

# Republic of the Philippines Supreme Court Manila

### SECOND DIVISION

LA TONDEÑA, INC., Petitioner, G.R. No. 194617

Present:

-versus-

CARPIO, J., Chairperson, BRION, DEL CASTILLO, MENDOZA, and LEONEN, JJ. pn

18 J

REPUBLIC PHILIPPINES,	OF	THE	Promulgated: 0.5 AUG 2015 AUVabalogurgerto
	Respondent.		
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#### DECISION

LEONEN, J.:

La Tondeña, Inc. (La Tondeña) applied for registration of a 14,286square-meter parcel of land, with La Tondeña alleging acquisition and possession even before the Second World War. It argues the inadmissibility of the Department of Environment and Natural Resources-Community Environment and Natural Resources Office's (DENR-CENRO) Report on the land's classification as alienable and disposable only on January 21, 1987 as this Report was not formally offered as evidence before the trial court.

This case involves an application of Section 14(1) of Property Registration Decree in relation to Section 48(b) of Commonwealth Act No. 141, as amended, on the requisites for judicial confirmation of imperfect title.<sup>1</sup>

This Petition for Review on Certiorari<sup>2</sup> assails the Court of Appeals August 10, 2010 Decision<sup>3</sup> that reversed and set aside the Municipal Trial Court December 15, 2005 Decision<sup>4</sup> granting La Tondeña's application for land registration.<sup>5</sup> La Tondeña prays that this court reverse and set aside the Court of Appeals Decision and Resolution,<sup>6</sup> then affirm in toto the Municipal Trial Court Decision or, in the alternative, remand the case for further reception of evidence.<sup>7</sup>

On September 28, 2004, La Tondeña, through its Vice President Rosendo A. Bautista,<sup>8</sup> filed an Application<sup>9</sup> for the registration of a 14,286-square-meter parcel of land in Central West, Bauang, La Union.<sup>10</sup>

La Tondeña alleged obtaining title or ownership by purchase from one Pablo Rimorin and attached the following documents with its application: "(a) original tracing plan together with its print copies; (b) technical description of the land; (c) certification, in lieu of lost Surveyor's Certificate for registration; (d) certificate of tax assessment from 1948 up to the present; (e) copy of Tax Declaration No. 27726; and (f) copy of the Secretary's Certificate authorizing Rosendo A. Bautista."<sup>11</sup>

On October 15, 2004, the Land Registration Authority Administrator forwarded the entire records to the Municipal Trial Court.<sup>12</sup> On December 17, 2004, the trial court sent a Notice of Initial Hearing to the Office of the Solicitor General.<sup>13</sup>

On March 21, 2005, during the initial hearing, the trial court entered an Order of Special Default against the whole world except against the Republic of the Philippines that filed a formal written opposition to the application.<sup>14</sup>

<sup>&</sup>lt;sup>1</sup> See Heirs of Mario Malabanan v. Republic, G.R. No. 179987, September 3, 2013, 704 SCRA 561, 580 [Per J. Bersamin, En Banc].

<sup>&</sup>lt;sup>2</sup> *Rollo*, pp. 9–33.

 <sup>&</sup>lt;sup>3</sup> Id. at 34–45. The Decision was penned by Associate Justice Amy C. Lazaro-Javier and concurred in by Associate Justices Rebecca De Guia-Salvador (Chair) and Sesinando E. Villon of the Fifth Division.
<sup>4</sup> Id. at 75–79. The Decision was penned by Judge Romeo V. Perez.

<sup>&</sup>lt;sup>5</sup> Id. at 9 and 31.

Id. at 47. The Resolution was penned by Associate Justice Amy C. Lazaro-Javier and concurred in by Associate Justices Rebecca De Guia-Salvador (Chair) and Sesinando E. Villon of the Fifth Division.
Id. et 21

<sup>&</sup>lt;sup>7</sup> Id. at 31.

<sup>&</sup>lt;sup>8</sup> Id. at 15.

<sup>&</sup>lt;sup>9</sup> Id. at 53–56. The application was docketed as LRC Case No. 85-MTC-Bg. LU.

<sup>&</sup>lt;sup>10</sup> Id. at 34–35 and 75.

<sup>&</sup>lt;sup>11</sup> Id. at 35.

<sup>&</sup>lt;sup>12</sup> Id.

<sup>&</sup>lt;sup>13</sup> Id. at 35–36.

<sup>&</sup>lt;sup>14</sup> Id. at 36 and 75.

The trial court scheduled the hearing for marking of exhibits on April 12, 2005.<sup>15</sup> Rosendo A. Bautista testified and identified the documents submitted with the application for registration.<sup>16</sup> He alleged that all records showing La Tondeña's purchase of the land from one Pablo Rimorin were burned, thus, applicant can only present tax declarations in its name for years 1948, 1953, 1964, 1974, 1980, 1985, 1994, and 1999.<sup>17</sup>

On May 30, 2005, La Tondeña's property administrator Victor Dumuk testified that from the time his father, Juan Dumuk, was property administrator before the Second World War up to Victor Dumuk's present administration, La Tondeña's ownership of the land was uncontested, and its possession was peaceful, continuous, open, and public.<sup>18</sup> He testified that property taxes were paid from 1994 to 2005, and that mango trees and a basketball court can be found on the land.<sup>19</sup>

DENR-CENRO Land Investigator Wilfredo Valera submitted a Report dated May 31, 2005 to the trial court, stating that the land was declared alienable and disposable only on January 21, 1987.<sup>20</sup> The trial court summarized the Report's contents in its Decision:

In the investigation report submitted by Special Investigator Wilfredo B. Valera of the DENR, CENRO, San Fernando City, La Union, the land is covered by Survey Plan No. AP-01-004436 approved by the Regional Land District/Land Management Bureau, Region I, pursuant to P.D. No. 239 dated September 1973; that it consists of 14,286 square meters and is located in Brgy. Central West, Bauang, La Union; that the entire area is within the alienable and disposable zone as classified under Project No. 9, LC No. 3330 and released as well as certified as such on January 21, 1987; that this parcel of land is not within any civil or military reservations, and is outside of any forest zone and watershed reservations; that it is not covered by any previously issued land patent, decree or title; that this land was declared for the first time in the year 1948 under Tax declaration No. 1745 in the name of La Tondeña Distilleries with an area of 13,292 square meters; that this land is now covered by Tax declaration No. 27726 in the name of La Tondeña Distilleria Incorporada; that the corresponding realty taxes as per record of the Municipal Treasurer of Bauang, La Union have been paid since 1948; that this lot has not been earmarked for public use and not reserved for any future government projects; that this lot is flat in terrain, presently for agricultural purposes, with bamboos and some fruit trees planted in it and about .00365 kilometers from the poblacion; that this lot was found to be free from adverse claims and conflicts during the inspection; that La Tondeña Distilleria Incorporada is in actual occupation and possession of the land; that this lot does not encroach upon any bodies of water, Right of Way, and park sites that are devoted to the public; and that during the

<sup>&</sup>lt;sup>15</sup> Id. at 36.

<sup>&</sup>lt;sup>16</sup> Id.

<sup>&</sup>lt;sup>17</sup> Id. at 36 and 77.

<sup>&</sup>lt;sup>18</sup> Id. at 37 and 77.

<sup>&</sup>lt;sup>19</sup> Id. at 37 and 78.

<sup>&</sup>lt;sup>20</sup> Id. at 19.

investigation and ocular inspection of the area, applicant La Tondeña Inc. thru its authorized representative, presented the following documents, to wit: Print copy of AP-01-004436 and tax declarations from the year 1948 up to the present.<sup>21</sup> (Emphasis supplied)

La Tondeña alleged that this Report was not presented and formally offered during the proceedings, and it only learned of its existence during appeal.<sup>22</sup>

The Municipal Trial Court, in its Decision dated December 15, 2005, approved La Tondeña's application for registration:

Considering that the government represented by the Asst. Provincial Prosecutor, Bauang, La Union for and in behalf of the Solicitor General (SOLGEN) is not presenting any evidence, documentary or testimonial to substantiate the formal written opposition which was filed, the said formal written opposition is hereby ordered dismissed for lack of merit.

Wherefore, this Court, confirming the Order of Special Default, hereby approves the application and orders the adjudication and registration of the land described in Survey Plan No. AP-01-004436 (Exh. "J") and the Technical description of said lot, Lot 4551, CAD 474-D, Bauang Cadastre (Exh. "K") containing an area of Fourteen thousand two hundred eighty-six (14,286) square meters situated at Brgy. Central West, Bauang, La Union.

Once this decision becomes final and executory, let the corresponding decree be issued.

So Ordered.<sup>23</sup>

The Republic of the Philippines filed a Notice of Appeal<sup>24</sup> before the Court of Appeals on the ground that the trial court's Decision was "contrary to law and evidence."<sup>25</sup> It raised the Report dated May 31, 2005 on the land's classification as alienable and disposable only on January 21, 1987, thus, the land cannot be the subject matter of an application for judicial confirmation of imperfect title under Commonwealth Act No. 141 that requires possession from June 12, 1945 or earlier.<sup>26</sup>

Instead of filing its Memorandum, La Tondeña filed a Manifestation with Motion to Remand Case<sup>27</sup> dated January 29, 2007 to present further

<sup>&</sup>lt;sup>21</sup> Id. at 78–79.

<sup>&</sup>lt;sup>22</sup> Id. at 19–20.

<sup>&</sup>lt;sup>23</sup> Id. at 79.

<sup>&</sup>lt;sup>24</sup> Id. at 80.

 <sup>&</sup>lt;sup>25</sup> Id.
<sup>26</sup> Id. at A

<sup>&</sup>lt;sup>26</sup> Id. at 40.

<sup>&</sup>lt;sup>27</sup> Id. at 81–84.

evidence that the land was private land at the time of its acquisition.<sup>28</sup> The Court of Appeals noted the Comment of the Republic of the Philippines, and denied the Motion of La Tondeña.<sup>29</sup>

La Tondeña filed a Motion for Reconsideration<sup>30</sup> dated December 18, 2008 attaching as newly discovered evidence the "Plan of Private Land as surveyed for Pablo Rimonin" under Psu-67458 duly approved on March 5, 1930.<sup>31</sup> The Court of Appeals denied reconsideration.<sup>32</sup>

The Court of Appeals, in its Decision dated August 10, 2010, reversed and set aside the Municipal Trial Court December 15, 2005 Decision, and dismissed La Tondeña's application for registration.<sup>33</sup> It also denied reconsideration.<sup>34</sup>

Hence, La Tondeña filed this Petition.

La Tondeña submits that the Report dated May 31, 2005 should not have been considered by the trial court since it was not identified and formally offered as evidence.<sup>35</sup> Wilfredo Valera was never presented in court, thus, he was never cross-examined in violation of La Tondeña's right to due process.<sup>36</sup> La Tondeña alleges that it only saw a copy of the Report when the case was on appeal.<sup>37</sup>

In any event, La Tondeña raises the survey plan notation confirming that the land was "inside alienable and disposable area as per Project No. 09, L.C. Map No. 0333 as certified on Aug. 12, 1934."<sup>38</sup> The survey plan was approved by the Department of Environment and Natural Resources in the performance of its official function that carries the presumption of regularity.<sup>39</sup> La Tondeña argues that the Republic of the Philippines did not controvert this evidence, and Wilfredo Valera's Report dated May 31, 2005 that was not formally offered as evidence cannot prevail over the survey plan that the trial court duly admitted as evidence.<sup>40</sup>

Assuming the land was only reclassified on January 21, 1987, La Tondeña argues that it acquired a vested right over the land under the 1935

<sup>&</sup>lt;sup>28</sup> Id. at 40. <sup>29</sup> Id. at 86

<sup>&</sup>lt;sup>29</sup> Id. at 86.

<sup>&</sup>lt;sup>30</sup> Id. at 87-92.

 <sup>&</sup>lt;sup>31</sup> Id. at 40–41.
<sup>32</sup> Id. at 94.

<sup>&</sup>lt;sup>33</sup> Id. at 44.

 $<sup>^{34}</sup>$  Id. at 47.

<sup>&</sup>lt;sup>35</sup> Id. at 180.

<sup>&</sup>lt;sup>36</sup> Id. at 181.

<sup>&</sup>lt;sup>37</sup> Id.

<sup>&</sup>lt;sup>38</sup> Id.

<sup>&</sup>lt;sup>39</sup> Id. at 181–182.

