

[PRESIDENTIAL DECREE NO. 1425, June 10, 1978]

AMENDING PRESIDENTIAL DECREE NO. 1040 BY STRENGTHENING THE PROHIBITION AGAINST AGRICULTURAL SHARE TENANCY AND PROVIDING PENALTIES FOR VIOLATION THEREOF.

WHEREAS, under the provisions of the Code of Agrarian Reforms, agricultural share tenancy throughout the country, with the exceptions and/or qualifications provided for in said Code, has been declared contrary to public policy and automatically converted into agricultural leasehold;

WHEREAS, under Presidential Decree No. 2 dated September 26, 1972, the whole country has been proclaimed as a land reform area;

WHEREAS, notwithstanding such provisions of the Code of Agrarian Reforms and Presidential Decree No. 2, many landowners, landholders, civil law lessees, legal possessors, and usufructuaries, including persons acting for and in their behalf, particularly in tenanted rice and/or corn lands, still insist on the crop sharing system to govern the tenancy relationship with their tenants; and

WHEREAS, the penal provisions of the Code of Agrarian Reforms are inadequate to enforce full compliance with the aforestated declared policy on leasehold and, therefore, there is a need to strengthen said penal provisions by imposing stiffer penalties;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order:

SECTION 1. The agricultural leasehold system shall continue to govern the relationship between the landowner, landholder, civil law lessee, legal possessor, usufructuary or any person acting for and in his behalf, and the tenant-farmer in rice and/or corn lands not covered by the land transfer program under Presidential Decree No. 27 as well as in those tenanted lands devoted to other crops with the exceptions and/or qualifications provided for in Sections 4 and 35 of the Code of Agrarian Reforms.

SEC. 2. In all cases covered by Section 1 hereof, all agricultural leasehold contracts shall, upon demand by either party, be reduced in writing and shall be registered in the form and manner provided for in the Code of Agrarian Reforms:

Provided, That the leasehold contract may be acknowledged either before the municipal judge of the municipality where the land is situated or before the field lawyer of the Department of Agrarian Reform duly commissioned as a Notary Public for the province/city where the land is situated.

SEC. 3. Any landowner, landholder, civil law lessee, legal possessor, usufructuary, or any person acting for and in his behalf, who refuse upon demand by the tenant to comply with the provisions of Section 1 of this Decree by continuing and maintaining the share tenancy system, or any person who induces another to enter into a share tenancy contract, relationship or arrangement shall, upon conviction, suffer the penalty of two (2) years imprisonment or a fine of not more than P5,000 or both in