

**[ MEMORANDUM ORDER NO. 233, December 11, 2006 ]**

**DIRECTING THE LAND REGISTRATION AUTHORITY, THROUGH THE CONCERNED REGISTER OF DEEDS, TO ANNOTATE IN THE TRANSFER CERTIFICATE OF TITLE THE SERIAL NUMBER OF THE CERTIFICATE AUTHORIZING REGISTRATION ISSUED BY THE BUREAU OF INTERNAL REVENUE**

WHEREAS, tax collection is always among the top priority measures of the State;

WHEREAS, tax collection in the transfer of real property, due to brisk turnover, is an important source of funding for the government;

WHEREAS, prior to registering any deed and acquiring a Transfer Certificate of Title, the Tax Reform Act of 1997 requires the payment of transfer taxes with the Bureau of Internal Revenue and tax clearance is manifested by a Certificate Authorizing Registration with a unique serial number;

WHEREAS, Presidential Decree No. 1529, or the "Property Registration Decree", provides that registered land shall be subject to such burdens and incidents as may arise by operation of law, such as payment of transfer taxes under the Tax Reform Act of 1997; WHEREAS, Presidential Decree No. 1529 recognizes that such other burdens and incidents may be annotated in the Transfer Certificate of Title;

WHEREAS, requiring such annotation allows a system of verifying tax payments and, thus, ensure transfer tax payments by the taxpayer;

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do order:

*SECTION 1. Additional Annotation Requirement.* The Land Registration Authority, through the concerned Register of Deeds, is hereby directed to annotate in the Transfer Certificates of Title the serial number of the Certificate Authorizing Registration (CAR) issued by the BIR, the date of its issuance, the Revenue District Office Number of the district office that issued the CAR, the name of the Revenue District Officer who signed the CAR and the taxes paid. This shall be an indispensable requirement prior to the issuance of a Transfer Certificate of Title by the Register of Deeds.

*SECTION 2. Objectives.* This additional annotation requirement shall allow the verification and back-checking of tax payments and shall ensure that transfer tax payments are paid a precondition to issuance of title.

*SECTION 3. Scope.* The additional annotation requirements shall cover transfers of Original, Condominium, and Transfer Certificates of Title of real properties sought to