[DAR ADMINISTRATIVE ORDER NO. 08, s. 1995, December 18, 1995]

RULES AND PROCEDURES GOVERNING THE TRANSFERABILITY OF LANDS AWARDED TO AGRARIAN REFORM BENEFICIARIES (ARBS) PURSUANT TO PRESIDENTIAL DECREE NO. 29, AS AMENDED BY EXECUTIVE ORDER NO. 228 AND REPUBLIC ACT NO. 6657

I. PREFATORY STATEMENT

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

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

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

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

II. POLICY STATEMENT

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

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

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

III. OPERATING PROCEDURES

- A. The awardee/transferor shall file with the DAR Municipal Office (DARMO) a written request to transfer his/her awarded landholding, attaching the following required documents:
- 1. Certificate of Full Payment of Amortization to be issued by the LBP on lands financed by the said bank or by DAR in the case of lands covered by the Voluntary Land Transfer/Direct Payment Scheme (VLT/DPS);
- 2. Certification regarding Full Payment of Irrigation Fees (NIA);