

**[NIA MEMORANDUM CIRCULAR NO. 07, S. 2002,
JANUARY 22, 2002, January 22, 2002]**

**ANNOTATION OF UNPAID IRRIGATION SERVICE FEE AS
PREFERRED LIEN ON THE OCT/TCT OF DELINQUENT FARMER-
BENEFICIARY**

Pursuant to Section 1 of Presidential Decree 552 amending Section 2 (b) of Republic Act 3601 providing for the annotation of unpaid Irrigation Service Fee (ISF) as preferred liens on the land benefited or on the crops raised thereon, in relation to National Land Titles and Deeds Registration Authority (NALTDRA) Circular No. 93 dated December 2, 1986 directing Register of Deeds (RD) to annotate the Certificate of Title of the Delinquent Farmer-Beneficiary (DFB) as preferred lien in favor of National Irrigation Administration (NIA), the unpaid ISF upon presentation of a Petition for Registration and Annotation of Lien on Original Certificate of Title/Transfer Certificate of Title (OCT/TCT) and after all legal registration requirements are complied with, and recognizing this process as an effective means of collecting ISF back accounts, the following directives are hereby issued:

1. Irrigation System Office/Provincial Irrigation Office (ISO/PIO)

1.1 All ISO/PIO with ISF back accounts shall file with the concerned Register of Deeds (RD) a petition for annotation against the DFB.

1.2 That as a preparatory step to and as required in the filing of the petition, all ISO/PIO are directed to prepare a list of delinquent farmer-beneficiary and update their statements of account. They shall likewise coordinate with the respective RD of the province/city where the land affected is/are covered to secure certified true copies of OCT/TCT of DFB or research on the following: (a) OCT/TCT number, (b) name of registered owner, (c) lot number, (d) location and area of the land sought to be affected by the lien.

1.3 After the list of DFB have been firmed up and their statements of account updated, ISO/PIO shall then issue the first demand letter (DL) to be served to the DFB.

1.4 If the DFB failed to pay his/her obligation after the first DL, ISO/PIO shall then serve the second DL. If after receipt of the second DL, the DFB fails or refuses to pay his/her obligation, ISO/PIO shall then issue the third and final DL.

1.5 If despite receipt of the third and final DL, DFB still fails or refuses to settle his/her obligation, ISO/PIO shall prepare and file the petition with annexes with the concerned RD, for the annotation of the ISF back account in his/her OCT/TCT.

1.6 That service of the three (3) DLs shall be by personal delivery or thru registered mail with return card.