

SECOND DIVISION

[G.R. No. 194818, June 09, 2014]

**CHARLES BUMAGAT, JULIAN BACUDIO, ROSARIO PADRE,
SPOUSES ROGELIO AND ZOSIMA PADRE, AND FELIPE DOMINCIL,
PETITIONERS, VS. REGALADO ARRIBAY, RESPONDENT.**

D E C I S I O N

DEL CASTILLO, J.:

A case involving agricultural land does not immediately qualify it as an agrarian dispute. The mere fact that the land is agricultural does *not ipso facto* make the possessor an agricultural lessee or tenant; there are conditions or requisites before he can qualify as an agricultural lessee or tenant, and the subject matter being agricultural land constitutes simply one condition. In order to qualify as an agrarian dispute, there must likewise exist a tenancy relation between the parties.

This Petition for Review on *Certiorari*^[1] seeks to set aside the February 19, 2010 Decision^[2] of the Court of Appeals (CA) in CA-G.R. SP No. 101423, entitled "*Regalado Arribay, Petitioner, versus Charles Bumagat, Julian Bacudio, Rosario Padre, Spouses Rogelio and Zosima Padre, and Felipe Domincil,*" as well as its November 9, 2010 Resolution^[3] denying reconsideration of the assailed judgment.

Factual Antecedents

Petitioners are the registered owners, successors-in-interest, or possessors of agricultural land, consisting of about eight hectares, located in Bubog, Sto. Tomas, Isabela Province, to wit:

1. Charles Bumagat (Bumagat) – 14,585 square meters covered by Transfer Certificate of Title No. (TCT) 014557;^[4]
2. Julian Bacudio (Bacudio) – 14,797 square meters covered by TCT 014556;^[5]
3. Rosario Padre – 14,974 square meters covered by TCT 014554^[6] in the name of Dionicio Padre;^[7]
4. Spouses Rogelio and Zosima Padre – 6,578 square meters covered by TCT 014561^[8] in the name of Ireneo Padre;^[9]
5. Spouses Rogelio and Zosima Padre – 6,832 square meters covered by TCT 014560 in the name of their predecessor-in-interest Felix Pacis;^[10]

6. Felipe Domincil – 14,667 square meters covered by TCT 014558;^[11]
and

7. Felipe Domincil – 7,319 square meters.^[12]

The certificates of title to the above titled properties were issued in 1986 pursuant to emancipation patents.^[13]

On July 19, 2005, petitioners filed a Complaint^[14] for forcible entry against respondent before the 2nd Municipal Circuit Trial Court (MCTC) of Cabagan-Delfin Albano, Isabela. The case was docketed as Special Civil Action No. 475 (SCA 475). In an Amended Complaint,^[15] petitioners alleged that on May 9, 2005, respondent – with the aid of armed goons, and through the use of intimidation and threats of physical harm – entered the above-described parcels of land and ousted them from their lawful possession; that respondent then took over the physical possession and cultivation of these parcels of land; and that petitioners incurred losses and injuries by way of lost harvests and other damages. Petitioners thus prayed for injunctive relief, actual damages in the amount of not less than P40,000.00 for each cropping season lost, P30,000.00 attorney's fees, and costs.

Respondent filed a Motion to Dismiss,^[16] claiming that the subject properties are agricultural lands – which thus renders the dispute an agrarian matter and subject to the exclusive jurisdiction of the Department of Agrarian Reform Adjudication Board (DARAB). However, in a January 30, 2006 Order,^[17] the MCTC denied the motion, finding that the pleadings failed to show the existence of a tenancy or agrarian relationship between the parties that would bring their dispute within the jurisdiction of the DARAB. Respondent's motion for reconsideration was similarly rebuffed.^[18]

Respondent filed his Amended Answer with Counterclaim,^[19] alleging among others that petitioners' titles have been ordered cancelled in a December 1, 2001 Resolution^[20] issued by the Department of Agrarian Reform, Region 2 in Administrative Case No. A0200 0028 94; that he is the absolute owner of approximately 3.5 hectares of the subject parcels of land, and is the administrator and overseer of the remaining portion thereof, which belongs to his principals Leonardo and Evangeline Taggug (the Tagguugs); that petitioners abandoned the subject properties in 1993, and he planted the same with corn; that in 2004, he planted the land to rice; that he sued petitioners before the Municipal Agrarian Reform Office (MARO) for non-payment of rentals since 1995; and that the court has no jurisdiction over the ejectment case, which is an agrarian controversy.

