

SECOND DIVISION

[G.R. No. 175760, February 17, 2016]

**REPUBLIC OF THE PHILIPPINES, PETITIONER, VS. SOGOD
DEVELOPMENT CORPORATION, RESPONDENT.**

DECISION

LEONEN, J.:

For a judicial confirmation of title under Section 48(b) of the Public Land Act, the land subject of the application needs only to be alienable and disposable as of the time of the application, provided the applicant's possession and occupation of the land dates back to June 12, 1945, or earlier.

This Petition for Review on Certiorari^[1] seeks to annul and set aside the Decision^[2] dated August 25, 2005 and Resolution^[3] dated November 7, 2006 of the Court of Appeals Cebu City in CA-G.R. CV No. 72389.^[4] The Court of Appeals affirmed^[5] the Decision dated May 10, 2001 of the Municipal Circuit Trial Court of Catmon-Carmen-Sogod, Cebu, which granted respondent Sogod Development Corporation's (Sogod) application for original registration of title over Lot No. 2533, Cadastre 827-D, situated in Tabunok, Sogod, Cebu.^[6]

On December 9, 1999, Sogod filed an application for registration and confirmation of land title over Lot No. 2533, Cad. 827-D with an area of 23,896 square meters and situated in Brgy. Tabunok, Municipality of Sogod, Province of Cebu.^[7] The case was docketed as Land Registration Case No. 016-SO.^[8]

Sogod claimed that it purchased the land "from Catalina Rivera per deed of absolute sale dated Oct[ober] 28, 1996[.]"^[9] It also averred that "by itself and through its predecessors-in-interest[,], [it had] been in open, continuous, exclusive[,], and notorious possession and occupation of [the land] since June 12, 1945[.]"^[10]

On February 11, 2000, the Office of the Solicitor General moved to dismiss the Petition^[11] on the ground that Sogod was disqualified from applying for original registration of title to alienable lands pursuant to Article XII, Section 3 of the 1987 Constitution.^[12]

The trial court issued an Order dated June 15, 2000 pronouncing a "general default against all persons except against the Solicitor General[.]"^[13]

On September 19, 2000, the Regional Executive Director of the Department of Environment and Natural Resources, Region VII, Banilad, Mandaue City filed an Opposition on the ground that the land was previously forest land and "was certified and released as alienable and disposable only on January 17, 1986."^[14] Thus, it

could not be registered without violating Section 48, paragraph (b) of Commonwealth Act No. 141, otherwise known as the Public Land Act, as amended by Republic Act No. 6940.^[15]

Apart from presenting documentary evidence, Sogod also presented witnesses Celedonio Campos, Jr., Bonifacia Sugarol, and Ranito Quadra to prove its ownership and possession of the land.^[16] According to their testimonies, the land "was originally in the possession of Ignacia Rivera, the mother of Catalina."^[17] "Catalina inherited this land from her mother[.]"^[18] On October 28, 1996, Catalina sold the land to Sogod.^[19] "A tax clearance dated July 30, 1999 was issued by the Office of the Municipal Treasurer, certifying that all taxes over the land covered by Tax Declaration No. 043-6156 had been paid."^[20] "Thereafter, Tax Declaration No. 11096 A was issued in the name of [Sogod]."^[21]

The Office of the Solicitor General did not present any controverting evidence.^[22]

On May 10, 2001, the trial court rendered the Decision^[23] granting the application.^[24] The Decision stated, in part:

The facts presented show that the applicant corporation and its predecessor-in-interest have been in open, continuous, exclusive, notorious and undisturbed possession of the land, subject of this application for registration of title for not less than fifty (50) years or since time immemorial. The state did not present evidence to controvert these facts.