<sup>&</sup>lt;sup>40</sup> Id. at 182.

Constitution that allows a private corporation to acquire alienable and disposable land of public domain:<sup>41</sup>

With due indulgence, the Honorable Court of Appeals failed to consider that petitioner has acquired a vested right over the land sought to be registered under the 1935 Philippine Constitution and prior to the effectivity of the 1973 and 1987 Philippine Constitutions. As a general rule, constitutional provisions are given prospective application, not retroactive, unless retroactivity is expressly provided or necessarily implied (People vs. Isagani, et al., 63 SCRA 4). Hence, due to the prospective application of the 1973 and 1987 Constitutions, it is the provisions of the 1935 Constitution that should apply to petitioner's application for registration. Undoubtedly, under the 1935 Philippine Constitution, private corporations are allowed in acquiring alienable and disposable land of the public domain. (Republic vs. T.A.N. Properties, Inc.[,] G.R. No. 154953, June 26, 2008).

Interestingly, the original reckoning point for the required length of possession under the Public Land Act (C.A. 141) is possession since July 26, 1894. The period of possession was shortened to thirty (30) years by Republic Act No. 1942, which was enacted on June 22, 1957. Then, on January 25, 1977, Presidential Decree No. 1073 was enacted pegging the reckoning point of possession to June 12, 1945. Hence, until 1972, prior to the effectivity of the 1973 Philippine Constitution, the required possession of alienable public land that would qualify to judicial confirmation under C.A. 141 is at least thirty (30) years, or at least from the year 1942. If reckoned from 1972, the latest date when private corporations are allowed to acquire alienable public lands. Therefore, petitioner already acquired a vested right over the subject property in 1972.<sup>42</sup>

La Tondeña submits that "its possession was open, continuous, uninterrupted for more than thirty (30) years until 1972 prior to the effectivity of the 1973 and 1987 Philippine Constitution[,] [t]hus, the land became a private property by acquisitive prescription in accordance with the doctrine that open, exclusive and undisputed possession of alienable land for the period prescribed by law creates the legal fiction whereby the land, upon completion of the requisite period, *ipso jure* and without the need of judicial order or other sanction ceases to be public land and becomes private property."<sup>43</sup>

La Tondeña contends that it presented sufficient evidence for approval of its application for registration. Alternatively, a remand would allow it to cross-examine Wilfredo Valera on his Report, and La Tondeña can present additional evidence to show that the land was private land as early as March 5, 1930 as stated in the "Plan of Private Land as Surveyed for Pablo Rimorin" approved by the Department of Agriculture and Natural

<sup>&</sup>lt;sup>41</sup> Id. at 183.

<sup>&</sup>lt;sup>42</sup> Id. at 183–184.

<sup>&</sup>lt;sup>43</sup> Id. at 185.

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The Republic of the Philippines counters that Section 29 of Presidential Decree No. 1529 provides that courts are "duty-bound to consider not only the evidence presented by the [parties,] but also the reports of the Commissioner of Land Registration and the Director of Lands[.]"<sup>45</sup>

Assuming the Report dated May 31, 2005 is inadmissible in evidence, La Tondeña still failed to present proof that the land was declared alienable and disposable on or before June 12, 1945.<sup>46</sup> La Tondeña cannot rely on the notation on the Sephia Plan of AP-01-004436 and its blueprint copy since this is not the proof required by law.<sup>47</sup> Neither can La Tondeña invoke the 30-year prescriptive period under Republic Act No. 1942 since Presidential Decree No. 1073, already applicable when La Tondeña filed its application for registration in 2004, requires possession from June 12, 1945 or earlier.<sup>48</sup> The Republic of the Philippines quoted at length *Heirs of Mario Malabanan v. Republic*<sup>49</sup> and *Republic v. Rizalvo, Jr*.<sup>50</sup> on the 30-year rule on land registration.<sup>51</sup> Lastly, La Tondeña cannot invoke Article 1113 of the Civil Code since it did not present evidence that the state declared the land "no longer intended for public service or for the development of the national wealth."<sup>52</sup>

The issues for resolution are:

First, whether petitioner La Tondeña, Inc. complied with all the requirements for land registration under Section 48(b) of Commonwealth Act No. 141, as amended, in relation to Section 14(1) of Presidential Decree No. 1529;

Second, whether petitioner La Tondeña, Inc. acquired a vested right under the 1935 Constitution that allows a private corporation to acquire alienable and disposable land of public domain; and

Finally, whether the Court of Appeals can consider the Report dated May 31, 2005 that was not marked, identified, and formally offered as evidence before the trial court.