The parties submitted their respective Position Papers and other evidence.^[21]

During the proceedings before the MCTC, respondent presented certificates of title, supposedly issued in his name and in the name of the Tagguugs in 2001, which came as a result of the supposed directive in Administrative Case No. A0200 0028 94 to cancel petitioners' titles. As claimed by respondent, the subject parcels of land formed part of a 23.663-hectare property owned by one Romulo Taggug, Sr. (Romulo Sr.) and covered by Original Certificate of Title No. (OCT) P-4835, which

was placed under the Operation Land Transfer Program pursuant to Presidential Decree No. 27^[22] (PD 27). Petitioners supposedly became farmer-beneficiaries under the program, and the parcels of land were awarded to them. Meanwhile, Romulo Sr. died and his heirs instituted Administrative Case No. A0200 0028 94 to cancel petitioners' titles. The heirs won the case, and later on new titles over the property were issued in their favor. In turn, one of the heirs transferred his title in favor of respondent.

Ruling of the Municipal Circuit Trial Court

On April 12, 2007, a Decision^[23] was rendered by the MCTC in SCA 475, the dispositive portion of which reads:

WHEREFORE, judgment is hereby rendered in favor of the plaintiffs and against the defendant as follows:

1. Ordering the defendant or any person or persons acting in his behalf to vacate the entire SEVENTY NINE THOUSAND SEVEN HUNDRED FIFTY TWO (79,752)[-]SQUARE METERS, property described under paragraph 2 of the amended complaint and to peacefully surrender the physical possession thereof in favor of each of the plaintiffs;

2. Ordering the defendant to pay each of the plaintiffs representing actual damages as follows:

- o Charles BumagatP109,390.00
- o Julian BacudioP110,980.00
- o Rosario PadreP112,305.00
- o Sps. Rogelio and Zosima PadreP100,575.00
- o Felipe DomincilP165,429.00

3. Ordering the defendant to pay plaintiffs representing the Attorney's fees in the amount of P10,000.00.

4. Ordering the defendant to pay costs of the suit.

SO ORDERED.^[24]

Essentially, the MCTC held that based on the evidence, petitioners were in actual possession of the subject parcels of land, since respondent himself admitted that he brought an action against petitioners before the MARO to collect rentals which have remained unpaid since 1995 – thus implying that petitioners, and not respondent, were in actual possession of the land, and belying respondent's claim that he took possession of the property in 1993 when petitioners supposedly abandoned the same. The court added that petitioners' claims were corroborated by the statements of other witnesses – farmers of the adjoining lands – declaring that petitioners have been in unmolested and peaceful possession of the subject property until May 9, 2005, when they were dispossessed by respondent.

The MCTC added that it had jurisdiction over the case since there is no tenancy relationship between the parties, and the pleadings do not allege such fact; that respondent's own witnesses declared that the subject property was never tenanted nor under lease to tenants.

Finally, the MCTC held that while respondent and his principals, the Tagguags, have been issued titles covering the subject property, this cannot give respondent "license to take the law into his own hands and unilaterally eject the plaintiffs from the land they have been tilling."^[25]

Ruling of the Regional Trial Court

Respondent appealed^[26] the MCTC Decision before the Regional Trial Court (RTC), insisting that the DARAB has jurisdiction over the case; that he has been in actual possession of the subject land since 2003; that while petitioners hold certificates of title to the property, they never acquired ownership over the same for failure to pay just compensation therefor; that petitioners' titles have been ordered cancelled, and they reverted to the status of mere tenants; and that the MCTC erred in granting pecuniary awards to petitioners.

