the mill site or site for the power house, and for a suitable dam and site for massing the water, is hereby excepted from such grants, not exceeding four hectares, and a right of way to the nearest public highway from the land thus excepted, and also a right of way for the construction and maintenance of such flumes, aqueducts, wires, poles, or other conduits as may be needed in conveying the water to the point where its fall will yield the greatest power, or the power from the point of conversion to the point of use, is reserved as a servitude or easement upon the land granted by authority of this Act: *Provided, however,* That when the Government or any concessionaire of the Government shall take possession of the land under this section which a grantee under this Act shall have paid for, supposing it to be subject to grant under this Act, said grantee shall be entitled to indemnity from the Government or the concessionaire, as the case may be, in the amount, if any, paid by him to the Government for the land taken from him by virtue of

this section: And *provided, further*, That with respect to the flow of water, except for converting the same into power exceeding fifty horse power, said grantee shall be entitled to the same use of the water flowing through or along his land that other private owners enjoy under the law, subject to the governmental regulation provided in the previous section. Water power privileges in which the convertible power at ordinary low water shall exceed fifty horse power shall be disposed of only upon terms established by an Act of the Assembly concerning the use, lease or acquisition of such water privilege.

SECTION 115. All lands granted by virtue of this Act, including homesteads upon which final proof has not been made or approved, shall, even though and while the title remains in the State, be subject to the ordinary taxes, which shall be paid by the grantee or the applicant, beginning with the year next following the one in which the homestead application has been filed, or the concession has been approved, or the contract has been signed, as the case may be, on the basis of the value fixed in such filing, approval or signing of the application, concession or contract.

SECTION 116. The appraisal or reappraisal of the lands or improvements subject to concession or disposition under this Act shall be made by the Director of Lands, with the approval of the Secretary of Agriculture and Commerce. The Director of Lands may request the assistance of the provincial treasurer of the province in which the land lies or may appoint a committee for such purpose in the province or in the municipality in which the land lies. In no case shall the appraisal or reappraisal be less than the expense incurred or which may be incurred by the Government in connection with the application or concession, nor shall any reappraisal be made with an increase of more than one hundred per centum upon the appraisal or reappraisal next preceding.

SECTION 117. All sums due and payable to the Government under this Act, except homestead fees, shall draw simple interest at the rate of four per centum per annum from and after the date in which the debtor shall become delinquent.

SECTION 118. Except in favor of the Government or any of its branches, units, or institutions, lands acquired under free patent or homestead provisions shall not be subject to encumbrance or alienation from the date of the approval of the application and for a term of five years from and after the date of issuance of the patent or grant, nor shall they become liable to the satisfaction of any debt contracted prior to the expiration of said period, but the improvements or crops on the land may be mortgaged or pledged to qualified persons, associations, or corporations.

No alienation, transfer, or conveyance of any homestead after five years and before twenty-five years after issuance of title shall be valid without the approval of the Secretary of Agriculture and Commerce, which approval shall not be denied except on constitutional and legal grounds.

SECTION 119. Every conveyance of land acquired under the free patent or homestead provisions, when proper, shall be subject to repurchase by the applicant, his widow, or legal heirs, within a period of five years from the date of the conveyance.

SECTION 120. Conveyance and encumbrance made by persons belonging to the so-called "non-Christian Filipinos" or national cultural minorities, when proper, shall be valid if the person making the conveyance or encumbrance is able to read and can understand the language in which the instrument or conveyance or encumbrances is written. Conveyances and encumbrances made by illiterate non-Christian or literate non-Christians where the instrument of conveyance or encumbrance is in a language not understood by the

said literate non-Christians shall not be valid unless duly approved by the Chairman of the Commission on National Integration.

SECTION 121. Except with the consent of the grantee and the approval of the Secretary of Natural Resources, and solely for commercial, industrial, educational, religious or charitable purposes or for a right of way, no corporation, association, or partnership may acquire or have any right, title, interest, or property right whatsoever to any land granted under the free patent, homestead, or individual sale provisions of this Act or to any permanent improvement on such land.

The provisions of Section 124 of this Act to the contrary notwithstanding, any acquisition of such land, rights thereto or improvements thereon by a corporation, association, or partnership prior to the promulgation of this Decree for the purposes herein stated is deemed valid and binding; Provided, That no final decision of reversion of such land to the State has been rendered by a court; And Provided, further, That such acquisition is approved by the Secretary of Natural Resources within six (6) months from the effectivity of this Decree.

SECTION 122. No land originally acquired in any manner under the provisions of this Act, nor any permanent improvement on such land, shall encumbered, alienated, or transferred, except to persons, corporations, associations, or partnerships who may acquire lands of the public domain under this Act or to corporations organized in the Philippines authorized therefor by their charters.

Except in cases of hereditary succession, no land or any portion thereof originally acquired under the free patent, homestead, or individual sale provisions of this Act, or any permanent improvement on such land, shall be transferred or assigned to any individual, nor shall such land or any permanent improvement thereon be leased to such individual, when the area of said land, added to that of his own, shall exceed one hundred and forty-four hectares. Any transfer, assignment, or lease made in violation hereof, shall be null and void.