<sup>&</sup>lt;sup>44</sup> Id. at 186 and 188–189.

<sup>&</sup>lt;sup>45</sup> Id. at 215.

<sup>&</sup>lt;sup>46</sup> Id. at 216.

<sup>&</sup>lt;sup>47</sup> Id. at 216–217.

<sup>&</sup>lt;sup>48</sup> Id. at 225.

<sup>&</sup>lt;sup>49</sup> 605 Phil. 244, 275–279 (2009) [Per J. Tinga, En Banc].

<sup>&</sup>lt;sup>50</sup> 659 Phil. 578, 585–590 (2011) [Per J. Villarama, Jr., Third Division].

<sup>&</sup>lt;sup>51</sup> *Rollo*, pp. 218–225.

<sup>&</sup>lt;sup>52</sup> Id. at 225.

We deny the Petition.

Ι

Commonwealth Act No. 141 known as The Public Land Act covers matters such as "what lands are open to disposition or concession[.]"<sup>53</sup> Section 48(b), as amended, governs judicial confirmation of imperfect title:

SEC. 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:

. . . .

(b) Those who by themselves or through their predecessors in interest have been in open, continuous, exclusive, and notorious *possession* and occupation of alienable and disposable lands of the public domain, under a *bona fide* claim of acquisition or ownership, **since June 12, 1945, or earlier**, immediately preceding the filing of the applications 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.<sup>54</sup> (Emphasis supplied)

Section 14(1) of Presidential Decree No. 1529 known as the Property Registration Decree similarly reads:

**SEC. 14.** *Who may apply.*—The following persons may file in the proper Court of First Instance an application for registration of title to land, whether personally or through their duly authorized representatives:

1. Those who by themselves or through their predecessors-in-interest have been in open, continuous, exclusive and notorious possession and occupation of alienable and disposable lands of the public domain under a *bona fide* claim of ownership since June 12, 1945, or earlier.

<sup>&</sup>lt;sup>53</sup> Com. Act No. 141 (1936), sec. 7.

<sup>&</sup>lt;sup>54</sup> See Heirs of Mario Malabanan v. Republic, G.R. No. 179987, September 3, 2013, 704 SCRA 561, 578–579 [Per J. Bersamin, En Banc].

Based on Section 48(b) of the Public Land Act in relation to Section 14(1) of the Property Registration Decree, an applicant for land registration must comply with the following requirements:

- 1. The applicant, by himself or through his predecessor-ininterest, has been in possession and occupation of the property subject of the application;
- 2. The possession and occupation must be open, continuous, exclusive, and notorious;
- 3. The possession and occupation must be under a bona fide claim of acquisition of ownership;
- 4. The possession and occupation must have taken place since June 12, 1945, or earlier; and
- 5. The property subject of the application must be an agricultural land of the public domain.<sup>55</sup>

Petitioner argues that the survey plan notation stating that the land was confirmed as alienable and disposable on August 12, 1934 should prevail over the Report dated May 31, 2005 stating that the land was reclassified as alienable and disposable only on January 21, 1987 since this Report was not formally offered as evidence before the trial court.<sup>56</sup>

Respondent counters that Section 29 of Presidential Decree No. 1529 mandates the court to consider the Report dated May 31, 2005,<sup>57</sup> and even assuming this Report is inadmissible, petitioner still failed to prove that the land was declared alienable and disposable on or before June 12, 1945.<sup>58</sup> Section 29 reads:

**SEC. 29.** Judgment confirming title.—All conflicting claims of ownership and interest in the land subject of the application shall be determined by the court. If the court, *after considering* the evidence and the *reports* of the Commissioner of Land Registration and the *Director of Lands*, finds that the applicant or the oppositor has sufficient title proper for registration, judgment shall be rendered confirming the title of the applicant, or the oppositor, to the land or portions thereof. (Emphasis supplied)

The parties' arguments on the admissibility of the Report dated May 31, 2005 as evidence on when the land was classified as alienable and disposable are mooted by this court's ruling in *Heirs of Mario Malabanan v*.