On October 15, 2007, the RTC issued its Order^[27] denying the appeal for lack of merit and affirming *in toto* the appealed MCTC judgment. In sum, the RTC pronouncement echoed the MCTC findings that no tenancy or any other agrarian relationship existed between the parties, nor do the pleadings bear out such fact; that the evidence preponderantly shows that petitioners were in actual possession of the subject land; and that petitioners were entitled to compensation as awarded by the court *a quo*.

Ruling of the Court of Appeals

Respondent went up to the CA by Petition for Review,^[28] assailing the Decision of the RTC and claiming that since petitioners acquired title by virtue of PD 27, this should by itself qualify the controversy as an agrarian dispute covered by the DARAB; that there is no need to allege in the pleadings that he and the heirs of Romulo Sr. acquired title to the property, in order for the dispute to qualify as an agrarian dispute; that petitioners' titles were ordered cancelled in Administrative Case No. A0200 0028 94; that he has been in possession of the property since 2003; and that the trial court erred in granting pecuniary awards to petitioners.

On February 19, 2010, the CA issued the assailed Decision, which held thus:

IN VIEW WHEREOF, the petition is GRANTED. The assailed Order of the Regional Trial Court of Cabagan, Isabela, Branch 22, dated October 15, 2007, affirming *in toto* the previous Decision of the MCTC of Cabagan-Sto. Tomas, Isabela is hereby REVERSED and SET ASIDE. Civil Case No. 475, entitled "Charles Bumagat, Julian Bacudio, Rosario Padre, Sps. Rogelio and Zosima Padre and Felipe Domincil versus Regalado Arribay" is DISMISSED.

SO ORDERED.^[29]

In reversing the trial court, the CA agreed that the parties' dispute fell under the jurisdiction of the DARAB since petitioners' titles were obtained pursuant to PD 27, and under the 1994 DARAB rules of procedure, cases involving the issuance, correction and cancellation of Certificates of Land Ownership Award (CLOAs) and Emancipation Patents (EPs) which are registered with the Land Registration Authority fall under DARAB jurisdiction.^[30] The appellate court added that the Complaint for ejectment attacked the certificates of title issued in favor of respondent and the Tagguags because the complaint prayed for –

x x x the annulment of the coverage of the disputed property within the Land Reform Law which is but an incident involving the implementation of the CARP. These are matters relating to terms and conditions of transfer of ownership from landlord to agrarian reform beneficiaries over which DARAB has primary and exclusive original jurisdiction, pursuant to Section 1(f), Rule II, DARAB New Rules of Procedure.^[31]

Petitioners moved for reconsideration, but in a November 9, 2010 Resolution, the CA stood its ground. Hence, the present recourse.

Issue

Petitioners raise the following issue in this Petition:

WITH ALL DUE RESPECT, THE COURT OF APPEALS ERRED WHEN IT RULED THAT THE MCTC HAD NO JURISDICTION OVER THE COMPLAINT OF THE (PETITIONERS), INSTEAD IT IS THE DARAB THAT HAS JURISDICTION, SINCE THE COMPLAINT ESSENTIALLY PRAYS FOR THE ANNULMENT OF THE COVERAGE OF THE DISPUTED PROPERTY WITH THE LAND REFORM LAW WHICH IS BUT AN INCIDENT INVOLVING THE IMPLEMENTATION OF THE CARP.^[32]

Petitioners' Arguments

In their Petition and Reply,^[33] petitioners seek a reversal of the assailed CA dispositions and the reinstatement of the MCTC's April 12, 2007 Decision, arguing that their Complaint for ejectment simply prays for the recovery of *de facto* possession from respondent, who through force, threat and intimidation evicted them from the property; that there is no agrarian reform issue presented therein; that the fact that the controversy involved agricultural land does not *ipso facto* make it an agrarian dispute; that the parties' dispute does not relate to any tenorial arrangement over agricultural land; and that quite the contrary, the parties are strangers to each other and are not bound by any tenorial relationship, whether by tenancy, leasehold, stewardship, or otherwise.^[34]