WHEREFORE, from all the foregoing undisputed facts which are supported by oral and documentary evidence, the court finds and so holds that the applicant, Sogod Development Corporation represented by Celedonio Campos, Jr. has a registrable title to the land sought to be registered, hereby confirming the same and ordering its registration under Act 494, as amended by Presidential Decree No. 1529 over Lot 2533, Cad 827-D, situated in Tabunok, Sogod, Cebu, Island of Cebu, Philippines, as described in Plan As-07-001393, and strictly in line with its Technical Description, upon the finality of this decision.^[25]

The Office of the Solicitor General appealed to the Court of Appeals.^[26] According to the Office of the Solicitor General, the trial court erred in allowing the titling of Lot No. 2533 because:

(1) Sogod failed to prove its open, continuous, exclusive, and notorious possession and occupation of the land since June 12, 1945 or earlier;^[27]

(2) The tax declarations presented by Sogod "are of recent vintage"^[28] and are "not accompanied by proof of actual possession . . . since June 12, 1945 [;]"^[29]

(3) The land was only declared alienable and disposable on January 17, 1986, pursuant to Forestry Administrative Order No. 4- 1611,^[30] "making it impossible for [Sogod] and its predecessors- in-interest to have possessed the land in concept of an owner since June 12, 1945 or earlier[;]"^[31] and

(4) "Article XII, Section 3 of the 1987 Constitution disqualifies private corporations from applying for original registration of title to alienable lands."^[32]

On August 25, 2005, the Court of Appeals rendered its Decision affirming the Decision of the 6th Municipal Circuit Trial Court of Catmon-Carmen-Sogod, Cebu.^[33] It ruled that Sogod was able to prove that "it and its predecessors-in-interest ha[d] been in possession of [Lot No. 2533] since June 12, 1945 or earlier and the land sought to be registered is an agricultural land[.]"^[34] Upholding the corporation's right to file the application before the court a quo, the Court of Appeals held that lands possessed in the manner and for the period required by Section 48 of Commonwealth Act No. 141 become *ipso jure* private lands.^[35] Judicial confirmation in this case would only be a formality to confirm "the earlier conversion of the land into private land[.]"^[36]

The Office of the Solicitor General moved for reconsideration^[37] of the Court of Appeals Decision. In the Resolution dated November 7, 2006, the Court of Appeals denied the Motion for Reconsideration for lack of merit.^[38]

Hence, the present Petition for Review was filed. Respondent Sogod Development Corporation assigns the following errors:

I

THE HONORABLE COURT OF APPEALS COMMITTED GRAVE ABUSE OF DISCRETION WHEN IT ALLOWED THE TITLING OF LOT NO. 2533 DESPITE RESPONDENT'S FAILURE TO SHOW THAT IT AND ITS 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 BONAFIDE CLAIM OF OWNERSHIP SINCE JUNE 12, 1945 OR PRIOR THERETO.

II

THE HONORABLE COURT OF APPEALS COMMITTED REVERSIBLE ERROR IN AFFIRMING THE TRIAL COURT'S DECISION, GRANTING RESPONDENT'S APPLICATION FOR REGISTRATION OF LOT NO. 2533 IN VIEW OF THE OPPOSITION DATED SEPTEMBER 13, 2000 OF THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES (DENR) STATING THAT SAID PROPERTY WAS ONLY DECLARED ALIENABLE AND DISPOSABLE ON JANUARY 17, 1986.

III

THE HONORABLE COURT OF APPEALS ERRED IN GRANTING RESPONDENT'S APPLICATION FOR REGISTRATION OF TITLE SINCE ARTICLE XII, SECTION 3 OF THE 1987 CONSTITUTION DISQUALIFIES PRIVATE CORPORATIONS FROM APPLYING FOR ORIGINAL REGISTRATION OF ALIENABLE LANDS.

IV

THE HONORABLE COURT OF APPEALS ERRED WHEN IT AFFIRMED THE TRIAL COURT'S DECISION DATED AUGUST 2, 2001, GRANTING THE APPLICATION FOR REGISTRATION OF TITLE OF THE RESPONDENT ON THE BASES OF TAX DECLARATIONS WHICH ARE OF RECENT VINTAGE.
[39]

Respondent filed its Comment,^[40] to which petitioner filed its Reply.^[41] On May 30, 2011, the court gave due course to the Petition and required the parties to submit their respective memoranda.^[42]

Petitioner and respondent filed their memoranda on January 4, 2012^[43] and October 15, 2014,^[44] respectively.