<sup>&</sup>lt;sup>55</sup> Heirs of Mario Malabanan v. Republic, G.R. No. 179987, September 3, 2013, 704 SCRA 561, 579–580 [Per J. Bersamin, En Banc].

<sup>&</sup>lt;sup>56</sup> *Rollo*, p. 182.

<sup>&</sup>lt;sup>57</sup> Id. at 214–215.

<sup>&</sup>lt;sup>58</sup> Id. at 216.

#### Republic.<sup>59</sup>

*Heirs of Mario Malabanan* clarified that the June 12, 1945 reckoning point refers to date of possession and not to date of land classification as alienable and disposable.<sup>60</sup>

This court held that "the agricultural land subject of the application needs only to be classified as alienable and disposable as of the time of the application, provided the applicant's possession and occupation of the land dated back to June 12, 1945, or earlier."<sup>61</sup>

Petitioner filed the application for registration on September 28, 2004. All dates claimed as dates of classification of the land as alienable and disposable—August 12, 1934 as stated in the survey plan notation that petitioner relies upon; January 21, 1987 as stated in the Report dated May 31, 2005 that petitioner argues to be inadmissible; and March 5, 1930 as stated in the "Plan of Private Land as Surveyed for Pablo Rimorin" that petitioner would like to present as additional evidence if the court remands the case—were all prior to the September 28, 2004 application date, in compliance with the *Heirs of Mario Malabanan* ruling.

Π

Petitioner's vested-right argument based on the 1935 Constitution that allows a private corporation to acquire alienable and disposable land of public domain<sup>62</sup> must also fail.

Under the 1935 Constitution, private corporations can still acquire public agricultural lands within the limited area prescribed.<sup>63</sup> In *The Director of Lands v. Intermediate Appellate Court*,<sup>64</sup> "the land was already private land when Acme acquired it from its owners in 1962 and, thus, Acme acquired a registrable title."<sup>65</sup>

In *Republic v. T.A.N. Properties, Inc.*,<sup>66</sup> this court found *The Director of Lands* inapplicable since respondent corporation "acquired the land on 8 August 1997 from Porting, who, along with his predecessors-in-interest, has not shown to have been, as of that date, in open, continuous, and adverse possession of the land for 30 years since 12 June 1945[,] [i]n short, when

<sup>&</sup>lt;sup>59</sup> G.R. No. 179987, September 3, 2013, 704 SCRA 561 [Per J. Bersamin, En Banc].

<sup>&</sup>lt;sup>60</sup> Id. at 581.

<sup>&</sup>lt;sup>61</sup> Id. at 584.  $R_{0}^{62}$ 

<sup>&</sup>lt;sup>62</sup> *Rollo*, pp. 183–184.

 <sup>&</sup>lt;sup>63</sup> See Republic v. T.A.N. Properties, Inc., 578 Phil. 441, 460 (2008) [Per J. Carpio, First Division].
<sup>64</sup> 230 Phil 500, 605 (1986) [Per J. Narvasa, En Bang]

<sup>&</sup>lt;sup>64</sup> 230 Phil. 590, 605 (1986) [Per J. Narvasa, En Banc].

<sup>&</sup>lt;sup>65</sup> Republic v. T.A.N. Properties, Inc., 578 Phil. 441, 460 (2008) [Per J. Carpio, First Division].

<sup>&</sup>lt;sup>66</sup> 578 Phil. 441 (2008) [Per J. Carpio, First Division].

respondent acquired the land from Porting, the land was not yet private property."<sup>67</sup>

Similarly, petitioner has not shown any proof of its purchase of the land, alleging that all records of this transaction were burned.<sup>68</sup> Without evidence on the exact acquisition date, or the character of its predecessor's occupation or possession of the land,<sup>69</sup> no proof exists that the property was already private land at the time of petitioner's acquisition.