SECTION 123. No land originally acquired in any manner under the provisions of any previous Act, ordinance, royal order, royal decree, or any other provision of law formerly in force in the Philippines with regard to public lands, *terrenos baldios y realengos*, or lands of any other denomination that were actually or presumptively of the public domain, or by royal grant or in any other form, nor any permanent improvement on such land, shall be encumbered, alienated, or conveyed, except to persons, corporations or associations who may acquire land of the public domain under this Act or to corporate bodies organized in the Philippines whose charters authorize them to do so: *Provided, however*, That this prohibition shall not be applicable to the conveyance or acquisition by reason of hereditary succession duly acknowledged and legalized by competent courts; *Provided, further*, That in the event of the ownership of the lands and improvements mentioned in this section and in the last preceding section being transferred by judicial decree to persons, corporations or associations not legally capacitated to acquire the same under the provisions of this Act, such persons, corporations, or associations shall be obliged to alienate said lands or improvements to others so capacitated within the precise period of five years; otherwise, such property shall revert to the Government.

SECTION 124. Any acquisition, conveyance, alienation, transfer, or other contract made or executed in violation of any of the provisions of sections one hundred and eighteen, one hundred and twenty, one-one hundred and twenty-one, one hundred and twenty two, and one hundred and twenty-three of this Act shall be unlawful and null and void from its execution and shall produce the effect of annulling and cancelling the grant, title, patent, or

permit originally issued, recognized or confirmed, actually or presumptively, and cause the reversion of the property and its improvements to the State.

SECTION 125. The provisions of sections twenty-two, twenty-three, thirty-three, one hundred and twenty-two, and one hundred and twenty-three of this Act, and any other provision or provisions restricting or tending to restrict the right of persons, corporations, or associations to acquire, hold, lease, encumber, dispose of, or alienate land in the Philippines, or permanent improvements thereon, or any interest therein, shall not be applied in cases in which the right to acquire, hold or dispose of such land, permanent improvements thereon or interests therein in the Philippines is recognized by existing treaties in favor of citizens or subjects of foreign nations and corporations or associations organized and constituted by the same, which right, in so far as it exists under such treaties, shall continue and subsist in the manner and to the extent stipulated in said treaties, and only while these are in force, but not thereafter.

SECTION 126. All public auctions provided for in the foregoing chapters in the disposition of public lands shall be held, wherever possible, in the province where the land is located, or, in the office of the Bureau of Lands in Manila

CHAPTER XIV

Transitory Provisions

SECTION 127. During the existence and continuance of the Commonwealth and before the Republic of the Philippines is finally established, citizens and corporations of the United States shall enjoy the same rights granted to citizens and corporations of the Philippines under this Act.

SECTION 128. During the period specified in the next preceding section, the President of the Philippines, upon receipt of the order of the President of the United States, shall, by proclamation, designate such land as the latter may set aside for military, naval or other reservations for use of the Government of the United States.

CHAPTER XV

Penal Provisions

SECTION 129. Any person who presents or causes to be presented, or cooperates in the presentation of, any false application, declaration, or evidence, or makes or causes to be made or cooperates in the making of a false affidavit in support of any petition, claim, or objection respecting lands of the public domain, shall be deemed guilty of perjury and punished accordingly.

SECTION 130. Any person who voluntarily and maliciously prevents or hinders or attempts to prevent or hinder the presentation of any application for public land under this Act, or who in any manner attempts to execute or executes acts intended to dissuade or discourage, or aid to dissuade or discourage, the acquisition of public lands, shall be deemed guilty of coercion and be punished accordingly.

SECTION 131. Any person who sells forms issued and distributed gratuitously under this Act or who, being an officer charged with distributing them, refuses or fails, without sufficient reason, to furnish the same, shall be punished for each offense by a fine of not more than one hundred pesos or by imprisonment for not more than three months, or both, in the discretion of the court.

SECTION 132. Any person, corporation, association or partnership which, not being qualified or no longer authorized to apply for public land under the provisions of this Act, files or induces or knowingly permits another person, corporation, association or partnership to file an application in his or its behalf or for his or its interest, benefit or advantage, shall be punished by a fine of not less than two hundred nor more than five thousand pesos or by imprisonment for not less than two months nor more than five years, or both, in the discretion of the court; and the application shall be cancelled.

SECTION 133. Any person who, without having the qualifications required by this Act, shall by deceit or fraud acquire or attempt to acquire lands of the public domain or other real property or any right, title or interest, or property right of any class to the same, and any person aiding and abetting him therein or serving as a means or tool therefor, shall, upon conviction, be punished by a fine of not more than five thousands pesos, or by the imprisonment for not more than five years, or both, in the discretion of the court.

TITLE VII

Final Provisions

CHAPTER XVI

Effectiveness of this Act

SECTION 134. If, for any reason, any section or provision of this Act is challenged in a competent court and is held to be unconstitutional, none of the other sections or provisions thereof shall be affected thereby and such other sections and provisions shall continue to govern as if the section or provisions so annulled, disapproved, or repealed had never been incorporated in this Act, and in lieu of the section or provision so annulled, disapproved, or repealed, the provisions of law on the subject thereof in force prior to the approval of this Act shall govern until the Assembly shall otherwise provide in the premises.

SECTION 135. All laws and regulations, or parts thereof, inconsistent with the provisions of this Act, are hereby repealed.

SECTION 136. This Act shall take effect on December first, nineteen hundred and thirty-six unless the President shall, in the proclamation announcing its effectiveness, designate a prior date, in which case this Act shall take effect on the date so designated.

Approved: November 7, 1936