

06 June 1987

Corrections on the Draft Executive Order
Instituting A Comprehensive Agrarian Reform Program
and Providing The Mechanisms for Its Implementation

The following provisions should be:

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Section 4. Land Ownership Ceiling and Retention Limits. Except as provided for in this Order, and unless Congress provides otherwise, no person, association or corporation may own/retain, directly or indirectly, agricultural land in excess of fifty (50) hectares by July 1, 1990, twenty-four (24) hectares by July 1, 1992, and seven (7) hectares by July 1, 1997. Upon the effectivity of this Order, and unless Congress provides otherwise, any sale, disposition, lease, management contract or transfer of possession of private lands of any size coming from a land ownership above seven (7) hectares covered by this Order shall be null and void unless made in favor of farmers, regular farmworkers and all other qualified beneficiaries as defined by the Department of Agrarian Reform.

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Section 6. Procedure of Acquisition. The Department of Agrarian Reform shall publish and notify the landowner or his authorized representative of the acquisition of his land together with the offer of the Department of Agrarian Reform to pay for the land as provided in Section 7 hereunder. The Department of Agrarian Reform, shall advise the landowner to surrender the land ownership certificate and other relevant documents to the Department of Agrarian Reform within

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fifteen days (15) from the service of notice. If the landowner fails to surrender such ownership documents within the prescribed period, the Department of Agrarian Reform, shall proceed to acquire the said property in accordance herewith. The Department of Agrarian Reform, after publication of acquisition and notice to the landowner is hereby authorized to take immediate possession of the land and to proceed with the resale and distribution of the land to qualified beneficiaries.

If the landowner accepts the offer of payment through the Land Bank of the Philippines, the latter shall pay the landowner the purchase price of the land as provided in Section 7 below within fifteen (15) days after he surrenders the Ownership Certificate of Title and other relevant documents as required by the Department of Agrarian Reform and the Land Bank of the Philippines. If the landowner does not accept the said offer, his compensation shall be held in trust for him by the Land Bank of the Philippines.

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Section 21. Land Tax Credit and Land Surtax. Landholders who voluntarily transfer their lands to qualified beneficiaries within the period prescribed in Section 8 hereof shall enjoy a tax credit equivalent to five percent (5) of the price of the land and improvements as provided for in Section 7. After the period provided for in Section 8 hereof, an annual surtax equivalent to five percent (5%) of the market value of the land and improvements as provided in Section 7 hereof shall be imposed on all agricultural landholdings of landowners who own land in excess of the applicable retention limit.

Section 23. Penalties

- a. Imprisonment for a period of not less than six (6) months but not exceeding six (6) years and a fine ranging from five hundred pesos (P500.00) to one thousand pesos (P1,000) per hectare of the property involved at the discretion of the Courts shall be imposed for the prohibited acts mentioned in clauses a,b,c,d and e of Section 22.

If the act was committed by a juridical person, the penalty shall be imposed upon its officers.

- b. Imprisonment for a period of not less than six (6) years but not more than twelve (12) years and a fine ranging from one thousand pesos (P1,000) to two thousand pesos (P2,000) per hectare of the property involved at the discretion of the Court, shall be imposed for the commission of the prohibited acts mentioned in clauses f and g of Section 22.

If the act was committed by a juridical person, the penalty shall be imposed upon the President or the Chairman and such person acting under his direction.