Survey notations are not considered substantive evidence of the land's classification as alienable and disposable. *Republic v. T.A.N. Properties, Inc.* discussed the required proof:

Further, it is not enough for the PENRO or CENRO to certify that a land is alienable and disposable. The applicant for land registration must prove that *the DENR Secretary had approved the land classification* and released the land of the public domain as alienable and disposable, and that the land subject of the application for registration falls within the approved area per verification through survey by the PENRO or CENRO. In addition, the applicant for land registration *must present a copy of the original classification approved by the DENR Secretary and certified as a true copy by the legal custodian of the official records*. These facts must be established to prove that the land is alienable and disposable. Respondent failed to do so because the certifications presented by respondent do not, by themselves, prove that the land is alienable and disposable.<sup>70</sup> (Emphasis supplied)

Petitioner's contention—that it acquired a vested right over the land in 1972 since Republic Act No. 1942 was enacted on June 22, 1957 shortened the required possession to 30 years, thus, until 1972 or prior to the 1973 Constitution and Presidential Decree No. 1073, the required possession for judicial confirmation is at least 30 years or at least from 1942<sup>71</sup>—also fails to convince.

*Heirs of Mario Malabanan* discussed that the 30-year-period rule in Republic Act No. 1942 was repealed by Presidential Decree No. 1073 in 1977, thus, only applications for registration filed prior to 1977 may invoke Republic Act No. 1942.<sup>72</sup> Since petitioner only filed for registration on September 28, 2004, the June 12, 1945 reckoning date under Presidential Decree No. 1073 applies.

III

<sup>&</sup>lt;sup>67</sup> Id. at 461.

<sup>&</sup>lt;sup>68</sup> *Rollo*, pp. 36 and 77.

<sup>&</sup>lt;sup>69</sup> Id. at 42–43.

<sup>&</sup>lt;sup>70</sup> Republic v. T.A.N. Properties, Inc., 578 Phil. 441, 452–453 (2008) [Per J. Carpio, First Division].

<sup>&</sup>lt;sup>71</sup> *Rollo*, p. 184.

<sup>&</sup>lt;sup>72</sup> Heirs of Mario Malabanan v. Republic, 605 Phil. 244, 275–276 (2009) [Per J. Tinga, En Banc].

Decision

Petitioner failed to prove possession and occupation since June 12, 1945 or earlier.

Petitioner's evidence consisted of tax declarations, and the testimonies of Rosendo Bautista and Victor Dumuk.<sup>73</sup>

The trial court granted the application, despite lack of records showing petitioner's purchase and possession of the land prior to June 12, 1945, by relying on Rosendo Bautista's testimony:

Based on the evidences [sic] presented, testimonial and documentary as well, it is appearing that the applicant company, La Tondeña Inc., thru its representative has established a satisfactory proof that it has a registrable title over the subject property, it being a corporation duly organized and existing under the law of the Philippines with principal address at CPJ Bldg., 105 Carlos Palanca, Jr. St., Legaspi Village, Makati City, Metro Manila, and qualified to own, acquire and possess land in the Philippines, it being established that its possession dates back to 1948 when it was first declared for the first time but before that, said applicant La Tondeña Inc. has owned the land subject of this case before the Second World War since the oldest tax declaration recorded which is Tax declaration No. 1745 series of 1948 cancelled Tax declaration No. 6590. Besides, this Court believes the testimony of Rosendo Bautista to be trustworthy being given in the ordinary course of business when he stated that La Tondeña Inc. acquired this property by purchase from a certain Pablo Rimorin but he had no records about that transaction and all that the company has are tax declarations as early as 1948 and tax receipt. Hence, applicant La Tondeña Inc. has established a satisfactory proof that it has a reg[i]strable title to the said land subject of this case since it has owned it for more than fifty-seven (57) years or more.<sup>74</sup>

The Court of Appeals did not err in reversing and setting aside the trial court's Decision, and dismissing petitioner's application for registration. It discussed the insufficiency of proof regarding petitioner's acquisition of the land and, consequently, the character of the alleged possession by its predecessor-in-interest:

The OSG correctly points out the property is incapable of being the subject matter of an application for judicial confirmation of imperfect title under C.A. 141, as amended, even by a natural person because of the requirement that the period of possession must be from June 12, 1945 or earlier. Confronted with the DENR-CENRO Report dated May 31, 2005, appellee did not present proof to establish its claim that the property was already alienable and disposable from the time it acquired the same in

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<sup>&</sup>lt;sup>73</sup> *Rollo*, p. 76.