Petitioner raises the following issues in its Memorandum:

First, "whether the occupation of forest land prior to its classification as alienable and disposable land may be considered for purposes of complying with the requirements for judicial confirmation of title[;]"^[45] and

Second, "whether [respondent] and its predecessors-in-interest have possessed the property in the manner and length of time required by law."^[46]

Petitioner contends that since the "application for registration was filed on December 9, 1999, respondent could only be considered in bona fide possession for a period of 13 years from the time [the land] was classified as alienable and disposable [in 1986]."^[47] It adds that any possession or occupation of the land prior to its declaration as "alienable and disposable cannot be counted for purposes of acquisitive prescription because forest lands are not susceptible of [private appropriation]."^[48] It further argues that Section 48(b) of Commonwealth Act No. 141, as amended, "applies exclusively to alienable and disposable public agricultural land[,], [and] [f]orest lands are excluded."^[49]

Moreover, petitioner contends that possession in good faith "is important in the consideration of whether the applicant has acquired a grant of registrable title from the government."^[50] "The alienable nature of the land is essential to the bona fide claim of ownership and possession since June 12, 1945."^[51]

Even if the court's ruling in *Heirs of Mario Malabanan v. Republic*^[52] is applied, respondent's possession would allegedly be short of the length of time required by

law.^[53] The earliest tax declaration presented by respondent is 1947, which was "short of the June 12, 1945 requirement of [the] law."^[54] According to petitioner, "[a] statement that a tax declaration for the year 1945 existed does not equate to clear and convincing proof of possession required by law considering further that the person who declared the property [could not] be precisely determined."^[55] Petitioner also "point[s] out that the total area . . . declared by respondent's predecessor's-in-interest [sic] [was] at most 21,000 square meters as opposed to the area of 23,456^[56] [square] meters [that was] sought to be registered."^[57] Finally, according to petitioner, "it does not appear that respondent submitted a document proving that Catalina Rivera inherited the property from her mother."^[58]

On the other hand, respondent's application, even when considered under Section 14(2) of Presidential Decree No. 1529, "must still be dismissed for failure to prove the existence of an express government manifestation that the property is already patrimonial."^[59]

Respondent counters that factual issues could not be raised in a petition for review on certiorari, and the findings of the trial court and the Court of Appeals "that the respondent and its predecessor-in-interest have been in open, continuous, exclusive, notorious, and adverse possession of the . . . land since 12 June 1945 or earlier"^[60] must be respected.^[61]

Respondent contends that it sufficiently complied with the requirements of the law. First, the land applied for was alienable and disposable when it filed its application in 1999.^[62] Citing *Republic v. Court of Appeals and Naguit*,^[63] respondent contends that "it [was] enough that the land [was] declared as alienable and disposable prior to the filing of the application for registration and not at the start of possession[.]"^[64] Second, it and its predecessor-in-interest "occupied and possessed the land openly, continuously, exclusively, and adversely under a bona fide claim of ownership since [June 12,] 1945 or earlier."^[65]

Contrary to petitioner's claim, respondent stresses that it was able to present the tax declaration for 1945.^[66] Moreover, "the various tax declarations, which prove continuity and without intermission, and the tax clearance all in the name of Catalina Riveraf,] support the claim that [she] was in possession of the . . . land since 1945 and even earlier[.]"^[67] Respondent adds that "both the trial court and the Court of Appeals found that the . . . land was planted with corn[.]"^[68] "[Planting of corn requires cultivation and fostering[,], which proves that the possession by Catalina Rivera was actual, open and continuous."^[69]

We deny the Petition.

The main issue revolves around the proper interpretation of Section 48(b) of Commonwealth Act No. 141, as amended,^[70] otherwise known as the Public Land Act, which requires possession under a bona fide claim of ownership since June 12, 1945 for a judicial confirmation of title: