

Title:

Meliton Herrera vs. The Auditor General of the Republic of the Philippines, G.R. No. L-11154, 102 Phil. 875 (1958)

Facts:

In 1934, the Government widened the Pasong Tamo Road (later turned into Tandang Sora Avenue and now within Quezon City), which included taking a portion of Lot No. 1120, owned by Meliton Herrera. Herrera, in the belief that the Government would pay him, surrendered his land for public use. Despite continuously asking for settlement and payment since 1934, the Government took no action on his claim. Herrera's title certificate was lost by the Government during the war, forcing him to obtain a duplicate. Renewing his claim in 1951, the District Engineer of Pasig acknowledged that no payment had been made to Herrera and that he had to continue paying taxes.

In 1955, Herrera engaged a lawyer, Atty. Enrique O. Chan, to pursue the claim further. The Quezon City Engineer, Anastasio A. Agan, offered to pay the assessed value of P1,230 for the lot—an offer accepted by Herrera. This communication was relayed to higher authorities, who requested supporting documents and information about the ownership and tax payments. Despite acknowledgments from local officials, higher authorities, including the Commissioner of Public Highways and the City Attorney, expressed doubts and ultimately denied the claim based on prescription.

Herrera's lawyer sought reconsideration with the Auditor General, arguing that differences existed between Herrera's case and other cited cases concerning similar claims. Upon denial by the Auditor, Herrera filed a petition for review with the Supreme Court.

Issues:

1. Whether the Government's claim of prescription precludes payment to Meliton Herrera for the land taken in 1934.
2. Whether Herrera is entitled to compensation and just payment for his property taken by the Government for road widening.
3. Whether the Government should pay for taxes, interests, and additional costs incurred by Herrera due to the long delay in settlement.

Court's Decision:

1. ****Prescription:**** The Supreme Court found that prescription does not preclude Herrera's claim as there was never a formal sale or transfer of land to the Government. The land

remains under Herrera's name, and the Government's continuous collection of taxes supports this.

2. **Compensation Entitlement:** The Court ruled that the Government must pay Herrera the amount of P1,230 agreed upon in 1955, recognizing Herrera's continuous ownership and the Government's use of the property without just compensation for over two decades.

3. **Additional Costs:** While the Court suggested that it would be just and fair for the Government to pay for interests, taxes, and attorney's fees to atone for the undue delay, they did not enforce this in their decision. The directive was for Herrera to execute a deed of conveyance in favor of the Government, which would also bear all related registration and conveyance expenses.

Doctrine:

The principle established is that the Government is bound to pay just compensation for private property taken for public use, as underscored by the Constitution. The principle of prescription does not negate an individual's right to compensation when the Government has not acquired formal ownership of the land. Additionally, good faith actions by property owners and formal acknowledgments by Government officials may renew financial obligations.

Class Notes:

- **Key Elements:**

1. **Expropriation:** Private property taken must be accompanied by just compensation.
2. **Torrens Title System:** Land under Torrens Title retains ownership rights until formally transferred.
3. **Prescription:** Does not necessarily bar claims where the Government continues to recognize private ownership.

- **Statutory Provisions:**

- **1973 Constitution, Article IV, Section 6:** "The State may, in the interest of national welfare or defense, establish and operate industries and means of transportation and communication, and, upon payment of just compensation, transfer to public ownership, utilities and other private enterprises to be operated by the Government."

Historical Background:

The case highlights the administrative and legal inefficiencies of the time, reflecting the broader context of land acquisition issues in public infrastructure development during the

early to mid-20th century in the Philippines. The plight of landowners like Meliton Herrera showcases the difficulties faced by citizens in ensuring fair treatment and timely compensation from the Government amidst ongoing public works and post-war recovery challenges.