<sup>&</sup>lt;sup>74</sup> Id. at 78.

1948, let alone, its allegation that it acquired the property by purchase. Even Appellee's exact date of acquisition as purported buyer was not shown with clarity. Neither did it show how its predecessor-in-interest himself got hold of the property, the character of his possession or occupation, and how long a time did he exercise the same on the land, if at all.<sup>75</sup> (Emphasis supplied)

On the tax declarations, the oldest recorded one presented by petitioner was for year 1948.<sup>76</sup> This does not prove possession on or before June 12, 1945.<sup>77</sup>

In *Republic v. Heirs of Doroteo Montoya*,<sup>78</sup> the only evidence presented to prove occupation and possession from 1940 was a tax declaration for year 1947 with notation that realty tax payments were paid since 1940.<sup>79</sup> This court discussed that "[a] tax declaration, much less a tax declaration the existence of which is proved by means of an annotation, is not a conclusive evidence of ownership, which is, at best, only a basis for inferring possession."<sup>80</sup>

Petitioner claims possession even before the Second World War, yet petitioner only produced nine (9) tax declarations.<sup>81</sup> This court has held that "intermittent and sporadic assertion of alleged ownership does not prove open, continuous, exclusive and notorious possession and occupation."<sup>82</sup>

This court has also held that "it is only when these tax declarations are coupled with proof of actual possession of the property that they may become the basis of a claim of ownership."<sup>83</sup>

On property administrator Victor Dumuk's testimony, he mentioned that his father was property administrator before the Second World War until he died in 1984 after which his mother, Felicidad Dumuk, took over.<sup>84</sup> While the tax declarations indicated his father as property administrator,<sup>85</sup> again, none of these were issued on or before June 12, 1945.

<sup>&</sup>lt;sup>75</sup> Id. at 42–43.

<sup>&</sup>lt;sup>76</sup> Id. at 51–52.

<sup>&</sup>lt;sup>77</sup> See Republic v. Santos, G.R. No. 180027, July 18, 2012, 677 SCRA 144, 155 [Per J. Perez, Second Division].

<sup>&</sup>lt;sup>78</sup> G.R. No. 195137, June 13, 2012, 672 SCRA 576 [Per J. Reyes, Second Division].

<sup>&</sup>lt;sup>79</sup> Id. at 586.

<sup>&</sup>lt;sup>80</sup> Id., *citing Republic v. Court of Appeals*, 328 Phil. 238 (1996) [Per J. Torres, Jr., Second Division].

<sup>&</sup>lt;sup>81</sup> *Rollo*, pp. 51–52.

<sup>&</sup>lt;sup>82</sup> Republic v. East Silverlane Realty Development Corporation, 682 Phil. 376, 394 (2012) [Per J. Reyes, Second Division], quoting Wee v. Republic, 622 Phil. 944, 956 (2009) [Per J. Del Castillo, Second Division].

<sup>&</sup>lt;sup>83</sup> Id. at 394, *citing Cequeña v. Bolante*, 386 Phil. 419, 430 (2000) [Per J. Panganiban, Third Division].

<sup>&</sup>lt;sup>84</sup> *Rollo*, p. 77.

<sup>&</sup>lt;sup>85</sup> Id.

The letter dated March 23, 1994<sup>86</sup> of petitioner's VP Treasurer Amando C. Ramat, Jr. to Victor Dumuk confirming Victor Dumuk as caretaker of all petitioner's properties in Bauang, La Union effective January 1, 1994<sup>87</sup> also does not prove possession on or before June 12, 1945.

Since petitioner failed to comply with all the requisites for registration as provided by law, the Court of Appeals did not err in reversing the trial court, and dismissing petitioner's application for registration.

WHEREFORE, the Petition is DENIED.

SO ORDERED.

MARVIC M.V.F. LEONEN

Associate Justice

WE CONCUR:

ANTONIO T. CARPIO Associate Justice Chairperson

See: Concurr ssenting Plan

ARTURO D. BRIÖN Associate Justice

MARIANO C. DEL CASTILLO Associate Justice

NDOZA JOSE CA Associate Justice

## ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

J

ANTONIO T. CARPIO Associate Justice Chairperson

#### CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

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MARIA LOURDES P. A. SERENO Chief Justice