

REPUBLIC ACT NO. 34

AN ACT AMENDING CERTAIN SECTIONS OF ACT NUMBERED FOUR THOUSAND FIFTY-FOUR, AS AMENDED, OTHERWISE KNOWN AS “THE PHILIPPINE RICE SHARE TENANCY ACT”

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Sections three and four of Act Numbered Four thousand and fifty-four are hereby amended to read as follows:

“SEC. 3. *Landlord and tenant interpreted.* - For the purpose of this Act, the word “landlord” shall mean and include either a natural or juridical person who is the real owner of the land which is the subject-matter of the contract, as well as a lessee, a usufructuary or any other legitimate possessor of agricultural land cultivated by another; and the word “tenant” shall mean a farmer or farm laborer who undertakes to work and cultivates land for another or a person who furnishes the labor with the consent of the landlord.

“SEC. 4. *Form of contract.* - The contract on share tenancy, in order to be valid and binding, shall be drawn in triplicate in the language or dialect known to all the parties thereto, to be signed to thumb-marked both by the landlord or his authorized representative and by the tenant, before two witnesses, one to be chosen by each party. The party who does not know how to read and write may request one of the witnesses to read the contents of the document. Each of the contracting parties shall retain a copy of the contract and the third copy shall be filed with, and registered in, the office of the municipal treasurer of the municipality, where the land, which is the subject-matter of the contract, is located: *Provided, however,* That in order that a contract may be considered registered, both the copy of the landlord and that of the tenant shall contain an annotation made by the

municipal treasurer to the effect that same is registered in his office.

“The forms of contract shall be uniform and shall be prepared and furnished by the Department of Justice. Oath or affirmation by the contracting parties before the municipal treasurer concerned shall be sufficient for the purpose of acknowledgment. No fees or stamps of any kind shall be paid or required.”

SEC. 2. Section seven of the same Act, as amended by Commonwealth Act Numbered One hundred seventy-eight, is hereby further amended to read as follows:

“SEC. 7. *Freedom to contract.* - The landlord and tenant shall be free to enter into any or all kinds of tenancy contract as long as they are not contrary to existing laws, morals and public policy. Such contract shall be conclusive evidence of what has been agreed upon between the contracting parties, except in case of fraud or error, if the said contract is not denounced or impugned within thirty days from its registration in the office of the municipal treasurer, as provided in section five of this Act.

“The following stipulations are hereby declared to be against public policy:

“(a) If the tenant shall receive less than fifty-five *per cent* of the net produce, in case he furnishes the work animals and the farm implements, and the expenses of planting and cultivation are borne equally by said tenant and the landlord.

“(b) If the rental stipulated to be paid by the tenant to the landlord is higher than twenty-five *per cent* of the estimated normal harvest, in case of a contract providing for a fixed rental of the land.

“(c) If the landlord is the owner of the work animal, and the tenant of the farm implements, and the expenses are equally divided between the landlord and the tenant, for the tenant to receive less than fifty *per centum* of the net crop.”

SEC. 3. Sections eight, nine and twenty-two of the same Act are amended to read as follows:

“SEC. 8. *Share basis.* - In the absence of any written agreement to the contrary and when the tenant furnishes the necessary implements and the work animals and defrays all the expenses for planting and cultivation of the land, the crop shall be divided as follows: the tenant shall receive seventy *per cent* of the net produce of the land and the landlord thirty *per cent*, for first-class land, the normal production of which, based on the average yield for the three preceding years, is more than forty cavans of palay per one cavan of seeds; seventy-five *per cent* for the tenant and twenty-five *per cent* for the landlord, in case of land the average normal production of which is not more than forty cavans of palay per one cavan of seeds. In case the landlord furnishes the necessary work animals and farm implements and, likewise, bears all the expenses of planting and cultivation, the landlord shall receive seventy *per cent* and the tenant thirty *per cent* of the crop; but if the landlord furnishes the necessary work animals and farm implements and bears equally with the tenant the expenses of planting and cultivation, the crop shall be divided equally between the parties.

“Expenses for harvesting and threshing shall be deducted from the gross produce. Expenses for the maintenance of irrigation systems within the respective areas shall be for the account of the tenant, but amortizations for the cost of construction of the system itself shall be for the account of the landlord. The expenses for construction and maintenance of privately owned irrigation systems shall be agreed upon between the landlord and tenant, but in case of disagreement, all expenses for the construction of the system shall be for the

account of the landlord, provided that the costs of constructing the distribution canals shall be for the account of the tenant.

“The division shall be made in the same place where the crop has been threshed and each party shall transport his share to his warehouse, unless the contrary is stipulated by the parties.

“SEC. 9. *Auxiliary industry.* - In the absence of any written agreement to the contrary, in case the land is planted to a second crop of rice or other auxiliary crops, the tenant shall receive eighty *per cent* and the landlord twenty *per cent* of the net produced, provided all expenses of production are borne by the tenant.

“Auxiliary industry shall not, however, be construed to include the crops or products raised from a garden, poultry, and such other industries carried on a lot specially provided for the residence of the tenant.

“SEC. 22. *Lot for dwelling.* - The tenant shall be entitled to construct a dwelling on the land cultivated by him, if he so chooses, and once a dwelling is constructed, he shall be entitled to a fixed residential lot of not less than six hundred square meters, but not exceeding one thousand square meters in area, depending upon the availability of suitable land and the area cultivated by the tenant belonging to the landowner, the same to be devoted to the purposes of a garden, poultry and such other minor industries as may be necessary for his livelihood, the products of which shall accrue to the tenants exclusively: *Provided*, That the tenant shall be given forty-five days within which to remove his house from the land of the landlord in the event of the cancellation of the contract of tenancy for any reason: *Provided, further*, That in case he fails to devote the lot allotted to him for the purposes herein mentioned for a period of six months, it shall revert the cultivation of palay.”

SEC. 4. This Act shall take effect immediately, provided that when the landlord has advanced money, seeds or the like to the tenant, and in the cases in which it might be applicable, the landlord shall have a preferential lien on the share of the tenant for the payment of such advances made plus six *per cent* interest *per annum*.

Approved: September 30, 1946